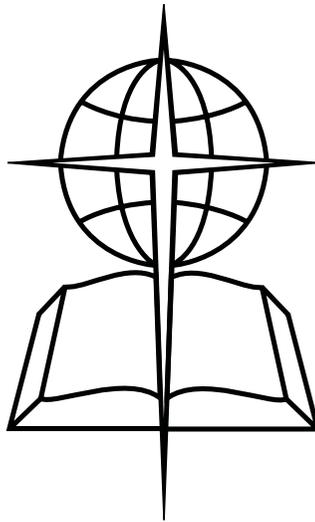


# ANNUAL

OF THE

## SOUTHERN BAPTIST CONVENTION



PREPARED FOR THE YEAR 2020

175 years

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DEDICATED TO  
OUR INTERNATIONAL MISSION BOARD MISSIONARIES  
AND NORTH AMERICAN MISSION BOARD MISSIONARIES  
WHO SELFLESSLY SERVE, ON BEHALF OF SOUTHERN BAPTISTS,  
THE LORD JESUS CHRIST IN THE PROPAGATION OF THE GOSPEL  
TO OUR WORLD AND OUR NATION.

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*"[We] give thanks to God for every remembrance of you,  
always praying with joy for all of you in every prayer,  
because of your partnership in the gospel from the first day until now."  
- Philippians 1:3-5 -*

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# **PART 1**

## **LEGAL AUTHORITIES, BUSINESS PROCEDURES, AND STATEMENT OF FAITH**

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# CHARTER

## An Act

To Incorporate ... the Southern Baptist Convention

Be it enacted by the Senate and House of Representatives of the State of Georgia in General Assembly met, and it is hereby enacted by the authority of the same, that from and after the passing of this act ... that William B. Johnson, Wilson Lumpkin, James B. Taylor, A. Docrety, R. B. C. Howell and others their associates and successors be and they are hereby Incorporated and made a body politic by the name and style of the Southern Baptist Convention with authority to receive hold possess retain and dispose of property either real or personal to sue and be sued and to make all bye-laws, rules and regulations necessary to the transaction of their business not inconsistent with the laws of this state or of the United States, said corporation being created for the purpose of eliciting combining and directing the energies of the Baptist denomination of Christians for the propagation of the gospel any law usage or custom to the contrary notwithstanding.

[Signed:]

Charles J. Jenkins  
Speaker of The House of Representatives

Absalom H. Chappell  
President of the Senate

Approved December 27th 1845  
Geo. W. Crawford  
Governor

(Act 203, Georgia Archives RG 37-01-15 Enrolled Acts & Resolutions, Georgia Laws - 1845, Vol. 2-9838 Acts 98-228 pp. 428-431.)

# CONSTITUTION

The messengers from missionary societies, churches, and other religious bodies of the Baptist denomination in various parts of the United States met in Augusta, Georgia, May 8, 1845, for the purpose of carrying into effect the benevolent intention of our constituents by organizing a plan for eliciting, combining, and directing the energies of the denomination for the propagation of the gospel and adopted rules and fundamental principles which, as amended from time to time, are as follows:

**Article I. The Name:** The name of this body is the “Southern Baptist Convention.”

**Article II. Purpose:** It is the purpose of the Convention to provide a general organization for Baptists in the United States and its territories for the promotion of Christian missions at home and abroad and any other objects such as Christian education, benevolent enterprises, and social services which it may deem proper and advisable for the furtherance of the Kingdom of God.

**Article III. Composition:** The Convention shall consist of messengers who are members of Baptist churches in cooperation with the Convention. The following subparagraphs describe the Convention’s current standards and method of determining the maximum number of messengers the Convention will recognize from each cooperating church to attend the Convention’s annual meeting.

1. The Convention will only deem a church to be in friendly cooperation with the Convention, and sympathetic with its purposes and work (i.e., a “cooperating” church as that term is used in the Convention’s governing documents) which:
  - (1) Has a faith and practice which closely identifies with the Convention’s adopted statement of faith. (By way of example, churches which act to affirm, approve, or endorse homosexual behavior would be deemed not to be in cooperation with the Convention.)
  - (2) Has formally approved its intention to cooperate with the Southern Baptist Convention. (By way of example, the regular filing of the annual report requested by the Convention would be one indication of such cooperation.)
  - (3) Has made undesignated, financial contribution(s) through the Cooperative Program, and/or through the Convention’s Executive Committee for Convention causes, and/or to any Convention entity during the fiscal year preceding.
2. Under the terms above, the Convention will recognize to participate in its annual meeting two (2) messengers from each cooperating church, and such additional messengers as are permitted below.
3. The Convention will recognize additional messengers from a cooperating church under one of the options described below. Whichever method allows the church the greater number of messengers shall apply:
  - (1) One additional messenger for each full percent of the church’s undesignated receipts which the church contributed during the fiscal year preceding through the Cooperative Program, and/or through the Convention’s Executive Committee for Convention causes, and/or to any Convention entity; or
  - (2) One additional messenger for each \$6,000 which the church contributed during the fiscal year preceding through the Cooperative Program, and/or through the Convention’s Executive Committee for Convention causes, and/or to any Convention entity.
4. The messengers shall be appointed and certified by their church to the Convention, but the Convention will not recognize more than twelve (12) from any cooperating church.
5. Each messenger shall be a member of the church by which he or she is appointed.
6. If a church experiences a natural disaster or calamitous event and, as a result, the church is not qualified to appoint as many messengers as the church could appoint for the Convention’s annual meeting immediately before the event, the church’s pastor or an authorized church representative may, for no more than the three (3) annual meetings after the event, certify the facts to the registration secretary and obtain the same number of messengers it could have certified for the Convention’s annual meeting immediately before the event.

**Article IV. Authority:** While independent and sovereign in its own sphere, the Convention does not claim and will never attempt to exercise any authority over any other Baptist body, whether church, auxiliary organizations, associations, or convention.

**Article V. Officers:**

1. The officers of the Convention shall be a president, a first and a second vice president, a recording secretary, a registration secretary, and a treasurer.

2. The officers shall be elected annually and shall hold office until their successors are elected and qualified. The term of office for the president is limited to two (2) years, and a president shall not be eligible for re-election until as much as one (1) year has elapsed from the time a successor is named. The first vice president shall be voted upon and elected after the election of the president has taken place; and the second vice president shall be voted upon and elected after the election of the first vice president has taken place.
3. The president shall be a member of the several boards and of the Executive Committee.
4. The treasurer of the Executive Committee shall be the treasurer of the Convention.
5. In case of death or disability of the president, the vice presidents shall automatically succeed to the office of president in the order of their election.

**Article VI. The Boards, Institutions, and Commissions – Their Constitution and Powers:**

1. The general boards of the Convention shall be composed as follows, unless otherwise provided in their charters.
  - (1) Twelve (12) members chosen from the city or vicinity of the state in which the board is located, but not more than three (3) local members elected from the same church.
  - (2) One (1) member chosen from each cooperating state; and one (1) additional member from each state having two hundred and fifty thousand (250,000) members, and another additional member for each additional two hundred and fifty thousand (250,000) members in such state.
  - (3) The members shall be divided into four (4) groups as nearly equal as possible, and one (1) group shall be elected each year to serve four (4) years. Board members having served two (2) full terms of four (4) years shall not be eligible for re-election until as much as two (2) years have elapsed. This shall also apply to the Executive Committee.
2. The trustees of institutions and directors shall be composed as follows:
  - (1) The trustees or directors shall be elected in keeping with the requirements of the charter of the entity as printed in the 1948 *Book of Reports* or subsequently amended with the prior approval of the Convention.
  - (2) If the composition of the trustees or directors is not determined by charter requirements, the body of trustees or directors shall be composed of one (1) member chosen from each cooperating state and eight (8) local members from the city or vicinity in which the entity is located, but not more than two (2) local members shall be chosen from the same church.
  - (3) Unless it is contrary to the charter requirements of the entity, the trustees or directors shall be divided into four (4) groups as nearly equal as possible and one (1) group shall be elected each year to serve four (4) years. Members having served two (2) full terms of four (4) years shall not be eligible for re-election until as much as two (2) years have elapsed after one has served two (2) full terms.
  - (4) Regardless of charter provisions, no trustee or director shall be eligible for re-election until as much as two (2) years have elapsed after the trustee or director has served two (2) full terms.

3. Terms of Service: No trustee of a board, institution, or commission, or a member of the Executive Committee shall be eligible to serve for more than two consecutive terms. A trustee or member of the Executive Committee who has served more than half a term shall be considered to have served a full term.
4. The governing groups of the entities may elect executive, administrative, finance, investment, and other committees if desired.
5. Each entity shall elect a president, a recording secretary, a treasurer, and such other officers as may be required. The president may be named as treasurer.
6. The compensation of its officers and employees shall be fixed by each entity, but no salaried employee or officer shall be a member of the directors of the entity.
7. Each entity is authorized to adopt its own bylaws.
8. Fifty percent of the members of the governing group shall constitute a quorum of the entity directors for transaction of any business.

**Article VII. Duties of Officers of Boards, Institutions, and Commissions:** All officers shall be subject to the control and direction of their directors in matters pertaining to the work and obligations of the board, institution, or commission. They shall perform such duties as commonly appertain to such officers.

1. The executive head of each board, institution, and commission shall be responsible to the directors for all the work of the entity and shall carry on the work as the directors may direct.
2. The recording secretary of each entity shall keep a record of all meetings of directors, if not otherwise provided for, and shall keep the records in fireproof safes, vaults, or files.
3. The treasurer of each entity shall follow approved methods of accounting, keep the books, receipt for all monies and securities, deposit all funds with a depository or depositories approved by the directors, and render full statements as required to the directors or to the Convention. The treasurer shall not pay out money except as the directors may order and direct.

**Article VIII. Church Membership:** Officers of the Convention, all officers and members of all boards, trustees of institutions, directors, all committee members, and all missionaries of the Convention appointed by its boards shall be members of Baptist churches cooperating with this Convention.

**Article IX. Missionaries' Qualifications:** All missionaries appointed by the Convention's boards must, previous to their appointment, furnish evidence of piety, zeal for the Master's kingdom, conviction of truth as held by Baptists, and talents for missionary service.

**Article X. Distribution of Funds:** The Convention shall have the right to designate only undesignated funds, the right of contributors to the work of the Convention to designate the objects to which their contributions shall be applied being fully recognized.

**Article XI. Meetings:**

1. The Convention shall hold its meetings annually at such time and place as it may choose.
2. The president may call special meetings with the concurrence of the other officers of the Convention and of the Executive Committee.
3. The Executive Committee may change the time and place of meeting if the entertaining city withdraws its invitation or is unable to fulfill its commitments.

4. The Convention officers, the Executive Committee, and the executive heads of the Convention's boards and institutions acting in a body may, in case of grave emergency, cancel a regular meeting or change the place of meeting.

**Article XII. As to Conflict with State Laws:** All incorporated entities of the Convention shall be required to comply with the letter and spirit of this Constitution, the Bylaws, and the Business and Financial Plan insofar as they are not in conflict with the statute law of the state in which an entity is incorporated, and nothing herein contained shall be construed to require any such incorporated entity to act and carry on its affairs in conflict with the law of the state of its incorporation. In case any action of any entity of the Convention is found to be a violation of the law of the state of its incorporation, said action shall be reported by that entity to the Convention for appropriate action.

**Article XIII. Definition of a State:** The District of Columbia shall be regarded as a state for the purpose of this Constitution, the Bylaws, and all actions of the Convention.

**Article XIV. Amendments:** Any alterations may be made in these Articles at any annual meeting of the Convention by a vote of two-thirds of the messengers present and voting at the time the vote is taken, provided that an amendment shall be so approved by two (2) consecutive annual meetings of the Convention.

## BYLAWS

In order to carry out the provisions of the Constitution, the following Bylaws are adopted for the government of the Convention:

### 1. Convention Session:

- A. The Convention shall open with the Tuesday morning session and continue through Wednesday, holding such sessions as the Committee on Order of Business finds necessary for the conduct of business, except that sufficient time on Wednesday afternoon shall be reserved for seminary luncheons and other necessary meetings.
- B. The Convention sermon and president's message shall be considered as fixed orders at the time designated by the committee on Order of Business.
- C. A messenger may speak in debate for longer than three minutes only with the permission of the Convention granted by a two-thirds vote.
- D. A messenger may introduce a second motion during a business session only if no other messenger is seeking the floor who has not made a motion during that session.

**2. Presentation of Outside Causes:** Causes other than those provided for in the regular work of the Convention may be presented to the Convention upon authority of officers of the Convention in conference with the Committee on Order of Business in such ways and at such times as may be dictated by the courtesies of the case and the necessities of the program.

### 3. Convention Site:

- A. No city shall be considered as a meeting place for the Southern Baptist Convention in which there is a considerable distance between the available hotels and the Convention hall.
- B. No meetings other than the Convention services shall be held in the Convention hall during the sessions of the Convention. Every service held in the Convention auditorium shall be under the direction of the Committee on Order of Business.

4. **Exhibits:** All exhibits of every description shall be rigidly excluded from those parts of the place of meeting where the people visiting the exhibits will disturb the proceedings of the Convention, their locations to be determined by the Executive Committee or its agent. The Executive Committee of the Convention shall have exclusive control of all exhibit space.
5. **Book of Reports:**
  - A. Copy for reports and recommendations to the Convention shall be submitted to the recording secretary by March 1, unless circumstances beyond the control of the reporting entity or committee make it impossible.
  - B. Recommendations of entities and committees of the Convention may not be voted upon until the recommendations have been printed in the *Book of Reports* or the Convention *Bulletin*. The recording secretary is authorized to provide the Baptist Press and other interested parties, upon their request, copies of recommendations requiring Convention action.
6. **Convention Annual:** The Convention *Annual* containing reports and actions of the Convention and other pertinent material shall be published as soon as possible after the meeting of the Convention and shall be made available without charge to all active pastors and denominational agents.
7. **Bulletin:**
  - A. The Executive Committee of the Convention shall have printed each day a sufficient number of brief reports, or bulletins, of the Journal of Proceedings, reporting specifically matters of business proposed and acted upon, including the names of committees appointed, reports of the committees, and such business as may be transacted and carried over to the following day, also including a list of the titles or subjects of the resolutions presented and the names of the persons presenting them.
  - B. Such report, or bulletin, shall not include speeches or addresses or any comment thereon, a photograph, or any personal reference to any messenger of the Convention, but shall be only a resume of the business transacted during that day.
8. **Messenger Credentials, Registration Committee, and Credentials Committee:**
  - A. *Messenger Credentials:* Each person elected by a church cooperating with the Southern Baptist Convention as messengers to the Southern Baptist Convention shall be registered as a messenger to the Convention upon presentation of proper credentials. Credentials shall be presented by each messenger, in person, at the Convention registration desk and shall be in the following form:
    - (1) A completed, properly authorized, official Southern Baptist Convention registration document, certifying the messenger's election in accordance with Article III. Composition, of the Constitution of the Southern Baptist Convention; but if the messenger does not have the messenger registration document,
    - (2) A letter from the messenger's church, signed by the pastor, clerk or moderator of the church, certifying the messenger's election in accordance with Article III. Composition, of the Constitution of the Southern Baptist Convention; or
    - (3) Some other document (which may include a fax, e-mail, or other physical or electronically transmitted document) from the messenger's church which is deemed reliable by the Registration Committee or qualifies under guidelines approved by the registration secretary and the Registration Committee.

Messengers registered in accordance with this section shall constitute the Convention.

- B. *Registration Committee*: The president of the Convention, in consultation with the vice presidents, shall appoint, at least thirty (30) days before the annual session, a Registration Committee to serve at the forthcoming sessions of the Convention. The registration secretary shall convene the Registration Committee at least one day prior to the annual meeting to supervise the registration of messengers, to oversee the operations of the registration desk, and to rule upon any questions which may arise in registration concerning the credentials of messengers.
- C. *Credentials Committee*: The Credentials Committee, a standing committee, shall be composed of the registration secretary, the chair of the Executive Committee, three members nominated by the Executive Committee, and four members nominated by the Committee on Nominations. Committee members may serve simultaneously on another board, institution, commission, or committee of the Convention or as a member of the Executive Committee. The names of the Executive Committee chair and the members nominated by the Executive Committee shall appear in the Committee on Nominations's report to the annual meeting, along with the names of members being nominated by the Committee on Nominations, for election by the Convention. Members other than the registration secretary and the Executive Committee chair shall serve a term of three (3) years. The committee shall elect its own chair. Members of the Credentials Committee shall be divided into three groups of three persons each with the registration secretary and the Executive Committee chair assigned to different groups. The term of office of one of the three groups shall expire each year. A member's term of office shall begin and expire at the conclusion of the Convention's annual meeting. Members having served one full term of three (3) years shall not be eligible for re-election until as much as one (1) year has elapsed after the last term of service has concluded. Vacancies occurring on the committee between annual meetings shall be filled by the Executive Committee, provided that any vacancy shall be filled only until the next annual meeting.
- (1) The Credentials Committee shall meet on the call of its chair or of any two of its members after reasonable notice of the time and place for the meeting. Meetings and reports of the committee may be private or public in order to maintain the degree of confidentiality which is appropriate under the circumstances to serve the best interests of the Convention and individual churches. When practical, meetings shall be held in conjunction with meetings of the Executive Committee or electronically. The committee may meet by teleconference, videoconference, or any other lawful means. Appropriate staff and legal assistance shall be provided for the Credentials Committee by the Executive Committee.
  - (2) When, during an annual meeting, an issue arises whether a church is in cooperation with the Convention, the Credentials Committee shall consider the matter and review any information available to it. The committee shall either:
    - (a) consider the question in the manner described in section (3)a below and, when prepared, recommend any action to the Executive Committee, in which case messengers from the church shall be seated pending any action by the Executive Committee; or
    - (b) at the earliest opportunity, recommend to the Convention whether the church should be considered a cooperating church. The Convention shall immediately consider the committee's recommendation. One representative of the church under consideration and one representative of the Credentials Committee shall be permitted to speak to the question, subject to the normal rules of debate. When debate is concluded, the Convention may decide

whether the church is a cooperating church or refer the matter to the Executive Committee for further review and a decision. Unless the Convention decides that the church is not a cooperating church, messengers from the church shall be registered and seated in accordance with the Convention's rules.

- (3) When an issue arises between annual meetings whether a church is in cooperation with the Convention, the Credentials Committee shall consider the matter and review any information available to it.
  - a. If the committee forms the opinion that a church is not in friendly cooperation with the Convention as described in Article III. Composition, of the Constitution, the committee shall submit to the Executive Committee a report stating that opinion and the committee's reasons for its opinion. The Executive Committee shall, at its next meeting, consider the report of the Credentials Committee and determine whether the church is in cooperation with the Convention. The Executive Committee's decision shall be final unless the church appeals the decision to the Convention during the next annual meeting.
  - b. A church which has been found not to be in cooperation may appeal the decision to the Convention by submitting a written appeal to the chair of the Credentials Committee at least 30 days prior to the Convention's annual meeting. The Credentials Committee chair shall immediately notify the Credentials Committee, the chair of the Committee on Order of Business, and the President that an appeal to the Convention has been lodged.
  - c. The registration secretary shall notify the Convention of the appeal in the initial registration report to the Convention.
  - d. The Convention shall consider the appeal during a time established for miscellaneous business on the afternoon of the first day of the Convention. The question before the messengers will be "Shall the decision of the Credentials Committee and the Executive Committee that [*name of the church in question*] is not in cooperation with the Southern Baptist Convention be sustained?" One representative of the church under consideration and one representative of the Credentials Committee or Executive Committee shall be permitted to speak to the question, subject to the normal rules of debate. When debate is concluded, the Convention shall vote whether to sustain the Executive Committee's ruling. If the ruling of the Executive Committee is reversed, messengers from the church shall immediately be registered and seated in accordance with the Convention's rules.
- (4) If a church which has been found not to be in cooperation with the Convention addresses the issues which led to that finding, it may apply to the Credentials Committee for a reconsideration of its status. If the circumstances warrant, the Credentials Committee may recommend to the Executive Committee that the church be once again considered a cooperating church.
- (5) The committee may make inquiries of a church, but shall never attempt to exercise any authority over a church through an investigation or other process that would violate Article IV of the Constitution.

9. **Address of Welcome:** There may be one (1) address of welcome limited to ten (10) minutes and one (1) response thereto limited to ten (10) minutes.

**10. Election of Officers and Voting:**

- A. The president, the first and second vice presidents, and the secretaries shall be elected at the Convention, their terms of office to begin at the final adjournment.
- B. Election of officers shall be by ballot, provided however that if there is only one (1) nomination, and no other person desires to nominate, the registration secretary or anyone designated for the purpose may cast the ballot of the Convention. If an officer does not receive a majority of votes cast on the first ballot, subsequent ballots shall carry the names of those who are included in the top 50 percent of the total votes cast in the previous ballot.
- C. Nominating speeches for officers of the Convention shall be limited to one (1) address of not more than three (3) minutes for each nominee.
- D. The president, in consultation with the registration secretary, shall appoint tellers. The tabulation of any vote by the tellers or otherwise (such as by electronic means) shall be under the supervision of the registration secretary. The president or registration secretary shall announce election and voting results to the Convention as soon as practicable.
- E. Any materials, instructions, and/or devices necessary to vote shall be made available to the messengers.
- F. No proxy voting is permitted. All propositions, decisions, and choices shall be by a majority vote of the messengers present and voting in person, except where provisions have been made for a greater than majority vote. Except for officer elections, votes may be taken by ballot, by voice, by rising, by show of hands, by common consent, or by some other acceptable method. "Ballot" shall include electronic voting that protects the integrity of the voting process and provides for messengers' votes to remain confidential.

**11. Parliamentary Authority and Parliamentarians:** The parliamentary authority of the Southern Baptist Convention shall be *Robert's Rules of Order* (latest revised edition). The Convention president, in conference with the vice presidents, shall select a chief parliamentarian and assistant parliamentarians, as necessary, to advise the presiding officers of the Convention on matters of parliamentary procedure. The chief parliamentarian shall be a person of experience and knowledge, sufficient to qualify him or her to serve as parliamentarian to the Southern Baptist Convention, and he or she shall be certified by the American Institute of Parliamentarians and/or the National Association of Parliamentarians. It shall be the responsibility of the president and treasurer of the Executive Committee of the Southern Baptist Convention to sign, on behalf of the Executive Committee, any contracts or letters of agreement related to the services of the chief parliamentarian.

**12. Ministry Leaders:** Leaders of Southern Baptist Convention entities shall be admitted to the Convention sessions and shall be authorized to serve as resource persons for discussion of those matters which affect their areas of ministry responsibility.

**13. Memorial Services:** The Committee on Order of Business is instructed to arrange for any memorial service to be held during the Convention.

**14. Entities and Auxiliary of the Convention:**

- A. The entities of the Convention are as follows:
  - (1) General Boards: The International Mission Board of the Southern Baptist Convention, Richmond, Virginia; The North American Mission Board of the Southern Baptist Convention, Inc., Alpharetta, Georgia; LifeWay Christian

Resources of the Southern Baptist Convention, Nashville, Tennessee; GuideStone Financial Resources of the Southern Baptist Convention, Dallas, Texas.

- (2) Institutions: The Southern Baptist Theological Seminary, Louisville, Kentucky; The Southwestern Baptist Theological Seminary, Fort Worth, Texas; New Orleans Baptist Theological Seminary, New Orleans, Louisiana; Gateway Seminary of the Southern Baptist Convention, Ontario, California; The Southeastern Baptist Theological Seminary, Inc., Wake Forest, North Carolina; Midwestern Baptist Theological Seminary, Inc., Kansas City, Missouri.
  - (3) Commission: The Ethics and Religious Liberty Commission of the Southern Baptist Convention, Nashville, Tennessee.
- B. Auxiliary: Woman's Missionary Union, Birmingham, Alabama, is an auxiliary of the Convention.

**15. Committee on Nominations:**

- A. The Committee on Nominations shall be composed of two (2) members from each qualified state, who shall be elected by the Convention. Nominations for each position shall be made by the Committee on Committees. The Committee on Committees shall make its recommendation of nominees to the Convention in the form of a single motion to elect all those persons it recommends for the Committee on Nominations. The motion may be amended but no messenger shall be allowed to propose more than one (1) person at a time for election. When adopted by the Convention, the motion of the Committee on Committees, as amended, shall constitute the election of the persons named in the motion to the Committee on Nominations. One (1) person nominated to the Committee on Nominations from each state shall be a person not employed full time by (or retired from) a church or denominational entity. Persons nominated to the Committee on Nominations shall have been resident members for at least three (3) years of Southern Baptist churches either geographically within the states or affiliated with the conventions of the states from which they are elected.
- B. The Committee on Nominations thus elected shall prepare its report through the year, carefully following the provisions of the Constitution and Bylaws of the Convention and the documents of the respective Convention entities, and shall recommend to the next Convention the following:
- (1) Members of the Executive Committee of the Southern Baptist Convention
  - (2) Directors/trustees of the boards of the Convention
  - (3) Trustees of the institutions of the Convention
  - (4) Trustees of the commissions of the Convention
  - (5) Members of any standing committees, except certain members of the Credentials Committee as expressly provided by Bylaw 8.
- C. Excluding the president and recording secretary of the Convention, and the president of Woman's Missionary Union, and unless otherwise specifically permitted or required by these bylaws, no person shall be eligible to be elected or appointed to serve simultaneously on more than one of the boards, institutions, commissions, or committees of the Convention, or as a member of the Executive Committee, and no person shall be elected or appointed to serve on one of these bodies if that person's spouse has been elected or appointed to serve on one of these bodies for a time which would be simultaneous.

- D. The committee shall not recommend a fellow committee member or the member's spouse or a member of the previous year's Committee on Committees or the member's spouse for a first term on an entity.
- E. The committee shall recognize the principle that the persons it recommends shall represent the constituency of the Convention, rather than the staff of the entity.
- F. No person and no person's spouse shall be eligible to serve on the board of any one of the above entities (1) from which the person receives, directly or indirectly, any form of payment or financial benefit except for reimbursements for reasonable and authorized expenses incurred in the performance of the duties of a trustee, or, (2) which provides funds for which he/she has a duty of administration. When such conditions become applicable, that person or that person's spouse shall be considered as having resigned and such vacancy shall be filled in accordance with established Convention procedure.
- G. All of the above entities shall include both church or denominational employees and those who are not church or denominational employees. Not more than two-thirds of the members of any of these entities shall be drawn from either category. Where a person was serving as a church or denominational employee at the time of retirement, he/she should be counted as a church or denominational employee after retirement as far as the work of the Committee on Nominations is concerned.
- H. Any person elected to serve on any of the boards, institutions, commissions, or the Executive Committee, shall at the time of such election have been continuously a resident member for at least the preceding three (3) years of a church or churches which were in those years in friendly cooperation with the Convention and sympathetic with its purposes and work, and, where representation is by qualifying states, which were either geographically within the state or affiliated with the convention of the state from which the person is elected. Any person who is a member of one of these entities shall be considered as having resigned when the person ceases to be a resident member of a church either geographically within the state or affiliated with the convention of the state from which he/she has been elected as a representative.
- I. No person who has served on the board of an entity or on the Executive Committee shall be eligible to serve on the board of any entity or on the Executive Committee until two years after the conclusion of his or her term of office, except that a person may be re-elected to an authorized successive term or serve by virtue of a separate office.
- J. The report of the Committee on Nominations shall be released to Baptist Press no later than 45 days prior to the annual meeting of the Convention and shall be published in the first day's Bulletin. Persons desiring to amend the report of the Committee on Nominations are encouraged to publicize the nature of their amendment sufficiently in advance of the annual meeting of the Convention to allow information concerning the amendment to be made available to Convention messengers.
- K. The Committee on Nominations shall make its recommendation to the Convention in the form of a motion to elect those persons it recommends for specific terms of office. The motion may be amended but no messenger shall be allowed to propose more than one (1) person at a time for election. When adopted by the Convention, the motion of the Committee on Nominations, as amended, shall constitute the election of the persons named in the motion to their respective terms of office.

**16. Vacancies on Boards:** All entities shall report all vacancies on the entities to the Committee on Nominations immediately on the occurrence of such vacancies. Any entity's board may make interim appointments only when authorized by its charter. Any such appointment shall only be of a person who is eligible and qualified both to be elected by the Convention and to serve according to the Constitution and Bylaws of the Southern Baptist Convention.

**17. Fraternal Messengers:**

- A. The Convention shall send a fraternal messenger to the annual sessions of the American Baptist Churches and the National Baptist conventions. The expenses of the fraternal messengers incurred while in attendance upon the conventions herein named shall be included in the items of Convention expenses.
- B. The fraternal messenger to the American Baptist Churches shall be the president of the Southern Baptist Convention at the time of the meeting of the American Baptist Churches, and he shall also be the fraternal messenger to the other National Baptist conventions named. If the president is unable to attend, he shall be authorized to name another officer as a substitute.
- C. The fraternal messengers to other Baptist bodies or other religious bodies may be elected by the Convention as occasion may require. The expenses of such messengers shall be borne by the messengers themselves unless specifically provided for by the Convention.

**18. The Executive Committee:**

- A. The Executive Committee shall consist of the president and the recording secretary of the Convention, the president of the Woman's Missionary Union, and one (1) or more members from each qualified and cooperating state or defined territory of the Convention, subject to the provisions of Section 30 of the Bylaws.
  - (1) Once the number of members of cooperating Southern Baptist churches in such an area reaches the levels shown in the following table, the number of Executive Committee members from that area shall thereafter be as indicated:
    - Any such qualified area: One (1) Executive Committee member
    - 250,000 church members: Two (2) Executive Committee members
    - 500,000 church members: Three (3) Executive Committee members
    - 750,000 church members: Four (4) Executive Committee members
    - 1,000,000 or more church members: Five (5) Executive Committee members.
  - (2) In addition, and solely for the purpose of providing representation on the Convention's fiduciary for cooperating areas which are not yet qualified as provided above, there shall be one Executive Committee member from each of the four following geographical areas: the Dakotas, Iowa, Minnesota-Wisconsin, and Montana.
  - (3) Except for areas represented by only one member, at least one-third of the members from any area shall be persons employed by a church or denominational entity, and at least one-third of the members from that area shall be persons not employed by a church or denominational entity.
  - (4) At least one-third of the entire membership of the Executive Committee shall be persons employed by a church or denominational entity, and at least one-third of its members shall be persons not employed by a church or denominational entity.

- (5) Except for the president and the recording secretary of the Convention and the president of Woman's Missionary Union, the following persons are disqualified from serving as members of the Executive Committee:
- a. Employees of the Convention or its Executive Committee
  - b. Trustees, directors, or employees of a Convention entity or its auxiliary
  - c. Employees of a convention for a state or defined territory, or of an entity or body that is empowered to act on behalf of such a convention
  - d. Employees of an entity of a convention for a state or defined territory
- B. Members shall be divided into four (4) groups as nearly equal as possible and shall hold office for four (4) years, one-fourth going out of office each year.
- C. A majority of the Committee shall constitute a quorum.
- D. The Executive Committee shall elect a president, who shall also be treasurer, and other officers and staff who may be needed. All the main executive officers and all the office employees who handle funds shall be bonded, and no salaried officer or employee shall be a member of the Executive Committee.
- E. The Executive Committee shall be the fiduciary, the fiscal, and the executive entity of the Convention in all its affairs not specifically committed to some other board or entity.

The Executive Committee is specifically authorized, instructed, and commissioned to perform the following functions:

- (1) To act for the Convention ad interim in all matters not otherwise provided for.
- (2) To be named in transfers of real and personal property for the use and benefit of the Convention either by deed, conveyance, will, or otherwise and to affix the seal of the Convention to all approved transactions; and to take title to and hold or to convey title to all properties, real or personal, and all funds, monies, and securities that are donated or transferred or left by will to or for the use of the Convention. As to such properties, funds, monies, and securities as the Executive Committee shall hold and not convey title to, the Executive Committee shall be custodian of such, holding them in trust for the Convention to be managed, controlled, and administered by the Executive Committee in accordance with the direction, general or specific, of the Convention. Rules governing the handling of securities set out in Article VII, Section 3, of the Constitution shall be observed by the Executive Committee.
- (3) To receive and receipt for all current funds of the Convention including all undesignated cooperative missionary, educational, and benevolent funds and all current special or designated funds for missionary, educational, and benevolent purposes which may be contributed by individuals, churches, societies, corporations, associations, or state conventions; and to disburse all undesignated funds, according to the percentages fixed by the Convention and all the designated funds according to the stipulations of the donors. The Executive Committee shall keep the accounts of all inter-entity groups and shall disburse their funds on requisition of the properly constituted officers of the inter-entity organization.
- (4) To recommend to the Convention a time and place and to have oversight of the arrangements for the meetings of the Convention, with authority to change both

the time and place of the meetings in accordance with the provisions of Article XI, Section 3, of the Constitution.

- (5) To act in an advisory capacity on all questions of cooperation among the different entities of the Convention, and among the entities of the Convention and those of other conventions, whether state or national.
- (6) To present to the Convention each year a consolidated and comprehensive financial statement of the Convention and all its entities, which statement shall show the assets and liabilities of the Convention and all its entities, and all the cash and other receipts of the year.
- (7) To present to the Convention a comprehensive budget for the Convention and for all its entities, which budget shall include the budgets of all the entities of the Convention whether or not they receive Cooperative Program funds, as reviewed by the Executive Committee. The Executive Committee shall recommend the amount of Convention funds which may be allocated to each cause. It shall not recommend any direct allocation of funds for any entity or institution for which the Convention does not elect trustees or directors.
- (8) To conduct the general work of promotion and the general work of publicity for the Convention in cooperation with the entities of the Convention. The Executive Committee shall provide a Convention relations service and a Convention news service to interpret and publicize the overall Southern Baptist ministry. These services shall be available to support the work of all Convention entities and ministries.
- (9) To maintain open channels of communication between the Executive Committee and the trustees of the entities of the Convention, to study and make recommendations to entities concerning adjustments required by ministry statements or by established Convention policies and practices, and, whenever deemed advisable, to make recommendations to the Convention. The Executive Committee shall not have authority to control or direct the several boards, entities, and institutions of the Convention. This is the responsibility of trustees elected by the Convention and accountable directly to the Convention.
- (10) To make its own bylaws in keeping with the Constitution and Bylaws of the Convention in carrying out these instructions to the Executive Committee; to hold meetings whenever deemed necessary; to make reports of all meetings to the Convention; to notify all the boards, entities, and institutions of the actions of the Convention and to advise with them as to the best way of promoting all the interests of the Convention.
- (11) To derive, in accordance with the action of the Convention in Atlanta in 1944, the expenses of the Executive Committee from the Operating Budget of the Convention specifically established for this purpose and formally approved by the Convention.
- (12) To utilize an appropriate report format which will enable the Executive Committee to obtain from the entities adequate and comparable information about ministry plans, accomplishments, and financial data.
- (13) To maintain an official organization manual defining the responsibilities of each entity of the Convention for conducting specific ministries and for performing other functions. The manual shall cite the actions of the Convention

that assigned the ministries and other functions to the entity. The Executive Committee shall present to the Convention recommendations required to clarify the responsibilities of the entities for ministries and other functions, to eliminate overlapping assignments of responsibility, and to authorize the assignment of new responsibilities for ministries or functions to entities.

- (14) To send copies of the minutes of the Executive Committee to the heads of all Southern Baptist Convention entities, and copies of the minutes of all entities shall be sent to the office of the Executive Committee.

**19. Committee on Committees:** A Committee on Committees, composed of two (2) members from each qualified state or defined territory, shall be appointed by the president, in conference with the vice presidents, of whom one (1) shall be designated as chairperson. Persons named to the Committee on Committees shall have been resident members for at least three (3) years of Southern Baptist churches either geographically within the states or affiliated with the conventions of the states from which they are appointed. Members so named shall be notified by the president in writing, at least 45 days before the meeting of the Convention. Their names shall be released by the president to Baptist Press no later than 45 days prior to the annual meeting of the Convention, and their names shall be published in the first issue of the Convention Bulletin. The president may fill any vacancies on the committee when those originally named do not attend the Convention. This committee shall nominate all special committees authorized during the sessions of the Convention not otherwise provided for. All special Convention committees shall transfer, upon their discharge, all official files to the Executive Committee of the Southern Baptist Convention.

**20. Committee on Resolutions:** At least seventy-five (75) days in advance of the Convention, the president, in conference with the vice presidents, shall appoint a Committee on Resolutions to consist of ten (10) members, any two (2) of whom shall have served as Committee on Resolutions members during the prior year, and any three (3) of whom shall be members of the Executive Committee. One of the Committee members shall be designated as chairperson. Members so named shall be notified by the president in writing at least 75 days before the annual meeting of the Convention. The names of the members of the Committee on Resolutions shall be released by the president to Baptist Press no later than 75 days prior to the annual meeting of the Convention, and their names shall be published in the first issue of the Convention Bulletin.

In order to facilitate thorough consideration and to expedite the Committee's work, all proposed resolutions shall:

- 1) Be submitted to the Committee for review and consideration as early as April 15th, but no later than fifteen (15) days prior to the next SBC annual meeting,
- 2) Be addressed to the Committee on Resolutions in care of the Executive Committee of the Southern Baptist Convention at its registered or e-mail address (electronic copies are preferred),
- 3) Be typewritten, titled, and dated,
- 4) Be accompanied by a letter from a church qualified to send a messenger to the annual meeting of the Southern Baptist Convention certifying that the person submitting the resolution is a member in good standing, and
- 5) Include complete contact information for both the person submitting it, and his or her church.

No person may submit more than three resolutions per year. The Committee on Resolutions shall prepare and submit to each annual meeting of the Convention only such resolutions the Committee recommends for adoption. Such resolutions may be based upon proposals received by the Committee or may originate with the Committee. Only resolutions recommended by the Committee may be considered by the Convention, except the Convention may, by a 2/3 vote, consider any other resolution properly submitted to the Committee.

A list of the titles of all properly submitted proposed resolutions shall be printed in the Convention *Bulletin*. The list shall include the name and city of each person properly submitting a resolution, and the disposition of each proper submission.

- 21. Committee on Order of Business:** The Committee on Order of Business, a standing committee, shall consist of seven (7) members – the president of the Convention and six (6) other members, two (2) of whom shall be elected each year for a term of three (3) years and two (2) of whom shall be persons not employed full time by a church or denominational entity. No member of the committee can succeed himself or herself. The committee shall suggest an order of business for the next meeting of the Convention. It shall provide periods of time during the Convention for the introduction of all matters requiring a vote not scheduled on the agenda, and, when introduced (unless the Convention then gives its unanimous consent for its immediate consideration) shall fix times for the consideration of the same. All such matters of business shall be introduced to the Convention by the end of the afternoon session of the first day of the annual meeting of the Convention. When practicable it shall give notice in the Convention *Bulletin* of the substance of the motion or resolution and the time for its consideration. If unable to give notice in the *Bulletin*, it shall cause announcement to be made from the floor of the Convention of the same, action thereon to be taken at the subsequent session of that Convention. The committee shall recommend to the Convention a preacher for the succeeding Convention sermon and the director of music. The director of music shall be elected annually and the term of office is limited to two (2) years. The director of music shall not be eligible for re-election until as much as one (1) year has elapsed from the time a successor is named.
- 22. Notification of Committees:** Within thirty (30) days after the Convention adjourns, the recording secretary shall notify the members of all committees of their appointment and all chairpersons of their position and furnish each one a list of that committee. The recording secretary shall also notify all board members, trustees of institutions, and commission members of their appointment.
- 23. The Great Commission Council:** The Great Commission Council shall serve as the organization through which the various entities and the auxiliary of the Convention will correlate their work. The membership of the Great Commission Council shall be composed of the chief executives of The Executive Committee of the Southern Baptist Convention, the auxiliary of the Convention, and the entities named in Bylaw 14.

  - A. The work of the Council shall be in keeping with its prescribed functions. It will neither launch nor execute ministries; it will formulate no policies, except those which govern its own activities. Its chief purpose is that of consultation, communication, and cooperation. The scope of its work will be that of:

    - (1) finding ways of mutual re-enforcement in assigned responsibilities and distinctive ministries;
    - (2) considering and seeking to avoid overlapping endeavors and competitive ministries;

- (3) considering the means for helping the churches fulfill their divine mission in Bible teaching, evangelism, world missions, stewardship, Christian training, education, and Christian social service;
- (4) finding ways for effective cooperation in promoting the total work of the Southern Baptist Convention;
- (5) considering the significant factors affecting the work and witness of the denomination; and
- (6) seeking to find the means through which the power of the Christian gospel may be comprehensively and effectively applied to the ends of the earth.

B. In the matter of relationships:

- (1) the Council is not, itself, an entity of the Convention;
- (2) it has no authority over the several entities;
- (3) its decisions are not binding on the entities, since the boards and commissions must retain the authority to reach the decisions required to carry out their own responsibilities;
- (4) its relationship to the entities is purely advisory;
- (5) the Council does not report formally either to the Convention or the Executive Committee, nor does the Convention refer matters directly to the Great Commission Council;
- (6) it may receive from and refer to the Executive Committee problems for consideration;
- (7) it is not required to take formal action with regard to matters referred to it by the Executive Committee in serving as a channel of cooperation and correlation relative to the work of the Convention; and
- (8) the Council sustains no direct relationship with state conventions or local churches, but it will strive to be mindful of the needs of the churches as well as the functions and ministries of the several conventions.

**24. Ministry Statements:** The ministry statements of the entities as approved by the Southern Baptist Convention and published in the 1967 *Annual* and subsequently amended, renamed, or rewritten, and approved by the Convention, express the policy of the Convention with respect to the ministries of the entities of the Convention.

**25. New Enterprises and Abolishing of Entities:** No new enterprise, involving expenditure of money, shall be authorized by the Convention except upon favorable action by the Convention in two (2) succeeding annual meetings; provided, however, that this restriction shall not apply to a recommendation of an entity of the Convention concerning its own work. No entity shall be discontinued without a majority vote at two (2) successive annual sessions of the Convention.

**26. Procedures:**

A. *Method of Procedure for Entities:* To facilitate consideration and discussion of the interests of the Convention, the following method of procedure is hereby adopted:

- (1) Printed reports of the boards, institutions, commissions, and standing committees shall be consolidated into the *Book of Reports* for distribution to messengers on their enrollment;

- (2) Reports of all special commissions and standing committees, containing recommendations for the Convention's action, shall be included in the *Book of Reports*; and
  - (3) All recommendations of each board, institution, commission, special committee, and standing committee shall be printed together at the end of its report before they may be considered by the Convention. In case any entity or committee shall be unable to comply with this requirement, its recommendation shall be printed in the Convention *Bulletin* before consideration and action by the Convention. Recommendations by an entity which are not published in the *Book of Reports* or the Convention *Bulletin* shall, when presented to the Convention, be referred to the Executive Committee or to such other committee as the Convention may direct.
- B. *Procedure for Motions of Messengers Concerning Entities:* Motions made by messengers dealing with internal operations or ministries of an entity shall be referred to the elected board of the entity for consideration and report to the constituency and to the next annual meeting of the Convention for action with the exception that the Committee on Order of Business may be instructed by a two-thirds vote to arrange for consideration at a subsequent session of the same Convention, subject to provision of Bylaw 21.

On all matters referred by the Convention, entities shall respond in writing at the close of their report in the *Book of Reports* and *Annual*, giving specific information on:

- (1) how the matter referred was considered;
  - (2) how it was reported to the constituency; and
  - (3) any actions on the matter taken by the entity or action proposed to the Convention.
- C. *Limitations:* The last one-third of the time allotted for consideration of every entity report before the Convention shall be reserved for discussion from the floor.

## 27. **Publicity and Press Representative:**

- A. Boards, institutions, and special committees dealing with matters of general importance and interest shall have in the hands of the press representative of the Convention, at least one (1) week in advance, copies of digests of their report to be submitted to the approaching Convention.
- B. The press representative shall cooperate with the representatives of the secular press in furnishing intelligent, accurate, and creditable reports of this Convention while in session.

28. **Closing of Books:** Entities of the Convention shall close their books and accounts and have them audited as of midnight September 30, or in the case of the seminaries, July 31, or in the case of GuideStone Financial Resources, December 31. Supplemental reports for the period between the closing of the books of the entities and the Convention session should be included in the reports to the Convention.

29. **Participation in Convention Affairs:** To promote broad participation in the affairs of the Convention, a person need not be a registered messenger to serve as a Convention committee member or volunteer (such as an usher or teller), but must be a member of a church cooperating with the Convention.

**30. Representation From Qualified States and Territories:**

- A. When the cooperating Baptist churches in a state or defined territory have fifteen thousand (15,000) members, an initial application may be filed for representation on the Executive Committee, the Committee on Committees, and the Committee on Nominations.
- B. When the cooperating Baptist churches have twenty thousand (20,000) members, an updated application may be filed for representation on the International Mission Board, North American Mission Board, and LifeWay Christian Resources of the Southern Baptist Convention, unless otherwise provided in the Board's charter.
- C. When the cooperating Baptist churches have twenty-five thousand (25,000) members, an updated application may be filed for representation on GuideStone Financial Resources, the commissions, and institutions, unless otherwise provided in the commission's or institution's charter, and on the standing committees of the Convention, all as provided by the Bylaws of the Convention.
- D. The application in each instance shall be filed with the Executive Committee, through its president, prior to its February meeting. The application shall contain information as specified by the Executive Committee.
- E. Upon receiving the initial application, the Executive Committee shall investigate all matters pertaining to the request and make a recommendation to the Southern Baptist Convention at its next annual meeting. If the recommendation of the Executive Committee is favorable to the application, a copy of the recommendation shall be forwarded to the president of the Southern Baptist Convention and the chairman of the Committee on Committees prior to the next annual meeting of the Convention.
- F. Upon receipt of the favorable recommendation of the Executive Committee on the initial application in (1) above, the president of the Convention, in conference with the vice presidents, shall appoint two (2) persons from the state or territory to serve as members of the Committee on Committees, and the Committee on Committees shall nominate two (2) persons from the state or territory to serve on the Committee on Nominations, all conditional upon the approval of the application by the Southern Baptist Convention.
- G. Those elected by the Convention shall be immediately eligible to begin their appropriate terms of service.

**31. Adoption of Reports:** The adoption of recommendations contained in reports to the Convention shall not bind the Convention on any other matters in the body of the reports; but the Convention reserves the right to consider and amend the body of all reports.

**32. As to Violation of State Laws:** All incorporated entities of the Convention shall be required to comply with the letter and spirit of the Constitution insofar as it is not in conflict with the statute law of the state in which an entity is incorporated, and nothing herein contained shall be construed to require any such incorporated entity to act and carry on its affairs in conflict with the law of the state of its incorporation. In case any action of any entity of the Convention is found to be a violation of the law of the state of its incorporation, said action shall be reported by that entity to the Convention for appropriate action.

**33. Charters of Entities, Subsidiaries, and Ancillary Organizations:** The charters of all entities of the Convention shall provide that the trustees or directors of such entities be elected by the Convention, and that the charters may not be further amended without the prior consent of the Convention. The charters of all subsidiaries of any entity of the

Convention shall provide that they may not be further amended without the prior consent of the Convention or its Executive Committee. No entity of the Convention shall establish a subsidiary corporation or any other legal entity or form for conducting its affairs, nor acquire a controlling interest or greater than a 25% interest in any other corporation or business enterprise, until the Convention or its Executive Committee has approved the same and its governing instruments. An entity of the Convention shall not undertake through a subsidiary or by any other means any action which, if undertaken by the entity itself, would violate the Constitution, Bylaws, or Business and Financial Plan of the Convention.

- 34. Quorum:** The quorum for conducting business during the annual meeting of the Southern Baptist Convention shall be a minimum of 25 percent of those duly registered and seated messengers.
- 35. Trustee Absenteeism:**
- A. Upon the request of any entity, the Convention may remove from office any trustee/director of that entity who has excessive unexcused absences. Following such removal, the Convention shall elect a successor to complete the term of office of the person removed.
  - B. An entity shall give written notice of any request to remove a trustee/director for absenteeism at least one hundred twenty (120) days prior to the meeting of the Convention which shall consider the removal. The notice shall be given to the president of the Convention, the president/chief executive officer of the Executive Committee, the chairman of the Committee on Nominations, and the individual trustee/director whose removal shall be considered.
  - C. If required by state law, an entity shall incorporate this procedure in its charter or bylaws prior to requesting the Convention to remove any trustee.
- 36. Amendments:** The Bylaws may be amended pursuant to Bylaw 21 by a two-thirds majority vote at any time except during the last session of the Convention. Bylaw 14, which lists the entities and auxiliary of the Convention, may be amended by a majority vote of two (2) successive annual meetings.

## BUSINESS AND FINANCIAL PLAN

- I. Convention Budget:** Each entity of the Convention shall submit to the Executive Committee for its review:
- A. an itemized estimate of its receipts for the next fiscal year, and
  - B. an itemized estimate of its expenditures for the next fiscal year according to the rule set forth below (See Section II-C) for making operating budgets.

The Executive Committee shall present to the Convention a budget, which budget shall consist of all the budgets of all the entities which have been submitted to the Executive Committee and reviewed by it, and recommend the amount of Convention funds to be allocated to each cause or entity.

**II. Operating Budgets:**

- A. *Convention Operating Budget* - The Executive Committee shall recommend to the Convention an operating budget which shall include all expenses of the Convention, committees, and other items included in the Convention Operating Budget. The Executive Committee shall also recommend to the Convention the source of these funds.

B. *Entities Not Sharing in Table of Percentages* - The entities of the Convention not sharing in the table of percentages for distribution of funds shall be provided for as follows:

1. Expenses of Standing Committees – The Executive Committee shall approve or recommend to the Convention, after a personal conference or correspondence with chairpersons of standing committees, a sum of money to be appropriated to each of them for the Convention year.
2. Expenses of Special Committees –
  - a. The expenses incurred by special committees appointed by the Convention to perform duties connected with one or more entities of the Convention shall be borne by the entity or entities concerned on a basis pro rata to receipts unless the expenses are otherwise specifically provided.
  - b. The expenses incurred by special committees which do not directly concern any of the entities of the Convention shall be paid out of the Convention Operating Budget. Unless the amount of expenses is fixed by the Convention, the Executive Committee must agree to the amount to be expended before such expenditure is incurred.
  - c. Itemized accounts of expenses of members of such committees shall be required and approved by the chairperson before the same shall be paid.

C. *Entities Sharing in the Direct Allocation* - The entities of the Convention sharing in the direct allocation for the distribution of funds shall make their operating budgets in the following manner:

1. The current operating budget of the entities of the Convention shall be made on the basis of the current distributable operating allocation, plus any other anticipated receipts which can be substantiated by previous experience, not including wills, bequests, and special gifts for special purposes; and any debt incurred within the current year shall become a preferred item in the budget of the Convention year immediately following.
2. In making the annual appropriations on the basis set forth, a contingent item shall be set up in the budget according to the needs of the entity.
3. It is understood that an entity may borrow money for reasonable needs, provided, however, that such borrowing shall not exceed the amount of its budget allowance remaining at the time of borrowing, and provided further that if an emergency should arise, additional money may be borrowed on the approval of the Executive Committee of the Convention.

**III. Convention Year:** The financial affairs of the Convention and all its entities, except those of the theological seminaries and GuideStone Financial Resources, shall be operated on the fiscal year beginning October 1 and closing September 30. The seminaries owned and operated under the authority of the Convention shall use the fiscal year beginning August 1 and closing July 31. GuideStone Financial Resources shall use the fiscal year beginning January 1 and closing December 31.

**IV. The Disbursing Entity:** By agreement, all sums collected in the states for the causes fostered by this Convention will be forwarded at least monthly by each state office to the Executive Committee of this Convention, which shall act as the disbursing agent of this Convention. The Executive Committee shall remit at least weekly to each of the entities of the Convention the funds, distributable and designated, belonging to each entity. The first distribution in each month shall be on the seventh day of the month, or the nearest

working day thereafter. The Executive Committee shall make monthly reports of receipts by states, and of disbursements by entities, and shall forward each month copies of these reports to the executives of the entities of the Convention, to the state offices, and to the denominational papers.

**V. Distribution of Cooperative Program Receipts:** In order that the financial plans and purposes of the Convention may operate successfully, the Convention appeals to its constituents to give to the whole Cooperative Program and to recognize the wisdom and right of the Convention to distribute its receipts from the Cooperative Program, thus assuring an equitable distribution among the entities of the Convention.

**VI. Fund Raising Activities:**

A. *Approval of Financial Activities* – No entity of the Southern Baptist Convention shall conduct any type of fund raising activity without the advance approval of the Convention, or its Executive Committee. No advance approval shall be required for the two Convention approved special offerings: Lottie Moon Christmas Offering for International Missions and Annie Armstrong Easter Offering for North American Missions.

B. *Reporting Fund Raising Activities* – Each Convention entity shall report annually to the Executive Committee of the Southern Baptist Convention on any type of fund raising activity conducted by the entity. The report shall include a summary of the activity, its title, financial goals, structure, cost, and the results of such fund raising during the past year. No report shall be required for the Lottie Moon Christmas Offering for International Missions and the Annie Armstrong Easter Offering for North American Missions.

C. *Cooperative Program Promotion* – Each Convention entity shall report on its efforts during the year in promoting Cooperative Program missions giving.

D. *No Financial Appeals to Churches* – In no case shall any Convention entity approach a church for inclusion in its church budget or appeal for financial contributions.

**VII. Designated Gifts:** The Convention binds itself and its entities faithfully to apply and use such gifts as designated by the donor.

**VIII. Trust Funds:** Each entity of the Convention is hereby instructed and ordered to keep all trust funds and designated gifts (for they are trust funds) sacred to the trust and designation; that they be kept separate from all other funds of such entity; that they are not to be used even temporarily for any other purpose than the purpose specified; and that such funds shall not hereafter be invested in the securities of any denominational body or entity.

**IX. Gift Annuity Agreements:** All entities of this Convention writing gift annuity agreements in the future, and the Executive Committee when writing gift annuity agreements on behalf of the Southern Baptist Convention, are encouraged to place the annuity portion of each gift annuity on deposit with the Southern Baptist Foundation or GuideStone Financial Resources of the Southern Baptist Convention and enter into a contractual agreement with the Southern Baptist Foundation or GuideStone Financial Resources to pay the annuity payments required under the gift annuity agreement. This provision shall not apply to gifts of property, real or personal, the income of which is to go to the donor without further or additional obligation on the part of the entity accepting the gift. The Southern Baptist Foundation and GuideStone Financial Resources of the Southern Baptist Convention shall, when determining the amounts required to fund the annuity portion of any gift annuity agreement, use mortality, interest, and expense rates which are approved

or recommended by any appropriate regulatory authority, if any, or which are based on sound actuarial statistics.

- X. Indebtedness/Liability:** An entity or institution shall not create any liability or indebtedness, except such as can and will be repaid out of its anticipated receipts for current operations within a period of three (3) years, without the consent of the Convention or the Executive Committee. In order to obtain such approval, the entity must file a statement showing the source of such anticipated receipts.

Such consent must be likewise obtained for a purchase of properties (directly or indirectly or through ownership of controlling stock in other corporations or otherwise) subject to liens or encumbrances which cannot be repaid out of its anticipated receipts for current operations within a period of three (3) years.

- XI. Capital Fund Allocations:** Capital funds are allocated for the purpose of obtaining, expanding, improving, or maintaining properties owned by entities of the Southern Baptist Convention and essential to implementing entity program assignments.

Capital funds are used in projects which add to the long-range assets of the entity.

In making allocations for capital funds, priority shall be given to those projects which make the greatest contribution to advancing the overall objectives of the Southern Baptist Convention in bringing men to God through Jesus Christ.

Capital funds projects shall cost more than \$5,000 and have a projected life span of more than five (5) years.

Items such as office equipment, furniture replacement, or books shall not be acquired through the capital fund allocation process.

Repairs and maintenance of income-producing property shall be made from earned income. Major repairs to non income-producing property may be considered as being eligible for capital fund allocations.

- XII. Contingent Reserves:** Each entity of this Convention shall set up as soon as possible a reserve for contingencies to provide for deficits that may occur either through decreased receipts or through emergencies or both. The maximum amount of contingent reserve of any entity shall be determined by the entity, subject to the approval of the Convention. Entities shall state on the balance sheets of the annual audits the amounts in Contingent Reserve Funds.

**XIII. Financial Report:**

- A. *Audit Reports* - The entities of the Convention and the Executive Committee shall close their books and accounts as of the close of business on September 30 of each year, or July 31 in the case of the seminaries, or December 31 in the case of GuideStone Financial Resources, and have them audited by an independent certified public accountant (the external auditor) in accordance with auditing standards generally accepted in the United States of America.

Each entity of the Convention shall forward a copy of its external auditor's audit report (or, if more than one, all such reports) to the Executive Committee, as soon as possible after the close of its fiscal year. Additionally, as a part of this annual submission process, each entity shall also submit a statement signed by its chief executive officer and the chief financial officer which affirms that the books and accounts are accurate and complete to the best of the officer's knowledge, and that the officer believes the corporation's internal controls are adequate.

Each entity and the Executive Committee shall appoint a committee of its own trustees to undertake and accomplish duties pertinent to audit reports. These committees shall be appointed, and the trustees serving on the committees shall operate, independent of influence by their corporation's management, and each such committee shall include at least one trustee who is competent by training and experience in fiscal matters. The duties these committees shall perform for their respective entities shall include:

- 1) recommending the appointment of the external auditor,
- 2) studying the external auditor's audit report upon its completion,
- 3) maintaining the independence of the entity's financial auditors,
- 4) reviewing the entity's critical accounting policies and decisions and the adequacy of its internal control systems,
- 5) preserving the integrity of the financial reporting process implemented by management, and
- 6) assuring that the business procedures listed in Article XVII are followed.

As a part of each external auditor's audit report, the external auditor shall prepare for the entity's audit committee a separate letter on the auditing firm's letterhead (the "management letter") in which the external auditor makes any recommendations concerning the entity's financial and accounting policies, processes, internal controls, or other matters. If the external auditor has no recommendations, he should so state in the management letter to the entity's audit committee. The entity's administration shall forward a copy of the management letter along with any comments that the administration might deem desirable to the Executive Committee simultaneously with the external auditor's audit report, for review and response (if appropriate) by the Executive Committee. The process of submission and review of the external auditors' audit reports and management letters of the several entities by the Executive Committee shall be governed by the assigned responsibilities and limitations upon authority described in SBC Bylaw 18 E and its subparagraphs (6), (7), (9), and (12).

When securities are placed for holding with a trustee (i.e. bank, trust company, foundation, etc.), a certified statement from such trustee should be made to the external auditor and be made a part of the annual external auditor's audit report or submitted as a supplement to the report.

B. *Printing of Reports* - The financial report of each entity and of the Executive Committee shall be printed in the *Convention Book of Reports*, or the *Convention Annual*, and shall contain the following six items, the first five of which come from its latest annual audit report:

- 1) Statement of Financial Position
- 2) Statement of Activities (revenues, expenses, and other changes in net assets)
- 3) Statement of Cash Flows
- 4) Classified list of investments by fund and type of investment
- 5) Receipts by states of contributions. These should show:
  - a. Cooperative Program receipts received through the Executive Committee
  - b. Designated receipts received through the Executive Committee
  - c. Gifts not received through the Executive Committee
- 6) A statement executed by the chair of the entity's board attesting that the board's officers confirm the following fiscal conditions exist:

- a. The expenses and perquisites of the president are not excessive and are in keeping with biblical stewardship, including every emolument and personal benefit of any kind (and specifically including housing, travel, automobile(s), and personal assistants) all valued at market rates.
- b. All corporate expenses are reasonable and incurred to accomplish the entity's *Organization Manual* mission statement, *Organization Manual* ministry assignments, and any other responsibilities previously approved by the messengers of the Southern Baptist Convention and still in force.
- c. All corporate expenses are incurred by the administration in a manner that reflects integrity and avoids appearances of impropriety while upholding a positive Christian witness to the Convention and beyond.

LifeWay Christian Resources shall include in its annual report to the Convention information on the amount of funds transferred to state conventions during the preceding year.

At the end of the presentation of entity financial data in each SBC *Book of Reports*, a statement shall be inserted which discloses that the entities have all supplied (or naming which have and which have not, if some have not) the statement required by Article XIII B 6, above, and setting forth the elements thereof, in order that the messengers and the Convention's affiliated churches may be annually reassured that those fiscal conditions set forth are continuing to be maintained by the Convention's entities.

- XIV. Safeguarding of Funds:** All persons who transfer or safeguard funds or securities of the Convention or any entity of the Convention shall be bonded in an amount sufficient to protect against loss of the funds or securities involved. Such bonds may be reviewed and approved by the Convention or its Executive Committee.

Members of cooperating Southern Baptist churches shall have access to information from the records of Southern Baptist Convention entities regarding income, expenditures, debts, reserves, operating balances, and salary structures.

The securities of all Convention entities shall be held and maintained in a prudent manner, including under such internal controls as may be recommended in the entity's annual audit.

- XV. New Enterprises:** No new enterprise involving expenditure of money shall be authorized by the Convention except upon favorable action by the Convention in two (2) succeeding annual meetings; provided, however, that this restriction shall not apply to a recommendation of any entity of the Convention concerning its own work. In the event any new hospital propositions are made, they must be considered as new enterprises of the Convention, whether money is involved at the time of the acquiring of such property or not, and must be presented to two (2) succeeding annual sessions of the Convention.

- XVI. Appropriations by the Entities:** No entity shall make any appropriation to any cause or for any purpose other than for the promotion of its own work except by the approval or upon the instruction of the Convention or of the Executive Committee.

LifeWay Christian Resources shall be required to transfer funds to the Southern Baptist Convention each year to be used as the Convention determines. LifeWay Christian Resources shall not be permitted or required to transfer funds to other Southern Baptist Convention entities or committees.

- XVII. Business Procedure:** Entity boards of trustees should oversee the operations of the entity in such a manner as will assure effective and ethical management. Disclosures of the entity's relationship with other entities, its activities, liabilities, commitments, and results of operations should be accurate and complete and include all material information. The entity should not make any loan from funds of the entity to a trustee. The entity should not make any loan from funds of the entity to an officer or employee without having first obtained the approval of its board (or its delegated subcommittee) after disclosure of all relevant details. Employees and trustees should not appropriate for personal advantage any corporate property or business opportunities which should be enjoyed by the entity.

As a normal operating policy, each entity of the Southern Baptist Convention shall refrain from entering any business transaction with a trustee or employee, or a business enterprise in which a trustee or employee has an interest. An exception to this policy may be made, at the discretion of the board of trustees, in any case wherein it appears that a commodity or service is unavailable on a more favorable basis from any other source, or a commodity or service, at the discretion of the board, is found to be in the best interest of the entity. Competitive bids should be taken if possible. In any case being considered for exception, the extent of the trustee's or employee's interest shall be disclosed to the entire board.

- XVIII. Professional Services:** The Executive Committee at its discretion may employ an auditor to study the audited report with the auditors of the entities in the light of Convention instructions.

The Executive Committee at its discretion may employ an engineer or architect to study proposed capital projects or maintenance of present capital assets.

- XIX. Publication and Merchandising Policy:** All entities of the Convention should give priority to using the services of LifeWay Christian Resources for editing, publishing, and distributing published materials that are to be sold. Entities may publish their own materials in print or digital form promoting their assigned ministries.

No entity other than LifeWay Christian Resources should be authorized to operate physical book stores at any location other than its principal office.

The Executive Committee of the Southern Baptist Convention may review the financial agreements entered into by LifeWay Christian Resources and other Convention entities and should, whenever appropriate, recommend changes in Convention policies and revisions of existing policies related to such agreements. At the request of any Convention entity, this committee should also suggest to LifeWay Christian Resources and other Convention entities steps they should take to resolve any disagreements that arise concerning financial agreements.

No entity shall publish a printed or digital format periodical, for general distribution to the churches or to members of the churches, if the Convention or its Executive Committee votes to request the periodical not be published.

- XX. Publications:** The plans and methods herein set forth shall be published each year in the Convention *Annual*, following the Bylaws of the Convention.

- XXI. Amendments:** This Business and Financial Plan may be amended by two-thirds of the messengers present and voting at any time except during the last session of the Convention.

# ORGANIZATION MANUAL

## PREFACE

In 1960 the Southern Baptist Convention adopted the following bylaw. It shall be the function of the Executive Committee:

~ To maintain an official organization manual defining the responsibilities of each agency of the Convention for conducting specific programs and for performing other functions. The manual shall cite the actions of the Convention that assigned the programs and other functions to the agency. The Executive Committee shall present to the Convention recommendations required to clarify the responsibilities of the agencies for programs and other functions, to eliminate overlapping assignments of responsibility, and to authorize the assignment of new responsibilities for programs or functions to agencies.

— *SBC Annual 1960*, p. 51

Beginning that same year the Convention approved program statements for all the entities. These were brought into uniform styling and form by another bylaw approved by the Convention in 1967:

14. Program Statements. The program statements of the agencies as approved by the Southern Baptist Convention and published in the 1967 Annual and subsequently amended express the policy of the Convention with respect to the programs of the agencies of the Convention.

— *SBC Annual 1967*, p. 61

On November 1, 1967 the Executive Committee published its first complete organization manual. Since then the Convention has made numerous changes in the ministries (formerly programs) of the entities which render this first manual out of date.

In the following pages are presented all of the ministries, as approved by the Convention. At the bottom of the last page for each one of them, you will find the dates when these ministries were approved, or when changes were made.

Please note also on page 42 the procedures adopted by the Executive Committee for changing ministry statements.

On June 20, 1995, the Southern Baptist Convention adopted **Covenant for a New Century** with an introduction to ministry statements as follows:

Ministry statements assigned to each Southern Baptist Convention entity are rooted in and measured by our shared mission. The charge assigned to each entity is founded upon the conviction that the entities of the Convention exist to serve the churches, their ministries, and mission. The statements have been developed in order that each entity will serve the Convention's mission to the greatest standard of faithfulness and the maximum standard of stewardship.

These ministry statements will replace the present program statements as assigned to the entities of the Convention. The ministry statements, a statement of cooperation, a listing of relationships for cooperation, and details of the process of cooperation will be published in the *Organization Manual of the Southern Baptist Convention* as required by SBC Bylaw 20,(5),(m). [Note: This is now Bylaw 18E (13).]

Beginning in the fall of 2006, *The Organization Manual* began being printed in each year's *SBC Annual* and *SBC Book of Reports* among the other governing documents of the Convention to keep Southern Baptists apprised of each entity's charge. (See Item 160, 2006 *SBC Annual*, p. 94, and pp. 204-5.)

**THE INTERNATIONAL MISSION BOARD**

of the Southern Baptist Convention

**MISSION**

The International Mission Board exists to assist the churches of the Southern Baptist Convention to be on mission with God in penetrating the unevangelized world outside the United States and Canada with the gospel and making Christ known among all people.

**MINISTRIES**

- 1. Assist churches by evangelizing persons, planting Baptist churches, and nurturing church planting movements among all people groups outside the United States and Canada; and, provide specialized, defined and agreed upon assistance to the North American Mission Board in assisting churches to reach unreached and underserved people groups within the United States and Canada.**

Develop and maintain a systematic strategy for gospel proclamation and planting churches that will result in the rapid reproduction and multiplication of local indigenous congregations that will make the gospel accessible to all persons among every ethno-linguistic people group; assist national conventions and unions in providing programs of discipleship and leadership training; develop and distribute relevant electronic and print media that support evangelism and church planting, and facilitate the translation and distribution of the Bible, Scripture portions, and other materials in indigenous languages.

- 2. Assist churches in sending and supporting Southern Baptist missionaries and volunteers by enlisting, equipping, and enabling them to fulfill their calling.**

Enlist, appoint, equip, and provide support for God-called Southern Baptist missionaries to serve in long-term and short-term channels of service who give evidence of piety, zeal for their Master's kingdom, conviction of truth as held by Southern Baptists, and giftedness for cross-cultural witness; inform, promote, and provide opportunities for Southern Baptist volunteers to assist in the ministries of the International Mission Board through projects of various duration, and provide resources and materials for training and equipping these volunteers.

- 3. Assist churches and partners to mobilize Southern Baptists to be involved in international missions through praying, giving, and going.**

Inform, challenge, and work in partnership with local churches, associations, state conventions, and other SBC entities to enable Southern Baptists to fulfill the Great Commission overseas by facilitating involvement in prayer strategies, encouraging generous and sacrificial giving to missions through the Cooperative Program and Lottie Moon Christmas Offering, and promoting channels for volunteer and missionary service.

- 4. Assist churches in fulfilling their international missions task by developing global strategies, including human needs based ministries, and providing leadership, administrative support, and financial accountability for implementation of these strategies.**

Provide and maintain an organizational structure and support staff with appropriate leadership and financial management that are designed to implement a comprehensive program to reach the whole world with the gospel through direct evangelism and creative access platform ministries; utilize hospitals, clinics, community health, agricultural, and other development programs, hunger relief and disaster response to meet human needs and share the gospel.

**RELATIONSHIPS**

The International Mission Board will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

Amended June 17, 2003. See *SBC Annual 2003*, pp.50-51.

Amended June 14, 2011. See *SBC Annual 2011*, pp. 62-64.

## NORTH AMERICAN MISSION BOARD

of the Southern Baptist Convention

### MISSION

The North American Mission Board exists to work with churches, associations and state conventions in mobilizing Southern Baptists as a missional force to impact North America with the Gospel of Jesus Christ through evangelism and church planting.

### MINISTRIES

1. **Assist churches in planting healthy, multiplying, evangelistic Southern Baptist churches in the United States and Canada; and provide specialized, defined and agreed upon assistance to the International Mission Board in assisting churches to plant churches for specific groups outside the United States and Canada.**

Work in partnership with churches, associations, and state conventions, and the International Mission Board to start new congregations with a priority to reach population centers and underserved people groups; lead a missional movement to encourage Southern Baptist churches to become church planting congregations.

2. **Assist churches in the ministries of evangelism and making disciples.**

Equip Southern Baptists for faithful evangelism; encourage churches in evangelism and discipleship; implement direct evangelism projects; prioritize spiritual awakening; develop an evangelism strategy for reaching North America with the Gospel.

3. **Assist churches by appointing, supporting and assuring accountability for missionaries serving in the United States and Canada.**

Appoint, approve, support and supervise missionaries assigned to accomplish the ministries of NAMB; endorse chaplains; enlist and assist bi-vocational ministers in mission service.

4. **Assist churches by providing missions education and coordinating volunteer missions opportunities for church members.**

Develop organizations, services, and materials for establishing, enlarging, and improving missions and ministry learning and involvement experiences in churches; assist in volunteer mission involvement.

5. **Assist churches by providing leadership development.**

Equip pastors for effective congregational leadership, contextual evangelism, and church planting; connect pastors to pastors through leadership development; encourage pastors as they serve in diverse congregational settings.

6. **Assist churches in relief ministries to victims of disaster and other people in need.**

Provide appropriate assistance and coordination in service to state Baptist conventions, when multi-state and national disaster responses are needed; coordinate with federal government as well as national disaster relief entities to ensure good response coordination on behalf of Southern Baptist Disaster Relief; direct and assist Christian social ministries.

### RELATIONSHIPS

The North American Mission Board will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

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First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

Amended June 14, 2011. See *SBC Annual 2011*, pp. 64-68.

Amended June 16, 2015. See *SBC Annual 2015*, pp. 47-49.

**LIFEWAY CHRISTIAN RESOURCES**

of the Southern Baptist Convention

**MISSION**

LifeWay Christian Resources exists to assist churches and believers to evangelize the world to Christ, develop believers, and grow churches by being the best provider of relevant, high quality, high value Christian products and services.

**MINISTRIES****1. Assist churches in the development of church ministries.**

Provide programs, products, and services that help churches grow in the areas of Bible study, discipleship, music, worship, administration, media/library, recreation, fellowship, and family ministry; consult with church leaders regarding total church growth concepts, strategies, and resources.

**2. Assist churches in ministries to college and university students.**

Contribute to the effectiveness of churches and to individual spiritual growth by developing a program, products, and services that may be used in establishing, administering, enlarging, and improving ministry with college students, faculty, and administration.

**3. Assist churches with Christian schools and home school ministries.**

Provide consultation, products, and services needed by churches with Christian schools and members educating through home schools.

**4. Assist churches in ministries to men and women.**

Contribute to the effectiveness of churches and to individual spiritual growth by developing a program, products, and services that may be used in establishing, administering, and improving ministries to men and women.

**5. Assist churches through the operation of conference centers and camps.**

Develop, promote, and operate conference and resident camp facilities useful to Southern Baptist Convention entities, state conventions, associations, and churches in establishing, enlarging, and improving their ministries.

**6. Assist churches through the publication of books and Bibles.**

Produce, publish, and distribute products, including books, of Christian content and purpose and Bibles that contribute to the effectiveness of churches and individuals.

**7. Assist churches through the operation of LifeWay Christian Stores.**

Serve people and the churches, associations, state conventions, and agencies of the Southern Baptist Convention by distributing appropriate products through LifeWay Christian Stores.

**8. Assist churches through church architecture consultation and services.**

Develop products and services needed by Southern Baptist churches, associations, state conventions, and denominational entities to assist them in planning, financing, furnishing, equipping, and utilizing property.

**9. Assist churches in capital fund raising.**

Provide leadership to churches in securing funds for capital needs.

**10. Assist churches by conducting research and compiling statistics.**

Conduct research and compile statistics on matters relating to, and of interest to, Southern Baptists, noting future trends and possible effects on church practice, productivity, witness, and health, and tender reports to the Executive Committee for review and possible report or action in an SBC annual meeting.

**RELATIONSHIPS**

LifeWay Christian Resources will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

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Original program statement approved June 2, 1965. See *SBC Annual 1965*, pp. 61-67.

Finally approved May 31, 1967. See *SBC Annual 1967*, pp. 61, 103-117.

New statement approved by the Southern Baptist Convention June 6, 1972. See *SBC Annual 1972*, pp. 60-67.

Amended June 12, 1973. See *SBC Annual 1973*, p. 55.

Amended June 11, 1974. See *SBC Annual 1974*, p. 60.

Amended June 10, 1975. See *SBC Annual 1975*, pp. 59-60.

Amended June 15, 1976. See *SBC Annual 1976*, pp. 36-37.

Amended June 13, 1984. See *SBC Annual 1984*, pp. 49-50.

Revised June 11, 1985. See *SBC Annual 1985*, pp. 38-58.

Amended June 13, 1989. See *SBC Annual 1989*, pp. 36-37.

Amended June 4, 1991. See *SBC Annual 1991*, pp. 46, 48.

First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

Amended June 13, 2006. See *SBC Annual 2006*, pp. 62-64.

Amended June 12, 2007. See *SBC Annual 2007*, pp. 68-69.

**THEOLOGICAL SEMINARIES**

of the Southern Baptist Convention

**MISSION**

Southern Baptist Theological Seminaries exist to prepare God-called men and women for vocational service in Baptist churches and in other Christian ministries throughout the world through programs of spiritual development, theological studies, and practical preparation in ministry.

**MINISTRIES****1. Assist churches by programs of prebaccalaureate and baccalaureate theological education for ministers.**

Provide for students who have at least the equivalent of high school education biblical, theological, historical, and practical studies designed to develop ministerial competencies; provide extension study opportunities for persons in church vocations who have not completed college or seminary training, persons not in church vocations who desire theological training which is academically oriented, and seminary-trained persons desiring opportunities for continuing education.

**2. Assist churches by programs of master's level theological education for ministers.**

Provide theological education leading to a Master's Degree for those whom the churches recommend as called by God for a lifetime of leadership in the various ministries of the churches and other areas of Christian service.

**3. Assist churches by programs of professional doctoral education for ministers.**

Provide advanced theological education for persons who have earned a basic theological degree and have given evidence of capacity for effective performance in ministry to the churches.

**4. Assist churches by programs of research doctoral education for ministers and theological educators.**

Provide graduate theological education for persons who have completed their basic theological studies and have given evidence of academic ability and capacity for research, writing, and teaching.

**5. Assist churches through the administration of the Southern Baptist Historical Library and Archives.**

Operate the official Southern Baptist Convention library and archives as a national center for the study of Baptists.

**RELATIONSHIPS**

Southern Baptist seminaries will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

First program statement approved by the Southern Baptist Convention May 20, 1964. See *SBC Annual 1964*, pp. 60-62.

Finally approved May 31, 1967. See *SBC Annual 1967*, pp. 61, 120-122.

Amended June 12, 1973. See *SBC Annual 1973*, pp. 69-70.

Amended June 11, 1974. See *SBC Annual 1974*, pp. 57-59.

Completely rewritten and approved by the Southern Baptist Convention June 12, 1979. See *SBC Annual 1979*, pp. 37-39.

Amended June 15, 1993. See *SBC Annual 1993*, p. 74.

First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION**

of the Southern Baptist Convention

**MISSION**

The Ethics and Religious Liberty Commission exists to assist the churches by helping them understand the moral demands of the gospel, apply Christian principles to moral and social problems and questions of public policy, and to promote religious liberty in cooperation with the churches and other Southern Baptist entities.

**MINISTRIES****1. Assist churches in applying the moral and ethical teachings of the Bible to the Christian life.**

Provide research, information resources, consultation, and counsel to denominational entities, churches, and individuals with regard to the application of Christian principles in everyday living and in the nation's public life.

**2. Assist churches through the communication and advocacy of moral and ethical concerns in the public arena.**

Represent Southern Baptists in communicating the moral and ethical positions of the Southern Baptist Convention to the public and to public officials.

**3. Assist churches in their moral witness in local communities.**

Provide information resources that inform and equip churches for active moral witness in their communities.

**4. Assist churches and other Southern Baptist entities by promoting religious liberty.**

Provide information and counsel to denominational entities, churches, and individuals regarding appropriate responses to religious liberty concerns; represent Southern Baptists in communicating the positions of the Southern Baptist Convention on religious liberty issues to the public and to public officials.

**RELATIONSHIPS**

The Ethics and Religious Liberty Commission will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

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First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

**GUIDESTONE FINANCIAL RESOURCES**

of the Southern Baptist Convention

**MISSION**

GuideStone Financial Resources exists to assist the churches, denominational entities, and other evangelical ministry organizations by making available retirement plan services, life and health coverage, risk management programs, and personal and institutional investment programs.

**MINISTRIES**

- 1. Assist churches, denominational entities, and other evangelical ministry organizations by making available retirement plan programs for their ministers and employees.**

Make available retirement plan programs and related services for ministers and denominational employees.

- 2. Assist churches, denominational entities, other evangelical ministry organizations, and like-minded individuals, by making available life and health coverage and risk management programs.**

Make available medical, life, and disability programs and other risk management programs to respond to the needs of churches, denominational entities, other evangelical ministry organizations, and like-minded individuals.

- 3. Assist churches and denominational entities through relief to Southern Baptist ministers and Southern Baptist denominational employees.**

Make available a channel through which Southern Baptists can extend systematic financial help to Southern Baptist ministers and denominational employees and their widows who are in need and to interpret the channel to Southern Baptists for the purpose of eliciting support.

- 4. Assist churches, denominational entities, other evangelical ministry organizations, and like-minded investors, by making available a personal investment program to their ministers and employees and their spouses, and to like-minded investors.**

Make available personal investment program and related services to further enhance the financial security of ministers and other employees and their spouses.

- 5. Assist churches and denominational entities by making available institutional investment services through cooperative agreements with state Baptist foundations (or state Baptist conventions where no foundation exists). Assist other evangelical ministry organizations by making available institutional investment services.**

Develop mutually beneficial relationships with the state Baptist conventions and foundations and the Southern Baptist Foundation to assist Southern Baptist institutions in the states and the Southern Baptist Convention entities with their institutional investment needs. Develop relationships with other organizations that will enhance investment opportunities.

**RELATIONSHIPS**

GuideStone Financial Resources will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

First program statement approved by the Southern Baptist Convention May 8, 1963. See *SBC Annual 1963*, pp. 55-56.

Amended May 25, 1966. See *SBC Annual 1966*, pp. 56-57.

Finally approved May 31, 1967. See *SBC Annual 1967*, pp. 61, 118-119.

Amended June 14, 1988. See *SBC Annual 1988*, pp. 52-53.

First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

Amended June 13, 2000. See *SBC Annual 2000*, pp. 66-67.

Amended June 12, 2007. See *SBC Annual 2007*, pp. 74-75.

Amended June 11, 2013. See *SBC Annual 2013*, pp. 64-66.

## THE EXECUTIVE COMMITTEE

of the Southern Baptist Convention

### MISSION

The Executive Committee exists to minister to the churches of the Southern Baptist Convention by acting for the Convention ad interim in all matters not otherwise provided for in a manner that encourages the cooperation and confidence of the churches, associations, and state conventions and facilitates maximum support for worldwide missions and ministries.

### MINISTRIES

**1. Assist churches through conducting and administering the work of the Convention not otherwise assigned.**

Manage according to the Southern Baptist Convention Bylaws, Bylaw 18, The Executive Committee; manage the operation of the Southern Baptist Convention Building according to guidelines adopted by building occupants.

**2. Assist churches by providing a Convention news service.**

Provide regular news releases about Southern Baptists; serve as the Convention's press representative; coordinate news operations for annual meetings of the Southern Baptist Convention.

**3. Assist churches by providing a Convention public relations service.**

Interpret the Southern Baptist Convention to internal and external publics.

**4. Assist churches, Baptist general bodies and their entities, and other evangelical organizations and individuals through estate planning consultation and investment management primarily for funds providing support for Southern Baptist causes.**

Encourage and consult with Baptist general bodies and their entities, and other evangelical organizations and individuals, regarding wills, gifts, trusts, or deeds which benefit Baptist or other evangelical causes; and provide investment management for a balanced portfolio of securities.

**5. Assist churches through the promotion of cooperative giving.**

Consult with state conventions and Southern Baptist Convention entities regarding cooperative giving advancement; interpret the Cooperative Program as the basic channel of support for the ministries of the state conventions and the Southern Baptist Convention.

**6. Assist churches in stewardship education.**

Produce, develop, publish, and distribute products that help Southern Baptists to grow in commitment to Jesus Christ by applying biblical principles of stewardship.

### RELATIONSHIPS

The Executive Committee will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

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First program statement approved by the Southern Baptist Convention May 31, 1967. See *SBC Annual 1967*, pp. 61, 55-56.

Revised statement approved by the Southern Baptist Convention June 9, 1992. See *SBC Annual 1992*, pp. 43-46.

First ministry statement approved by the Southern Baptist Convention June 20, 1995. See *SBC Annual 1995*, p. 46 and pp. 165-173.

Amended June 13, 2006. See *SBC Annual 2006*, pp. 62-64.

Amended June 15, 2010. See *SBC Annual 2010*, p. 66.

**Southern Baptist Convention Entity  
Relationship Guidelines**

1. Entities are to relate to each other cooperatively and voluntarily out of deep convictions of faith in Christ and the urgency to serve him effectively in assisting churches.
2. Entities are to respect Ministry Statements as both directives and restraints in the same manner as the SBC Bylaws and Business and Financial Plan and honor them in working together to assist churches in their ministries.
3. Entities are to work together through established processes of the Great Commission Council to determine needs of churches and ways to meet these needs, and wherever appropriate, to coordinate the activities and resources involved in meeting them.
4. Entities are to work together for mutual reinforcement and for promoting the work of the Convention.
5. Entity administrators should reinforce with their trustees the principle that entity trustees are to represent the interests of the entire Convention as well as those of the entity.
6. Entity administrators are to ensure that their employees understand the need and the processes for working cooperatively with the personnel of all entities in the spirit of Matthew 7:12 (CSB) *“Therefore, whatever you want others to do for you, do also the same for them,”* and are committed to honor them in day-to-day operations.
7. Entities exploring the possibility of launching new programs, projects, or services are to provide information to the Great Commission Council and/or its committees and other entities whose assignment(s) may be closely related to the new venture in order to avoid conflict with another entity’s Ministry Statement and to allow for timely review, feedback, clarification of relationships, and discovery of supportive activities by other entities.
8. Entities are to communicate with state convention, association, and church leadership in keeping with their Ministry Statements and in order to provide churches maximum service with minimum confusion.
9. Entities are to initiate relationships with or respond to initiatives of organizations outside the Southern Baptist convention according to their respective ministry Statements and assist, as needed, by directing such organizations to appropriate entities.

## WOMAN'S MISSIONARY UNION

Auxiliary to Southern Baptist Convention

### MISSION

Woman's Missionary Union assists churches in developing and implementing a comprehensive strategy of missions in order that a church can fulfill its total mission in the world. Woman's Missionary Union challenges Christian believers to understand and be radically involved in the mission of God.

### MINISTRIES

**1. Assist churches in the development of Woman's Missionary Union organizations.**

Provide programs, products and services that help churches and individuals grow in missions awareness and involvement.

**2. Assist churches in Christian development for women in missions.**

Assist churches by providing plans and materials that contribute to the individual woman's spiritual growth and missions consciousness.

**3. Assist churches through the publication and distribution of magazines and products.**

Produce, publish, and distribute magazines and products that help churches and individuals grow in commitment to Jesus Christ by applying biblical concepts of missions.

### RELATIONSHIPS

Woman's Missionary Union will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

*As an auxiliary, Woman's Missionary Union's program statement is at the discretion of the WMU. The Southern Baptist Convention does not assign ministries to Woman's Missionary Union.*

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### PROCEDURE FOR CHANGING MINISTRY STATEMENTS

- A. Amendments to ministry statements may be initiated by any messenger or by the SBC Executive Committee. Amendments may also be initiated by any SBC entity at any time with the approval of the entity's trustees. Conferences with Executive Committee staff on matters of form and relationship are desirable. Where relationships are involved, these are discussed with all parties concerned before submission to the Executive Committee.
- B. Proposed changes in ministry statements are circulated to SBC entity executives, state convention executives, and state Baptist paper editors before presentation to the Executive Committee for approval as recommendations to the SBC.
- C. Amendments are presented to the Cooperative Program Subcommittee of the Executive Committee and all parties have opportunity to express their point of view before that committee makes its final recommendation to the Executive Committee. Ministry statement changes approved by the Executive Committee are recommended to the Southern Baptist Convention at its next meeting.
- D. All ministry changes must be approved by a majority vote of the messengers present in the Southern Baptist Convention in session.

— Approved by the SBC Executive Committee, February 20, 2007

**LEGAL NAMES AND ADDRESSES****of CORPORATIONS RELATED to the  
SOUTHERN BAPTIST CONVENTION****The Executive Committee of the Southern Baptist Convention**

901 Commerce Street, Nashville, TN 37203-3699

**The International Mission Board of the Southern Baptist Convention**

P. O. Box 6767, Richmond, VA 23230-0767  
3806 Monument Avenue, Richmond, VA 23230

**The North American Mission Board of the Southern Baptist Convention, Inc.**

4200 North Point Parkway, Alpharetta, GA 30022

**LifeWay Christian Resources of the Southern Baptist Convention**

One LifeWay Plaza, Nashville, TN 37234

**GuideStone Financial Resources of the Southern Baptist Convention**

5005 LBJ Freeway, Suite 2200, Dallas, TX 75244

**The Southern Baptist Theological Seminary**

2825 Lexington Road, Louisville, KY 40280

**The Southwestern Baptist Theological Seminary**

P. O. Box 22000, Fort Worth, TX 76122  
2001 W. Seminary Drive, Fort Worth, TX 76115

**New Orleans Baptist Theological Seminary**

3939 Gentilly Boulevard, New Orleans, LA 70126

**Gateway Seminary of the Southern Baptist Convention**

3210 E. Guasti Road. Ontario, CA 91761-8642

**The Southeastern Baptist Theological Seminary, Inc.**

P. O. Box 1889, Wake Forest, NC 27587  
120 South Wingate Street, Wake Forest, NC 27587

**Midwestern Baptist Theological Seminary, Inc.**

5001 North Oak Trafficway, Kansas City, MO 64118

**The Ethics and Religious Liberty Commission of the Southern Baptist Convention**

901 Commerce Street, Suite 550, Nashville, TN 37203-3696

**Woman's Missionary Union, Auxiliary to Southern Baptist Convention**

P. O. Box 830010, Birmingham, AL 35283-0010  
100 Missionary Ridge, Birmingham, AL 35242

# THE BAPTIST FAITH AND MESSAGE

## I. The Scriptures

The Holy Bible was written by men divinely inspired and is God's revelation of Himself to man. It is a perfect treasure of divine instruction. It has God for its author, salvation for its end, and truth, without any mixture of error, for its matter. Therefore, all Scripture is totally true and trustworthy. It reveals the principles by which God judges us, and therefore is, and will remain to the end of the world, the true center of Christian union, and the supreme standard by which all human conduct, creeds, and religious opinions should be tried. All Scripture is a testimony to Christ, who is Himself the focus of divine revelation.

*Exodus 24:4; Deuteronomy 4:1-2; 17:19; Joshua 8:34; Psalms 19:7-10; 119:11, 89, 105, 140; Isaiah 34:16; 40:8; Jeremiah 15:16; 36:1-32; Matthew 5:17-18; 22:29; Luke 21:33; 24:44-46; John 5:39; 16:13-15; 17:17; Acts 2:16ff; 17:11; Romans 15:4; 16:25-26; 2 Timothy 3:15-17; Hebrews 1:1-2; 4:12; 1 Peter 1:25; 2 Peter 1:19-21.*

## II. God

There is one and only one living and true God. He is an intelligent, spiritual, and personal Being, the Creator, Redeemer, Preserver, and Ruler of the universe. God is infinite in holiness and all other perfections. God is all powerful and all knowing; and His perfect knowledge extends to all things, past, present, and future, including the future decisions of His free creatures. To Him we owe the highest love, reverence, and obedience. The eternal triune God reveals Himself to us as Father, Son, and Holy Spirit, with distinct personal attributes, but without division of nature, essence, or being.

### A. God the Father

God as Father reigns with providential care over His universe, His creatures, and the flow of the stream of human history according to the purposes of His grace. He is all powerful, all knowing, all loving, and all wise. God is Father in truth to those who become children of God through faith in Jesus Christ. He is fatherly in His attitude toward all men.

*Genesis 1:1; 2:7; Exodus 3:14; 6:2-3; 15:1ff.; 20:1ff.; Leviticus 22:2; Deuteronomy 6:4; 32:6; 1 Chronicles 29:10; Psalm 19:1-3; Isaiah 43:3, 15; 64:8; Jeremiah 10:10; 17:13; Matthew 6:9ff.; 7:11; 23:9; 28:19; Mark 1:9-11; John 4:24; 5:26; 14:6-13; 17:1-8; Acts 1:7; Romans 8:14-15; 1 Corinthians 8:6; Galatians 4:6; Ephesians 4:6; Colossians 1:15; 1 Timothy 1:17; Hebrews 11:6; 12:9; 1 Peter 1:17; 1 John 5:7.*

### B. God the Son

Christ is the eternal Son of God. In His incarnation as Jesus Christ He was conceived of the Holy Spirit and born of the virgin Mary. Jesus perfectly revealed and did the will of God, taking upon Himself human nature with its demands and necessities and identifying Himself completely with mankind yet without sin. He honored the divine law by His personal obedience, and in His substitutionary death on the cross He made provision for the redemption of men from sin. He was raised from the dead with a glorified body and appeared to His disciples as the person who was with them before His crucifixion. He ascended into heaven and is now exalted at the right hand of God where He is the One Mediator, fully God, fully man, in whose Person is effected the reconciliation between God and man. He will return in power and glory to judge the world and to consummate His redemptive mission. He now dwells in all believers as the living and ever present Lord.

*Genesis 18:1ff.; Psalms 2:7ff.; 110:1ff.; Isaiah 7:14; Isaiah 53:1-12; Matthew 1:18-23; 3:17; 8:29; 11:27; 14:33; 16:16, 27; 17:5; 27; 28:1-6, 19; Mark 1:1; 3:11; Luke 1:35; 4:41; 22:70; 24:46; John 1:1-18, 29; 10:30, 38; 11:25-27; 12:44-50; 14:7-11; 16:15-16, 28; 17:1-5, 21-22; 20:1-20, 28; Acts 1:9; 2:22-24; 7:55-56; 9:4-5, 20; Romans 1:3-4; 3:23-26; 5:6-21; 8:1-3, 34; 10:4; 1 Corinthians 1:30; 2:2; 8:6; 15:1-8, 24-28; 2 Corinthians 5:19-21; 8:9; Galatians 4:4-5; Ephesians 1:20; 3:11; 4:7-10; Philippians 2:5-11; Colossians 1:13-22; 2:9; 1 Thessalonians 4:14-18; 1 Timothy 2:5-6; 3:16; Titus 2:13-14; Hebrews 1:1-3; 4:14-15; 7:14-28; 9:12-15, 24-28; 12:2; 13:8; 1 Peter 2:21-25; 3:22; 1 John 1:7-9; 3:2; 4:14-15; 5:9; 2 John 7-9; Revelation 1:13-16; 5:9-14; 12:10-11; 13:8; 19:16.*

### C. God the Holy Spirit

The Holy Spirit is the Spirit of God, fully divine. He inspired holy men of old to write the Scriptures. Through illumination He enables men to understand truth. He exalts Christ. He convicts men of sin, of righteousness, and of judgment. He calls men to the Saviour, and effects regeneration. At the moment of regeneration He baptizes every believer into the Body of Christ. He cultivates Christian character, comforts believers, and bestows the spiritual gifts by which they serve God through His church. He seals the believer

unto the day of final redemption. His presence in the Christian is the guarantee that God will bring the believer into the fullness of the stature of Christ. He enlightens and empowers the believer and the church in worship, evangelism, and service.

*Genesis 1:2; Judges 14:6; Job 26:13; Psalms 51:11; 139:7ff.; Isaiah 61:1-3; Joel 2:28-32; Matthew 1:18; 3:16; 4:1; 12:28-32; 28:19; Mark 1:10, 12; Luke 1:35; 4:1, 18-19; 11:13; 12:12; 24:49; John 4:24; 14:16-17, 26; 15:26; 16:7-14; Acts 1:8; 2:1-4, 38; 4:31; 5:3; 6:3; 7:55; 8:17, 39; 10:44; 13:2; 15:28; 16:6; 19:1-6; Romans 8:9-11, 14-16, 26-27; 1 Corinthians 2:10-14; 3:16; 12:3-11, 13; Galatians 4:6; Ephesians 1:13-14; 4:30; 5:18; 1 Thessalonians 5:19; 1 Timothy 3:16; 4:1; 2 Timothy 1:14; 3:16; Hebrews 9:8, 14; 2 Peter 1:21; 1 John 4:13; 5:6-7; Revelation 1:10; 22:17.*

### III. Man

Man is the special creation of God, made in His own image. He created them male and female as the crowning work of His creation. The gift of gender is thus part of the goodness of God's creation. In the beginning man was innocent of sin and was endowed by his Creator with freedom of choice. By his free choice man sinned against God and brought sin into the human race. Through the temptation of Satan man transgressed the command of God, and fell from his original innocence whereby his posterity inherit a nature and an environment inclined toward sin. Therefore, as soon as they are capable of moral action, they become transgressors and are under condemnation. Only the grace of God can bring man into His holy fellowship and enable man to fulfill the creative purpose of God. The sacredness of human personality is evident in that God created man in His own image, and in that Christ died for man; therefore, every person of every race possesses full dignity and is worthy of respect and Christian love.

*Genesis 1:26-30; 2:5, 7, 18-22; 3:9-6; Psalms 1; 8:3-6; 32:1-5; 51:5; Isaiah 6:5; Jeremiah 17:5; Matthew 16:26; Acts 17:26-31; Romans 1:19-32; 3:10-18, 23; 5:6, 12, 19; 6:6; 7:14-25; 8:14-18, 29; 1 Corinthians 1:21-31; 15:19, 21-22; Ephesians 2:1-22; Colossians 1:21-22; 3:9-11.*

### IV. Salvation

Salvation involves the redemption of the whole man, and is offered freely to all who accept Jesus Christ as Lord and Saviour, who by His own blood obtained eternal redemption for the believer. In its broadest sense salvation includes regeneration, justification, sanctification, and glorification. There is no salvation apart from personal faith in Jesus Christ as Lord.

A. Regeneration, or the new birth, is a work of God's grace whereby believers become new creatures in Christ Jesus. It is a change of heart wrought by the Holy Spirit through conviction of sin, to which the sinner responds in repentance toward God and faith in the Lord Jesus Christ. Repentance and faith are inseparable experiences of grace.

Repentance is a genuine turning from sin toward God. Faith is the acceptance of Jesus Christ and commitment of the entire personality to Him as Lord and Saviour.

B. Justification is God's gracious and full acquittal upon principles of His righteousness of all sinners who repent and believe in Christ. Justification brings the believer unto a relationship of peace and favor with God.

C. Sanctification is the experience, beginning in regeneration, by which the believer is set apart to God's purposes, and is enabled to progress toward moral and spiritual maturity through the presence and power of the Holy Spirit dwelling in him. Growth in grace should continue throughout the regenerate person's life.

D. Glorification is the culmination of salvation and is the final blessed and abiding state of the redeemed.

*Genesis 3:15; Exodus 3:14-17; 6:2-8; Matthew 1:21; 4:17; 16:21-26; 27:22-28:6; Luke 1:68-69; 2:28-32; John 1:11-14, 29; 3:3-21, 36; 5:24; 10:9, 28-29; 15:1-16; 17:17; Acts 2:21; 4:12; 15:11; 16:30-31; 17:30-31; 20:32; Romans 1:16-18; 2:4; 3:23-25; 4:3ff.; 5:8-10; 6:1-23; 8:1-18, 29-39; 10:9-10, 13; 13:11-14; 1 Corinthians 1:18, 30; 6:19-20; 15:10; 2 Corinthians 5:17-20; Galatians 2:20; 3:13; 5:22-25; 6:15; Ephesians 1:7; 2:8-22; 4:11-16; Philippians 2:12-13; Colossians 1:9-22; 3:1ff.; 1 Thessalonians 5:23-24; 2 Timothy 1:12; Titus 2:11-14; Hebrews 2:1-3; 5:8-9; 9:24-28; 11:1-12:8, 14; James 2:14-26; 1 Peter 1:2-23; 1 John 1:6-2:11; Revelation 3:20; 21:1-22:5.*

## V. God's Purpose of Grace

Election is the gracious purpose of God, according to which He regenerates, justifies, sanctifies, and glorifies sinners. It is consistent with the free agency of man, and comprehends all the means in connection with the end. It is the glorious display of God's sovereign goodness, and is infinitely wise, holy, and unchangeable. It excludes boasting and promotes humility.

All true believers endure to the end. Those whom God has accepted in Christ, and sanctified by His Spirit, will never fall away from the state of grace, but shall persevere to the end. Believers may fall into sin through neglect and temptation, whereby they grieve the Spirit, impair their graces and comforts, and bring reproach on the cause of Christ and temporal judgments on themselves; yet they shall be kept by the power of God through faith unto salvation.

*Genesis 12:1-3; Exodus 19:5-8; 1 Samuel 8:4-7, 19-22; Isaiah 5:1-7; Jeremiah 31:31ff.; Matthew 16:18-19; 21:28-45; 24:22, 31; 25:34; Luke 1:68-79; 2:29-32; 19:41-44; 24:44-48; John 1:12-14; 3:16; 5:24; 6:44-45, 65; 10:27-29; 15:16; 17:6, 12, 17-18; Acts 20:32; Romans 5:9-10; 8:28-39; 10:12-15; 11:5-7, 26-36; 1 Corinthians 1:1-2; 15:24-28; Ephesians 1:4-23; 2:1-10; 3:1-11; Colossians 1:12-14; 2 Thessalonians 2:13-14; 2 Timothy 1:12; 2:10, 19; Hebrews 11:39-12:2; James 1:12; 1 Peter 1:2-5, 13; 2:4-10; 1 John 1:7-9; 2:19; 3:2.*

## VI. The Church

A New Testament church of the Lord Jesus Christ is an autonomous local congregation of baptized believers, associated by covenant in the faith and fellowship of the gospel; observing the two ordinances of Christ, governed by His laws, exercising the gifts, rights, and privileges invested in them by His Word, and seeking to extend the gospel to the ends of the earth. Each congregation operates under the Lordship of Christ through democratic processes. In such a congregation each member is responsible and accountable to Christ as Lord. Its scriptural officers are pastors and deacons. While both men and women are gifted for service in the church, the office of pastor is limited to men as qualified by Scripture.

The New Testament speaks also of the church as the Body of Christ which includes all of the redeemed of all the ages, believers from every tribe, and tongue, and people, and nation.

*Matthew 16:15-19; 18:15-20; Acts 2:41-42, 47; 5:11-14; 6:3-6; 13:1-3; 14:23, 27; 15:1-30; 16:5; 20:28; Romans 1:7; 1 Corinthians 1:2; 3:16; 5:4-5; 7:17; 9:13-14; 12; Ephesians 1:22-23; 2:19-22; 3:8-11, 21; 5:22-32; Philippians 1:1; Colossians 1:18; 1 Timothy 2:9-14; 3:1-15; 4:14; Hebrews 11:39-40; 1 Peter 5:1-4; Revelation 2-3; 21:2-3.*

## VII. Baptism and the Lord's Supper

Christian baptism is the immersion of a believer in water in the name of the Father, the Son, and the Holy Spirit. It is an act of obedience symbolizing the believer's faith in a crucified, buried, and risen Saviour, the believer's death to sin, the burial of the old life, and the resurrection to walk in newness of life in Christ Jesus. It is a testimony to his faith in the final resurrection of the dead. Being a church ordinance, it is prerequisite to the privileges of church membership and to the Lord's Supper.

The Lord's Supper is a symbolic act of obedience whereby members of the church, through partaking of the bread and the fruit of the vine, memorialize the death of the Redeemer and anticipate His second coming.

*Matthew 3:13-17; 26:26-30; 28:19-20; Mark 1:9-11; 14:22-26; Luke 3:21-22; 22:19-20; John 3:23; Acts 2:41-42; 8:35-39; 16:30-33; 20:7; Romans 6:3-5; 1 Corinthians 10:16, 21; 11:23-29; Colossians 2:12.*

## VIII. The Lord's Day

The first day of the week is the Lord's Day. It is a Christian institution for regular observance. It commemorates the resurrection of Christ from the dead and should include exercises of worship and spiritual devotion, both public and private. Activities on the Lord's Day should be commensurate with the Christian's conscience under the Lordship of Jesus Christ.

*Exodus 20:8-11; Matthew 12:1-12; 28:1ff.; Mark 2:27-28; 16:1-7; Luke 24:1-3, 33-36; John 4:21-24; 20:1, 19-28; Acts 20:7; Romans 14:5-10; 1 Corinthians 16:1-2; Colossians 2:16; 3:16; Revelation 1:10.*

## IX. The Kingdom

The Kingdom of God includes both His general sovereignty over the universe and His particular kingship over men who willfully acknowledge Him as King. Particularly the Kingdom is the realm of salvation into which men enter by trustful, childlike commitment to Jesus Christ. Christians ought to pray and to labor that

the Kingdom may come and God's will be done on earth. The full consummation of the Kingdom awaits the return of Jesus Christ and the end of this age.

*Genesis 1:1; Isaiah 9:6-7; Jeremiah 23:5-6; Matthew 3:2; 4:8-10, 23; 12:25-28; 13:1-52; 25:31-46; 26:29; Mark 1:14-15; 9:1; Luke 4:43; 8:1; 9:2; 12:31-32; 17:20-21; 23:42; John 3:3; 18:36; Acts 1:6-7; 17:22-31; Romans 5:17; 8:19; 1 Corinthians 15:24-28; Colossians 1:13; Hebrews 11:10, 16; 12:28; 1 Peter 2:4-10; 4:13; Revelation 1:6, 9; 5:10; 11:15; 21-22.*

## X. Last Things

God, in His own time and in His own way, will bring the world to its appropriate end. According to His promise, Jesus Christ will return personally and visibly in glory to the earth; the dead will be raised; and Christ will judge all men in righteousness. The unrighteous will be consigned to Hell, the place of everlasting punishment. The righteous in their resurrected and glorified bodies will receive their reward and will dwell forever in Heaven with the Lord.

*Isaiah 2:4; 11:9; Matthew 16:27; 18:8-9; 19:28; 24:27, 30, 36, 44; 25:31-46; 26:64; Mark 8:38; 9:43-48; Luke 12:40, 48; 16:19-26; 17:22-37; 21:27-28; John 14:1-3; Acts 1:11; 17:31; Romans 14:10; 1 Corinthians 4:5; 15:24-28, 35-58; 2 Corinthians 5:10; Philippians 3:20-21; Colossians 1:5; 3:4; 1 Thessalonians 4:14-18; 5:1ff.; 2 Thessalonians 1:7ff.; 2; 1 Timothy 6:14; 2 Timothy 4:1, 8; Titus 2:13; Hebrews 9:27-28; James 5:8; 2 Peter 3:7ff.; 1 John 2:28; 3:2; Jude 14; Revelation 1:18; 3:11; 20:1-22:13.*

## XI. Evangelism and Missions

It is the duty and privilege of every follower of Christ and of every church of the Lord Jesus Christ to endeavor to make disciples of all nations. The new birth of man's spirit by God's Holy Spirit means the birth of love for others. Missionary effort on the part of all rests thus upon a spiritual necessity of the regenerate life, and is expressly and repeatedly commanded in the teachings of Christ. The Lord Jesus Christ has commanded the preaching of the gospel to all nations. It is the duty of every child of God to seek constantly to win the lost to Christ by verbal witness undergirded by a Christian lifestyle, and by other methods in harmony with the gospel of Christ.

*Genesis 12:1-3; Exodus 19:5-6; Isaiah 6:1-8; Matthew 9:37-38; 10:5-15; 13:18-30, 37-43; 16:19; 22:9-10; 24:14; 28:18-20; Luke 10:1-18; 24:46-53; John 14:11-12; 15:7-8, 16; 17:15; 20:21; Acts 1:8; 2; 8:26-40; 10:42-48; 13:2-3; Romans 10:13-15; Ephesians 3:1-11; 1 Thessalonians 1:8; 2 Timothy 4:5; Hebrews 2:1-3; 11:39-12:2; 1 Peter 2:4-10; Revelation 22:17.*

## XII. Education

Christianity is the faith of enlightenment and intelligence. In Jesus Christ abide all the treasures of wisdom and knowledge. All sound learning is, therefore, a part of our Christian heritage. The new birth opens all human faculties and creates a thirst for knowledge. Moreover, the cause of education in the Kingdom of Christ is co-ordinate with the causes of missions and general benevolence, and should receive along with these the liberal support of the churches. An adequate system of Christian education is necessary to a complete spiritual program for Christ's people.

In Christian education there should be a proper balance between academic freedom and academic responsibility. Freedom in any orderly relationship of human life is always limited and never absolute. The freedom of a teacher in a Christian school, college, or seminary is limited by the pre-eminence of Jesus Christ, by the authoritative nature of the Scriptures, and by the distinct purpose for which the school exists.

*Deuteronomy 4:1, 5, 9, 14; 6:1-10; 31:12-13; Nehemiah 8:1-8; Job 28:28; Psalms 19:7ff.; 119:11; Proverbs 3:13ff.; 4:1-10; 8:1-7, 11; 15:14; Ecclesiastes 7:19; Matthew 5:2; 7:24ff.; 28:19-20; Luke 2:40; 1 Corinthians 1:18-31; Ephesians 4:11-16; Philippians 4:8; Colossians 2:3, 8-9; 1 Timothy 1:3-7; 2 Timothy 2:15; 3:14-17; Hebrews 5:12-6:3; James 1:5; 3:17.*

## XIII. Stewardship

God is the source of all blessings, temporal and spiritual; all that we have and are we owe to Him. Christians have a spiritual debtorship to the whole world, a holy trusteeship in the gospel, and a binding stewardship in their possessions. They are therefore under obligation to serve Him with their time, talents, and material possessions; and should recognize all these as entrusted to them to use for the glory of God and for helping others. According to the Scriptures, Christians should contribute of their means cheerfully, regularly, systematically, proportionately, and liberally for the advancement of the Redeemer's cause on earth.

*Genesis 14:20; Leviticus 27:30-32; Deuteronomy 8:18; Malachi 3:8-12; Matthew 6:1-4, 19-21; 19:21; 23:23; 25:14-29; Luke 12:16-21, 42; 16:1-13; Acts 2:44-47; 5:1-11; 17:24-25; 20:35; Romans 6:6-22; 12:1-2; 1 Corinthians 4:1-2; 6:19-20; 12; 16:1-4; 2 Corinthians 8-9; 12:15; Philippians 4:10-19; 1 Peter 1:18-19.*

#### **XIV. Cooperation**

Christ's people should, as occasion requires, organize such associations and conventions as may best secure cooperation for the great objects of the Kingdom of God. Such organizations have no authority over one another or over the churches. They are voluntary and advisory bodies designed to elicit, combine, and direct the energies of our people in the most effective manner. Members of New Testament churches should cooperate with one another in carrying forward the missionary, educational, and benevolent ministries for the extension of Christ's Kingdom. Christian unity in the New Testament sense is spiritual harmony and voluntary cooperation for common ends by various groups of Christ's people. Cooperation is desirable between the various Christian denominations, when the end to be attained is itself justified, and when such cooperation involves no violation of conscience or compromise of loyalty to Christ and His Word as revealed in the New Testament.

*Exodus 17:12; 18:17ff.; Judges 7:21; Ezra 1:3-4; 2:68-69; 5:14-15; Nehemiah 4; 8:1-5; Matthew 10:5-15; 20:1-16; 22:1-10; 28:19-20; Mark 2:3; Luke 10:1ff.; Acts 1:13-14; 2:1ff.; 4:31-37; 13:2-3; 15:1-35; 1 Corinthians 1:10-17; 3:5-15; 12; 2 Corinthians 8-9; Galatians 1:6-10; Ephesians 4:1-16; Philippians 1:15-18.*

#### **XV. The Christian and the Social Order**

All Christians are under obligation to seek to make the will of Christ supreme in our own lives and in human society. Means and methods used for the improvement of society and the establishment of righteousness among men can be truly and permanently helpful only when they are rooted in the regeneration of the individual by the saving grace of God in Jesus Christ. In the spirit of Christ, Christians should oppose racism, every form of greed, selfishness, and vice, and all forms of sexual immorality, including adultery, homosexuality, and pornography. We should work to provide for the orphaned, the needy, the abused, the aged, the helpless, and the sick. We should speak on behalf of the unborn and contend for the sanctity of all human life from conception to natural death. Every Christian should seek to bring industry, government, and society as a whole under the sway of the principles of righteousness, truth, and brotherly love. In order to promote these ends Christians should be ready to work with all men of good will in any good cause, always being careful to act in the spirit of love without compromising their loyalty to Christ and His truth.

*Exodus 20:3-17; Leviticus 6:2-5; Deuteronomy 10:12; 27:17; Psalm 101:5; Micah 6:8; Zechariah 8:16; Matthew 5:13-16, 43-48; 22:36-40; 25:35; Mark 1:29-34; 2:3ff.; 10:21; Luke 4:18-21; 10:27-37; 20:25; John 15:12; 17:15; Romans 12-14; 1 Corinthians 5:9-10; 6:1-7; 7:20-24; 10:23-11:1; Galatians 3:26-28; Ephesians 6:5-9; Colossians 3:12-17; 1 Thessalonians 3:12; Philemon; James 1:27; 2:8.*

#### **XVI. Peace and War**

It is the duty of Christians to seek peace with all men on principles of righteousness. In accordance with the spirit and teachings of Christ they should do all in their power to put an end to war.

The true remedy for the war spirit is the gospel of our Lord. The supreme need of the world is the acceptance of His teachings in all the affairs of men and nations, and the practical application of His law of love. Christian people throughout the world should pray for the reign of the Prince of Peace.

*Isaiah 2:4; Matthew 5:9, 38-48; 6:33; 26:52; Luke 22:36, 38; Romans 12:18-19; 13:1-7; 14:19; Hebrews 12:14; James 4:1-2.*

#### **XVII. Religious Liberty**

God alone is Lord of the conscience, and He has left it free from the doctrines and commandments of men which are contrary to His Word or not contained in it. Church and state should be separate. The state owes to every church protection and full freedom in the pursuit of its spiritual ends. In providing for such freedom no ecclesiastical group or denomination should be favored by the state more than others. Civil government being ordained of God, it is the duty of Christians to render loyal obedience thereto in all things not contrary to the revealed will of God. The church should not resort to the civil power to carry on its work. The gospel of Christ contemplates spiritual means alone for the pursuit of its ends. The state has no right to impose penalties for religious opinions of any kind. The state has no right to impose taxes for the support of any form of religion. A free church in a free state is the Christian ideal, and this implies the right of free and

unhindered access to God on the part of all men, and the right to form and propagate opinions in the sphere of religion without interference by the civil power.

*Genesis 1:27; 2:7; Matthew 6:6-7, 24; 16:26; 22:21; John 8:36; Acts 4:19-20; Romans 6:1-2; 13:1-7; Galatians 5:1, 13; Philippians 3:20; 1 Timothy 2:1-2; James 4:12; 1 Peter 2:12-17; 3:11-17; 4:12-19.*

### **XVIII. The Family**

God has ordained the family as the foundational institution of human society. It is composed of persons related to one another by marriage, blood, or adoption.

Marriage is the uniting of one man and one woman in covenant commitment for a lifetime. It is God's unique gift to reveal the union between Christ and His church and to provide for the man and the woman in marriage the framework for intimate companionship, the channel of sexual expression according to biblical standards, and the means for procreation of the human race.

The husband and wife are of equal worth before God, since both are created in God's image. The marriage relationship models the way God relates to His people. A husband is to love his wife as Christ loved the church. He has the God-given responsibility to provide for, to protect, and to lead his family. A wife is to submit herself graciously to the servant leadership of her husband even as the church willingly submits to the headship of Christ. She, being in the image of God as is her husband and thus equal to him, has the God-given responsibility to respect her husband and to serve as his helper in managing the household and nurturing the next generation.

Children, from the moment of conception, are a blessing and heritage from the Lord. Parents are to demonstrate to their children God's pattern for marriage. Parents are to teach their children spiritual and moral values and to lead them, through consistent lifestyle example and loving discipline, to make choices based on biblical truth. Children are to honor and obey their parents.

*Genesis 1:26-28; 2:15-25; 3:1-20; Exodus 20:12; Deuteronomy 6:4-9; Joshua 24:15; 1 Samuel 1:26-28; Psalms 51:5; 78:1-8; 127; 128; 139:13-16; Proverbs 1:8; 5:15-20; 6:20-22; 12:4; 13:24; 14:1; 17:6; 18:22; 22:6, 15; 23:13-14; 24:3; 29:15, 17; 31:10-31; Ecclesiastes 4:9-12; 9:9; Malachi 2:14-16; Matthew 5:31-32; 18:2-5; 19:3-9; Mark 10:6-12; Romans 1:18-32; 1 Corinthians 7:1-16; Ephesians 5:21-33; 6:1-4; Colossians 3:18-21; 1 Timothy 5:8,14; 2 Timothy 1:3-5; Titus 2:3-5; Hebrews 13:4; 1 Peter 3:1-7.*

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Additional information relating to *The Baptist Faith and Message*, including an introduction, preamble, committee information, commentary, multilingual versions, and more, can be found online at [www.sbc.net](http://www.sbc.net).



# PART 2

## PART 2

### 2020 SBC ANNUAL MEETING INFORMATION CANCELLATION ANNOUNCEMENT & SBC PRESIDENT'S VIRTUAL ADDRESS

#### ***FUTURE SBC ANNUAL MEETING SITES***

Nashville, Tennessee - June 15-16, 2021; Anaheim, California - June 14-15, 2022;  
Charlotte, North Carolina - June 13-14, 2023; Indianapolis, Indiana - June 11-12, 2024;  
Dallas, Texas - June 10-11, 2025; Orlando, Florida - June 9-10, 2026;  
Salt Lake City, Utah - June 8-9, 2027

# ANNUAL MEETING CANCELLATION

## CANCELLATION OF THE 2020 SBC ANNUAL MEETING

In response to the COVID-19 global pandemic, the Southern Baptist Convention annual meeting and all ancillary meetings were cancelled for the first time in 75 years. Following is the statement released in *Baptist Press* on March 24, 2020:

### Statement on the 2020 Southern Baptist Convention Annual Meeting

After prayer deliberation, the Southern Baptist Convention officers, the SBC Executive Committee, and the executive heads of the Convention's boards and institutions, acting in a body according to Article XI.4 of the SBC Constitution, have made the unanimous decision to cancel the 2020 SBC Annual Meeting, scheduled for June 9-10 in Orlando.

In light of the COVID-19 global pandemic which we believe constitutes a grave emergency, it is in the best interest of the SBC to cancel the Annual Meeting—for the first time in 75 years—out of a deep concern for the health and safety of messengers and attendees.

We are calling on all Southern Baptists to pray for an end to this global pandemic and that God will bring His Church together at this time to sharpen our focus like never before.

This is not a time for Southern Baptists to shrink back in timidity and fearfulness of be paralyzed with uncertainty. This is not the time to retreat. This is a time for us to advance the Gospel of Jesus Christ to every person in every town, every city, every state, and every nation.

#### *Southern Baptist Convention Officers*

*J. D. Greear, President*  
*Marshal Ausberry, First President*  
*Noe Garcia, Second Vice President*  
*John Yeats, Recording Secretary*  
*Kathy Litton, Registration Secretary*  
*Ronnie Floyd, Treasurer*

#### *The Southern Baptist Convention Executive Committee*

*Mike Stone, Chairman*

#### *Executive Heads of the Convention's Boards and Institutions*

*Paul Chitwood, The International Mission Board of the Southern Baptist Convention*  
*Kevin Ezell, The North American Mission Board of the Southern Baptist Convention, Inc.*  
*Ben Mandrell, LifeWay Christian Resources of the Southern Baptist Convention*  
*O. S. Hawkins, GuideStone Financial Resources of the Southern Baptist Convention*  
*R. Albert Mohler, Jr., The Southern Baptist Theological Seminary*  
*Adam W. Greenway, The Southwestern Baptist Theological Seminary*  
*Jamie Dew, New Orleans Baptist Theological Seminary*  
*Jeff Iorg, Gateway Seminary of the Southern Baptist Convention*  
*Danny Akin, The Southeastern Baptist Theological Seminary, Inc.*  
*Jason Allen, Midwestern Baptist Theological Seminary, Inc.*

*As a matter of historical record, it was requested to receive input from the following:*

*Russell Moore, The Ethics and Religious Liberty Commission of the Southern Baptist Convention*  
*Sandy Wisdom-Martin, Woman's Missionary Union, Auxiliary to the Southern Baptist Convention*

# PRESIDENT'S VIRTUAL ADDRESS

*With the cancellation of the 2020 SBC Annual Meeting due to COVID-19, SBC President J. D. Greear delivered his 2020 SBC President's Address online through video. As he states below, the SBC Constitution and Bylaws do not require this address to be given, rather it was given to align hearts about what to expect for the future. The entire virtual message has been included here in written form.*

## SBC PRESIDENT'S VIRTUAL MESSAGE

President J. D. Greear

June 10, 2020

### GOSPEL ABOVE ALL

Well, Southern Baptist family, we are not in Orlando. In fact, it's raining here in Raleigh, North Carolina, or at least threatening to rain, and I'm in front of a camera with nobody in the audience. Characteristically, though, we were a few minutes late getting this address started which I think sort of puts us in line with the SBC Annual Meeting. We had some unfinished business to take to and some unruly motions and what not.

I really do miss being there. I was really looking forward to what God was going to do among us and see the steps forward we take in the Great Commission. But even though we couldn't be there in person, I thought it was important to share with you some updates on where God has taken us over the last couple of years and where we believe He is taking us in the days to come. This doesn't replace an SBC Convention, of course, but at least maybe we can kind of have our hearts aligned about what to expect.

For two years now, "gospel" has been our theme, *Gospel Above All*. By the way, I know that the word "gospel" has gotten to be so common in some circles that it's become stripped of its rich meaning. The historian and theologian, John Henry Cardinal Newman, said that the problem with creeds in the church is that when the church decides something is important and they put it in a creed, all the heretics figure out a way to smuggle their old heresies under the new words of the creed, and so you have to come up with a new creed to correct the ways people have perverted the old creed.

In some ways, the word gospel is like that. Everybody would say, "Oh, I'm gospel centered," but it's important that we are absolutely clear on what we mean by that. Paul said that the gospel was an issue of "*first* importance." First importance means that there were other things that were also important, but this one for Paul, was of *first* importance. In one place in his letter to the Corinthians, he said that he was determined "*to know nothing but Christ and Him crucified,*" which scholars point out was kind of a weird thing to say because he talked about so many other things. He just meant that in everything he talked about, nothing came close to the centrality or the emphasis he gave on Christ crucified for our sins and raised for our justification. So, we've got to be clear on it. What exactly do we mean when we say "gospel?" Of course, a lot could be said about the Kingship and authority of Jesus, the new creation, and a radically new way of living, but the key word in all the gospel is "substitution." At our church, The Summit Church, we say that you can summarize the gospel in four words: "Jesus in my place." Jesus took my place. Jesus went to the cross, not merely to die *for us*, but to die *instead of us*. He took your burden of sin so you could put on His mantle of righteousness. That's the good news of the gospel — Jesus lived the life we were supposed to live and died the death we were condemned to die. The gospel is, the Apostle Peter said, "*the only message by which*

*we can be saved.*” To be saved, somebody must hear the message, they have to believe it, and they have to repent of their sins and trust in Christ. That’s why our gospel is so important and our mission and message so urgent.

If there’s one thing that God’s Spirit has, by His grace, taught Southern Baptists throughout our 175-year history, it’s that we must be a *Gospel Above All* people. The gospel is the one message that contains in itself the power of God. The word of the gospel, Jesus showed us, gives sight to the blind and life to the dead. The gospel empowers the sinner and renews the church. That means that all of our Bible lessons and preaching are incomplete without it. Apart from the gospel, Bible stories are merely instructions about what we ought to do without the power to actually do it. Apart from the gospel, our ministries are powerless. Good techniques, savvy leadership principles, or the latest church growth fad cannot grow the church in any substantial, eternal, meaningful way. Only the power of resurrection released by the gospel can do that. If gospel preaching is not central in our churches, the church becomes just another social club. Yes, the gospel, of course, means that we must lift up the poor and clothe the naked, but the gospel is the message that sinners can be saved from the wrath of God by faith in Christ Jesus and that is what must be central in our ministries and message.

Martin Luther, the great reformer in the 16th century church, said “Our hearts are prone to always drift away from the gospel because our sinful hearts are attracted to messages and methodologies built on self-sufficiency and self-righteousness.” He said, “A Christian’s life,” because of that, “has to be one of continual repentance and realignment with the gospel.” He said, “Progress in the Christian life is always to begin again.” Have you ever had a car out of alignment? Like once you took your hands off the steering wheel, it would veer into the ditch? That’s what are lives are like. We have to constantly pull ourselves back to this message, lest our pride take us away into self-sufficiency and we lose our power.

*Gospel Above All.* We’ve got to constantly be bringing ourselves back to that. It has to shape our priorities.

As I’ve been thinking about these next few months in front of us, there is one phrase I can’t get out of my mind. It’s a *Gospel Above All* phrase if ever there was one. It was spoken by the first Jerusalem Council recorded in Acts 15. There was controversy in the early church about which Jewish customs ought to be incorporated into the life of the church. Gentile and Jewish Christians were often in conflict, that’s how we instinctively know they were Baptists because it was not a small conflict, Luke said; they had a business meeting and wanted to discuss what was necessary in church practice. The apostles met, came up with a workable solution, and in the statement from their “committee on resolutions,” the conclusions that they gave, the kind of heading they gave to them, the explanation, was this phrase in Acts 15. They said, “*We should not make it difficult for the Gentiles who are turning to God.*”

“*We should not make it difficult for the Gentiles who are turning to God.*” That’s a phrase I would love to plaster on every Southern Baptist church in the world. When it comes to all the issues in front of us, that’s what is driving us. We don’t want to make it hard for unbelievers to find their way to God. We want to remove all distractions and obstacles. Defending our reputations, advancing our politics, and winning various arguments are not what most occupies us. Our agendas, our priorities, and our emphases are all determined by our commission to preach the gospel. Everything is second to that. We don’t want to make it difficult for any unbelievers in our country or in our world to find their way to God.

Let me just talk about what a few of those emphases are right now, in that spirit of *Gospel Above All* and not making it hard.

Let me start with the first one and that is *responding to the abuse crisis*. These past two years as your president, we have been shown some ugly realities that take place in some of our churches. A lot of people have been saying this for the last several years, but many policies of our churches were just not either written or executed in a way that ensured that churches were safe from abuse and safe for survivors. Many rightly pointed out that this is a gospel issue, not a distraction from the gospel, rather an extension of it. Our gospel is that our God is a shelter to all who seek refuge in Him. That means the churches that bear Christ's name ought to be and have the reputation of being the safest places on the planet for people to hear about and experience God's love.

We, as a Convention of churches, have adopted some important resolutions and systemic changes to our Constitution and Bylaws to try and make our churches safer places. We have established new reporting and accountability mechanisms and bolstered some of the existing ones. Our Convention officers have roundly adopted policies and initiatives and thousands of you have taken the Caring Well challenge. During the time I have left as president, I will be working alongside LifeWay to add questions to our Annual Church Profile (ACP) reporting system about each church's policy and asking our Executive Committee to finalize making sure that every trustee has a comprehensive background check to help promote a culture of accountability and awareness on this from top to bottom. Lastly, we are challenging churches to make training in this area of ministry part of the ordination process. We pray that our culture continues to change and we know it starts with the leaders. We must stay vigilant in this area and I pledge to, as well, in my last year as president.

The second issue we want to deal with in *Gospel Above All* and not making it difficult is *growing in diversity*. One hundred seventy-five years ago, the Southern Baptist Convention began with a desire to form an accountable network of churches that cooperated together for the sake of mission. Sadly, the split from Northern Baptists was over whether slaveholders could serve as missionaries, with those who became Southern Baptists arguing that they should. We know that was sinful and wrong, and by God's grace, He led us as a people to repentance on this. Through numerous resolutions over the years, we have publicly repudiated any ideas of inequality in the body of Christ. By God's grace, in spite of our sinful and abhorrent beginnings, God has allowed us to be one of the most ethnically diverse religious groups in the United States. A lot of people don't know that, but nearly 20% of all Southern Baptist churches are non-white, and the North American Mission Board (NAMB) tells us, more than 60% of new, recently-planted churches are planted and led by people of color.

Thank God for His grace, right? His grace writes new stories in the tragedy and mistakes of old. King David acknowledged that he was conceived in sin and brought forth in iniquity, but still God had a plan to use him, a plan which ultimately brought the Messiah to the world through him. Southern Baptists, that same grace is at work in us. We are a walking demonstration of the grace of God, and while we feel shame over some things in our past, we also rejoice that we have a reason to boast in the grace of God.

Sadly, our leadership does not yet reflect this great gift of diversity that God has given to our membership. And so I, along with your vice presidents Marshal Ausberry and Noe Garcia, will continue to work on this within our appointments to make that a priority. We realize that, especially in a moment like this one, we need our brothers and sisters of color. We need the wisdom and leadership that God has written into their community. We know that many in our country right now, particularly our brothers and sisters of color, are hurting. Southern Baptists, we need to say it clearly as a gospel issue: black lives matter. Of course black lives matter, our black brothers and sisters are made in the image of God. Black lives matter because Jesus died for them. Black lives are a beautiful part of God's creation, making up an essential and

beautiful part of His body. We would be poorer as a people without them and other minorities in our midst.

Let me echo my friend Jimmy Scroggins, a pastor in Florida, in saying that “black lives matter” is an important thing to say right now because we are seeing in our country the evidence of specific injustices that many of our black brothers, sisters, and friends have been telling us about for years. Also, let’s not respond by saying “all lives matter.” Of course all lives matter, but I’ve heard it described this way. Say you’re in a group at a restaurant and the waiter brings the food to everybody except for one guy at your table, your friend Bob. So you say to the waiter, “Hey, excuse me, Bob deserves food.” Then somebody at your table corrects you, “No, *all* of us deserve food.” That’s true, but you’re missing the point. Bob is sitting there by himself without food. We are saying we understand that, for many years, the due processes of justice have not worked for our black brothers and sisters as they have for some others in our country.

By the way, like Dr. Scroggins says, let’s spare each other the quotation of stats right now. If you talk to some black friends, you’ll know they can tell you how some of their experiences can be quite different from others in our country. We want rights and privileges to be extended to everybody. We, as Christians, want to hear our brothers and sisters, feel their pain, enter into that pain, and bear that burden with them. Black lives matter. Also, I realize that Black Lives Matter movement and website have been hijacked by some political operatives whose worldview and policy prescriptions would be deeply at odds with my own, but that doesn’t mean the sentiment behind it is untrue. I do not align myself with the Black Lives Matter organization. I think saying bold things like “defund the police” is unhelpful and deeply disrespectful to many public servants who bravely put themselves in harm’s way every day to protect us. But I know we need to take a deep look at our police systems and structures and ask where we are missing the mark; and I’ll say we do that because black lives matter.

We know that honoring Christ in this moment means listening to those who hurt, lamenting with them, and bearing their burdens. Pursuing justice means laboring for the protection of others as fiercely as we would our own children. A racially reconciled church requires more than just sentiment and hashtags and Twitter posts. It requires the humility to listen to one another, the empathy to see things from another’s perspective, and the charity to give their motives the same benefit of the doubt that we would want them to give to us. We need to continue to ask God for the grace to grow in this for the sake of the gospel and His glory in the world. We know that in the gospel, and the gospel alone, are the resources for a reconciled people and we know that reaching people, our witness, depends on how we respond in moments like this one. One of our African American pastors at The Summit Church tells me, “When white Christians don’t respond in the right ways, or at least with the charity and empathy in a moment like this, it makes it difficult for me to tell my black friends about this gospel that we preach and that we cherish.” So for their sake, because we don’t want to make it difficult for them to encounter the grace of God, it means that we remove obstacles and enter into their pain and know that there’s a time where we argue less, make points less, and listen more. So because the gospel matters and because the gospel is paramount, we enter into this time.

Number three, let me talk about *baptism numbers*. I grieve at the news that our reported baptism numbers fell again this year, continuing our 50-year decline. Now, I know that many Southern Baptists labor faithfully, but unseen in difficult places, and their success is not shown or determined in numbers they can report; so we salute and commend you and realize that faithfulness is the goal for all preachers of the gospel.

But having said that, I think we realize there is cause for concern that fewer and fewer people are demonstrating a public response to our message. How can any true fisherman be okay with catching less and less fish? In the time I have remaining as president, I want to work even

more closely with Ronnie Floyd, Kevin Ezell, our state convention executive directors, and our associational mission strategists to change, by God's grace, this trajectory. I join many in the call for awakening in our churches and our land, but I am honestly afraid that often our call for awakening can become a smoke screen for inaction. The Son of Man came with one priority — *"to seek and save the lost."* Honestly, I think too many of us care more about whether our side is winning in the news cycle than we do the souls of our neighbors. We care more about sowing division on secondary issues than we do on pointing people to Jesus. It seems we focus and care more on preserving our traditions than reaching our grandchildren.

We've got to reexamine what we're doing, how we're doing it, and if it's working. Let me also add, and I know it's not as important, but we've got to revise and prioritize our reporting structures and processes, the way we collect our ACP data. I know you're like, "Well, that's just numbers," and there are some of you who feel like it's cumbersome or even prideful to turn in numbers. Let me remind you, tongue and cheek, that there's a book in your Bible called Numbers for a reason. God wants his shepherds to be so in touch with their flocks that they know who is involved, who is being left behind, and if the fold is growing or shrinking. The Good Shepherd in Luke 15 was so in touch with the number of His flock that He knew when even 1% of it was missing and reported that. Sure, we could be prideful in turning in numbers, but a good accounting of souls requires that we be aware and numbers help keep us accountable in our mission. Most pastors have their offering counted each week and report that faithfully. Do we really think that money demands more care and fastidious attention than the souls of whom God has given us charge over?

Of course having said that, regardless of systems and structures and reporting, we acknowledge that the Lord is the One who saves. We sow and plant, and another waters, but God alone gives the increase. Yet we also realize, according to Jesus' promises, that the more the gospel is proclaimed, the more Jesus is lifted up and the more our hearts yearn with implacable grief for the lost around us; the more we sow in tears, the more God will fulfill His promise to give to us abundant fruit and the more we will look like the early church where *"God added to their number daily those that were being saved."*

"Who's Your One?" is not just a slogan, but something that needs to be the very heartbeat of every Christian, every pastor, and every church. I call on Southern Baptists to lament this trend with me and ask God in prayer what He would have each of us do about it. I pledge myself to lead in that, first myself and my church. "Who's my one?" and is my church lamenting with God the need and the desire to reach more? May our hearts be broken like Jesus'.

Number four, let me talk about *our gospel unity*. I was asked recently what has been the most surprising thing I've experienced as president. My response to the person who asked the question was, "You mean positive or negative surprise?" I told them that probably the most positive surprise was the unity that 80 to 90% of our Convention seems to have around our doctrine and mission. I've had the privilege to be at state conventions all over the country, and in some of them, based on social media, I expected to experience people who didn't like me or were just in opposition. But everywhere I go, the unity of people wanting to see their neighbors reached and the gospel be above all and for us to get after the Great Commission, it's been surprising, amazing, and very encouraging.

The flip side of what I've been surprised about is the rancor and divisiveness coming from the other 10% and their focus on secondary issues that make you wonder what that means about their priority and love of the primary issue, the gospel. I don't mean there's not a place for careful theological analysis, but there are those among us who seem to love division and have an unhealthy appetite for conflict; who seem to love fighting over tertiary and non-essential things more than they love the progress of the gospel. Listen, we have a Convention where

every entity-head and every leader stands unwaveringly committed to the inerrancy of the Bible. Unwaveringly, without exception. Unwaveringly committed to the exclusivity of Christ. We rightfully hold people accountable on that. Through programs like “Who’s Your One?,” Go2, and the Executive Committee’s 2025 Vision, we are united around the need to see people reached and lostness penetrated in every unreached people group on the planet. If you can’t be happy about that, if you can’t just rejoice and be amazed about people coming to Jesus, about a Convention of nearly 48,000 churches that stand unwaveringly on the inerrancy of the Bible, the exclusivity of Christ, the clarity of God’s Word regarding gender and sexuality, and the need to get the gospel to the nations, well brother, I’d say if you can’t see the grace of God at work in that, you may not have eyes to see it. If you can’t be happy and rejoice in that, then you can’t be happy, and Southern Baptist congregation members are happy people. They are a mission minded people. In their heart of hearts they want to see the gospel go forward.

Yes, there are times when we, with broken hearts, have to separate ourselves from others. But Jesus and the Apostle Paul seemed equally concerned over those who would foster division over non-essentials. Yes, we need discernment, but we also need to discern when our enemy is using a non-essential idea to divide God’s people and dilute our effectiveness in the mission.

Southern Baptists have voted on what the standard of our unity is — *The Baptist Faith and Message 2000*. For those who would seek to divide us about other things, we should follow the counsel of the Apostle Paul which is to mark and avoid them. We’re at a moment when we need to be looking forward, all hands on deck, but some of our number would prefer to roam the halls and pick fights with other sailors. That’s just not the time for this.

Let me say a special word here about the *US Presidential Election* happening in November. Romans 14 is a passage that I’ve spent a lot of time in and taken our church through because it talks about an issue that was dividing early Christians. It wasn’t a political issue, but it was a very important issue to them. Some of the Jews felt eating meat that had been offered to idols, especially if it were pork, was something that should not happen with Christians. Other Christians thought, “No, we’re free in Christ.” Paul thought this was an important issue. We know because he wrote about it and he actually said that those who didn’t understand they could eat all things, as he understood it, they were weak in the gospel. He even says, “I am a meat-eating Christian.” It wasn’t irrelevant, he was very passionate about it, and he thought they were wrong. That’s what makes his instruction in Romans 14 so essential. Because what he says is, “This is what you do with something you think is important, but you don’t want it to dilute your unity in the gospel.”

We understand that when it comes to political calculus, there are Christians of equal conviction who come up with different conclusions on what to support and how to support it. And we can agree on the central issues of religious liberty, the sanctity of life, and the dignity of all peoples and still say, “That means this and that’s a Romans 14 issue and our unity in the gospel is even more important than that.” We have believers in our Convention that would say something like, “A man like Donald Trump with such severe ethical and moral compromises, who says such derogatory things about others, should never get a Christian’s support.” They would say, “I don’t care what good you think he’s done, he’s encouraged division and bigotry in America.” And they say, “Christians supporting Trump is a compromise to our witness and our witness is worth more than any supposed political benefit.” Others respond to somebody like that and say, “Well, I’m not a fan of all he says and does, but I like him better than the alternatives.” “All the current Democrat candidates support abortion on demand, publicly flaunt non-Christian ideas on morality and marriage, promote restrictions on religious freedom, and they embrace identity politics; so even though I’m not a fan of his character or morality, I think the better choice is to vote for him.” “Just like God used the pagan King Cyrus in the Old Testament to help Israel, He can use Trump to do good things, too.”

This is an issue that we're going to have Christians come down on either side. We can, should, and must agree and proclaim the sanctity of life, the importance of religious liberty, and the danger of things like the erosion of those principles, as well as identity politics. We can also agree to repudiate our President's lamentable statements, the tone he sets, and lament his lack of leadership in what we feel are important areas. But what that compels us to do at the ballot box is not a first order issue and our unity in the body should not be dependent on uniformity in that choice. It's not that politics don't matter. It's not that there's no wise choice. They do and there are wiser choices. But it's that the gospel message, like Paul said in Romans 14, and the unity of the church, is *more* important than division on even some of these other things.

Do you agree with this? I find that when I explain it, most people do. Well, if that's true, that means that some of us need to change our tone and what we've put on our Facebook page and said from the pulpit. I know we say, "Well from the pulpit, I'm just giving my opinion," but people in the pews don't have that category, friend. What is said from the pulpit, they consider a gospel essential. We need to go forward unified about the gospel because it is so important. Our mission is too urgent and our gospel too precious to let anything stand in its way, without compromising truth, of course.

Number five, let me lastly say a word about *sending*. As I said before, at our best, we are a Convention of 48,000 independent, autonomous churches that voluntarily come together to plant churches and send missionaries. We are going to celebrate our best tonight at 7:00\*, with what is always my favorite part of our annual meeting, the International Mission Board (IMB) Sending Celebration. I look forward to praying over and celebrating the 61 people who will be sent out from local Southern Baptist churches tonight.

Southern Baptists, we know this is God's will for us. We know it's why He forms conventions like ours. Sometimes Christians talk about "finding God's will." It's not lost! 2 Peter 3:9, "*The Lord is not willing that any should perish, but all should come to repentance.*" We know the local church is God's "Plan A" for reaching the world. You can summarize the entire strategy of the book of Acts as the apostles moving to new, strategic cities and planting churches.

The good news is that we know God's will and we know the power of God is always available to execute the will of God. As the late Adrian Rogers used to say, "Prayers that start in heaven are the ones heard by heaven." When we are following God's plan and His way, we can expect His power. The incredible grace of God that birthed this Convention, forgave our iniquity, and taught us this truth, is the same grace of God that we can trust will empower us to complete the Great Commission.

*"The Lord's arm is not shortened that it cannot save. His ear is not heavy that it cannot hear."* It is our sin, unbelief, unwillingness to change, to follow the leadership of His Spirit, to humble ourselves and repent, that has kept us from God's power. As is true of salvation, the power to complete the Great Commission is available to all who will repent, believe, and trust God.

It means, practically, that we must change what we talk about and celebrate. Instead of talking about "how many you had on Sunday," we ought to be celebrating sending and how many we're sending. Church historian, Rodney Stark, says in a new book he's written, "The number one factor in a denomination's future is how many young men and women they are raising up for ministry." We've got to restore the language of calling for our young people and say, "Yes, many of you will leverage your life for the Great Commission by pursuing your job at a place where you can be a part of a church plant, but many of you will leave your vocation to go full-time into preaching the gospel." We've got to restore that language of calling. That's why we're doing things like Go2 because we're calling a generation of students, young adults,

\* The International Mission Board held a virtual Sending Celebration the same day this virtual address was given.

and retirees to take some of those best and most open years and be a part of church plants and exploring that call. We need a unified call to action that calling is not something reserved for a sacred few in the Christian life, rather it's something that God extends to all people; that when you accepted Jesus, you were given the call to leverage your life for the Great Commission. I want you to join me in this Go2 challenge as we call our Convention to raise up new leaders.

As local churches, we must put in more money than ever before to church planting, missions, and training. I will be leading our church to do that this year and this will be the year we put the most resources towards sending than we ever have. I'm calling on every pastor to join me in this.

Associations, I want to challenge you to become sending chapters. Contact the IMB and NAMB today to learn how you can better support church planters and send missionaries. Be a missions pastor for many of our churches who can't afford one.

State Convention presidents and executive directors, maybe God has been using COVID-19 to shake us and our people to get back to the priority of the Great Commission. The coronavirus is too big for God to waste. We know historically that God uses moments of crises in the world to propel the Great Commission forward. Think of Acts 7 — that wasn't a planned crisis. The stoning of Stephen led to riots, chaos, and persecution, but that was where the gospel, for the first time, got into Judea, Samaria, and began that journey to the uttermost parts of the earth.

Southern Baptists, we know that in this moment of the coronavirus, God is rearranging things so that the Great Commission can have greater progress forward. He tells us in Psalm 46:10, "*Be still and know that I am God.*" The next phrase is, "*I will be exalted among the nations.*" We're not together right now which means in some ways, we are still. But we know that He is God and He is pursuing His agenda of being exalted in the nations. I am looking forward in my own church to a new wave of missionaries and church planters that are going to come out of this because, friend, read the book, that's always what God is doing — Acts 7 and 8 — He is moving His church to the ends of the earth. So let's put up our sails, catch the wind of the Spirit, and look with expectation on what God is doing during this very extraordinary moment.

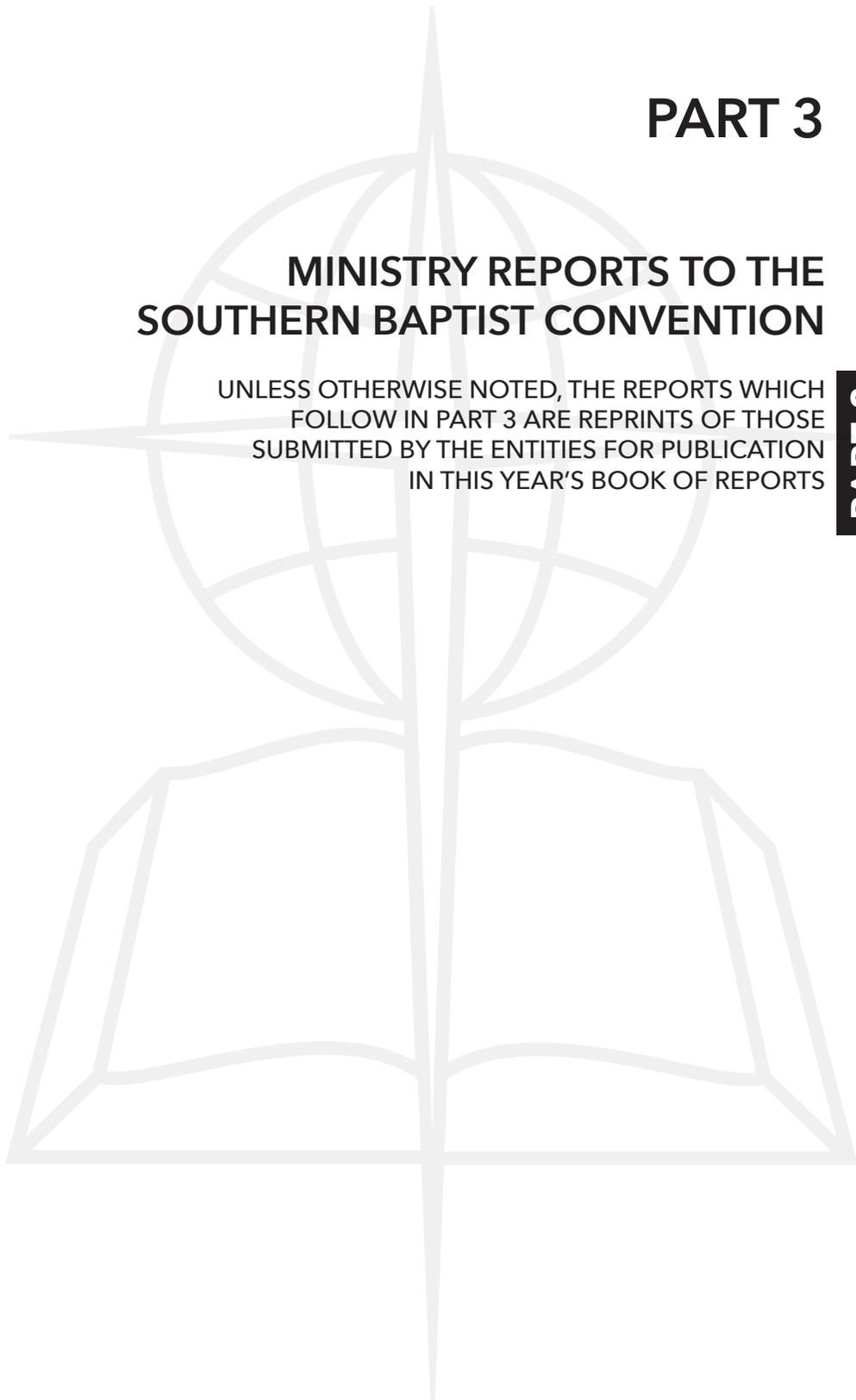
Southern Baptist family, I've ended every address with this promise by William Carey, the father of the modern missions movement. He said, "The future is as bright as the promises of God." Indeed that is true and it's because of His inexhaustible grace that we know our future is bright indeed. So let's go forward, trusting God to do exceedingly, abundantly, above all that we would ask or think or imagine.

# PART 3

## MINISTRY REPORTS TO THE SOUTHERN BAPTIST CONVENTION

UNLESS OTHERWISE NOTED, THE REPORTS WHICH  
FOLLOW IN PART 3 ARE REPRINTS OF THOSE  
SUBMITTED BY THE ENTITIES FOR PUBLICATION  
IN THIS YEAR'S BOOK OF REPORTS

PART 3



# EXECUTIVE COMMITTEE

## *Ninety-Third Annual Report*



### **SBC EXECUTIVE COMMITTEE**

901 Commerce Street, Nashville, Tennessee 37203

**MICHAEL R. (MIKE) STONE, Chairman**

**RONNIE W. FLOYD, President and Chief Executive Officer**

The Southern Baptist Convention Executive Committee presents this ninety-third annual report.

There are 86 persons from 38 states and regions who are elected as members of the SBC Executive Committee.

The SBC Executive Committee met as follows during 2019-20:

September 16-17, 2019	Nashville, TN
February 17-18, 2020	Nashville, TN
March 24, 2020	Video Conference Call
June 16, 2020*	Video Conference Call

1. **Officers of the SBC Executive Committee** – The officers of the Southern Baptist Convention Executive Committee include its president, chair, vice chair, secretary, and the chairs of its three standing committees.

Ronnie W. Floyd serves as its president and the other officers, as well as its workgroup chairs, are named below:

**Chair:** Michael R. (Mike) Stone, Georgia

**Vice Chair:** Rolland E. Slade, California

**Secretary:** Joe Knott, North Carolina

The following persons served as chair of the three standing committees and the eight workgroups:

**Administrative Committee:** B. Thomas (Tom) Tucker III, South Carolina

*Bylaws Workgroup:* Mark H. Ballard, New England

*Communications Workgroup:* Monte L. Shinkle, Missouri

*Personnel Workgroup:* Ron F. Hale, Tennessee

**Business and Finance Committee:** Steve Goss, Arkansas

*Audit Workgroup:* Robert E. (Rob) Stennett, West Virginia

*Business and Financial Plan Workgroup:* Benjamin F. (Ben) Kelley, Jr., Alabama

*Convention Arrangements Workgroup:* Mark Stinson, Ohio

**Cooperative Program Committee:** Hoyt A. Savage, Nevada

*Convention Ministries Workgroup:* Donald (Neal) Hughes, Alabama

*Cooperative Program Development Workgroup:* Daniel E. Carr, Missouri

\* Occurred following the posting of the 2020 Book of Reports.

2. <sup>◇</sup> **Cooperative Program Giving** - The giving record of Southern Baptists during the fiscal year October 1, 2018 - September 30, 2019, is as follows:

	<u>2018-2019</u>	<u>2017-2018</u>	<u>% Change</u>
Total CP as a % of			
Undesignated Gifts <sup>2</sup>	4.82%	4.82%	(0.01%)
Total Receipts <sup>1</sup>	\$ 11,640,670,559	\$ 11,811,093,609	(1.44%)
Total Undesignated Gifts	\$ 9,600,108,179	\$ 9,601,534,950	(0.01%)
Total Cooperative Program <sup>2</sup>	\$ 462,299,010	\$ 463,076,368	(0.17%)
State Convention Share			
of Total CP <sup>2</sup>	\$ 271,331,607	\$ 271,818,380	(0.18%)
SBC Share of Total CP <sup>2</sup>	\$ 190,967,403	\$ 191,257,988	(0.15%)

3. <sup>◇</sup> **Trends in Giving** - The following five-year record of gifts to Southern Baptist churches and through the Cooperative Program is as follows:

<u>Year</u>	<u>Total Receipts <sup>1</sup></u>	<u>% Change</u>	<u>Undesignated Gifts</u>	<u>Total</u>		
				<u>% Change</u>	<u>Cooperative Program <sup>2</sup></u>	<u>% Change</u>
2014-15	\$ 11,545,861,631	3.51%	\$ 9,154,427,472	4.64%	\$ 474,272,984	(0.92%)
2015-16	\$ 11,461,572,538	(0.73%)	\$ 9,216,198,700	0.67%	\$ 475,212,293	0.20%
2016-17	\$ 11,728,420,088	2.33%	\$ 9,518,527,051	3.28%	\$ 462,662,332	(2.64%)
2017-18	\$ 11,811,093,609	0.70%	\$ 9,601,534,950	0.87%	\$ 463,076,368	0.09%
2018-19	\$ 11,640,670,559	(1.44%)	\$ 9,600,108,179	(0.01%)	\$ 462,299,010	(0.17%)
Average Change 1980s		7.58%		5.10%		6.83%
Average Change 1990s		5.42%		4.91%		2.68%
Average Change 2000s		4.12%		4.82%		2.23%
Average Change 2010s		(0.21%)		0.71%		(1.16%)
Average Change Last 5 Years		0.87%		1.89%		(0.69%)

<u>Year</u>	<u>SBC</u>		<u>SBC</u>		<u>Total CP<sup>2</sup> as a % of</u>	
	<u>\$ Share of Total CP <sup>2</sup></u>	<u>% Change</u>	<u>% Share of Total CP <sup>2</sup></u>	<u>Total Receipts <sup>1</sup></u>	<u>Undesig. Gifts</u>	
2014-15	\$ 183,771,302	1.55%	38.75%	4.11%	5.18%	
2015-16	\$ 190,468,781	3.64%	40.08%	4.15%	5.16%	
2016-17	\$ 191,948,826	0.78%	41.49%	3.94%	4.86%	
2017-18	\$ 191,257,988	(0.36%)	41.30%	3.92%	4.82%	
2018-19	\$ 190,967,403	(0.15%)	41.31%	3.97%	4.82%	
Average Change 1980s		7.98%	37.47%	8.55%	10.50%	
Average Change 1990s		2.06%	37.04%	7.00%	8.73%	
Average Change 2000s		2.22%	37.16%	5.38%	6.80%	
Average Change 2010s		(0.15%)	39.34%	4.12%	5.22%	
Average Change Last 5 Years		1.09%	40.59%	4.02%	4.97%	

## Notes:

1. Due to a change LifeWay made in the ACP information it requested for 2011, Total Gifts were not calculable. Therefore, Total Receipts are reported above for 2012-13 through 2018-19 for comparative purposes. Over the last 20 years Total Receipts averaged 7.25% more than Total Gifts.
2. For 2012-13 through 2018-19, in keeping with the Convention approved definition of The Cooperative Program, the Total Cooperative Program category does not include church contributions given directly to the national convention that are directed only to the national SBC CP Allocation budget.

Sections 2 & 3 were prepared by the SBC Executive Committee based on information obtained by the 2019 ACP Statistical Summary which was prepared by LifeWay Research, LifeWay Christian Resources, One LifeWay Plaza, Nashville, TN 37234, May 28, 2020.

<sup>◇</sup> Data provided following the posting of the 2020 Book of Reports.

4. **Cooperative Program Distribution** – Cooperative Program funds received by the Southern Baptist Convention were distributed in keeping with the action of the Southern Baptist Convention when the 2018-2019 Southern Baptist Convention Cooperative Program Allocation Budget was approved. The 2018-2019 SBC Cooperative Program funds distributed include funds received from state conventions and identified by them as Cooperative Program Allocation Budget funds.

	<u>2018-2019</u>	<u>2017-2018</u>
International Mission Board	\$ 99,254,130	\$ 99,347,638
North American Mission Board	\$ 44,835,155	\$ 44,849,541
Gateway Seminary	\$ 3,966,734	\$ 4,154,629
Midwestern Seminary	\$ 6,358,059	\$ 5,769,026
New Orleans Seminary	\$ 7,144,588	\$ 7,312,473
Southeastern Seminary	\$ 7,664,237	\$ 7,924,967
Southern Seminary	\$ 10,351,129	\$ 10,183,261
Southwestern Seminary	\$ 7,638,842	\$ 7,793,070
Historical Library and Archives	\$ 472,156	\$ 472,308
Ethics & Religious Liberty Commission	\$ 3,246,073	\$ 3,247,115
SBC Executive Committee and SBC Operating	\$ 5,800,600	\$ 5,990,800
<b>Grand Totals</b>	<b><u>\$ 196,731,703</u></b>	<b><u>\$ 197,044,828</u></b>

- 5.◊ **2019 Southern Baptist Convention Statistical Summary** <sup>(1)</sup> – A summary of the statistical record for the Southern Baptist Convention for 2018–19 is as follows:

(See page 66 for chart of Southern Baptist Statistics by State Convention.)

<u>Item/Statistic</u>	<u>2019</u>	<u>2018</u>	<b>2019-2018</b>	<b>2019-2018</b>
			<b>Numeric</b>	<b>Percent</b>
			<b>Change</b>	<b>Change</b>
State Conventions	41	41	0	0.00%
Associations	1,116	1,126	(10)	(0.89%)
Churches	47,530	47,456	74	0.16%
Church-type Missions Operating <sup>(2)</sup>	3,608	4,085	(477)	(11.68%)
Total Baptisms	235,748	246,442	(10,694)	(4.34%)
Ratio of Baptisms: Total Members	1:62	1:60	-	-
Weekly Worship Average Attendance	5,250,230	5,297,788	(47,558)	(0.90%)
Sunday School/Bible Study/ Small Group Average Attendance	3,236,196	3,247,681	(11,485)	(0.35%)
Cooperative Program <sup>(3)</sup>	www.sbc.net/cp/statistics.asp		-	-

**Other 2019 Items – Not Asked by All State Conventions** <sup>(4)</sup>

<u>Item/Statistic</u>	<u>2019</u>	<u>2018</u>
Total Members <sup>(5)</sup>	14,525,579	14,813,234
Other Additions <sup>(6)</sup>	175,915	177,915
Undesignated Receipts <sup>(7)</sup>	\$ 9,600,108,179	\$ 9,601,534,950
Total Receipts <sup>(8)</sup>	\$ 11,640,670,559	\$ 11,811,093,609
Total Mission Expenditures <sup>(9)</sup>	\$ 1,123,298,287	\$ 1,171,604,679
Great Commission Giving <sup>(10)</sup>	\$ 540,859,296	\$ 572,281,994

**NOTES**

1. Data reported for the 2019 statistical year include adjustments to the totals for some non-reported items (from individual congregations) using data reported in prior years. Similar actions occurred in 2018.
2. Some state conventions no longer use the designation of church-type mission to categorize congregations that are not self-determining, self-sustaining and self-propagating. This practice has impacted the number of churches and church-type missions.
3. Cooperative Program as reported on the Annual Church Profile is not included in this table. Cooperative Program, based on the actual amount given through the state convention, is provided in the SBC Annual in the Executive Committee Annual Report.

NOTES (continued)

4. Totals for items in this table have incomplete data for 2019 due to the fact that not all state conventions asked the item or did so in a way not comparable with the standard definition. Thus, comparisons between the two years may not be appropriate. See the Notes in the 2018 SBC Statistical Summary for specific details to determine if a comparison is desirable.
5. Baptist General Convention of Oklahoma did not ask this item or the information necessary to obtain the item.
6. Baptist Convention of New York, California Southern Baptist Convention, Florida Baptist Convention and the Southern Baptists of Texas Convention did not ask this item or the information necessary to obtain the item.
7. Baptist Convention of New York did not ask this item or the information necessary to obtain the item.
8. Baptist Convention of New York and the California Southern Baptist Convention did not ask this item or the information necessary to obtain the item.
9. Alabama State Board of Missions, Baptist Convention of New York, Baptist General Convention of Oklahoma, Florida Baptist Convention, Georgia Baptist Mission Board and the South Carolina Baptist Convention did not ask this item or the information necessary to obtain the item.
10. Alabama State Board of Missions, Arkansas Baptist State Convention, Baptist Convention of New York, Baptist General Convention of Oklahoma, Missouri Baptist Convention, South Carolina Baptist Convention and the Southern Baptists of Texas Convention did not ask this item or the information necessary to obtain the item.

Prepared by: LifeWay Research, LifeWay Christian Resources, One LifeWay Plaza, Nashville, TN 37234, May 28, 2020.

◇ Data provided following the posting of the 2020 Book of Reports.

### Church Plants, New Affiliates, and Campuses for 2019, SBC: 908\*\*

Source: Reports from State Directors of Missions compiled by the North American Mission Board, Alpharetta, GA (see page 162)

\*\* Note: 2010 was the first year an SBC ID # was requested for each reported congregation. In 2019, LifeWay began assigning SBC ID numbers for each campus of a multi-site church. In 2019, partners reported 552 new church starts, 59 new campuses and 254 new affiliations.

	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>Percent Change</u>
International Missionaries	3,615	3,665	(50)	(1.4%)
North American Missionaries	3,057 <sup>(1)</sup>	5,262	(2,205)	(42%)
— Chaplains	3,738 <sup>(2)</sup>	N/A	N/A	N/A

<sup>(1)</sup> NAMB's missionary count fluctuates because most are church planters who rotate out five years after their church launches.

<sup>(2)</sup> NAMB-endorsed chaplains serve in the military, hospitals, law enforcement, prisons, disaster relief, corporate workplaces, and other settings. NAMB provides ministry guidelines, training resources, and pastoral care for chaplains serving throughout North America and the world.

6. **Special Missions Offerings** – Southern Baptists contributed a special missions offering total of \$183,279,541 through the SBC Executive Committee for North American and International Missions in 2018-2019. The record is as follows:

	<u>2018-2019</u>	<u>2017-2018</u>	<u>Amount Change</u>	<u>Percent Change</u>
Lottie Moon Christmas Offering for International Missions	\$ 127,018,841	\$ 128,650,550	(1,631,709)	(1.27%)
Annie Armstrong Easter Offering for North American Missions	\$ 56,260,700	\$ 56,668,218	(407,518)	(0.72%)
<b>Total</b>	<b>\$ 183,279,541</b>	<b>\$ 185,318,768</b>		

Note: As noted above, these totals reflect what was received only through the SBC Executive Committee for both mission offerings. These totals, along with what was directly received by the mission boards, resulted in the following complete totals: Lottie Moon Christmas Offering for International Missions - \$157.3 million; Annie Armstrong Easter Offering for North American Missions - \$61.6 million.

7. **Global Hunger Relief Funds** - Southern Baptists contributed a total of \$2,364,114 for global hunger relief through the SBC Executive Committee in 2018-2019. The record is as follows:

	<u>2018-2019</u>	<u>2017-2018</u>	<u>Percent Change</u>
Received by SBC Executive Committee	\$ 2,364,114	\$ 2,647,087	(10.69%)
Forwarded to International Mission Board	\$ 1,894,275	\$ 2,116,769	(10.51%)
Forwarded to North American Mission Board	\$ 469,839	\$ 530,318	(11.40%)

## 2019 SBC STATISTICS BY STATE CONVENTION <sup>1</sup>

SBC and State Conventions	Associations	Churches <sup>2</sup>	Church-type Missions <sup>2</sup>	Baptisms	Other Additions <sup>3</sup>	Total Membership <sup>3</sup>	Weekly Worship Avg. Attendance <sup>3</sup>	Sunday School/Bible Study Avg. Attendance <sup>3</sup>	Total Receipts <sup>3</sup>	Total Mission Expenditures <sup>3</sup>
AL <sup>(4)</sup>	75	3,229	30	11,677	15,723	891,325	283,173	196,168	\$ 754,555,416	Footnote 4
AK	4	89	32	248	206	12,763	6,963	4,299	\$ 13,103,266	\$ 2,368,715
AZ	13	458	1	2,581	1,736	82,568	45,149	26,974	\$ 87,317,638	\$ 10,285,265
AR	42	1,429	104	7,963	8,513	460,212	145,616	96,906	\$ 368,896,713	\$ 51,017,183
CA <sup>(5)</sup>	29	1,786	522	12,470	Footnote 5	407,881	211,443	79,944	Footnote 5	\$ 23,702,971
CO	11	307	67	2,402	1,472	39,991	32,457	19,562	\$ 32,472,862	\$ 3,535,811
Dakota	6	82	4	159	153	3,576	3,563	2,350	\$ 6,337,558	\$ 847,508
FL <sup>(6)</sup>	49	2,636	226	25,338	Footnote 6	871,494	439,127	239,433	\$ 780,216,858	\$ Footnote 6
GA <sup>(4)</sup>	89	3,361	174	19,641	25,121	1,309,309	494,271	303,338	\$ 1,102,505,802	Footnote 4
HI-Pacific	7	129	11	579	707	12,935	8,879	5,590	\$ 18,891,877	\$ 2,450,409
IL	34	870	80	3,553	1,639	175,155	67,870	39,619	\$ 125,261,753	\$ 14,633,752
IN	14	379	64	1,382	961	73,768	35,537	20,805	\$ 65,332,151	\$ 6,715,610
IA	11	110	5	1,229	962	15,074	19,166	10,460	\$ 35,057,984	\$ 6,262,201
KS-NE	12	321	133	1,692	1,156	83,259	52,893	22,563	\$ 92,543,682	\$ 8,201,593
KY	69	2,356		11,024	9,059	644,277	206,383	120,697	\$ 383,485,645	\$ 52,908,854
LA	38	1,419	193	6,951	6,722	477,577	152,140	89,038	\$ 368,868,023	\$ 39,502,599
MD-DE	11	473	15	1,477	806	80,746	37,774	22,072	\$ 85,806,649	\$ 10,061,639
MI	14	274	21	1,091	556	27,882	17,569	8,730	\$ 26,447,376	\$ 3,377,926
MN-WI	8	185	24	463	382	15,822	8,757	4,851	\$ 11,216,920	\$ 1,501,488
MS	65	2,066	18	7,727	9,951	545,102	182,712	129,933	\$ 484,211,720	\$ 66,968,978
MO	60	1,770	30	6,585	8,020	498,381	158,329	104,172	\$ 346,826,607	\$ 44,603,426
MT	5	128		534	327	8,549	9,048	5,215	\$ 15,236,574	\$ 2,017,269
NV	4	174	12	1,038	918	25,757	15,868	8,965	\$ 30,771,494	\$ 2,768,943
New England	7	352	3	1,711	420	32,561	35,173	18,061	\$ 23,310,710	\$ 2,560,702
NM	13	322	13	2,455	1,156	65,703	38,220	20,866	\$ 57,512,886	\$ 8,177,165
NY <sup>(7)</sup>	10	512		2,642	Footnote 7	44,348	48,055	28,631	Footnote 7	Footnote 7
NC	78	4,216	131	15,483	12,459	1,117,512	432,576	267,040	\$ 918,003,143	\$ 108,458,407
Northwest	14	415	69	2,592	1,359	51,329	36,751	22,323	\$ 59,166,963	\$ 7,216,238
OH	15	633	82	3,331	2,078	76,329	58,059	36,985	\$ 89,688,641	\$ 11,749,294
OK <sup>(8)</sup>	40	1,725	41	9,286	9,044	Footnote 8	174,361	134,603	\$ 462,642,467	Footnote 8
PA-S. Jersey	8	272	34	1,439	450	25,669	19,998	10,751	\$ 23,037,219	\$ 2,624,935
Puerto Rico	1	44	1	166	135	2,152	2,240	1,147	\$ 1,083,228	\$ 105,768
SC <sup>(4)</sup>	42	2,099		10,627	9,259	536,549	242,039	153,799	\$ 492,512,226	Footnote 4
TN	65	3,071	97	19,269	18,432	937,164	347,353	214,739	\$ 820,156,872	\$ 102,089,494
TX <sup>(9)(10)</sup>	106	6,375	978	29,567	Footnote 10	2,634,123	732,851	490,261	\$ 2,198,513,254	\$ 200,806,537
BGCT	98	4,323	965	20,456	18,764	2,014,257	522,105	359,084	\$ 1,615,924,578	\$ 156,134,216
SBTC <sup>(10)</sup>	104	2,682	56	18,443	Footnote 10	1,205,877	394,525	261,474	\$ 1,214,463,140	\$ 97,602,953
UT-ID	11	136	49	503	452	15,564	9,447	6,048	\$ 17,134,591	\$ 2,333,881
VA <sup>(11)</sup>	41	1,869	28	8,002	6,006	543,495	190,918	122,119	\$ 494,585,947	\$ 49,948,159
BGAV	41	1,236	26	2,608	2,644	363,135	90,649	59,642	\$ 269,809,832	\$ 27,985,581
SBCV		709	2	5,935	3,707	209,584	115,614	72,159	\$ 260,399,165	\$ 25,555,605
WV	10	201	18	577	413	27,747	12,302	7,824	\$ 21,540,679	\$ 3,828,732
WY		90	8	282	201	7,135	4,547	2,250	\$ 9,068,259	\$ 1,621,209
Sub-Total 1,120	47,069	3,361	245,609	176,059	13,496,018	5,218,701	3,239,110	\$ 11,590,839,167	\$ 911,776,320	
Adjustments <sup>(12)</sup> (4)	461	247	(9,861)	(144)	1,029,561	31,529	(2,914)	49,831,392	211,521,967	
<b>Grand Total</b>										
<b>For SBC <sup>(3)</sup></b>	<b>1,116</b>	<b>47,530</b>	<b>3,608</b>	<b>235,748</b>	<b>175,915</b>	<b>14,525,579</b>	<b>5,250,230</b>	<b>3,236,196</b>	<b>\$ 11,640,670,559</b>	<b>\$ 1,123,298,287</b>

## NOTES:

- All information as of May 28, 2020.
- Some state conventions no longer use the designation of church-type mission to categorize congregations which are not self-determining, self-sustaining and self-propagating. This practice has impacted the number of churches and church-type missions.
- Total impacted by incomplete data from some state conventions. See body of table and notes for details. Care should be exercised in comparing SBC totals to previous years.
- Alabama State Board of Missions, Georgia Baptist Mission Board and the South Carolina Baptist Convention did not ask the following item or the information necessary to obtain the item: Total Mission Expenditures.
- California Southern Baptist Convention did not ask the following items or the information necessary to obtain the items: Other Additions and Total Receipts.
- Florida Baptist Convention did not ask the following items or the information necessary to obtain the items: Other Additions and Total Mission Expenditures.
- New York Baptist Convention did not ask the following items or the information necessary to obtain the items: Other Additions, Total Receipts and Total Mission Expenditures.
- Baptist General Convention of Oklahoma did not ask the following items or the information necessary to obtain the items: Total Membership and Total Mission Expenditures.
- Two state conventions exist within the state of Texas. The Texas summary line does not show the arithmetic sum of the two state convention figures, because some congregations are related to both state conventions, and their numbers are reflected in the totals for both state conventions.
- Southern Baptists of Texas Convention did not ask the following item or the information necessary to obtain the item: Other Additions.
- Two conventions exist within the state of Virginia. The Virginia summary line does not show the arithmetic sum of the two state convention figures, because some congregations are related to both state conventions, and their numbers are reflected in the totals for both state conventions.
- This line includes four types of adjustments to the data:
  - The removal of duplicate data caused by 818 congregations that are related to more than one state convention.
  - The removal of data from 113 congregations affiliated with a state convention but not related to the SBC.
  - The addition of data from 1,640 congregations affiliated with the SBC but not related to a state convention.
  - The addition of data carried forward from previous ACP reporting cycles for 10,484 congregations that did not report in 2019.
- Adjustments to the national totals (and some state convention totals) include data carried forward for non-reported items from data reported in prior years.
  - Totals include carried forward Total Membership from the last year the congregation reported it.
  - Totals include carried forward Weekly Worship Average Attendance and Sunday School/Bible Study/Small Group Average Attendance from the most recently reported data from the prior two years.
  - Totals include carried forward Total Receipts, Undesignated Receipts and Total Mission Expenditures from the most recently reported data from the

Prepared by: LifeWay Research, LifeWay Christian Resources, One LifeWay Plaza, Nashville, TN 37234, May 28, 2020.

Data provided following the printing of the 2020 Book of Reports.

## *Significant Actions of the SBC Executive Committee*

The following actions of the Southern Baptist Convention Executive Committee are reported for information.

1. **Vote to Cancel the 2020 SBC Annual Meeting** – On March 24, 2020, the Southern Baptist Convention Executive Committee, for the first time in 75 years, acting as a member of the body authorized by Article XI, Section 4 of the Constitution of the Southern Baptist Convention to cancel a regular meeting of the Convention, voted to cancel the annual meeting of the Southern Baptist Convention scheduled for June 9-10, 2020, in Orlando, Florida, believing there was a grave emergency created by the coronavirus pandemic in our world.
2. **Inauguration of Ronnie W. Floyd as President and Chief Executive Officer of the SBC Executive Committee** – On September 16, 2019, the Southern Baptist Convention Executive Committee held the inauguration of Ronnie W. Floyd as president and chief executive officer of the SBC Executive Committee at First Baptist Church, Nashville, Tennessee. During the inauguration service, pastors and leaders from every level of Southern Baptist life prayed for Floyd and challenged him to lead the Convention into gospel unity.
3. **Resolution of Appreciation for D. August (Augie) Boto Upon His Retirement as Executive Vice President and General Counsel of the SBC Executive Committee** – In September 2019, the Southern Baptist Convention Executive Committee adopted a resolution of appreciation for D. August (Augie) Boto on the occasion of his retirement as executive vice president and general counsel of the SBC Executive Committee, following twenty-one years of service. He began his service as vice president for Convention Policy in 1998, and was appointed executive vice president and general counsel in 2007. From April 4, 2018, to May 19, 2019, Boto also served as the SBC Executive Committee's first and only interim president and chief executive officer in its one hundred-year history.
4. **Retirement of Kenneth B. (Ken) Weathersby, SBC Executive Committee Vice President of Convention Advancement** – In February 2020, the Southern Baptist Convention Executive Committee acknowledged Kenneth B. (Ken) Weathersby for his service as SBC Executive Committee Vice President for Convention Advancement. In 2013, Weathersby began his service and worked tirelessly to increase ethnic participation and grow relationships with demographic subsets in the SBC. Weathersby's retirement was due to a medical disability causing visual impairment.
5. **Retirement of Roger S. (Sing) Oldham, SBC Executive Committee Vice President for Convention Relations** – In February 2020, the Southern Baptist Convention Executive Committee acknowledged Roger S. (Sing) Oldham for his service as SBC Executive Committee Vice President for Convention Relations. In 2007, Oldham began his service which expanded in 2010 to include communications to which he gave administrative oversight until September 2019.

6. **SBC Executive Committee Staff** – Since September 2019, the Southern Baptist Convention Executive Committee has employed several new staff members. Working alongside previously employed staff, SBC Executive Committee President, Ronnie W. Floyd, formed the following team to serve the SBC Executive Committee as follows:

**SBC EXECUTIVE COMMITTEE LEADERSHIP TEAM**

Ronnie W. Floyd, President and Chief Executive Officer

Edward Upton, Assistant to the President

William E. (Bill) Townes, Chief Financial Officer

Jonathan P. Howe, Vice President for Communications

Willie McLaurin, Vice President for Great Commission Relations and Mobilization

Amy Whitfield, Associate Vice President for Convention Communications

George Schroeder, Associate Vice President for Convention News

C. Ashley Clayton, Executive Director for Church Affiliation

Julio Arriola, Executive Director of Hispanic Relations and Mobilization

Peter Yanes, Executive Director of Asian American Relations and Mobilization

7. **VISION 2025** – In February 2020, Southern Baptist Convention Executive Committee President, Ronnie W. Floyd, presented a new five-year initiative in conjunction with multiple entities to reach every person with the gospel in every town, every city, every state, and every nation. The SBC Executive Committee voted to adopt VISION 2025 and were to recommend it to the Southern Baptist Convention meeting in Orlando, Florida, June 9-10, 2020. Due to the cancellation of the 2020 annual meeting, this recommendation is postponed for future consideration.

**VISION 2025**

Vision 2025 is a call to reach every person for Jesus Christ in every town, every city, every state, and every nation.

**STRATEGIC ACTIONS FOR VISION 2025**

1. Increase our total number of full-time, fully-funded missionaries by a net gain of 500, giving us 4,200 full-time, fully-funded missionaries through the International Mission Board.
2. Add 6,000 new churches to our Southern Baptist family, giving us over 50,000 churches.
3. Increase our total number of workers in the field through a new emphasis on “calling out the called” and then preparing those who are called out by the Lord.
4. Turn around our ongoing decline in reaching, baptizing, and discipling 12-17 year olds in the prime of their teenage years.
5. Increase our annual giving in successive years to reach and surpass \$500 million given through the Cooperative Program to achieve these Great Commission goals.

8. **2020-21 Proposed SBC Cooperative Program Allocation Budget** – In February 2020, the Southern Baptist Convention Executive Committee adopted the 2020-21 Proposed SBC Cooperative Program Allocation Budget in the amount of \$196,700,000 as follows and were to recommend the budget to the Southern Baptist Convention meeting in Orlando, Florida, June 9-10, 2020, for adoption.

**PROPOSED 2020-21 SBC COOPERATIVE PROGRAM ALLOCATION BUDGET**

	<b>Proposed 2020-21 Budget Allocation</b>	<b>Proposed* 2020-21 % of Total Allocation</b>
World Mission Ministries		
International Mission Board	\$ 99,055,650	50.41%
North American Mission Board	44,782,350	<u>22.79%</u>
<b>Total World Mission Ministries</b>	<b><u>\$ 143,838,000</u></b>	<b><u>73.20%</u></b>
Theological Education Ministries		
Seminaries:		
Gateway Seminary	3,826,220	1.95%
Midwestern Baptist Theological Seminary	7,450,693	3.79%
New Orleans Baptist Theological Seminary	6,903,428	3.51%
Southeastern Baptist Theological Seminary	7,370,691	3.75%
Southern Baptist Theological Seminary	10,382,969	5.29%
Southwestern Baptist Theological Seminary	<u>7,138,799</u>	<u>3.63%</u>
Total Seminaries	\$ 43,072,800	21.92%
Historical Library and Archives	<u>471,600</u>	<u>0.24%</u>
<b>Total Theological Education Ministries</b>	<b><u>\$ 43,544,400</u></b>	<b><u>22.16%</u></b>
Christian Ethics and Religious Liberty Ministries		
Ethics & Religious Liberty Commission	\$ 3,242,250	<u>1.65%</u>
<b>Total Christian Ethics &amp; Religious Liberty     Ministries</b>	<b><u>3,242,250</u></b>	<b><u>1.65%</u></b>
Facilitating Ministries		
SBC Executive Committee & SBC Operating	\$ 5,875,350	<u>2.99%</u>
<b>Total Facilitating Ministries</b>	<b><u>\$ 5,875,350</u></b>	<b><u>2.99%</u></b>
<b>Total Budget Allocation</b>	<b><u>\$ 196,500,000</u></b>	<b><u>100.00%</u></b>
Special Allocation: SBC VISION 2025 Initiative	<u>200,000</u>	
<b>Total</b>	<b><u>\$ 196,700,000</u></b>	

\* Any overage of gifts received above the Cooperative Program Allocation Budget will be distributed as follows: Initial 10% of the overage to be used to support the VISION 2025 initiative with the balance of the overage to the other distributees in accord with the percentages approved for them in the Cooperative Program Allocation Budget, and that such a distribution of overage continue until duly amended.

9. **2020-21 Proposed SBC Executive Committee and SBC Operating Budget** – In February 2020, the Southern Baptist Convention Executive Committee adopted the 2020-21 Proposed SBC Executive Committee and SBC Operating Budget in the amount of \$8,300,350 as follows and were to recommend the budget to the Southern Baptist Convention meeting in Orlando, Florida, June 9-10, 2020, for adoption.

**SBC EXECUTIVE COMMITTEE AND SBC OPERATING BUDGET**

<b>I. STATEMENT OF INCOME</b>	<b><u>2020-21**</u></b>	<b><u>2019-20*</u></b>
Cooperative Program	\$ 5,875,350	\$ 5,875,350
Designations	300,000	225,000
LifeWay Christian Resources	100,000	100,000
Interest/Dividends	600,000	475,000
Cost Recovery (Annual Mtg, <i>SBC Life</i> , etc.)	1,000,000	949,650
Other Income	<u>425,000</u>	<u>75,000</u>
<b>Total Income</b>	<b><u>\$ 8,300,350</u></b>	<b><u>\$ 7,700,000</u></b>
<b>II. ENTITY SUMMARY OPERATING BUDGET</b>	<b><u>2020-21**</u></b>	<b><u>2019-20*</u></b>
Convention Administration Expenses		
SBC General Operations		\$ 368,000
SBC Committees		125,000
Annual Meeting		1,000,000
SBC Building Management		<u>635,890</u>
<b>Subtotal</b>	<b><u>\$ 2,490,105</u></b>	<b><u>\$ 2,208,890</u></b>
SBC Executive Committee Operations Expenses		
Administration		1,796,945
SBC Executive Committee Meetings		240,000
Convention Policy		0
Convention Relations (Mobilization)		927,908
Convention Communications		1,643,784
Convention Advancement		478,709
Cooperative Program/Stewardship		569,764
Other Designated Expenditures		<u>0</u>
<b>Subtotal</b>	<b><u>\$ 5,810,245</u></b>	<b><u>\$ 5,657,110</u></b>
<b>Total Expenses</b>	<b><u>\$ 8,300,350</u></b>	<b><u>\$ 7,866,000</u></b>

\* Numbers are taken from the SBC Operating Budget – approved September 2019.

\*\* Numbers are estimates for the year requested based on anticipated income.

10. **Amendment of SBC Constitution Article III. Composition, Section 1, to Expand the Definition of a Cooperating Church Regarding Sexual Abuse and Racial Discrimination** – Final Vote – In February 2020, the Southern Baptist Convention Executive Committee considered and adopted a recommendation for the second and final of the required two consecutive annual meeting approvals (pursuant to SBC Constitution Article XIV), to amend SBC Constitution Article III, Section 1, to expand the definition of a cooperating church regarding sexual abuse and racial discrimination and were to recommend to the Southern Baptist Convention meeting in Orlando, Florida, June 9-10, 2020, for final vote. Due to the cancellation of the 2020 Annual Meeting, the 2021 Annual Meeting would serve as the next consecutive meeting for approval. The amendment would read as follows:

(Addition of text is indicated by underline.)

**Article III. Composition:** The Convention shall consist of messengers who are members of Baptist churches in cooperation with the Convention. The following subparagraphs describe the Convention's current standards and method of determining the maximum number of messengers the Convention will recognize from each cooperating church to attend the Convention's Annual Meeting.

1. The Convention will only deem a church to be in friendly cooperation with the Convention, and sympathetic with its purposes and work (i.e., a "cooperating" church as that term is used in the Convention's governing documents) which:

(1) Has a faith and practice which closely identifies with the Convention's adopted statement of faith. (By way of example, churches which act to affirm, approve, or endorse homosexual behavior would be deemed not to be in cooperation with the Convention.)

(2) Has formally approved its intention to cooperate with the Southern Baptist Convention. (By way of example, the regular filing of the annual report requested by the Convention would be one indication of such cooperation.)

(3) Has made undesignated, financial contribution(s) through the Cooperative Program, and/or through the Convention's Executive Committee for Convention causes, and/or to any Convention entity during the fiscal year preceding.

(4) Does not act in a manner inconsistent with the Convention's beliefs regarding sexual abuse.

(5) Does not act to affirm, approve, or endorse discriminatory behavior on the basis of ethnicity.

11. **Amendment of SBC Bylaw 36. Amendments to Allow Voting in the Final Session** – In February 2020, the Southern Baptist Convention Executive Committee considered and adopted a recommendation amending SBC Bylaw 36. Amendments, to allow voting in the final session and were to recommend to the Southern Baptist Convention meeting in Orlando, Florida, June 9-10, 2020. Due to the cancellation of the 2020 Annual Meeting, this recommendation will be postponed for future consideration. The amendment would read as follows:

(Note: Addition of text is indicated by underline,  
and deletion of text is indicated by ~~strikethrough~~.)

**36. Amendments:** The Bylaws may be amended pursuant to Bylaw 21 by a two-thirds majority vote ~~at any time except during the last session of the Convention~~ except that Bylaw 14, which lists the entities and auxiliary of the Convention, may be amended only by a majority vote of two (2) successive annual meetings.

The final amended version reads as follows:

**36. Amendments:** The Bylaws may be amended pursuant to Bylaw 21 by a two-thirds majority vote except that Bylaw 14, which lists the entities and auxiliary of the Convention, may be amended only by a majority vote of two (2) successive annual meetings.

12. **Amendment of SBC Constitution, Article V, Section 2, Officer Election** – In February 2020, the Southern Baptist Convention Executive Committee considered and adopted a recommendation and were to recommend the Southern Baptist Convention act in the first of the required two consecutive annual meetings (pursuant to SBC Constitution Article XIV) to amend SBC Constitution Article V. Officers, Section 2, to be effective upon Convention approval for the second consecutive year in the 2021 annual meeting. Due to the cancellation of the 2020 Annual Meeting, this process may be adjusted accordingly. The proposed amendments would read as follows:

(Note: Addition of text is indicated by underline  
and deletion of text is indicated by ~~strikethrough~~.)

#### **Article V. Officers**

2. The officers shall be elected annually and shall hold office until their successors are elected and qualified. The term of office for the president is limited to two (2) years, and a president shall not be eligible for re-election until as much as one (1) year has elapsed from the time a successor is named. ~~The first vice president shall be voted upon and elected after the election of the president has taken place, and the second vice president shall be voted upon and elected after the election of the first vice president has taken place.~~ No person may simultaneously be a candidate for two offices.

The final amended version would read as follows:

#### **Article V. Officers**

2. The officers shall be elected annually and shall hold office until their successors are elected and qualified. The term of office for the president is limited to two (2) years, and a president shall not be eligible for re-election until as much as one (1) year has elapsed from the time a successor is named. No person may simultaneously be a candidate for two offices.

13. **SBC Executive Committee: Request for Approval of Mission and Ministry Statement Amendment** – In February 2020, the Southern Baptist Convention Executive Committee adopted a recommendation to amend its mission and ministry statements and were to recommend to the Southern Baptist Convention meeting in Orlando, Florida, June 9-10, 2020. Due to the cancellation of the 2020 Annual Meeting, this recommendation will be postponed for future consideration. The amendment would read as follows:

(Note: Addition of text is indicated by underline  
and deletion of text is indicated by ~~strikethrough~~.)

#### **Southern Baptist Convention Executive Committee**

##### **MISSION**

The SBC Executive Committee exists to empower minister to the churches to prioritize, elevate, and accelerate the vision of reaching every person for Jesus Christ in every town, every city, every state, and every nation through collaborative partnership, cooperation, and generosity. ~~of the Southern Baptist Convention by acting for the Convention ad interim in all matters not otherwise provided for in a manner that encourages the cooperation and confidence of the churches, associations, and state conventions and facilitates maximum support for worldwide missions and ministries.~~

MINISTRIES

- 1. Assist churches through conducting and administering the work of the Convention not otherwise assigned.**

The SBC Executive Committee serves as the fiduciary, the fiscal, and the executive entity of the Convention in all its affairs not specifically committed to some other board or entity. Furthermore, the SBC Executive Committee is authorized, instructed, and commissioned to act for the Convention ad interim in all matters not otherwise provided for. It also serves as the managing agent of the Southern Baptist Convention building. Manage according to the Southern Baptist Convention Bylaws, Bylaw 18; The Executive Committee; manage the operation of the Southern Baptist Convention Building according to guidelines adopted by building occupants.

- 2. Assist churches by providing a Convention news service.**

Provide regular news releases about Southern Baptists; tell and celebrate stories of what God is doing through Southern Baptist churches and ministries; serve as the Convention's press representative; coordinate news operations for annual meetings of the Southern Baptist Convention.

- 3. Assist churches by developing and strengthening cooperative relationships, providing a Convention public relations service.**

Interpret the Southern Baptist Convention to internal and external publics; strengthen relationships with state convention, associational, and other Southern Baptist affinity groups; and pursue cooperative relationships with theologically likeminded churches to fulfill our missional vision of reaching all people for Jesus Christ and making disciples of all the nations.

- 4. Assist churches, Baptist general bodies and their entities, and other evangelical organizations, and individuals with investment management and generosity, through estate planning consultation and investment management primarily for funds providing support for Southern Baptist causes.**

Encourage and partner consult with Southern Baptist general bodies and their entities, and other evangelical churches, entities, organizations, and individuals to invest in Kingdom causes by providing comprehensive, regarding wills, gifts, trusts, or deeds which benefit investment, fiduciary, and planning services for maximum impact for Southern Baptist or other evangelical causes. ; and provide investment management for a balanced portfolio of securities.

- 5. Assist churches by promoting the Cooperative Program and celebrating other through the promotion of cooperative giving.**

In consultation Consult with cooperating state conventions and Southern Baptist Convention entities, prioritize, elevate, and accelerate giving through regarding cooperative giving advancement; interpret the Cooperative Program as the most effective means of mobilizing Southern Baptist churches and extending our collective efforts to reach every person with the gospel and make disciples of all nations; celebrate all cooperative giving to achieve these ends, basic channel of support for the ministries of the state conventions and the Southern Baptist Convention.

- 6. Assist churches in stewardship education.**

Produce, develop, publish, and distribute products that help Southern Baptists to grow in commitment to Jesus Christ by applying biblical principles of stewardship.

**7. Assist churches through elevating the ministry of prayer.**

Provide strategic leadership to lift up and promote coordinated prayer for spiritual awakening, ministry effectiveness, and the completion of the Great Commission.

**RELATIONSHIPS**

The SBC Executive Committee will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the SBC Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

The final amended version would read as follows:

**Southern Baptist Convention Executive Committee**

**MISSION**

The SBC Executive Committee seeks to empower churches to prioritize, elevate, and accelerate the vision of reaching every person for Jesus Christ in every town, every city, every state, and every nation through collaborative partnership, cooperation, and generosity.

**MINISTRIES**

**1. Assist churches through conducting and administering the work of the Convention not otherwise assigned.**

The SBC Executive Committee serves as the fiduciary, the fiscal, and the executive entity of the Convention in all its affairs not specifically committed to some other board or entity. Furthermore, the SBC Executive Committee is authorized, instructed, and commissioned to act for the Convention ad interim in all matters not otherwise provided for. It also serves as the managing agent of the Southern Baptist Convention building.

**2. Assist churches by providing a Convention news service.**

Provide regular news releases about Southern Baptists; tell and celebrate stories of what God is doing through Southern Baptist churches and ministries; serve as the Convention's press representative; coordinate news operations for annual meetings of the Southern Baptist Convention.

**3. Assist churches by developing and strengthening cooperative relationships.**

Interpret the Southern Baptist Convention to internal and external publics; strengthen relationships with state convention, associational, and other Southern Baptist affinity groups; and pursue cooperative relationships with theologically likeminded churches to fulfill our missional vision of reaching all people for Jesus Christ and making disciples of all the nations.

**4. Assist churches, organizations, and individuals with investment management and generosity.**

Encourage and partner with Southern Baptist and other evangelical churches, entities, organizations, and individuals to invest in Kingdom causes by providing comprehensive investment, fiduciary, and planning services for maximum impact for Southern Baptist or other evangelical causes.

**5. Assist churches by promoting the Cooperative Program and celebrating other cooperative giving.**

In consultation with cooperating state conventions and Southern Baptist Convention entities, prioritize, elevate, and accelerate giving through the Cooperative Program as the most effective means of mobilizing Southern Baptist churches and extending our collective efforts to reach every person with the gospel and make disciples of all nations; celebrate all cooperative giving to achieve these ends.

**6. Assist churches in stewardship education.**

Produce, develop, publish, and distribute products that help Southern Baptists to grow in commitment to Jesus Christ by applying biblical principles of stewardship.

**7. Assist churches through elevating the ministry of prayer.**

Provide strategic leadership to lift up and promote coordinated prayer for spiritual awakening, ministry effectiveness, and the completion of the Great Commission.

**RELATIONSHIPS**

The SBC Executive Committee will work within the Southern Baptist Convention entity relationship guidelines approved by the Great Commission Council and the SBC Executive Committee and printed in the *Organization Manual of the Southern Baptist Convention*.

14. **2020-21 SBC Comprehensive Budget** – The 2020-21 SBC Comprehensive Budget and a summary recap of entity operating budget totals is printed on page 91.
15. **Report from the SBC Credentials Committee and Recommendation** – In February 2020, the Southern Baptist Convention Executive Committee received the report of the SBC Credentials Committee which stated it had received a request to consider the relationship of the Southern Baptist Convention and Ranchland Heights Baptist Church on the basis that the church employs as its pastor a lifetime registered sex offender, Philip Rutledge, and had during its September 16, 2019, meeting, voted to place Ranchland Heights Baptist Church under inquiry. The Credentials Committee presented its report and recommendation to the SBC Executive Committee during its February 17-18, 2020, meeting. The SBC Executive Committee adopted the Credentials Committee’s recommendation which stated that Ranchland Heights Baptist Church of Midland, Texas, no longer be considered in friendly cooperation with the Convention as outlined in SBC Constitution Article III.
16. **Guidelines for SBC Executive Committee Staff Liaison to the SBC Committee on Nominations and the SBC Resolutions Committee** – In February 2020, the Southern Baptist Convention Executive Committee adopted the following “Guidelines for the SBC Executive Committee Liaison to the SBC Committee on Nominations” and an amended form of “Guidelines for the SBC Executive Committee Liaison to the SBC Committee on Resolutions.”

**GUIDELINES FOR THE SBC EXECUTIVE COMMITTEE LIAISON  
TO THE SBC COMMITTEE ON NOMINATIONS**

(a new document outlining a historical practice that goes back at least forty years)

1. In June, following each year’s SBC annual meeting, the SBC Executive Committee liaison to the Committee on Nominations will do the following:
- Send newly-elected trustee bio forms to entities;
  - Send a welcome letter to the Committee from the SBC Executive Committee president including date for the meeting and membership list of current Committee;

- Input “rotating off board” trustee information in database;
  - Working on behalf of the SBC recording secretary, notify all newly-elected board members, trustees of institutions, and commission members of their appointment; and
  - Compile Part 5 of the official record of the Southern Baptist Convention meeting and actions, “Officers, Directors, Trustees, and Committees,” for inclusion in the *SBC Annual*.
2. In August, the SBC Executive Committee liaison to the Committee on Nominations will do the following:
    - Send each entity a current list of vacancies and trustees eligible to serve a second term. Each entity is to confirm if accurate and/or notify of any changes;
    - Begin preparing a self-explanatory notebook for each member of the Committee. The notebook will contain up-to-date information on each entity, current entity vacancies, list of trustees eligible to serve a second term, entity charter requirements for trustee selection, balance of entity boards (SBC Bylaw 15G requires entities to include both church or denominational employees and those who are not church or denominational employees, with no more than two-thirds of the board members drawn from either category).
  3. In November, the SBC Executive Committee liaison to the Committee on Nominations will do the following:
    - Send the completed notebook to each Committee member;
    - Following Committee members’ receipt of notebook, coordinate a conference call with Committee on Nominations members and the SBC Executive Committee president and/or the SBC President upon their request.
  4. In February, the SBC Executive Committee liaison to the Committee on Nominations begins receiving nomination forms and begins the process of vetting each person being nominated to ensure the person meets all the criteria for trustee service spelled out in the SBC Bylaws.
  5. In March, when the full committee meets, the SBC Executive Committee liaison to the Committee on Nominations will sit alongside the chairperson to provide clerical assistance. Following the committee meeting, the SBC Executive Committee liaison will send each nominee information regarding the board, institution, or commission for which they are being nominated and request their written approval to continue with the nomination process.
  6. In April, the SBC Executive Committee liaison to the Committee on Nominations will prepare a report of the Committee for release in *Baptist Press* as stipulated in the SBC Bylaws (45 days prior to annual meeting).
  7. In May, the SBC Executive Committee liaison to the Committee on Nominations will prepare a report of the Committee (different layout than report for *Baptist Press* noted above) for inclusion in the *SBC Bulletin* to be presented to messengers for adoption during the annual meeting.
  8. In June, just prior to the SBC annual meeting, the SBC Executive Committee liaison will meet with a subcommittee of the Committee on Nominations to finalize the Committee’s recommendation to the Convention. This subcommittee is appointed by the committee chairperson each year to fill any positions not finalized by the full committee in its March meeting and/or address any change in status of a nominee who withdraws his or her name from consideration and becomes unqualified to serve due to a move from the state or territory they were nominated to represent.

**GUIDELINES FOR THE SBC EXECUTIVE COMMITTEE LIAISON  
TO THE SBC COMMITTEE ON RESOLUTIONS**

1. The SBC Executive Committee liaison to the Committee on Resolutions shall provide written and verbal orientation to the SBC president concerning Resolutions Committee member responsibilities in December or early January each year.
2. The SBC Executive Committee president or, at his request, the SBC Executive Committee liaison to the Committee on Resolutions may solicit topics from the SBC Executive Committee officers prior to the February SBC Executive Committee meeting as thought-starters for a possible “compendium” resolution (i.e. a resolution comprised of several topics) the Resolutions Committee may wish to consider for the following SBC annual meeting. This possible compendium resolution could serve as a landing place for a variety of topics, including topics from properly submitted resolutions not selected for individual adoption.
3. During the SBC Executive Committee Resolutions Committee liaison’s orientation call with the newly-appointed Committee on Resolutions chairman, the SBC Executive Committee Resolutions Committee liaison shall advise the chairman of topics suggested by the SBC Executive Committee officers.
4. During the Resolutions Committee organizational conference call, the SBC Executive Committee Resolutions Committee liaison shall provide an orientation on the resolutions process, giving special attention to the public relations elements of resolutions to help assure that the manner in which properly submitted resolutions are addressed serve the best interests of the Convention by following a consistent pattern of review and presentation from year to year. As a key component of this orientation, the SBC Executive Committee Resolutions Committee liaison shall enjoin the Committee on Resolutions to consider two overarching priorities: to recommend only those resolutions the Committee on Resolutions believes will reflect the position of the vast majority of messengers who will consider the proposed resolution; and to weigh carefully whether any proposed resolution will provide significant help to Southern Baptists in the pews once the annual meeting concludes.
5. The SBC Executive Committee Resolutions Committee liaison shall encourage the Committee on Resolutions to limit the number of resolutions to a reasonable number for the time allotted for debate (perhaps five to eight), selecting only those topics deemed most pressing by the committee from among those properly submitted by individuals or generated by the committee itself, and to adopt three-to-five responsive talking points for each Committee-generated and properly-submitted resolution to be presented to the messengers.
6. The SBC Executive Committee Resolutions Committee liaison shall encourage the Committee on Resolutions to draft a written explanatory paragraph in regard to all properly submitted resolutions not presented to the messengers, with this paragraph published in the SBC *Bulletin* as part of the committee’s disposition report (see SBC Bylaws).
7. The SBC Executive Committee Resolutions Committee liaison shall encourage the Committee on Resolutions chairman and members to refer to the talking points incorporated in the printed disposition report should there be a motion from the floor to consider a properly submitted resolution that was not recommended to the messengers by the committee.

17. **Creation of a Study Task Force to Review the Ethics and Religious Liberty Commission** – In February 2020, the Southern Baptist Convention Executive Committee adopted the following resolution which created a Study Task Force to review the past and present activities of the Ethics and Religious Liberty Commission in the fulfillment of its Convention-approved ministry assignments. SBC Executive Committee Chairman Mike Stone officially enlisted the following SBC Executive Committee members to serve on the task force: Mike Stone, Rolland Slade, Hoyt Savage, Cheryl Samples, Mike Lawson, Ron Hale, and Monte Shinkle.

**RESOLUTION TO REVIEW THE  
ETHICS AND RELIGIOUS LIBERTY COMMISSION**

Whereas, the members of the SBC Executive Committee are entrusted with the responsibility to recommend the Cooperative Program Allocation Budget to the Southern Baptist Convention on an annual basis, as required by SBC Bylaw 18.E(7); and

Whereas, the SBC Executive Committee is directed by the Convention to study and make recommendations to entities, and the Convention when advisable, concerning adjustments required by ministry statements or by established Convention policies and practices, as described in SBC Bylaw 18.E(9); and

Whereas, the SBC Executive Committee is directed by the Convention to present to the Convention recommendations required to clarify the responsibilities of the entities for ministries and other functions, as provided in SBC Bylaw 18.E(13); and

Whereas, ongoing concerns have been expressed both publicly and privately to various members of the SBC Executive Committee and other Southern Baptists regarding how the Ethics and Religious Liberty Commission's actions in relation to its ministry statements are affecting the Convention and its relationships with local churches, local associations, and state conventions; we recommend

That a task force be created consisting of the now-serving SBC Executive Committee chair (who will continue serving until the task force concludes its work) and six SBC Executive Committee members appointed by the SBC Executive Committee chair; and

That the task force review the past and present activities of the Ethics and Religious Liberty Commission in the fulfillment of its Convention-approved ministry assignments; and

That the task force assess whether the actions of the Commission and its leadership are affecting Cooperative Program giving or the further advancement of the Cooperative Program; and

That the task force report back to the SBC Executive Committee on or before its September 2020 meeting.

18. **SBC Credentials Committee Vacancy** – In February 2020, the Southern Baptist Convention Executive Committee nominated Linda Cooper, a member of Forest Park Baptist Church in Bowling Green, Kentucky, to serve a three-year term on the SBC Credentials Committee.

19. **Amendment of SBC Executive Committee Bylaws** – In February and June 2020\*, the Southern Baptist Convention Executive Committee approved extensive amendments to its bylaws, specifically Article III. Board of Trustees, Article IV. Officers and Their Duties, Article V. Personnel, and Article VI. Committees.
20. **The North American Mission Board of the Southern Baptist Convention, Inc.: Amendment of Articles of Incorporation** – In February 2020, in response to a request from the North American Mission Board to amend its Articles of Incorporation, the Southern Baptist Convention Executive Committee respectfully requested the Board of Trustees of the North American Mission Board give further consideration and study to the proposed amendment regarding the composition of their Board of Trustees.
21. **SBC Referral: Requesting a Day of Prayer for the Persecuted Church be Added to the SBC Calendar of Activities** – In September 2019, the Southern Baptist Convention Executive Committee approved adding a special emphasis Sunday “A Day of Prayer for the Persecuted Church” to the *SBC Calendar of Activities* to be resourced and supported by the International Mission Board. The IMB is to provide the date annually. Previously approved calendars will be amended to include the date.
22. **SBC Referral: Requesting a George Liele Evangelism Day Be Added to the SBC Calendar of Activities** – In February 2020, the Southern Baptist Convention Executive Committee approved adding a special emphasis Sunday, “George Liele Church Planting, Evangelism and Missions Day” to the *SBC Calendar of Activities* on the first Sunday in February, to be resourced and supported by the International Mission Board. Previously approved calendars will be amended to include the date.
23. **2024-25 SBC Calendar of Activities and Amendments** – In February 2020, the Southern Baptist Convention Executive Committee approved recommendations for the 2024-25 *SBC Calendar of Activities* and amendments to the 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24 *SBC Calendar of Activities* as follows:

### **2024-25 SBC CALENDAR OF ACTIVITIES**

#### **October 2024**

Cooperative Program Emphasis

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Personal Evangelism Day, **October 6**

Global Hunger Sunday, **October 13**

Week of Prayer for Baptist Associations, **October 20-27**

#### **November 2024**

Orphans and Widows Sunday, **November 3**

#### **December 2024**

Week of Prayer and Mission Study for International Missions and the Lottie Moon Christmas Offering, **December 1-8**

#### **January 2025**

January Bible Study, **January 5-12**

Sanctity of Human Life Sunday, **January 19**

#### **February 2025**

“True Love Waits” Emphasis

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George Liele Church Planting, Evangelism and Missions Sunday, **February 2**

Racial Reconciliation Sunday, **February 9**

\* Action occurred following the posting of the 2020 Book of Reports.

Focus on WMU, **February 10-16**  
 Children's Missions Day, **February 15**

**March 2025**

Youth Week, **March 2-9**  
 Week of Prayer and Mission Study for North American Missions  
 and the Annie Armstrong Easter Offering, **March 2-9**  
 Church Planting Emphasis Sunday, **March 16**  
 Substance Abuse Prevention Sunday, **March 16**

**April 2025**

Cooperative Program Sunday, **April 6**  
 Baptist Doctrine Study, **April 13**  
 Easter, **April 20**  
 SBC Seminaries Sunday, **April 27**

**May 2025**

National Day of Prayer, **May 1**  
 Senior Adult Sunday, **May 4**  
 Christian Home Week, **May 11-17**

**June 2025**

Day of Prayer for the Persecuted Church, **June 1**  
 Baptist Men's Emphasis, **June 15**  
 Crossover, **June 21**  
 Mission:Dignity Sunday, **June 22**  
 Citizenship and Religious Liberty Sunday, **June 29**

**July 2025**

Send Relief Sunday, **July 13**  
 Children's Ministry Day, **July 20**  
 Southern Baptist Media Day, **July 27**

**August 2025**

Social Issues Sunday, **August 3**  
 Student Evangelism Day, **August 10**  
 Disaster Relief Appreciation Day, **August 24**  
 Worship Music Week, **August 24-29**

**September 2025**

Single Adult Sunday, **September 7**  
 Baptism Day, **September 14**  
 Anti-Gambling Sunday, **September 21**

**AMENDMENTS**

**2019-20 Calendar**

A Day of Prayer for the Persecuted Church, June 7 – Add  
 Disaster Relief Appreciation Day, August 23 – Add

**2020-21 Calendar**

Disaster Relief Appreciation Day, November 8, 2020 – Change to August 22, 2021  
 George Liele Church Planting, Evangelism and Missions Sunday, February 7 – Add  
 Church Planting Emphasis Sunday, March 21 – Add  
 A Day of Prayer for the Persecuted Church, June 6 – Add

**2021-22 Calendar**

Disaster Relief Appreciation Day, November 14, 2021 – Change to August 22, 2022  
 George Liele Church Planting, Evangelism and Missions Sunday, February 6 – Add  
 A Day of Prayer for the Persecuted Church, June 5 – Add

**2022-23 Calendar**

Disaster Relief Appreciation Day, November 13, 2022 – Change to August 27, 2023  
George Liele Church Planting, Evangelism and Missions Sunday, February 5 – Add  
A Day of Prayer for the Persecuted Church, June 4 – Add

**2023-24 Calendar**

Disaster Relief Appreciation Day, November 12, 2023 – Change to August 25, 2024  
Week of Prayer and Mission Study for International Missions and  
the Lottie Moon Christmas Offering, December 1-8 – Change to December 3-10  
George Liele Church Planting, Evangelism and Missions Sunday, February 4 – Add  
A Day of Prayer for the Persecuted Church, June 2 – Add

24. **Election of Southern Baptist Foundation Trustees** – In February 2020, the Southern Baptist Convention Executive Committee directed its president, as the agent designated to represent it as the Member of the Southern Baptist Foundation, to elect Marshall Albritton, Tennessee, and Anita Elliott, Tennessee, as directors of the Southern Baptist Foundation, for terms of office expiring 2023 and until their successors are elected, the terms to begin immediately upon their election during the Southern Baptist Foundation’s annual members’ meeting to be held in June 2020.
25. **Meeting Hall Expenses of the SBC Pastors’ Conference** – In February 2020, the Southern Baptist Convention Executive Committee recommended the convention hall be made available to the 2020 Pastors’ Conference with amendments to its proposed program by February 24, 2020, to the approval of the SBC Executive Committee officers, due to the belief that multiple aspects of its proposed program of February 18, 2020, was sufficiently beyond the parameters of the faith and practice of Southern Baptists in accordance with *The Baptist Faith and Message*. 2020 SBC Pastors’ Conference President David Uth asked the SBC Executive Committee officers for an extension of the deadline to March 30, 2020, to allow for a period of prayer and fasting which the officers agreed upon and invited the SBC Executive Committee and all Southern Baptists to join in a specific season of prayer to end on March 29, 2020. Note: The 2020 SBC Pastors’ Conference, as an auxiliary meeting to the SBC annual meeting, was canceled following the cancellation of the 2020 SBC Annual Meeting.
26. **Report of Audits of SBC Entities** – In June 2018, the Southern Baptist Convention Executive Committee employed the firm of Batts Morrison Wales & Lee, P. A. as auditor for three years beginning with the fiscal year 2017-18. In September 2019 and February 2020, the SBC Executive Committee received as information the fact that the Audit Workgroup of the Business and Finance Committee received and reviewed the 2018-19 required communications submitted to the SBC Executive Committee as outlined by Article XIII of the SBC Business and Financial Plan as well as the 2018-19 audited financial statements of the SBC Executive Committee as prepared by the firm of Batts Morrison Wales & Lee, P. A., and acknowledged that these audited financial statements were made a part of the official records of the SBC Executive Committee; and the SBC Executive Committee received as information the fact that the Audit Workgroup and the Business and Finance Committee received and approved the management letter from Batts Morrison Wales & Lee, P. A.
27. **Review of SBC Entity Fund Raising Reports** – In September 2019, in accordance with Southern Baptist Convention Business and Financial Plan Article VI, Fund Raising Activities, the Southern Baptist Convention Executive Committee received as information the fund raising reports of the entities of the Southern Baptist Convention.

28. **Loan Status Reports** – In February 2020, the Southern Baptist Convention Executive Committee received as information, loan status reports from The Southern Baptist Theological Seminary, Southeastern Baptist Theological Seminary, and Southwestern Baptist Theological Seminary. They will report their loan status to the SBC Executive Committee during its February 2021 meeting.
29. **Review of the M. May Robertson Fund Report** – In February 2020, the Southern Baptist Convention Executive Committee received as information the report of the M. May Robertson Fund, dated December 31, 2019, which reflected that a total corpus of \$917,390.19 had provided \$162,000.00 in scholarships between January 1, 2015, and December 31, 2019. The SBC Executive Committee reaffirmed the decision to permit the Southern Baptist Foundation Scholarship/Loan Committee to distribute income earned by the M. May Robertson Fund exclusively for scholarships/loans for Baptist graduate students who propose to teach in Southern Baptist seminaries, Baptist universities, colleges, and schools of state Baptist conventions affiliated with the Southern Baptist Convention until February 2025 or until the SBC Executive Committee renders a different decision, whichever comes later.
30. **Review of the Joseph W. Farmer Memorial Fund Report** – In February 2020, the Southern Baptist Convention Executive Committee received as information the report of the Joseph W. Farmer Memorial Fund, dated December 31, 2019, which reflected that a total corpus of \$266,455.02 had provided \$50,900.00 in scholarships between January 1, 2015, and December 31, 2019. The SBC Executive Committee reaffirmed its decision to permit the Southern Baptist Foundation Scholarship/Loan Committee to distribute income earned by the Joseph W. Farmer Memorial Fund exclusively for graduate scholarships/loans for students who will teach in Southern Baptist seminaries and Baptist colleges until February 2025 or until the SBC Executive Committee renders a different decision, whichever comes later.
31. **Review of the Opdyke Scholarship Fund Report** – In February 2020, the Southern Baptist Convention Executive Committee received as information the report of the Dorothea Van Deusen Opdyke Scholarship Fund, dated December 31, 2019, which reflected that a total of \$1,869,836 had been granted since 1961. The SBC Executive Committee reaffirmed its decision to permit the Southern Baptist Foundation Scholarship/Loan Committee to distribute income earned by the Opdyke Scholarship Fund in accordance with the current guidelines of the fund until February 2025 or until the SBC Executive Committee renders a different decision, whichever comes earlier.
32. **Personnel Policies of the SBC Executive Committee Amendment** – In September 2019, the Southern Baptist Convention Executive Committee approved revisions to its personnel policies to include a Dishonesty, Fraud, and Whistleblower Policy to take effect October 1, 2019.

### **Dishonesty, Fraud and Whistleblower Policy**

#### **General**

The Southern Baptist Convention Executive Committee requires all of its directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the SBC Executive Committee, we must practice honesty and integrity in fulfilling our responsibilities in accordance with biblical principles and operate in compliance with all applicable laws and regulations.

**Reporting Responsibility**

It is the responsibility of all directors, officers and employees to report actual or suspected acts of dishonesty, fraud, or illegal activity in accordance with this policy.

**No Retaliation**

No director, officer or employee who in good faith reports a suspected ethical violation shall suffer harassment, retaliation or adverse employment consequences as a result of making the report. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline, up to and including termination of employment. This policy is intended to encourage and enable employees and others to raise any serious concerns within the SBC Executive Committee prior to seeking resolution outside the SBC Executive Committee.

**Reporting Violations**

The SBC Executive Committee maintains an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address any concerns. However, if an employee is uncomfortable speaking with their supervisor or they are not satisfied with their supervisor's response, they are encouraged to speak with the organization's designated Compliance Officer. For suspected fraud, or when an employee is not satisfied or uncomfortable with following the SBC Executive Committee's open door policy, employees should contact the SBC Executive Committee's audit workgroup chairperson directly.

**Compliance Officer**

The SBC Executive Committee Chief Financial Officer serves as the designated SBC Executive Committee Compliance Officer and is responsible to investigate all reported and suspected acts of dishonesty, fraud, or illegal activity and, at their discretion, shall advise the SBC Executive Committee President and Chief Executive Officer and/or chair of the audit workgroup as necessary. The Compliance Officer is required to report to the audit workgroup at least annually on any compliance activity.

**Accounting and Auditing Matters**

The audit workgroup of the SBC Executive Committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the audit workgroup of any such complaint and work with the audit workgroup until the matter is resolved.

**Acting in Good Faith**

Anyone filing a complaint concerning a suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Making allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious offense, subject to disciplinary action.

**Confidentiality**

Violations or suspected violations may be submitted on a confidential basis or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

**Handling of Reported Violations**

The Compliance Officer will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

**33. Resolutions**

- (1) **D. August (Augie) Boto** – In September 2019, the Southern Baptist Convention Executive Committee adopted a resolution of appreciation for D. August (Augie) Boto on the occasion of his retirement as executive vice president and general counsel of the SBC Executive Committee effective September 30, 2019.
- (2) **James R. (Jim) Futral** – In September 2019, the Southern Baptist Convention Executive Committee adopted a resolution of appreciation for James R. (Jim) Futral on the occasion of his retirement as executive director/treasurer of the Mississippi Baptist Convention Board effective October 31, 2019.
- (3) **Garvon E. Golden** – In September 2019, the Southern Baptist Convention Executive Committee adopted a resolution of appreciation for Garvon E. Golden on the occasion of his retirement as executive director of the Dakota Baptist Convention effective December 31, 2019.

- 34.\* **SBC Annual Meeting: Future Convention Site, 2027** – In June 2020, the Southern Baptist Convention Executive Committee, acting as the Southern Baptist Convention, selected Salt Lake City, Utah, as the site for the 2027 annual meeting of the Southern Baptist Convention, contingent upon satisfactory contract negotiations with the convention center and area hotels. The convention dates would be June 8-9, 2027.
- 35.\* **SBC Annual Meeting: Future Convention Site, 2025, Change of City and Dates** – In June 2020, the Southern Baptist Convention Executive Committee, acting as the Southern Baptist Convention, amended the selection from Salt Lake City, Utah, to Dallas, Texas, as the site for the 2025 annual meeting of the Southern Baptist Convention, contingent upon satisfactory contract negotiations with the convention center and area hotels. The revised convention dates would be June 10-11, 2025.
- 36.\* **SBC Loan Application: Paycheck Protection Program** – In June 2020, the Southern Baptist Convention Executive Committee approved a request to incur indebtedness in the form of a loan up to \$750,000 through the U.S. Small Business Paycheck Protection Program under the provisions of the Coronavirus Aid, Relief, and Economic Security Act.

## *Matters Referred by the Convention*

During the annual meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11-12, 2019, the Convention referred the following motions to the Southern Baptist Convention Executive Committee for consideration, action, and report. The disposition of each referral is noted following its description in adherence to SBC Bylaw 26B which states, in part, as follows:

“On all matters referred by the Convention, entities shall respond in writing at the close of their report in the *Book of Reports* and *Annual*, giving specific information on:

- (1) how the matter referred was considered;
- (2) how it was reported to the constituency; and
- (3) any actions on the matter taken by the entity or action proposed to the Convention.”

1. **SBC Referral: To Request Each SBC Entity to Provide an Update on Addressing Abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it wants to be fully transparent about its efforts to stand with Southern Baptist entities and churches against the evils of sexual abuse as reflected in its previous actions:

1. In September 2018, the SBC Executive Committee, on behalf of the Convention ad interim, approved setting aside the first \$250,000 of Cooperative Program Allocation Budget receipts in excess of the 2017-18 Cooperative Program Allocation Budget goal to provide two years of funding for the SBC president’s initiative to study ways to address sexual abuse and related issues in a church or ministry context.
2. In June 2019, the SBC Executive Committee developed and recommended an amendment to SBC Bylaw 8, which was passed overwhelmingly by messengers of the 2019 annual meeting of the Southern Baptist Convention, repurposing the Credentials Committee into a standing committee to make inquiries and recommendations for action regarding instances that call a church’s relationship with the Southern Baptist Convention into question. While those instances can range beyond the issue of abuse, this sent a clear signal of the intention for SBC Executive Committee and Southern Baptist Convention processes to reflect the seriousness of sexual abuse.
3. In February and June 2019, the SBC Executive Committee developed and recommended an amendment to SBC Constitution Article III to specifically and proactively state that churches considered to be in friendly cooperation do not act in a manner inconsistent with the Convention’s beliefs concerning abuse. The messengers to the 2019 annual meeting of the Southern Baptist Convention passed this amendment overwhelmingly for the first of two consecutive annual meeting

approvals, and it was to be presented for the second and final vote to the annual meeting of the Southern Baptist Convention in Orlando, Florida, June 9-10, 2020. Due to the cancellation of the 2020 Annual Meeting, the next consecutive meeting will be in Nashville, Tennessee in 2021.

2. **SBC Referral: To Request a Day of Prayer for the Persecuted Church be Added to the SBC Calendar of Activities (Items 17 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 57, 63)**

**Motion:** Brent Epling, North Carolina

“That the Executive Committee of the Southern Baptist Convention consider that a day of special emphasis and prayer for the global persecuted church be added to the *SBC Calendar of Activities*.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it approved adding a special emphasis Sunday “A Day of Prayer for the Persecuted Church” to the *SBC Calendar of Activities* to be resourced and supported by the International Mission Board and that the IMB provide the date annually. Previously approved calendars will be amended to include the date.

3. **SBC Referral: To Ask the SBC Executive Committee to Devise a Plan for Churches to Request Funding for Investigating Sexual Abuse (Items 18 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 57, 63)**

**Motion:** Aaron Colyer, New Mexico

“That the SBC Executive Committee consider the viability of developing a plan or avenue for churches to request funding for investigating sexual abuse.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it declines to establish a plan to assist churches to conduct or procure their own investigations of reported sexual abuse as these type of matters should be handled by appropriate law enforcement officers.

Additionally, the SBC Executive Committee recommends churches use resources already provided through SBC.net, their Baptist state convention or local association, their individual insurance providers, GuideStone Financial Resources (GuideStonePropertyCasualty.org), and the recently resourced Caring Well Initiative (caringwell.com) led by the Ethics and Religious Liberty Commission and funded by the SBC Executive Committee, to learn how to respond appropriately in instances of reported sexual abuse to help protect children, youth, and other vulnerable populations.

4. **SBC Referral: To Request a George Liele Evangelism Day be Added to the SBC Calendar of Activities (Items 20 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 60, 63)**

**Motion:** Robert Anderson, Maryland

“That George Liele Church Planting, Evangelism and Missions Day be added to the Baptist Annual Day calendar on the first Sunday in February.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it approves adding a special emphasis Sunday, “George Liele Church Planting, Evangelism and Missions Day” on the first Sunday in February, to be resourced and supported by the International Mission Board. Previously approved calendars will be amended to include the date.

5. **SBC Referral: To Ask the SBC Executive Committee to Modernize the Nomination Process for Convention Committees and Boards (Items 21 and 61, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 58, 63)**

**Motion:** Brad Cone, Georgia

“That the Executive Committee of the Southern Baptist Convention consider modernizing the initial stage of the nomination process and the technology involved including consideration of using the online submission of forms for recommending those that serve on our boards or committees either alongside or in place of the correct form that must be physically mailed or delivered.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it receives the motion to modernize the nomination process for committees and boards of the Southern Baptist Convention, will provide appropriate information and nomination forms on the SBC.net website for use by any Southern Baptist who is a member of a church in friendly cooperation with the Convention, and will continue to take steps to promote wider participation in the nomination of committee persons and trustees among Southern Baptists.

6. **SBC Referral: To Have the SBC Executive Committee Give a Progress Report on the Adopted 2011 Recommendations Promoting Diversity (Items 22 and 61, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 58, 63)**

**Motion:** Leroy Fountain, Louisiana

“That a comprehensive report be given at the 2020 annual meeting by the Executive Committee on the progress of 10 recommendations adopted in 2011 for promoting and preparing ethnic members into leadership on entities staff, national committees, and boards.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it (a) presented a comprehensive twenty-year review of the SBC’s Progress on Racial Reconciliation in 2015, which included an update on the 2011 report and recommendations; (b) has continued to monitor such progress through annual reports it solicits and reports from each SBC entity, the SBC president, and the chairs of the Committee on Committees and Committee on Nominations; (c) has actively pursued broader ethnic representation and participation through the appointment of seven SBC Executive Committee advisory councils, each of which was composed of a dominant ethnic minority group (Hispanic, African American, Asian American) or a multiethnic representation of other groups (Multi-Ethnic Churches, Bivocational/Smaller Churches, Women’s, Younger Leaders), and an ongoing Convention Advancement Advisory Council designed to help implement the findings of the seven advisory councils; and (d) will continue to monitor, solicit, and report such progress for at least the next five years, through 2025, so that the racial and ethnic diversity reflected among the Convention’s cooperating churches continuously becomes ingrained in Convention life and processes as our normal way of relating to and with one another as equal partners in ministry and brothers and sisters in Christ.

7. **SBC Referral: To Request the SBC Executive Committee to Amend the Business and Financial Plan to Strengthen the Fiscal Accountability of Entities (Items 24 and 61, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 58, 63)**

**Motion:** Morris H. Chapman, Tennessee

“That this convention, as the sole member of each entity corporation, request the Executive Committee to amend the Business and Financial Plan of the Southern Baptist Convention and other appropriate legal authorities where necessary to strengthen the fiscal accountability of SBC entities to the convention and to promote greater transparency regarding the use of Cooperative Program dollars.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it is extending consideration of this motion to the SBC annual meeting in Nashville, Tennessee, June 15-16, 2021, in order to provide for maximum input of EC members, officers, staff and other Southern Baptist leaders.

8. **SBC Referral: To Amend *The Baptist Faith and Message* Regarding Israel (Items 25 and 61, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 58, 63)**

**Motion:** Matt Dunn, Missouri

“That our convention assemble the needed agency to update our *Baptist Faith and Message’s* 18 statements to include a 19<sup>th</sup> statement that our convention declares, ‘God will restore national Israel like Romans II says, and bring about a reunion with her neighbors in the Middle East.’”

**SBC Executive Committee Action:** The SBC Executive Committee reports to the Southern Baptist Convention that in light of the historic practice of holistic review, it declines to recommend amending selected portions of *The Baptist Faith and Message*.

9. **SBC Referral: To Amend the SBC Constitution and Bylaws to Allow Distance Voting for SBC Officers (Items 26 and 61, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 59, 63)**

**Motion:** Dennis Golden, Tennessee

“That the SBC Constitution and Bylaws pertaining to voting for president and vice president be amended allowing all SBC senior pastors to cast their votes electronically rather than requiring them to physically be present at the annual convention believing the majority of SBC pastors cannot afford to travel and attend the national convention.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that, after a renewed examination, it declines at this time to further study the feasibility of distance voting and remote participation in the annual meeting, believing that:

- the simplicity of conducting business at a single site is preferable to the complexity of doing so via innumerable off-site computer configurations;
- the Convention has a continuing interest in positively affecting various regions of America with as great a physical presence of Southern Baptists as possible during the Convention’s annual meetings and ancillary events such as Crossover;

- the dependability of conducting business at a single site is superior to “distance” messenger participation because the susceptibility of the technology to interruption or failure could significantly and negatively impact the meeting, its actions, the trust of the Convention’s constituents, and the relationships of the parties involved and affected;
- the present “public” method of casting ballots involves some level of “in-person” and “eye-witness” assurance that ballots have been received and cast only by qualified messengers, and is therefore preferable to any other system which would permit an individual to receive and/or cast a ballot privately and electronically from a remote location without accountability;
- ministry and service opportunities and resources are now well-conveyed by high exhibitor participation, which would decline if attendance were to become less concentrated;
- fostering and strengthening relationships with and between various affinity groups that schedule their meetings to coincide with the Convention’s annual meeting is best accomplished by encouraging the physical presence of messengers;
- the funds required for any implementation would likely be substantial; and
- with there being no known model for web-based constituent participation in any similarly-sized, deliberative body, diverting missions’ offerings to pioneer the use of such technology would be an inappropriate prioritization.

**10. SBC Referral: To Amend *The Baptist Faith and Message* to Limit the Function of Pastor to Men (Items 42 and 80, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 60, 80)**

**Motion:** Pam Richerson, Louisiana

“That this convention amend *The Baptist Faith and Message 2000*, Article 6, as follows: ‘While men and women are gifted for service in the church, the office and function of pastor is limited to men as qualified by scripture.’”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that in light of the historic practice of holistic review, it declines to recommend amending selected portions of *The Baptist Faith and Message*.

**11. SBC Referral: To Have the SBC Executive Committee Create a Statement Regarding the Social Gospel (Items 44 and 80, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, pp. 61, 80)**

**Motion:** Ryan Broers, Kentucky

“That the Executive Committee create an official statement regarding the social gospel by addressing the following questions: (1) What is the social gospel? (2) What role if any should the social gospel have in the ministries of the SBC and its churches?”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it believes messengers to the SBC annual meeting have spoken repeatedly to the primacy of the gospel of Jesus Christ as the only message with the power to redeem fallen people from the dire consequences of their sins, while simultaneously lifting up biblical calls to care for humanitarian needs of people wherever human brokenness manifests itself; and, in keeping with the 2007 Garner motion that *The Baptist Faith and Message* “is the only consensus statement of

doctrinal beliefs approved by the Southern Baptist Convention,” declines to recommend the addition of theological position papers to define for Southern Baptists that which they already capably define for themselves.

During the annual meeting of the Southern Baptist Convention in Dallas, Texas, June 12-13, 2018, the Convention referred the following motion to the SBC Executive Committee for consideration, action, and report. The disposition of this referral is noted following its description in adherence to SBC Bylaw 26B which states, in part, as follows:

**12. SBC Referral: To Study the Biblical Position Regarding a Woman Serving as President of the SBC (Items 69, 92, Proceedings of the Southern Baptist Convention, June 12-13, 2018, SBC Annual, pp. 63, 92)**

**Motion:** Michael Turner, South Carolina

“That the Executive Committee form a task force, commission, or committee of gender and ethnic background to study the biblical authority and biblical viability of a woman serving or not serving as the SBC president.”

**SBC Executive Committee Action:** The Southern Baptist Convention Executive Committee reports to the Southern Baptist Convention that it believes individual messengers to the SBC annual meeting are capable of expressing their collective opinion on the topic of this motion through the nominating and voting process for SBC officers at each SBC annual meeting and, therefore, declines to recommend the addition of theological position papers to supplement *The Baptist Faith and Message*.

## COMPREHENSIVE SUMMARY OPERATING BUDGET

updated from the 2020 Book of Reports

	<u>2020-2021**</u>	<u>2019-2020*</u>	<u>2018-2019*</u>
Convention Operating Budget	\$ 8,300,350	\$ 7,866,000	\$ 8,598,231
International Mission Board	277,100,000	267,400,000	264,400,000
North American Mission Board	124,230,000	124,230,000	130,656,791
LifeWay Christian Resources	282,700,000	277,200,000	261,399,000
GuideStone Financial Resources	90,000,000	90,800,000	91,000,000
Gateway Seminary	11,500,000	11,750,000	11,865,000
Midwestern Seminary	22,497,000	21,083,760	17,791,807
New Orleans Seminary	21,551,221	23,542,383	23,475,003
Southeastern Seminary	30,300,960	31,227,816	29,111,460
Southern Seminary	37,240,515	53,200,735	51,793,118
Southwestern Seminary	32,504,804	34,815,439	39,435,026
Ethics & Religious Liberty Comm.	4,300,991	4,300,991	3,917,933
Historical Library and Archives	513,000	493,000	408,190
<b>TOTAL OF ALL BUDGETS</b>	<b><u>\$ 942,738,841</u></b>	<b><u>\$ 947,910,124</u></b>	<b><u>\$ 933,851,559</u></b>

\* Actual budget years will vary within each convention year

\*\* Projected

## SBC EXECUTIVE COMMITTEE AND SBC OPERATING BUDGET

STATEMENT OF INCOME	<u>2020-21***</u>	<u>2019-20**</u>	<u>2018-19*</u>
Cooperative Program	\$ 5,875,350	\$ 5,875,350	\$ 5,800,600
Designations	300,000	225,000	300,729
LifeWay Christian Resources	100,000	100,000	160,000
Interest/Dividends	600,000	475,000	1,159,987
Cost Recovery Inc. (Annual Mtg, SBC Life, etc.)	1,000,000	949,650	953,908
Other Income	425,000	75,000	640,760
<b>TOTAL INCOME</b>	<b><u>\$ 8,300,350</u></b>	<b><u>\$ 7,700,000</u></b>	<b><u>\$ 9,015,984</u></b>

ENTITY SUMMARY OPERATING BUDGET	<u>2020-21***</u>	<u>2019-20**</u>	<u>2018-19*</u>
Convention Administration Expenses			
SBC General Operations		\$ 368,000	\$ 412,832
— Global Evangelical Relations			118,511
SBC Committees		125,000	94,403
Annual Meeting		1,000,000	1,143,394
SBC Building Management		635,890	617,066
<b>SUBTOTAL</b>	<b><u>\$ 2,490,105</u></b>	<b><u>\$ 2,208,890</u></b>	<b><u>\$ 2,386,206</u></b>

Executive Committee Operations Expenses			
Administration		1,796,945	1,883,484
Executive Committee Meetings		240,000	353,523
Convention Policy		0	830,326
Convention Relations (Mobilization)		927,908	1,378,807
Convention Communications		1,643,784	
Convention Advancement		478,709	460,254
Cooperative Program/Stewardship		569,764	591,087
Other Designated Expenditures			533,464
<b>SUBTOTAL</b>	<b><u>\$ 5,810,245</u></b>	<b><u>\$ 5,657,110</u></b>	<b><u>\$ 6,030,945</u></b>
Other Non-Cash Year End Adj.			181,081
<b>TOTAL EXPENSES</b>	<b><u>\$ 8,300,350</u></b>	<b><u>\$ 7,866,000</u></b>	<b><u>\$ 8,598,231</u></b>

\* Numbers are taken from the 2018-19 Year End Financial Statements

\*\* Numbers are taken from the SBC Operating Budget — approved September 2019

\*\*\* Numbers are estimates for the year requested based on anticipated income

Due to ongoing discussions relating to the economic uncertainties brought on by COVID-19, the 2020-2021 budget projections included in this report are the entities' latest available figures at time of printing.

## INTERNATIONAL MISSION BOARD

STATEMENT OF INCOME	2020-2021 <sup>(3)</sup>	2019-2020 <sup>(2)</sup>	2018-2019 <sup>(1)</sup>
Cooperative Program	\$ 99,500,000	\$ 99,100,000	\$ 99,254,000
Investment Income	7,300,000	7,300,000	12,057,000
Lottie Moon	164,300,000	155,000,000	157,307,000
Other Income	<u>6,000,000</u>	<u>6,000,000</u>	<u>14,752,000</u>
<b>TOTAL</b>	<b><u>\$ 277,100,000</u></b>	<b><u>\$ 267,400,000</u></b>	<b><u>\$ 283,370,000</u></b>
CP as a Percent of Total Income	35.9%	37.1%	35.0%

ENTITY SUMMARY OPERATING BUDGET	2020-2021 <sup>(3)</sup>	2019-2020	2018-2019
Personnel Support	\$ 216,307,000	\$ 208,735,000	\$ 205,284,000
Global Engagement	19,871,000	19,175,000	17,049,000
Leadership	10,047,000	9,695,000	8,494,000
Mobilization	5,269,000	5,085,000	4,995,000
Support Services	15,061,000	14,534,000	15,915,000
Technology Solutions	8,427,000	8,132,000	8,532,000
Training	2,118,000	2,044,000	2,140,000
Pathway Initiatives	-	-	<u>1,991,000</u>
<b>TOTAL</b>	<b><u>\$ 277,100,000</u></b>	<b><u>\$ 267,400,000</u></b>	<b><u>\$ 264,400,000</u></b>

(1) Based on audited financials for unrestricted contributions and other income.

(2) Amounts based on budget.

(3) Amounts based on estimates.

## NORTH AMERICAN MISSION BOARD

STATEMENT OF INCOME	2021*	2020**	2019***
Cooperative Program	\$ 44,210,000	\$ 44,210,000	\$ 44,835,155
Annie Armstrong	60,750,000	60,750,000	61,600,104
Unrestricted Gifts	5,000,000	5,000,000	4,025,134
Investment & Interest	12,240,000	12,240,000	4,672,280
Other	<u>2,030,000</u>	<u>2,030,000</u>	<u>1,760,259</u>
<b>Total Unrestricted Income</b>	<b><u>\$ 124,230,000</u></b>	<b><u>\$ 124,230,000</u></b>	<b><u>\$ 116,892,932</u></b>
Restricted Gifts	<u>0</u>	<u>0</u>	<u>11,111,200</u>
<b>Total Income</b>	<b><u>\$ 124,230,000</u></b>	<b><u>\$ 124,230,000</u></b>	<b><u>\$ 128,004,132</u></b>
CP as a Percent of Total Income	35.59%	35.59%	35.03%

\* Estimates provided for FY21

\*\* Approved budget for FY20

\*\*\* Audited actuals for FY19

\*\*\*\* Restricted gifts are not included in the fiscal operating budget

ENTITY SUMMARY OPERATING BUDGET	2021*	2020**	2019***
Church Planting	\$ 72,085,000	\$ 72,085,000	\$ 66,985,421
Evangelism & Relief	11,275,000	11,275,000	25,326,155
Mission Education & Opportunities	9,575,000	9,575,000	10,751,581
Sending & Leadership	9,967,000	9,967,000	9,558,335
Administration	<u>21,328,000</u>	<u>21,328,000</u>	<u>18,035,299</u>
<b>Total</b>	<b><u>\$ 124,230,000</u></b>	<b><u>\$ 124,230,000</u></b>	<b><u>\$ 130,656,791</u></b>

\* Estimates provided for FY21

\*\* Approved budget for FY20

\*\*\* Audited actuals for FY19

*Due to ongoing discussions relating to the economic uncertainties brought on by COVID-19, the 2020-2021 budget projections included in this report are the entities' latest available figures at time of printing.*

## LIFEWAY CHRISTIAN RESOURCES

	<u>2020-2021</u>	<u>2019-2020</u> <sup>(1)</sup>	<u>2018-2019</u> <sup>(2)</sup>
Revenue			
Product Sales	\$ 210,200,000	\$ 206,100,000	\$ 194,281,000
Conference Center Revenue	20,800,000	20,400,000	19,028,000
Events & Services Sales	36,800,000	36,100,000	33,025,000
Other Operating Revenue	<u>17,900,000</u>	<u>17,600,000</u>	<u>20,149,000</u>
<b>Total Revenue From Operations</b>	<b><u>\$ 285,700,000</u></b>	<b><u>\$ 280,200,000</u></b>	<b><u>\$ 266,483,000</u></b>
Costs and Expenses			
Product Costs/Operating Expenses	279,820,000	274,320,000	258,724,000
Cooperative Work With State Conventions	2,780,000	2,780,000	2,485,000
Southern Baptist Convention Support	<u>100,000</u>	<u>100,000</u>	<u>190,000</u>
<b>Total Costs and Expenses</b>	<b><u>282,700,000</u></b>	<b><u>277,200,000</u></b>	<b><u>261,399,000</u></b>
<b>Funds Provided From Operations</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>5,084,000</b>
	1.1%	1.1%	1.9%
Net Realized/Unrealized Reserve Fund Income	500,000	500,000	(3,741,000)
Pension/Postretirement Credit/Other	(5,000,000)	(5,000,000)	(54,171,000)
Other Adjustments	0	(100,000)	(7,766,000)
Donated Activity	0	(100,000)	(22,000)
Retail discontinued operations	<u>0</u>	<u>(21,900,000)</u>	<u>(22,141,000)</u>
<b>Inc (Dec) in Unrestricted Net Assets</b>	<b><u>\$ (1,500,000)</u></b>	<b><u>\$ (23,600,000)</u></b>	<b><u>\$ (82,757,000)</u></b>
Inc (Dec) in Temporarily Restricted Net Assets	<u>0</u>	<u>0</u>	<u>100,000</u>
<b>Inc (Dec) in Net Assets</b>	<b><u>\$ (1,500,000)</u></b>	<b><u>\$ (23,600,000)</u></b>	<b><u>\$ (82,657,000)</u></b>

(1) Information is based on 2020 budget which was approved by trustees August 27, 2019.

(2) From audited financial statements. LifeWay began closing stores in June 2019.

## GUIDESTONE FINANCIAL RESOURCES

*updated from the 2020 Book of Reports*

<b>STATEMENT OF INCOME</b>	<u>2020*</u>	<u>2019**</u>	<u>2018</u>
Operating Revenue	\$ 123,000,000	\$ 122,000,000	\$ 157,000,000
Net Investment Income			
Retirement Servicing	1,000,000	1,000,000	870,000
Insurance	3,000,000	5,000,000	(200,000)
Mission:Dignity	2,000,000	6,000,000	(1,670,000)
Other Reserves	<u>27,000,000</u>	<u>33,000,000</u>	<u>3,130,000</u>
<b>Total Income</b>	<b><u>\$ 156,000,000</u></b>	<b><u>\$ 167,000,000</u></b>	<b><u>\$ 159,130,000</u></b>
<b>ENTITY SUMMARY OPERATING BUDGET</b>			
Retirement Servicing	\$ 58,000,000	\$ 59,800,000	\$ 58,000,000
Insurance	30,000,000	29,300,000	31,500,000
Mission:Dignity	<u>2,000,000</u>	<u>1,700,000</u>	<u>1,500,000</u>
<b>Total</b>	<b><u>\$ 90,000,000</u></b>	<b><u>\$ 90,800,000</u></b>	<b><u>\$ 91,000,000</u></b>

\* Projected

\*\* Unaudited

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## GATEWAY SEMINARY

<b>STATEMENT OF INCOME</b>	<b><u>2020-2021</u></b>	<b><u>2019-2020</u></b>	<b><u>2018-2019</u></b>
	<i>Amended by Board Action</i>		<i>Amended by Board Action</i>
Educational and General:			
Student Tuition	\$ 3,520,600	\$ 3,264,216	\$ 3,392,445
Endowment and Investment	2,758,104	2,701,228	2,664,400
Cooperative Program	3,443,598	3,836,589	3,911,600
Other Gifts	1,039,478	1,097,948	1,176,440
Other Income	<u>127,040</u>	<u>107,339</u>	<u>40,640</u>
Total educational & general	10,888,820	11,007,320	11,185,525
Auxiliary enterprises	<u>611,180</u>	<u>642,680</u>	<u>553,360</u>
Total current & auxiliary revenue	11,500,000	11,650,000	11,738,885
Restricted Transfers	0	100,000	126,115
<b>TOTAL INCOME</b>	<b><u>\$ 11,500,000</u></b>	<b><u>\$ 11,750,000</u></b>	<b><u>\$ 11,865,000</u></b>
CP as Percent of Total Income	30%	33%	33%

<b>ENTITY SUMMARY OPERATING BUDGET</b>	<b><u>2020-2021</u></b>	<b><u>2019-2020</u></b>	<b><u>2018-2019</u></b>
Educational and General:			
Instruction	\$ 4,763,241	\$ 5,033,629	\$ 5,173,828
Academic Support	524,172	468,569	429,112
Student Services	1,018,834	977,363	975,579
Institutional Support	3,183,681	3,245,792	3,111,902
Libraries	712,766	776,782	788,451
Plant Operations & Maintenance	<u>1,070,538</u>	<u>1,019,917</u>	<u>1,095,193</u>
Total Educational and General	11,273,232	11,522,052	11,574,065
Auxiliary Enterprises	<u>226,768</u>	<u>227,948</u>	<u>290,935</u>
<b>TOTAL EXPENSE BUDGET</b>	<b><u>\$ 11,500,000</u></b>	<b><u>\$ 11,750,000</u></b>	<b><u>\$ 11,865,000</u></b>

## MIDWESTERN BAPTIST THEOLOGICAL SEMINARY

<b>STATEMENT OF INCOME</b>	<b><u>2020-2021</u></b>	<b><u>2019-2020</u></b>	<b><u>2018-2019</u></b>
Cooperative Program	\$ 6,627,000	\$ 6,815,347	\$ 6,162,891
Student Fees	16,091,000	15,166,984	13,333,495
Other Gifts	674,000	600,000	600,000
Auxiliary Enterprises	3,005,000	2,415,429	1,892,921
Other Income	<u>400,000</u>	<u>361,000</u>	<u>77,500</u>
<b>TOTAL INCOME</b>	<b><u>\$ 26,797,000</u></b>	<b><u>\$ 25,358,760</u></b>	<b><u>\$ 22,066,807</u></b>
CP as Percent of Total Income	25%	27%	28%

<b>ENTITY SUMMARY OPERATING BUDGET</b>	<b><u>2020-2021</u></b>	<b><u>2019-2020</u></b>	<b><u>2018-2019</u></b>
Instruction	\$ 8,256,329	\$ 7,978,023	\$ 6,636,786
Administrative and General	5,372,954	5,250,199	4,932,943
Student Services	1,993,727	1,609,117	1,500,828
Operations and Maintenance	1,924,060	1,950,925	1,759,293
Auxiliary Enterprises	1,009,930	675,496	341,957
Capital Expenses	2,140,000	2,720,000	1,720,000
Debt Retirement	<u>1,800,000</u>	<u>900,000</u>	<u>900,000</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 22,497,000</u></b>	<b><u>\$ 21,083,760</u></b>	<b><u>\$ 17,791,807</u></b>

*Due to ongoing discussions relating to the economic uncertainties brought on by COVID-19, the 2020-2021 budget projections included in this report are the entities' latest available figures at time of printing.*

## NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

*updated from the 2020 Book of Reports*

STATEMENT OF INCOME	2020-2021*	2019-2020	2018-2019
Student Fees	\$ 8,121,750	\$ 9,400,000	\$ 8,800,000
Cooperative Program	6,385,814	7,032,583	7,060,203
Other Gifts	1,280,000	2,100,000	2,600,000
Endowment Income	500,000	750,000	750,000
Other Income	3,200,000	2,200,000	2,250,000
Auxiliary Income	<u>2,063,657</u>	<u>2,059,800</u>	<u>2,014,800</u>
<b>TOTAL INCOME</b>	<b><u>\$ 21,551,221</u></b>	<b><u>\$ 23,542,383</u></b>	<b><u>\$ 23,475,003</u></b>
CP as a Percent of Total Income	29.63%	29.87%	30.08%

ENTITY SUMMARY OPERATING BUDGET	2020-2021*	2019-2020	2018-2019
Academic	\$ 10,052,080	\$ 10,678,793	\$ 10,568,453
Administrative and General	3,594,874	3,657,573	3,700,533
Maintenance	2,200,000	2,200,000	2,200,000
SUBTOTAL EDUCATION AND GENERAL	15,846,954	16,536,366	16,468,986
Auxiliary Expenses	5,704,267	5,906,017	5,906,017
Student Aid	<u>0</u>	<u>1,100,000</u>	<u>1,100,000</u>
<b>TOTAL</b>	<b><u>\$ 21,551,221</u></b>	<b><u>\$ 23,542,383</u></b>	<b><u>\$ 23,475,003</u></b>

\* Projected

## SOUTHEASTERN BAPTIST THEOLOGICAL SEMINARY

*updated from the 2020 Book of Reports*

STATEMENT OF INCOME	2020-2021*	2019-2020*	2018-2019**
Cooperative Program	\$ 7,390,188	\$ 7,499,004	\$ 7,586,832
Student Fees	13,774,620	14,462,328	12,919,848
Auxiliary Enterprises	5,234,292	5,474,088	5,194,296
Other Gifts	1,300,008	1,600,008	1,500,000
Investment Income	2,345,604	1,909,932	1,648,776
Miscellaneous	<u>256,248</u>	<u>282,456</u>	<u>261,708</u>
<b>INCOME TOTALS</b>	<b><u>\$ 30,300,960</u></b>	<b><u>\$ 31,227,816</u></b>	<b><u>\$ 29,111,460</u></b>
CP as a Percent of Total Income	24%	24%	29%

ENTITY SUMMARY OPERATING BUDGET	2020-2021*	2019-2020*	2018-2019**
Administrative & General	\$ 4,601,880	\$ 4,769,004	\$ 4,493,820
Auxiliary Expenses	4,892,496	4,881,432	4,663,704
Capital Expenditures	1,100,004	1,210,224	947,196
Instruction	12,202,956	12,635,592	11,820,720
Institutional Advancement	3,107,700	3,113,040	2,895,240
Plant Operation	3,025,056	3,075,108	3,007,152
Student Services	<u>1,370,868</u>	<u>1,543,416</u>	<u>1,283,628</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$ 30,300,960</u></b>	<b><u>\$ 31,227,816</u></b>	<b><u>\$ 29,111,460</u></b>

\* Projected Budget

\*\* Approved Budget

*Due to ongoing discussions relating to the economic uncertainties brought on by COVID-19, the 2020-2021 budget projections included in this report are the entities' latest available figures at time of printing.*

## THE SOUTHERN BAPTIST THEOLOGICAL SEMINARY

*updated from the 2020 Book of Reports*

STATEMENT OF INCOME	2020-2021*	2019-2020**	2018-2019**
Educational and General:			
Tuition and Fees	\$ 19,232,270	\$ 28,009,435	\$ 26,695,310
Cooperative Program	7,043,400	10,062,000	9,912,000
Other Gifts	2,170,000	3,100,000	3,100,000
Endowment and Other Investment Income	3,967,298	3,967,298	3,675,673
Other Income	<u>1,288,002</u>	<u>1,431,642</u>	<u>1,325,494</u>
Total Educational and General	33,700,970	46,570,375	44,708,477
Auxiliary Enterprises	<u>3,539,545</u>	<u>6,630,360</u>	<u>7,084,641</u>
<b>TOTAL INCOME</b>	<b><u>\$ 37,240,515</u></b>	<b><u>\$ 53,200,735</u></b>	<b><u>\$ 51,793,118</u></b>
CP as Percent of Total Income	18.9%	18.9%	19.1%

ENTITY SUMMARY OPERATING BUDGET*	2020-2021	2019-2020	2018-2019
Educational and General:			
Institutional Support	\$ 8,705,979	\$ 9,967,086	\$ 11,378,867
Instruction	9,552,257	11,241,120	10,874,677
Academic Support	1,876,204	2,211,745	2,109,616
Student Services	4,679,070	5,427,212	5,128,663
Student Financial Aid	1,237,140	1,259,062	1,160,410
Operation and Maintenance of Physical Plant	<u>3,260,032</u>	<u>4,774,457</u>	<u>4,711,522</u>
Total Educational and General	29,310,682	34,880,682	35,363,755
Auxiliary Enterprises	3,499,721	5,785,240	6,451,074
Debt Service and Capital Appropriations	<u>4,430,112</u>	<u>12,534,813</u>	<u>9,978,289</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$ 37,240,515</u></b>	<b><u>\$ 53,200,735</u></b>	<b><u>\$ 51,793,118</u></b>

\* Projected Budget

\*\* Approved Budget

## THE SOUTHWESTERN BAPTIST THEOLOGICAL SEMINARY

*updated from the 2020 Book of Reports*

STATEMENT OF INCOME	2020-2021*	2019-2020	2018-2019
Education and General:			
Cooperative Program	\$ 6,120,000	\$ 7,323,868	\$ 7,550,379
Tuition and Fees	13,644,309	14,722,711	14,641,659
Income from Investment Funds	3,996,143	3,203,860	3,353,860
Gifts and Grants	1,428,250	846,000	4,000,000
Other Operating Income	344,500	450,000	518,955
Student Aid	<u>2,400,000</u>	<u>2,200,000</u>	<u>3,294,466</u>
Total Educational & General	27,933,202	28,746,439	33,359,319
Auxiliary Enterprises	<u>4,945,750</u>	<u>6,069,000</u>	<u>6,589,684</u>
<b>TOTAL INCOME</b>	<b><u>\$ 32,878,952</u></b>	<b><u>\$ 34,815,439</u></b>	<b><u>\$ 39,949,002</u></b>
CP as a Percent of Total Income	18.61%	21.04%	18.90%

ENTITY SUMMARY OPERATING BUDGET	2020-2021*	2019-2020	2018-2019
Academic-Instruction and Support	\$ 10,268,516	\$ 12,032,696	\$ 14,926,550
Student Services	1,757,359	2,181,959	2,321,615
Student Aid	2,400,000	2,200,000	3,294,466
General Administration & Institutional Advancement	9,427,670	7,247,945	8,452,461
Operation and Maintenance of Physical Plant	<u>5,559,483</u>	<u>5,523,130</u>	<u>3,084,886</u>
Total Educational and General	29,413,029	29,185,730	32,079,978
Auxiliary Enterprises	<u>3,091,775</u>	<u>5,629,709</u>	<u>7,355,048</u>
<b>TOTAL OPERATING EXPENSE</b>	<b><u>\$ 32,504,804</u></b>	<b><u>\$ 34,815,439</u></b>	<b><u>\$ 39,435,026</u></b>

*Due to ongoing discussions relating to the economic uncertainties brought on by COVID-19, the 2020-2021 budget projections included in this report are the entities' latest available figures at time of printing.*

## ETHICS &amp; RELIGIOUS LIBERTY COMMISSION

	2020/2021	2019/2020	2018/2019
STATEMENT OF INCOME	<u>Projected</u>	<u>Budget</u>	<u>Actual</u>
Cooperative Program	\$ 3,242,250	\$ 3,242,250	\$ 3,246,073
Other Support	315,625	315,625	118,823
Event Related Income	414,716	414,716	441,596
Project & Other Related Revenue	<u>328,400</u>	<u>328,400</u>	<u>209,560</u>
<b>TOTAL INCOME</b>	<b><u>\$ 4,300,991</u></b>	<b><u>\$ 4,300,991</u></b>	<b><u>\$ 4,016,052</u></b>
CP as a Percent of Total Income	75.38%	75.38%	80.83%

	2020/2021	2019/2020	2018/2019
SUMMARY OF OPERATING BUDGET	<u>Projected</u>	<u>Budget</u>	<u>Actual</u>
Salaries & Benefits	\$ 2,775,550	\$ 2,775,550	\$ 2,613,381
Travel	360,955	360,955	310,665
Executive Office	246,695	246,695	165,104
Events & Strategic Initiatives	504,332	504,332	489,227
Business & Finance	181,618	181,618	164,940
Communications	179,965	179,965	163,445
Public Policy & Research	<u>51,875</u>	<u>51,875</u>	<u>11,171</u>
<b>TOTAL</b>	<b><u>\$ 4,300,991</u></b>	<b><u>\$ 4,300,991</u></b>	<b><u>\$ 3,917,933</u></b>

## HISTORICAL LIBRARY &amp; ARCHIVES

	Proposed	Budgeted	Actual
STATEMENT OF INCOME	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>
Cooperative Program	\$ 471,500	\$ 451,500	\$ 470,161
Interest	29,000	24,000	28,058
Microfilm	10,500	16,000	12,448
Designated & Miscellaneous	<u>2,000</u>	<u>1,500</u>	<u>857</u>
<b>TOTAL INCOME</b>	<b><u>\$ 513,000</u></b>	<b><u>\$ 493,000</u></b>	<b><u>\$ 511,524</u></b>
CP as a Percent of Total Income	92%	92%	92%

	2020-2021	2019-2020	2018-2019
SUMMARY OF OPERATING BUDGET	<u>2020-2021</u>	<u>2019-2020</u>	<u>2018-2019</u>
Personnel	\$ 353,000	\$ 330,500	\$ 264,342
Office Expenses/Equipment	70,000	64,500	68,710
Outreach/Promotion	12,500	12,500	5,503
Acquisitions	12,000	15,500	17,110
Preservation/Microfilm	10,000	9,000	9,772
Travel/Employee Development	10,000	11,500	8,625
Information Services	37,000	39,500	32,314
Contingency/Miscellaneous	4,000	5,500	1,179
Advisory Board	<u>4,500</u>	<u>4,500</u>	<u>635</u>
<b>TOTAL BUDGET/EXPENSES</b>	<b><u>\$ 513,000</u></b>	<b><u>\$ 493,000</u></b>	<b><u>\$ 408,190</u></b>

*Due to ongoing discussions relating to the economic uncertainties brought on by COVID-19, the 2020-2021 budget projections included in this report are the entities' latest available figures at time of printing.*

**FINANCIAL STATEMENTS  
OF THE ENTITIES OF THE SOUTHERN BAPTIST CONVENTION  
AND THE SOUTHERN BAPTIST CONVENTION OPERATING BUDGET**

**(Total Assets, Liabilities, and Net Assets for 2018-2019)**

**GUIDESTONE FINANCIAL RESOURCES OF THE SOUTHERN BAPTIST CONVENTION**, as of  
December 31, 2019

Assets	
Current Assets	\$ 16,000,000
Investment in Funds	15,125,000,000
Notes Receivable from Participants	125,000,000
Other Assets	<u>39,000,000</u>
Total Assets	\$ 15,305,000,000
Liabilities and Net Assets	
Restricted Insurance Reserves	\$ 65,000,000
Other Liabilities	57,000,000
Participant Accumulations & Fund Balances	<u>15,183,000,000</u>
Total Liabilities and Net Assets	\$ 15,305,000,000

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to GuideStone Financial Resources for the most recent fiscal year, the chair of GuideStone Financial Resources' board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**INTERNATIONAL MISSION BOARD**, as of September 30, 2019

Assets	
Current Assets	\$ 6,100,000
Investments	315,093,000
Assets – With Donor Restrictions	189,129,000
Property and Equipment	18,097,000
Other Assets	<u>4,170,000</u>
Total Assets	\$ 532,589,000
Liabilities and Net Assets	
Current Liabilities	\$ 56,065,000
Post-retirement Benefit Obligations	118,395,000
Without Donor Restrictions	169,000,000
With Donor Restrictions	<u>189,129,000</u>
Total Liabilities and Net Assets	\$ 532,589,000

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to the International Mission Board for the most recent fiscal year, the chair of the International Mission Board's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**LIFEWAY CHRISTIAN RESOURCES**, as of September 30, 2019

Assets	
Current Assets	\$ 185,980,000
Property and Equipment	157,959,000
Other Assets	<u>21,970,000</u>
Total Assets	\$ 365,909,000
Liabilities and Net Assets	
Current Liabilities	\$ 54,881,000
Other Liabilities	9,477,000
Post-retirement Benefit Obligations	233,689,000
Without Donor Restrictions	67,549,000
With Donor Restrictions	<u>313,000</u>
Total Liabilities and Net Assets	\$ 365,909,000

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to LifeWay Christian Resources for the most recent fiscal year, the chair of LifeWay Christian Resource's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**NORTH AMERICAN MISSION BOARD**, as of September 30, 2019

Current Assets	
Investments	\$ 7,054,430
Investments – Held in Trust	218,642,904
Church Loans, net	52,972,385
Property and Equipment	70,342,482
Other Assets	78,417,208
Total Assets	<u>6,919,132</u>
Total Assets	\$ 434,348,541
Liabilities and Net Assets	
Current Liabilities	\$ 7,810,803
Post-retirement Benefit Obligations	52,332,353
Without Donor Restrictions	308,698,461
With Donor Restrictions	<u>65,506,924</u>
Total Liabilities and Net Assets	\$ 434,348,541

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to the North American Mission Board for the most recent fiscal year, the chair of the North American Mission Board's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**GATEWAY SEMINARY**, as of July 31, 2019

Assets	
Current/Other Assets	\$ 6,317,598
Investments	50,974,577
Investments - Held in Trust	6,947,768
Property and Equipment	<u>55,729,796</u>
Total Assets	\$ 119,969,739
Liabilities and Net Assets	
Current Liabilities	\$ 1,028,356
Post-retirement Benefit Obligations	5,643,952
Without Donor Restrictions	84,664,596
With Donor Restrictions	<u>28,632,835</u>
Total Liabilities and Net Assets	\$ 119,969,739

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to Gateway Seminary for the most recent fiscal year, the chair of Gateway Seminary's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**MIDWESTERN BAPTIST THEOLOGICAL SEMINARY**, as of July 31, 2019

Assets	
Current Assets	\$ 6,626,626
Investments	8,843,135
Investments – Held in Trust	379,241
Property and Equipment	39,868,911
Other Assets	<u>372,982</u>
Total Assets	\$ 56,090,895
Liabilities and Net Assets	
Current Liabilities	\$ 2,977,481
Notes Payable	3,630,252
Without Donor Restrictions	42,207,454
With Donor Restrictions	<u>7,275,708</u>
Total Liabilities and Net Assets	\$ 56,090,895

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to Midwestern Baptist Theological Seminary for the most recent fiscal year, the chair of Midwestern Baptist Theological Seminary's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY**, as of July 31, 2019

Assets	
Current/Other Assets	\$ 7,577,042
Investments	80,670,024
Investments – Held in Trust	2,836,514
Property and Equipment	<u>16,741,666</u>
Total Assets	\$ 107,825,246
Liabilities and Net Assets	
Current Liabilities	\$ 4,155,376
Without Donor Restrictions	38,242,366
With Donor Restrictions	<u>65,427,504</u>
Total Liabilities and Net Assets	\$ 107,825,246

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to New Orleans Baptist Theological Seminary for the most recent fiscal year, the chair of New Orleans Baptist Theological Seminary's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**SOUTHEASTERN BAPTIST THEOLOGICAL SEMINARY**, as of July 31, 2019

Assets	
Current/Other Assets	\$ 17,989,715
Investments	29,925,495
Investments – Held in Trust	6,049,754
Property and Equipment	<u>35,220,820</u>
Total Assets	\$ 89,185,784
Liabilities and Net Assets	
Current Liabilities	\$ 3,596,934
Post-retirement Benefit Obligations	9,388,025
Bonds Payable	3,883,947
Without Donor Restrictions	34,268,888
With Donor Restrictions	<u>38,047,990</u>
Total Liabilities and Net Assets	\$ 89,185,784

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to Southeastern Baptist Theological Seminary for the most recent fiscal year, the chair of Southeastern Baptist Theological Seminary's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**SOUTHERN BAPTIST THEOLOGICAL SEMINARY**, as of July 31, 2019

Assets	
Current Assets	\$ 28,338,863
Investments	78,719,458
Investments – Held in Trust	19,306,489
Property and Equipment	66,531,849
Other assets	<u>533,178</u>
Total Assets	\$ 193,429,837
Liabilities and Net Assets	
Current Liabilities	\$ 7,873,903
Notes Payable	21,842,608
Post-retirement Benefit Obligations	4,319,512
Without Donor Restrictions	68,954,368
With Donor Restrictions	<u>90,439,446</u>
Total Liabilities and Net Assets	\$ 193,429,837

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to the Southern Baptist Theological Seminary for the most recent fiscal year, the chair of the Southern Baptist Theological Seminary's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**SOUTHWESTERN BAPTIST THEOLOGICAL SEMINARY**, as of July 31, 2019

Assets	
Current Assets	\$ 2,137,964
Investments	134,776,130
Investments – Held in Trust	15,093,338
Property and Equipment	125,966,664
Other Assets	<u>2,083,522</u>
Total Assets	\$ 280,057,618
Liabilities and Net Assets	
Current Liabilities	\$ 3,185,808
Post-retirement Benefit Obligations	1,737,835
Notes Payable	18,528,414
Other Liabilities	10,210,870
Without Donor Restrictions	104,313,753
With Donor Restrictions	<u>142,080,938</u>
Total Liabilities and Net Assets	\$ 280,057,618

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to Southwestern Baptist Theological Seminary for the most recent fiscal year, the chair of Southwestern Baptist Theological Seminary's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**SOUTHERN BAPTIST HISTORICAL LIBRARY AND ARCHIVES**, as of July 31, 2019

Assets	
Current/Other Assets	\$ 248,818
Investments	948,440
Property and Equipment	<u>895,779</u>
Total Assets	\$ 2,093,037
Liabilities and Net Assets	
Current Liabilities	\$ 19,214
Post-retirement Benefit Obligations	549,298
Without Donor Restrictions	1,465,407
With Donor Restrictions	<u>59,118</u>
Total Liabilities and Net Assets	\$ 2,093,037

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to the Southern Baptist Historical Library and Archives for the most recent fiscal year, the chair of the Southern Baptist Historical Library and Archive's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**ETHICS & RELIGIOUS LIBERTY COMMISSION**, as of September 30, 2019

Assets	
Current/Other Assets	\$ 904,352
Investments	1,069,445
Property and Equipment	<u>663,770</u>
Total Assets	\$ 2,637,567
Liabilities and Net Assets	
Current Liabilities	\$ 296,669
Post-retirement Benefit Obligations	436,865
Without Donor Restrictions	1,704,672
With Donor Restrictions	<u>199,361</u>
Total Liabilities and Net Assets	\$ 2,637,567

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to the Ethics & Religious Liberty Commission for the most recent fiscal year, the chair of the Ethics & Religious Liberty Commission's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**SOUTHERN BAPTIST CONVENTION EXECUTIVE COMMITTEE**, as of September 30, 2019

Assets	
Current/Other Assets	\$ 5,156,221
Investments	15,602,492
Property and Equipment	<u>2,392,526</u>
Total Assets	\$ 23,151,239
Liabilities and Net Assets	
Current Liabilities	\$ 5,165,759
Post-retirement Benefit Obligations	3,853,419
Without Donor Restrictions	11,708,647
With Donor Restrictions	<u>2,423,414</u>
Total Liabilities and Net Assets	\$ 23,151,239

In compliance with Article XIII B of the Southern Baptist Convention's Business and Financial Plan, along with the other financial data pertaining to the Southern Baptist Convention Executive Committee for the most recent fiscal year, the chair of the Southern Baptist Convention Executive Committee's board submitted a signed statement attesting that the board's officers confirm the existence of the conditions itemized in subparts 6a through 6c of that article. (See pages 29-30.)

**Summary of Compliance of Section XIII B6  
of the Southern Baptist Convention's Business and Financial Plan**

The statements of the chairs of each entity's board confirming that the officers of their board can attest to the matters prescribed by Section XIII B6 of the Business and Financial Plan have been received by the Executive Committee. (Editor's note: See the provisions of the pertinent section at pages 29-30.)

### Contributions by State

Cooperative Program Allocation Budget Receipts  
Southern Baptist Convention Executive Committee  
October 1, 2018 - September 30, 2019

<u>Contribution Sources</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>% Change</u>
Alabama	\$ 18,816,518.25	\$ 18,683,982.81	0.71
Alaska	156,171.87	228,297.14	(31.59)
Arizona	1,155,914.62	1,063,805.05	8.66
Arkansas	9,486,645.50	9,383,279.39	1.10
California	2,239,288.88	2,227,479.36	0.53
Colorado	650,544.64	648,149.86	0.37
Dakota	94,597.73	149,933.51	(36.91)
D. C.*	0.00	13,031.60	(100.00)
Florida	14,966,809.35	14,952,415.80	0.10
Georgia	16,174,800.63	16,211,061.66	(0.22)
Hawaii Pacific	244,988.73	351,405.29	(30.28)
Illinois	2,312,997.00	2,345,274.34	(1.38)
Indiana	812,509.12	958,710.90	(15.25)
Iowa	321,257.46	401,225.97	(19.93)
Kansas-Nebraska	803,808.84	794,774.57	1.14
Kentucky	9,865,588.33	10,534,508.91	(6.35)
Louisiana	6,838,064.26	7,030,905.47	(2.74)
Maryland-Delaware	1,686,659.23	1,619,255.90	4.16
Michigan	343,796.32	287,044.42	19.77
Minnesota-Wisconsin	233,099.31	226,268.70	3.02
Mississippi	12,318,599.09	11,743,071.57	4.90
Missouri	5,864,070.86	6,029,006.38	(2.74)
Montana	197,539.62	188,197.63	4.96
Nevada	623,419.52	589,193.56	5.81
New England	210,399.46	183,064.22	14.93
New Mexico	806,553.88	839,666.71	(3.94)
New York	223,748.00	246,980.91	(9.41)
North Carolina	11,621,226.37	11,884,483.61	(2.22)
Northwest	650,991.29	769,654.85	(15.42)
Ohio	2,079,821.24	2,116,798.35	(1.75)
Oklahoma	9,934,323.79	9,994,685.62	(0.60)
Pennsylvania-South Jersey	339,515.96	298,857.36	13.60
Puerto Rico/Virgin Islands	7,090.62	2,443.85	190.14
South Carolina	11,018,556.00	11,134,104.62	(1.04)
Tennessee	16,002,260.00	15,736,037.53	1.69
Texas - BGCT	10,208,418.63	10,168,205.48	0.40
Texas - SBTC	15,369,706.04	15,177,229.98	1.27
Utah - Idaho	211,675.57	200,645.96	5.50
Virginia - BGAV	823,067.69	812,792.56	1.26
Virginia - SBCV	4,620,757.74	4,405,521.14	4.89
West Virginia	522,680.36	515,174.92	1.46
Wyoming	108,920.78	111,360.76	(2.19)
Subtotal	190,967,402.58	191,257,988.22	(0.15)
Churches & Individuals	5,764,300.86	5,786,839.92	(0.39)
<b>Grand Total:</b>	<u>\$ 196,731,703.44</u>	<u>\$ 197,044,828.14</u>	<u>(0.16)</u>

\* Final contributions received from D.C. in June 2018

**2018-2019 Disbursements**  
**Southern Baptist Convention Executive Committee**

	<b>Cooperative Program Allocation Budget</b>	<b>Percent of CP</b>	<b>Designated</b>	<b>Percent of Designated</b>	<b>Total Gifts</b>	<b>Percent of Total</b>
International						
Mission Board	99,254,130	50.45%	\$ 132,658,808	69.19%	\$231,912,938	59.72%
North American						
Mission Board	44,835,155	22.79%	\$ 58,038,455	30.28%	\$102,873,610	26.49%
Gateway Seminary	3,966,734	2.02%	\$ 12,010	0.01%	\$ 3,978,744	1.02%
Midwestern Seminary	6,358,059	3.23%	\$ 16,936	0.01%	\$ 6,374,995	1.64%
New Orleans Seminary	7,144,588	3.63%	\$ 17,299	0.01%	\$ 7,161,887	1.84%
Southeastern Seminary	7,664,237	3.90%	\$ 34,884	0.02%	\$ 7,699,121	1.98%
Southern Seminary	10,351,129	5.26%	\$ 37,633	0.02%	\$ 10,388,762	2.67%
Southwestern Seminary	7,638,842	3.88%	\$ 46,867	0.02%	\$ 7,685,709	1.98%
Historical Library and Archives	472,156	0.24%	\$ 634	0.00%	\$ 472,790	0.12%
Ethics & Religious Liberty Commission	3,246,073	1.65%	\$ 12,806	0.01%	\$ 3,258,879	0.84%
GuideStone Financial Resources	-	0.00%	\$ 37,758	0.02%	\$ 37,758	0.01%
SBC Executive Committee and SBC Operating	<u>5,800,600</u>	<u>2.95%</u>	<u>\$ 781,464</u>	<u>0.41%</u>	<u>\$ 6,582,064</u>	<u>1.69%</u>
<b>Grand Totals</b>	<b><u>\$196,731,703</u></b>	<b><u>100.00%</u></b>	<b><u>\$ 191,695,554</u></b>	<b><u>100.00%</u></b>	<b><u>\$388,427,257</u></b>	<b><u>100.00%</u></b>

**Direct Contributions from Churches Received by the Executive Committee  
for the Support of Southern Baptist Convention Causes  
October 1, 2018 – September 30, 2019**

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>ALABAMA</b>				
Christ Fellowship Baptist Church	Mobile	2,600.02	3,155.02	5,755.04
Christ Fellowship Church	Birmingham	7,500.00	29,728.50	37,228.50
Church at Brook Hills, The	Birmingham	175,000.03	-	175,000.03
Lakeview Baptist Church	Auburn	313,839.90	-	313,839.90
Logos Baptist Church	Dothan	-	88,055.40	88,055.40
Mars Hill Ministries	Mobile	1,100.00	-	1,100.00
Morningview Baptist Church	Montgomery	61,627.69	-	61,627.69
Philadelphia Baptist Church	Birmingham	8,000.00	-	8,000.00
Providence Baptist Church	Huntsville	-	22,263.66	22,263.66
<b>ALASKA</b>				
Delta Junction, First Baptist Church	Delta Junction	21,159.61	-	21,159.61
Kotzebue, First Baptist Church	Kotzebue	-	500.00	500.00
<b>ARIZONA</b>				
Apollo Baptist Church	Glendale	15,163.61	-	15,163.61
<b>ARKANSAS</b>				
Centerton, First Baptist Church	Centerton	24,492.11	-	24,492.11
Central City, First Southern Baptist Church	Central City	1,474.41	7,591.39	9,065.80
Covenant Church	Siloam Springs	13,750.00	-	13,750.00
Fellowship of the Hills	Fayetteville	360.00	-	360.00
Grace Baptist Church	Paragould	600.00	-	600.00
Immanuel Baptist Church	Springdale	-	1,200.00	1,200.00
Indian Springs Baptist Church	Bryant	63,716.89	-	63,716.89
Lakeside Baptist Church	Rogers	7,176.38	-	7,176.38
Tumbling Shoals Baptist Church	Tumbling Shoals	5,727.94	-	5,727.94
Twin Lakes Baptist Church	Mountain Home	600.00	-	600.00
<b>CALIFORNIA</b>				
Bethany Baptist Church of Bellflower	Bellflower	1,358.82	-	1,358.82
Buena Park, First Southern Baptist Church	Buena Park	250.00	-	250.00
Calipatria, First Southern Baptist Church	Calipatria	5,356.76	3,281.00	8,637.76
Grace Church of the Valley	Kingsburg	750.00	-	750.00
Grace Fellowship of Dixon	Dixon	837.50	-	837.50
New Vision Baptist Church	San Diego	10,000.00	-	10,000.00
Nineteenth Avenue Chinese Baptist Church	San Francisco	-	500.00	500.00
Woodland United Fellowship	Woodland	5,484.82	-	5,484.82
<b>COLORADO</b>				
Crossroad Christian Fellowship	Pagosa Springs	300.00	-	300.00
<b>DISTRICT OF COLUMBIA</b>				
Pennsylvania Avenue Baptist Church, The	Washington	3,000.00	-	3,000.00
<b>FLORIDA</b>				
Covenant Life Church	Tampa	-	51,791.76	51,791.76
Faith Bible Church	Naples	300.00	-	300.00
Fifth Avenue Baptist Church	St. Petersburg	1,000.00	-	1,000.00
First Haitian Church of North Lauderdale	North Lauderdale	80.00	-	80.00
Grace Church of Tallahassee	Tallahassee	600.00	-	600.00
Grace Fellowship of West Palm	West Palm Beach	6,670.00	-	6,670.00
Kernan Boulevard Baptist Church	Jacksonville	13,019.82	100.00	13,119.82
Living Hope Community Church	Ocala	500.00	-	500.00
Midway, First Baptist Church	Plant City	7,511.42	-	7,511.42
Naples, First Baptist Church	Naples	36,380.69	-	36,380.69
North Stuart Baptist Church	Stuart	-	154.94	154.94
Orlando, First Baptist Church	Orlando	-	3,450.00	3,450.00
Park Avenue Baptist Church	Titusville	-	6,000.00	6,000.00
Pasadena Baptist Church	Dade City	1,100.00	-	1,100.00

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>FLORIDA (continued)</b>				
Redeemer Church of Pace	Pace	2,600.00	-	2,600.00
Starke, First Baptist Church	Starke	13,000.00	-	13,000.00
Venice, First Baptist Church	Venice	42,094.60	-	42,094.60
<b>GEORGIA</b>				
A'Neway Baptist Church	Nashville	1,800.00	-	1,800.00
Burnt Hickory Baptist Church	Powder Springs	173,050.00	-	173,050.00
Columbus, First Baptist Church	Columbus	-	15,000.00	15,000.00
Cornerstone Church	Atlanta	-	10,000.00	10,000.00
Crossroads Church	Douglasville	2,400.00	-	2,400.00
Fayetteville, First Baptist Church	Fayetteville	133,805.60	-	133,805.60
Fletcher Memorial Baptist Church	Statesboro	-	12,602.00	12,602.00
Fortified Hills Baptist Church	Dallas	3,315.62	-	3,315.62
Grace Baptist Church of South GA	Lakeland	-	250.00	250.00
Isle of Hope Baptist Church	Savannah	2,746.20	-	2,746.20
Johns Creek Baptist Church	Alpharetta	875.00	-	875.00
King Spring Baptist Church	Smyrna	-	21,280.51	21,280.51
New Vision Baptist Church	Savannah	50.00	-	50.00
Redeemer Fellowship Church	Chestnut Mountain	555.00	8,906.00	9,461.00
Revolution Church	Canton	6,000.00	-	6,000.00
SouthCrest Baptist Church	Newnan	5,000.00	-	5,000.00
<b>HAWAII</b>				
Lihue Baptist Church	Lihue	32,686.73	3,800.00	36,486.73
<b>ILLINOIS</b>				
Cahokia, First Southern Baptist Church	Cahokia	30.42	-	30.42
Chicago West Bible Church	Chicago	1,500.00	-	1,500.00
Dow, Southern Baptist Church	Dow	4,720.87	429.17	5,150.04
Faith Baptist Church	Freeburg	2,733.28	-	2,733.28
Heartland Baptist Church	Alton	16,000.00	-	16,000.00
Holiday Shores Baptist Church	Edwardsville	4,060.38	4,318.85	8,379.23
Morning Star Church	Rockford	250.00	-	250.00
Redeemer Fellowship of St. Charles	St. Charles	391.00	-	391.00
Second Baptist Church	Marion	2,303.14	-	2,303.14
Second Baptist Church	Mt. Vernon	13,107.05	9,780.00	22,887.05
Second Baptist Church	West Frankfort	22,500.00	-	22,500.00
<b>INDIANA</b>				
Athens Church	Columbus	2,086.87	-	2,086.87
Harvest Bible Chapel of Granger	Granger	-	10,000.00	10,000.00
Harvest Bible Chapel of North Indianapolis	Carmel	14,500.00	-	14,500.00
Rolling Fields Church	Jeffersonville	509.60	2,479.01	2,988.61
<b>IOWA</b>				
Corner Stone Baptist Church	Altoona	4,249.06	1,160.00	5,409.06
<b>KANSAS</b>				
City Life Church	Wichita	1,200.00	-	1,200.00
Crossroads Baptist Church	Wichita	-	400.00	400.00
Harvest Bible Chapel	Olathe	1,080.00	-	1,080.00
Immanuel Baptist Church	Wichita	16,586.82	10,047.20	26,634.02
Mission Road Bible Church	Prairie Village	-	500.00	500.00
<b>KENTUCKY</b>				
Advance Baptist Church	Henderson	2,163.27	191.00	2,354.27
Anchor Bible Church	Pewee Valley	9,102.00	-	9,102.00
Blue Springs Baptist Church	Cadiz	23,215.55	2,232.01	25,447.56
Cedar Grove Baptist Church	Shepherdsville	846.42	-	846.42
Center Point Church	Lexington	16,250.00	-	16,250.00
Crestwood Baptist Church	Crestwood	46.69	8.88	55.57
Encounter Church	Louisville	1,200.00	-	1,200.00
Faith Family Ministries	Oak Grove	200.00	-	200.00
Forks of Dix River Baptist Church	Lancaster	27,819.60	-	27,819.60

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>KENTUCKY (continued)</b>				
Heritage Baptist Church	Owensboro	500.00	-	500.00
Immanuel Baptist Church	Louisville	5,500.00	-	5,500.00
Kirksey Baptist Church	Kirksey	-	2,067.27	2,067.27
Lyndon Baptist Church	Louisville	527.81	267.32	795.13
Melbourne Heights Baptist Church	Louisville	600.00	-	600.00
Mill Creek Baptist Church	Radcliff	-	90.26	90.26
New Salem Baptist Church	London	4,140.00	-	4,140.00
Pleasant Grove Baptist Church	Louisville	1,526.43	1,565.00	3,091.43
Salem Baptist Church	Irvine	-	100.00	100.00
Sovereign Grace Church of Louisville	Louisville	1,200.00	-	1,200.00
St. Matthews Baptist Church	Louisville	1,000.01	3,035.34	4,035.35
United Baptist Church	Graz	365.00	-	365.00
Walnut Memorial Baptist Church	Owensboro	-	16,004.85	16,004.85
<b>LOUISIANA</b>				
Bernice, First Baptist Church	Bernice	5,792.95	-	5,792.95
Broadmoor Baptist Church	Shreveport	136,791.28	-	136,791.28
Clifton Baptist Church	Franklinton	9,651.92	-	9,651.92
Elton, First Baptist Church	Elton	3,375.61	-	3,375.61
Friendship Baptist Church	Ville Platte	1,737.84	-	1,737.84
Gillis, First Baptist Church	Lake Charles	4,636.16	-	4,636.16
Gonzales, First Baptist Church	Gonzales	101,254.78	18,054.01	119,308.79
Good Hope Baptist Church	Anacoco	100.00	1,100.00	1,200.00
Kenner, First Baptist Church	Kenner	31,316.12	5,059.85	36,375.97
Kilbourne, First Baptist Church	Kilbourne	2,600.04	705.00	3,305.04
Milton, First Baptist Church	Milton	3,000.00	-	3,000.00
Minden, First Baptist Church	Minden	141,949.87	-	141,949.87
Mt. Carmel Baptist Church	Florien	9,059.45	-	9,059.45
Oakdale, First Baptist Church	Oakdale	4,125.00	-	4,125.00
Oaks Church, The	Denham Springs	-	1,200.00	1,200.00
Old Anacoco Baptist Church	Leesville	8,876.00	-	8,876.00
One Life Baptist Church	Walker	950.00	-	950.00
Pine Hill Baptist Church	Leesville	2,533.85	-	2,533.85
United Baptist Church C&W	Campti	2,700.00	-	2,700.00
University Baptist Church	Baton Rouge	500.00	-	500.00
West Monroe, First Baptist Church	West Monroe	111,494.00	-	111,494.00
Westwego, First Baptist Church	Westwego	-	5,469.75	5,469.75
Zoar Baptist Church	Baton Rouge	98,437.59	-	98,437.59
<b>MARYLAND</b>				
Beltsville, First Baptist Church	Beltsville	11,826.10	-	11,826.10
Calvary Baptist Church	Bel Air	7,558.54	30,234.15	37,792.69
Cheverly Baptist Church	Hyattsville	3,000.00	-	3,000.00
Fort Foote Baptist Church	Fort Washington	672.00	1,057.00	1,729.00
Middle River Baptist Church	Baltimore	9,687.01	-	9,687.01
<b>MASSACHUSETTS</b>				
Genesis Community Church	Woburn	19,680.00	-	19,680.00
<b>MICHIGAN</b>				
Cornerstone Baptist Church	Roseville	-	10,780.00	10,780.00
Oakland Woods Baptist Church	Clarkston	1,817.00	-	1,817.00
Union Lake Baptist Church	Commerce Township	500.00	400.00	900.00
<b>MINNESOTA</b>				
Redeeming Cross Community Church	Bloomington	204.00	-	204.00
<b>MISSISSIPPI</b>				
Arbor Grove Baptist Church	Houston	-	213.00	213.00
Carriage Hills Baptist Church	Southaven	41,981.30	11,840.18	53,821.48
Colonial Heights Baptist Church	Ridgeland	18,498.60	-	18,498.60
Durant, First Baptist Church	Durant	1,257.14	515.17	1,772.31
Fairhaven Baptist Church	Olive Branch	6,679.00	-	6,679.00
Mathiston, First Baptist Church	Mathiston	-	29,074.70	29,074.70

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>MISSISSIPPI (continued)</b>				
New Zion Baptist Church	Crystal Springs	-	7,667.31	7,667.31
Northminster Baptist Church	Jackson	2,381.53	-	2,381.53
Southside Baptist Church	Vicksburg	250.00	-	250.00
Vietnamese Baptist Church	Biloxi	-	70.00	70.00
<b>MISSOURI</b>				
Antioch Bible Baptist Church	Gladstone	6,650.00	-	6,650.00
Arnold, First Baptist Church	Arnold	38,705.28	-	38,705.28
Christ's Covenant Church	Point Lookout	-	10,794.29	10,794.29
Cornerstone Baptist Church	Hannibal	166.50	-	166.50
Farmington, First Baptist Church	Farmington	980.00	47,964.00	48,944.00
Fee Fee Baptist Church	Bridgeton	10,153.99	32,056.20	42,210.19
Fellowship Baptist Church	Cape Girardeau	300.00	-	300.00
Fellowship of Wildwood	Wildwood	500.00	63,176.38	63,676.38
Frazier Baptist Church	Agency	4,700.00	9,398.00	14,098.00
Gathering Baptist Church, The	Independence	33,020.20	-	33,020.20
Genesis Church	Eureka	6,845.25	1,545.60	8,390.85
Grace Point Baptist Church	Kansas City	5,133.51	-	5,133.51
Grant Avenue Baptist Church	Springfield	2,133.83	-	2,133.83
Harmony Baptist Church	Rogersville	8,255.59	-	8,255.59
Highlandville, First Baptist Church	Highlandville	1,776.15	-	1,776.15
Hopewell Baptist Church	Cowgill	30.77	-	30.77
Lebanon Baptist Church	McGirk	250.00	-	250.00
Lee's Summit, First Baptist Church	Lee's Summit	-	38,463.12	38,463.12
LifeBridge Baptist Church	Kansas City	600.00	525.00	1,125.00
Linden Baptist Church	Kansas City	7,939.38	20,350.79	28,290.17
Lynwood Baptist Church	Cape Girardeau	48,627.22	-	48,627.22
Maplewood Baptist Church	Maplewood	3,165.96	-	3,165.96
Mount Vernon Baptist Church	Kansas City	-	500.00	500.00
New Life Fellowship	Anderson	1,040.00	-	1,040.00
New Life Ministries of KC (New Life City Church)	Kansas City	600.00	-	600.00
Nixa, First Baptist Church	Nixa	15,173.54	10,613.12	25,786.66
Orrick, First Baptist Church	Orrick	2,798.79	1,490.00	4,288.79
Potter's House Church	Camdenton	2,100.00	300.00	2,400.00
Raintree Community Church	Lee's Summit	300.00	-	300.00
Rock Falls Baptist Church	Richmond	113.50	3,239.50	3,353.00
St. James, First Baptist Church	St. James	6,187.78	51.20	6,238.98
Third Baptist Church	St. Louis	65.50	-	65.50
Valley View Baptist Church	Marionville	627.24	-	627.24
<b>NEVADA</b>				
Laughlin Community Church	Laughlin	5,990.34	-	5,990.34
<b>NEW HAMPSHIRE</b>				
Christian Fellowship Baptist Church	Londonderry	-	250.00	250.00
<b>NEW MEXICO</b>				
Church of the Redeemer	Los Lunas	-	500.00	500.00
<b>NEW YORK</b>				
Grace Bible Church	Newfane	250.00	-	250.00
Grace Indonesian Baptist Church	Woodside	500.00	700.00	1,200.00
House of Prayer SBC, The	Salamanca	300.00	-	300.00
Immanuel Church	Castleton	4,310.38	-	4,310.38
<b>NORTH CAROLINA</b>				
Ahoskie Free Will Baptist Church	Ahoskie	300.00	-	300.00
Altapass Baptist Church	Spruce Pine	-	2,452.02	2,452.02
Autryville Baptist Church	Autryville	2,214.61	-	2,214.61
Beaver Creek Baptist Church	Spruce Pine	2,373.38	-	2,373.38
Beulah Christian Baptist Church	Zebulon	-	10,336.49	10,336.49
Burlington, First Baptist Church	Burlington	-	13,280.00	13,280.00
Calvary's Cross Baptist Church	Rolesville	4,175.00	-	4,175.00
Central Baptist Church	Dunn	1,200.00	-	1,200.00

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>NORTH CAROLINA (continued)</b>				
Denver Baptist Church	Denver	44,685.69	5,440.72	50,126.41
Diamond Hill Baptist Church	Statesville	7,500.00	3,782.00	11,282.00
Eller Memorial Baptist Church	Greensboro	1,625.00	-	1,625.00
Faith Baptist Church	Durham	4,866.40	-	4,866.40
Gethsemane Baptist Church	Fayetteville	1,445.00	-	1,445.00
Glorieta Baptist Church	Concord	2,600.00	6,945.00	9,545.00
Grace Community Church	Angier	250.00	-	250.00
Grace Reformed Baptist Church	Mebane	-	1,500.00	1,500.00
Harvest Bible Chapel North Raleigh	Raleigh	2,700.00	-	2,700.00
Hillcrest Baptist Church	Kernersville	7,663.00	-	7,663.00
Horse Shoe Baptist Church	Horse Shoe	525.00	-	525.00
Imago Dei Church	Raleigh	-	39,912.47	39,912.47
Lake Gaston Baptist Church	Littleton	10,000.00	-	10,000.00
Landmark Baptist Church	Greenville	-	1,635.00	1,635.00
Lily Memorial Baptist Church	Shelby	2,624.57	-	2,624.57
Millersville Baptist Church	Taylorsville	26,107.63	-	26,107.63
Montwood Baptist Church	Roxboro	2,250.00	-	2,250.00
North Wake Baptist Church	Wake Forest	4,134.00	5,512.00	9,646.00
Oak View Baptist Church	High Point	2,000.00	-	2,000.00
Open Door Baptist Church	Raleigh	6,916.97	2,250.00	9,166.97
Penders Chapel Missionary Baptist Church	Tarboro	7,962.34	-	7,962.34
Redeemer Church	Rocky Mount	22,787.10	-	22,787.10
Richland Creek Community Church	Wake Forest	22,000.00	14,462.50	36,462.50
Rock Spring Baptist Church	Louisburg	8,344.65	31,292.62	39,637.27
Rocky Knoll Baptist Church	Greensboro	22,532.92	-	22,532.92
Sandy Creek Baptist Church	Liberty	5,914.35	5,434.60	11,348.95
Smith Grove Baptist Church	Linwood	2,496.00	-	2,496.00
Somerset Baptist Church	Roxboro	10,917.48	-	10,917.48
South Durham Church	Durham	400.00	-	400.00
Stedman Baptist Church	Stedman	11,906.21	-	11,906.21
Thompsonville Baptist Church	Reidsville	3,800.00	-	3,800.00
Tippett's Chapel Free Will Baptist Church	Clayton	-	2,400.00	2,400.00
Union Grove Baptist Church	Oak Ridge	3,465.00	-	3,465.00
Waco Baptist Church	Waco	1,003.47	-	1,003.47
Wake Cross Roads Baptist Church	Raleigh	35,499.96	2,499.96	37,999.92
<b>OHIO</b>				
Christ the King, Church of - Eastern Hills	Cincinnati	300.00	-	300.00
Covenant Church	Grove City	1,200.00	-	1,200.00
Heights Church / City Church	Cleveland	1,250.00	-	1,250.00
Jersey Baptist Church	New Albany	128,626.78	-	128,626.78
Victory Baptist Church	Etna	213.55	2,119.84	2,333.39
<b>OKLAHOMA</b>				
Arnett, First Baptist Church	Arnett	3,149.16	-	3,149.16
Bridgeway Church	Oklahoma City	-	1,200.00	1,200.00
Christ's Fellowship Church	Lawton	2,200.00	-	2,200.00
College Heights Baptist Church	Chickasha	-	373.64	373.64
Shawnee Bible Church	Shawnee	50.02	550.22	600.24
Southern Hills Baptist Church	Tulsa	-	4,364.00	4,364.00
Vine Baptist Church of Davis, The	Davis	2,400.00	2,910.00	5,310.00
<b>OREGON</b>				
Dallas, First Baptist Church	Dallas	-	225.00	225.00
Hinson Memorial Church	Portland	375.00	-	375.00
<b>PENNSYLVANIA</b>				
Brandywine Grace Church	Downingtown	-	300.00	300.00
Christ Church West Chester	West Chester	3,500.00	-	3,500.00
Compass Point Church	Mechanicsburg	1,200.00	-	1,200.00
Red Land Baptist Church	New Cumberland	3,645.20	-	3,645.20

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>PUERTO RICO</b>				
Iglesia Bautista Bethel Del Sur	Ponce	100.00	100.00	200.00
Iglesia Bautista De Glenview, Inc.	Ponce	2,700.00	5,100.00	7,800.00
Iglesia Bautista Resurreccion	Isabela	180.00	160.00	340.00
Union Femenil Misionera PR-IV	San Juan	-	400.00	400.00
<b>SOUTH CAROLINA</b>				
East Cooper Baptist Church	Mount Pleasant	35,000.00	-	35,000.00
Fort Mill, First Baptist Church	Fort Mill	91,321.86	-	91,321.86
Summit Baptist Church	Ladson	13,650.00	-	13,650.00
<b>TENNESSEE</b>				
Berclair Baptist Church	Memphis	1,010.83	-	1,010.83
Boone Trail Baptist Church	Gray	44,736.65	33,826.61	78,563.26
Christ Community Church	Jackson	200.00	-	200.00
Foothills Baptist Church	Maryville	15,000.00	-	15,000.00
Grace Community Church	Brentwood	95,929.20	-	95,929.20
Heritage Baptist Church	Johnson City	333.34	8,654.93	8,988.27
His Will Baptist Church	Lebanon	120.00	-	120.00
Kirby Woods Baptist Church	Memphis	100.00	-	100.00
Knoxville Korean Baptist Church	Knoxville	300.00	-	300.00
Lakeland, First Baptist Church	Lakeland	5,569.22	-	5,569.22
Life Point Church	Smyrna	11,250.00	-	11,250.00
North Athens Baptist Church	Athens	3,802.61	-	3,802.61
North Johnson City Baptist Church	Johnson City	3,771.90	-	3,771.90
Oak Ridge, First Baptist Church	Oak Ridge	360.00	2,110.00	2,470.00
Redeemer Baptist Fellowship	Memphis	7,938.75	1,037.00	8,975.75
Redeemer Church	Hendersonville	9,675.27	-	9,675.27
Ridgeview Baptist Church	Cleveland	1,800.00	-	1,800.00
Sevier Heights Baptist Church	Knoxville	-	1,426.00	1,426.00
Tri-Cities Baptist Church	Gray	42,000.04	-	42,000.04
Trinity Baptist Church	Franklin	150.00	450.00	600.00
Trinity Church of Nashville	Nashville	9,493.24	-	9,493.24
West Broadway Baptist Church	Lenoir City	1,200.00	-	1,200.00
<b>TEXAS</b>				
Alvarado, First Baptist Church	Alvarado	580.51	746.38	1,326.89
Angleton, First Baptist Church	Angleton	18,000.00	-	18,000.00
Arp Emmanuel Baptist Church	Arp	33,762.38	-	33,762.38
Bandera Road Community Church	San Antonio	240.00	-	240.00
Baptist Church of the Redeemer	Sugar Land	16,810.74	10,501.00	27,311.74
Bear Creek Community Church	Cresson	2,462.11	-	2,462.11
Beautiful Feet Ministries	Fort Worth	-	1,200.00	1,200.00
Bethel Baptist Church	New Caney	4,013.09	3,615.98	7,629.07
Brazos Meadows Baptist Church	Hewitt	-	4,375.00	4,375.00
Bridge Fellowship, The	Sugar Land	6,000.00	-	6,000.00
Calvary Baptist Church	Beaumont	449,649.47	240,505.10	690,154.57
Calvary Baptist Church	Nederland	123.77	1,117.88	1,241.65
Calvary Baptist Church	Port Arthur	800.00	3,399.00	4,199.00
Calvary Baptist Church	Talco	8,687.41	-	8,687.41
Carpenter's Way Baptist Church	Lufkin	-	44,337.52	44,337.52
Carrollton, First Baptist Church	Carrollton	200,000.04	110,500.00	310,500.04
Central Baptist Church	Kirbyville	14,083.34	-	14,083.34
Chappell Hill, First Baptist Church	Chappell Hill	11,716.40	-	11,716.40
Christ Community Church of Texarkana	Texarkana	2,500.00	-	2,500.00
Christ Freedom Church	Lewisville	250.00	-	250.00
Christ the Redeemer Church	Fort Worth	3,600.00	12,348.87	15,948.87
Citizens Church	Plano	7,328.00	-	7,328.00
Cleveland, First Baptist Church	Cleveland	1,345.59	15,290.85	16,636.44
Colony, First Baptist Church	The Colony	500.00	-	500.00
Columbus, First Baptist Church	Columbus	19,383.33	-	19,383.33
Cornerstone Baptist Church	Wylie	-	300.00	300.00
Cottonwood Creek Baptist Church	Allen	24,000.00	-	24,000.00
Crosbyton, First Baptist Church	Crosbyton	8,362.45	-	8,362.45
Crossroads Fellowship of Richards	Richards	1,908.58	1,908.58	3,817.16
Crossway Bible Church	San Antonio	250.00	500.00	750.00

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>TEXAS (continued)</b>				
Dalhart, First Baptist Church	Dalhart	5,964.42	5,308.24	11,272.66
Declaration Church	Bryan	1,315.00	260.00	1,575.00
Drew's Landing Baptist Church	Shepherd	870.59	-	870.59
Eastside Community Church	Dallas	6,000.00	-	6,000.00
Emmanuel Baptist Church	Henderson	745.00	-	745.00
Emmanuel Baptist Church	Pittsburg	1,548.43	-	1,548.43
Estelline, First Baptist Church	Estelline	664.68	-	664.68
Fannin Terrace Baptist Church	Midland	41,249.97	-	41,249.97
Fellowship of Lake Creek/Montgomery, The	Montgomery	1,200.00	-	1,200.00
Fielder Road Baptist Church	Arlington	1,151.92	-	1,151.92
First Shiloh Baptist Church	Thrall	2,732.00	-	2,732.00
Friendship Baptist Church	Beaumont	1,257.80	975.00	2,232.80
Frontier Baptist Church	Brackettville	1,812.93	2,045.00	3,857.93
Gathering, The	Baytown	75.00	-	75.00
Glen Rose, First Baptist Church	Glen Rose	52,020.18	-	52,020.18
Grace Bible Church	Gatesville	3,000.00	-	3,000.00
Grace Community Church	Glen Rose	300.00	-	300.00
Grace Reformed Baptist Church	Humble	1,200.00	-	1,200.00
Harvest Country Church	Pleasanton	2,028.43	-	2,028.43
Haslam, First Baptist Church	Joaquin	-	1,800.00	1,800.00
Heights Baptist Church	Alvin	45,646.60	-	45,646.60
Hillcrest Baptist Church	Big Spring	18,671.92	-	18,671.92
His Place Fellowship	Paris	8,000.00	-	8,000.00
Holly Springs Baptist Church	Jasper	969.50	1,938.98	2,908.48
Hulen Street Baptist Church	Fort Worth	4,081.00	1,749.00	5,830.00
Iglesia Bautista La Hermosa	New Caney	480.00	-	480.00
Irving, First Baptist Church	Irving	4,166.67	6,372.58	10,539.25
Jacinto City, First Baptist Church	Houston	10,439.76	892.93	11,332.69
Kerville, First Baptist Church	Kerrville	13,965.00	4,935.00	18,900.00
Koinonia Community Church	Eustace	1,200.00	-	1,200.00
Lake Baptist Church	Grapeland	394.00	2,863.00	3,257.00
Lake Fork Baptist Church	Alba	57,259.80	-	57,259.80
Lakeside City, First Baptist Church	Wichita Falls	275.79	425.00	700.79
Lakeview Fellowship	Fort Worth	22,159.87	4,455.00	26,614.87
Lamar Baptist Church	Arlington	20,483.04	-	20,483.04
Lawler Baptist Church	Florence	-	3,347.00	3,347.00
Live Oak, First Baptist Church	Live Oak	20.00	-	20.00
McNeil Baptist Church	Luling	14,644.82	-	14,644.82
Meadows Baptist Church	Plano	48,250.00	-	48,250.00
Midessa Height Baptist Church	Midland	1,875.08	-	1,875.08
Miller Heights Baptist Church	Belton	2,499.96	-	2,499.96
Morse, First Baptist Church	Morse	8,986.57	-	8,986.57
Naples, First Baptist Church	Naples	13,620.02	-	13,620.02
New Beginnings Baptist Church	Longview	13.45	-	13.45
New Beginnings Baptist Church of Lone Star	Daingerfield	144.65	-	144.65
New Life Baptist Church	College Station	500.00	-	500.00
North Main Baptist Church	Liberty	14,627.67	-	14,627.67
Novice Baptist Church	Paris	766.00	8,887.80	9,653.80
Oakwood Baptist Church	New Braunfels	-	30,000.00	30,000.00
Palestine Church	Palestine	-	3,600.00	3,600.00
Patillo Baptist Church	Lipan	3,108.63	-	3,108.63
PaulAnn Baptist Church	San Angelo	27,051.10	2,700.00	29,751.10
Perrin, First Baptist Church	Perrin	6,569.54	1,150.68	7,720.22
Ponder, First Baptist Church	Ponder	15,972.40	7,981.60	23,954.00
Purmela Baptist Church	Purmela	150.00	-	150.00
Radiant Church	Austin	500.00	-	500.00
Red Springs Baptist Church	Seymour	301.60	4,103.91	4,405.51
Redeemer Church of Midland	Midland	4,999.99	-	4,999.99
Rhea's Mill Baptist Church	McKinney	3,300.00	300.00	3,600.00
Ridglea Baptist Church	Fort Worth	38,736.75	8,142.00	46,878.75
Rocky Point Baptist Church	Stephenville	2,400.00	-	2,400.00
Rosston Baptist Church	Rosston	300.00	-	300.00
Runge, First Baptist Church	Runge	825.00	600.00	1,425.00
Shady Acres, First Baptist Church	Brazoria	7,583.07	-	7,583.07

Church Name	City	CP Allocation Budget	Designated Funds	Total Gifts
<b>TEXAS (continued)</b>				
Shepherd, First Baptist Church	Shepherd	2,843.00	632.00	3,475.00
South Oaks Baptist Church	Arlington	1,952.18	-	1,952.18
Southcliff Baptist Church	Fort Worth	63,239.55	-	63,239.55
Southcrest Baptist Church	Lubbock	16,923.37	-	16,923.37
Southwest Chinese Baptist Church	Stafford	750.00	-	750.00
Speegleville Baptist Church	Waco	6,580.47	-	6,580.47
Stamford, First Baptist Church	Stamford	2,958.17	-	2,958.17
Sweet Spirit Baptist Church	St. Hedwig	1,061.90	-	1,061.90
Temple Baptist Church	Gainesville	-	50,317.73	50,317.73
Travis Avenue Baptist Church	Fort Worth	13,852.94	1,882.06	15,735.00
Trinity Baptist Church	Dayton	1,300.00	-	1,300.00
Trinity Baptist Church	Smithville	-	6,583.33	6,583.33
Tuscola, First Baptist Church	Tuscola	-	16,890.47	16,890.47
Village Church Denton	Denton	3,300.00	-	3,300.00
Village Church, The	Flower Mound	-	1,000.00	1,000.00
Weches Baptist Church	Grapeland	1,800.00	1,800.00	3,600.00
Wedgwood Baptist Church	Fort Worth	66,151.60	6,670.00	72,821.60
West Mesquite Baptist Church	Mesquite	250.30	-	250.30
Wichita Falls, First Baptist Church	Wichita Falls	34,862.48	209,175.00	244,037.48
Wilcrest Baptist Church	Houston	3,141.73	1,055.77	4,197.50
Winnsboro, First Baptist Church	Winnsboro	35,418.46	-	35,418.46
<b>VIRGINIA</b>				
Azalea Baptist Church	Norfolk	250.00	-	250.00
Bethel Baptist Church	Phenix	1,896.65	4,861.42	6,758.07
Buffalo Baptist Church	Buffalo Junction	13,000.00	12,378.00	25,378.00
Friendship Baptist Church	Drakes Branch	11,000.00	10,000.00	21,000.00
Grace Church of Gainesville	Gainesville	5,251.00	-	5,251.00
Jonesville, First Baptist Church	Jonesville	30,570.45	7,138.00	37,708.45
Lebanon Baptist Church	Lebanon	11,819.60	1,112.56	12,932.16
Louisa Baptist Church	Louisa	170.70	5,253.65	5,424.35
Mt. Hermon Baptist Church	Danville	95,258.39	74,827.13	170,085.52
Narrows, First Baptist Church	Narrows	705.60	-	705.60
Piney Grove Baptist Church	Gretna	5,368.71	-	5,368.71
Redemption Hill Church	Richmond	-	1,500.00	1,500.00
Rockfish Valley Baptist Church	Nellysford	2,400.00	-	2,400.00
Seed International Church	Glen Allen	100.00	-	100.00
St. Mark Baptist Church	Maidens	500.00	-	500.00
West Salem Baptist Church	Salem	-	250.00	250.00
<b>WASHINGTON</b>				
Chinese Baptist Church	Seattle	2,500.00	1,250.00	3,750.00
Reata Springs Baptist Church	Richland	3,650.00	-	3,650.00
<b>WEST VIRGINIA</b>				
Harvest Pointe Community Church	Charles Town	1,561.29	-	1,561.29
New Haven Church	Chapmanville	79.21	-	79.21
<b>WISCONSIN</b>				
Calvary Community Church	Williams Bay	300.00	-	300.00
<b>TOTAL</b>		\$ 5,142,732.73	\$ 1,904,142.28	<u>\$ 7,046,875.01</u>



901 Commerce Street, Suite 600, Nashville, Tennessee 37203

**RONNIE FLOYD, Chairman**  
**WARREN PEEK, President**

*“But just as you excel in everything – in faith, in speech, in knowledge, in all earnestness and in the love, we inspired in you, see that you excel in this grace of giving also.”*  
*2 Corinthians 8:7*

We have been called to serve our fellow man and to inspire to make an impact for the kingdom. Our work here at the Foundation is given to us by God and we are His servants. Paul said in Colossians 3:23, “*Whatever you do, work at it with all your heart, as working for the Lord, not for human masters.*” We serve God by serving others. By using the resources of the Foundation, lives are changed and transformed while we *help this generation touch the next generation for Christ*. These words express the purpose of the Southern Baptist Foundation. It is the reason we exist and is the driving force for every decision we make and each task we perform. Our steadfast commitment to this purpose is evident to our donors and is seen by our partnerships with other Southern Baptists entities, churches, and evangelical organizations.

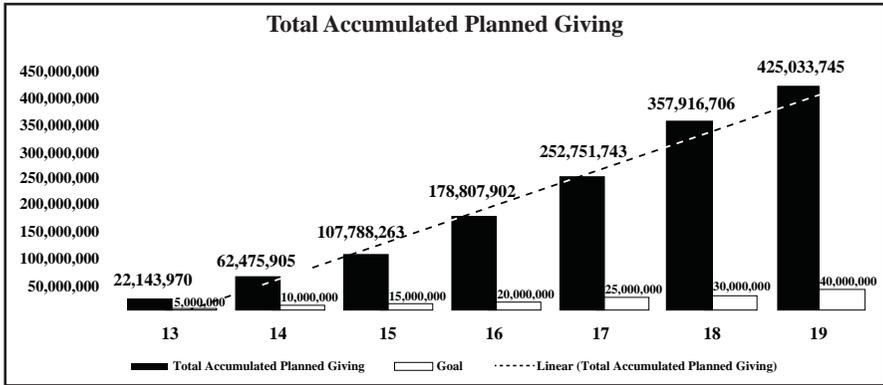
By partnering with the Southern Baptist Foundation, the world is being changed. Through the help of the Foundation, missionaries are being trained and encouraged, students are being educated to share the gospel, churches are being planted, cities are being transformed, lives are being impacted and forever changed across the world, and so much more.

The Southern Baptist Foundation was created in 1947 to help manage and distribute donations that strengthen Southern Baptist ministries. For over seventy years, the Foundation has provided services that enable individuals and families the opportunity to accumulate and preserve wealth, shelter estates from paying more taxes than necessary, and make both temporal and eternal impact through generosity. The Foundation is committed to serving your vision, your mission, and your values as we continue to follow the Great Commission. We are ready to assist in discerning God’s purposes for the resources He has entrusted to you, provide counsel about the most effective planning techniques to achieve these goals, and assist you in the completion of these plans.

Believers integrating biblical stewardship in their financial lives can transform the world and estate giving can have a powerful impact for God’s kingdom. If only 10% of the more than two million Southern Baptists who are currently over age 65 (about 202,000) tithed their estates to SBC Great Commission causes, the Convention would receive an additional \$5 billion for kingdom purposes over the next twenty years. The eternal value of the number of new missionaries sent and people engaged for the gospel is beyond measure.

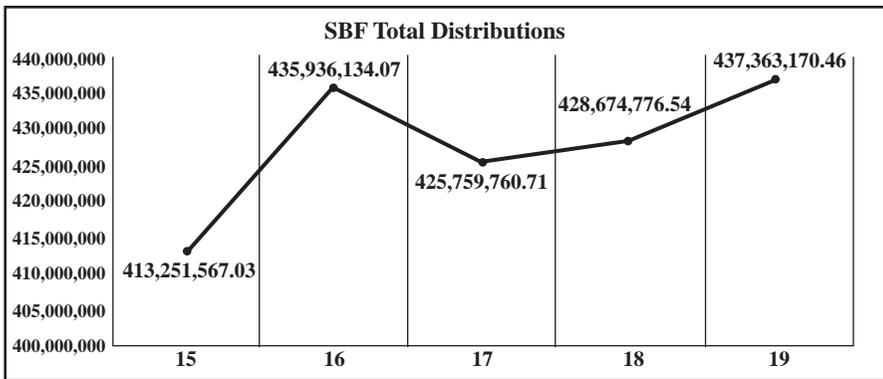
We believe that every Christian should have the opportunity to participate in quality estate planning as an act of stewardship. Our desire is that the resources and the services offered by the Southern Baptist Foundation bring glory to our Lord and result in the advancement of His kingdom. Can you imagine the impact if God’s people developed plans that resulted in releasing billions of dollars to kingdom work in the next generation?

The Foundation’s estate planning initiative formally launched in 2013 and has been incredibly successful. Through this initiative, the Foundation has been able to consult with over 2,200 different families. Over \$425 million in future gifts will be generated for Baptist causes from these families.



**PART 3**

The Southern Baptist Foundation has been blessed with yet another strong year and we praise God for this. During 2019, the Southern Baptist Foundation conducted numerous seminars on legacy, estate, and investment planning with the goal of advancing the gospel of Jesus Christ – which is the absolute purpose in everything that we do. The Foundation partnered with SBC entities, churches, evangelical organizations, and individuals with their legacy planning and investment management needs. Through these partnerships, the Foundation distributed over \$437 million in 2019 for the Cooperative Program and various other mission causes across the world.



We pledge to continue to seek God’s wisdom as we make decisions regarding the investments and management of the assets you have placed with us. Thank you for your confidence shown to us each day; we count it a privilege and a joy to serve the Lord and all Southern Baptists.

# GENERAL BOARDS

*102<sup>nd</sup> Annual Report*



5005 LBJ Freeway, Suite 2200, Dallas, Texas 75244

**JOHN MORRIS, Chairman**

**O.S. HAWKINS, President and Chief Executive Officer**

## *Introduction*

2019 was the “Year of Harvest” for GuideStone. Our first full year in a new building and our second year of our second century of service. We encouraged our people to Look Outward at the harvest to see our potential; to Look Inward to see our predicament; and ultimately to Look Upward to see our priority. 2019 was a record year in many regards for GuideStone, and we give thanks to the Lord for His hand on this ministry and on our people who worked diligently on behalf of our participants and prospects.

Mission:Dignity enjoyed a record year with almost \$10 million in gifts — an increase of \$1.3 million over 2018, itself a record year. More than 9,300 donors gave during the year, including 2,100 new donors in 2019. The generosity of God’s people in answering the call is a joy for all of us who serve alongside Mission:Dignity. An endowment established many years ago covers all administrative costs for the ministry. This means that every penny given to Mission:Dignity can go to help a retired pastor or his widow near the poverty line.

The 2010s marked the first decade in recorded U.S. economic history in which a recession did not begin or end. As of December, the U.S. economy had expanded for a record 126 consecutive months. Somewhat surprisingly, inflation has remained firmly in check for the past several years, leading many to believe that the Fed will fail to hit its prescribed inflation targets in 2020 — and so will remain largely accommodative during the next 12 months. While inflation has been subdued during this extended period of economic growth, we think the near-term risk of inflation is being overlooked by investors. If the labor market remains tight and wages finally begin to accelerate, the economy could see higher levels of inflation than what is currently priced into markets.

GuideStone Funds was awarded the Lipper Fund Award from Refinitiv — formerly presented by Thomson Reuters — as the Best Overall Small Fund Family for 2019 on Thursday, March 7, 2019. The entire GuideStone Funds family won the Lipper Fund Award for 2019 Best Overall Small Company over three years (out of 29 eligible as of November 30, 2018), based on risk-adjusted total return. Of the 222 small fund families, only 29 met the standards to be considered for the Best Overall Small Fund Family prestigious award — with up to \$76.8 billion in assets under management. This marks the second time in less than a decade that GuideStone was honored with this top award. During a dinner on March 7 in New York, several members of the GuideStone Leadership team, including GuideStone Financial Resources chief strategic investment officer David S. Spika and GuideStone Funds chief investment officer Matt Peden, were on hand to accept this honor on GuideStone’s behalf, along with GuideStone Financial Resources trustee vice chairman, Renée Trewick. For more than three decades, the Lipper Fund Awards have evaluated mutual funds and fund management firms that have provided consistently strong risk-adjusted performance relative to their peers. Their

methodology reviews fund performance based on three-, five- and 10-year periods. The award program is regarded as one of the most prestigious in the financial services industry.

GuideStone marked the second full year that GuideStone participants can select Secure Health 3000 as their health plan. Introduced in 2018, Secure Health offers true medical coverage with access to the nationwide Blue Cross Blue Shield network, protecting participants from the full effects of catastrophic claims and offering an alternative for pastors and other church staff who might otherwise consider a medical sharing plan.

The best-selling Code series of books by GuideStone President O.S. Hawkins continues to gain traction, with all author royalties and proceeds benefitting Mission:Dignity. Those efforts will be augmented in 2020 with the launch of *The Apostles' Code*, a small outreach-oriented devotional (similar in size to *The Christmas Code* and *The Easter Code*). Designed to take readers from Easter Sunday to Pentecost Sunday, the book is a great tool for pastors and churches to provide to visitors on Easter Sunday, inviting them back to church each Sunday after. With the launch of *The Apostles' Code* officially in February 2020, there are now 10 books in the series. An eleventh book, *The Bible Code*, debuts in fall 2020. All told, the Code books are on track to surpass 2 million copies sold during 2020.

As mentioned in our 101<sup>st</sup> annual report, new security enhancements continue to be rolled out. With the growing sophistication of fraud, GuideStone completed a focused effort to further strengthen the security and privacy technology to protect participant data. Key security enhancements include optimizing two-factor authentication to verify a person's identity — which helps prevent fraudsters from accessing a participant's MyGuideStone account, even if they know the password. Additionally, text alert capabilities were integrated into the MyGuideStone platform, providing participants with another layer of security and control to help them monitor activity and trading within their accounts.

Litigation challenging the constitutionality of the minister's housing allowance formally ended in June after the Freedom From Religion Foundation chose not to appeal a Seventh Circuit Court of Appeals decision to the U.S. Supreme Court. The FFRF, which won a challenge to the housing allowance in a district court on December 31, 2017, lost during an appeal to the Seventh Circuit when a three-judge panel ruled unanimously to overturn the lower court's decision. The minister's housing allowance was codified in federal tax law in 1954. The FFRF indicated in published reports that it did not think it could win on appeal to the U.S. Supreme Court due to the ideological makeup of the Court. GuideStone has monitored this and other challenges to the housing allowance, and representatives attended the oral arguments before the Seventh Circuit panel in Chicago. The decision to allow the Seventh Circuit Court of Appeals opinion to stand is good news. GuideStone actively engaged in the various challenges to the housing allowance exclusion, filing amicus briefs alongside Southern Baptist partners and other denominational benefit plan and advocating with legislators and regulators.

During 2019, GuideStone bid farewell to long-time Annuity Board President, Dr. Darold H. Morgan. Morgan served the Board from 1972 to 1990. He died December 11, 2019, at the age of 95. Morgan's efforts during his tenure continue to be a blessing to our participants and to the organization itself.

## *Program Report*

### **The Program of Management of Retirement Accounts**

The Program of Management of Retirement Accounts has as its objective making available retirement plans for all ministers and all other full-time Southern Baptist denominational workers. The objective is accomplished through a combination of plans.

Following is the statistical report of the retirement plans as of December 31, 2019.

**Church Retirement Plan** – At the end of 2019 there were 17,980 active churches with a total of 49,806 active participants.

**403(b)(9) Retirement Plan** – A total of 433 agencies and institutions provided retirement plans for their employees. A total of 35,153 employees comprise active participation in these agencies' plans.

**Ministers and Chaplains Plan** – The Ministers and Chaplains Plans enrolled 17 during the year.

**Qualified Plans** – GuideStone Financial Resources provides IRC 401(a) qualified plans as an alternative for use by Southern Baptist Convention organizations when IRC 403(b) approaches do not meet their needs. This includes 401(a) defined benefit and 401(k) defined contribution plans. At the end of the year, there were five qualified plan employers serving 100 active participants.

**Voluntary Retirement Plan** – The Voluntary Retirement Plan records 746 participants with an account balance at the close of 2019.

### **Retirement Income Paid to Participants**

The heart of GuideStone's ministry is our recipients. Annuity benefits were paid to 25,713 participants/beneficiaries in 2019. Systematic withdrawal payments were paid to 16,546 participants.

### **The Program of Ministers' Financial Assistance**

Since 1918, GuideStone has been on a mission to help retired ministers, denominational workers, their spouses, and widows live with dignity in their retirement years. The Mission:Dignity ministry is at the heart of that endeavor. Approximately 60% of Mission:Dignity recipients are widows of pastors, and one in four is over the age of 85.

Individuals who meet guidelines for income, assets, and 10 or more years of paid Southern Baptist service are eligible for \$225 per month, if single, or \$300 per month, if married. Applicants who meet the additional guidelines of poverty-level income and 25 or more years of ministerial service are eligible for \$450 per month, if single, or \$600 per month, if married.

Mission:Dignity assisted a total of 1,939 households in 2019.

A total of \$7,362,271 was paid out in financial assistance in 2019, compared to \$7,191,544 in 2018. Mission:Dignity granted \$349,202 in one time Emergency Grants in 2019. Christmas gift checks of \$400, rather than the usual \$250, a tradition since 1945, were mailed to eligible recipients in early December.

Donations from churches and individuals provide the funding for the Mission:Dignity program. Fully 100% of direct annual gifts received by GuideStone Financial Resources is used to provide financial assistance to retirees in need and is not utilized for any of GuideStone's operating expenses or overhead.

### **The Program of Insurance Plans and Related Services**

GuideStone Financial Resources administers an insurance program that includes life, long-term disability, personal accident, accidental death and dismemberment, and medical coverage for employees of churches and agencies, and products for seminary students.

The following is the 2019 statistical report of the insurance plans (excludes non-Southern Baptist entities).

Life Claims – \$15,893,262

Disability Claims – \$247,500

Dental Claims – \$10,506,580

Medical claims (including pharmacy) – \$226,245,824

#### **Personal Plans:**

*Personal Plans Employee Term Life Plans* – A total of 15,059 members actively participated on December 31, 2019, a decrease of 749 since the same time last year.

*Personal Plans Disability Plans* – A total of 1,067 members participated in the Short-Term Disability Plans and 4,606 members participated in the Long-Term Disability Plans.

*Personal Plans Medical Plans* – Members covered totaled 5,947, a decrease of 463 since the same time last year.

*Personal Plans Supplemental AD&D Plan* – Members covered totaled 2,460.

*Personal Plans Accidental Death and Dismemberment* – Members covered totaled 5,804.

*Personal Plans Dental* – Members covered totaled 7,523.

*Premium Waiver* – The Personal Plans employee life plans had 242 members.

#### **Group Plans:**

*Group Plans Employee Term Life Plans* – A total of 29,356 members were covered on December 31, 2019, an increase of 507 since the same time last year.

*Group Plans Medical Plans* – A total of 18,303 members were covered.

*Group Plans Dental Plan* – A total of 8,698 members were covered in a dental plan.

*Group Plans Disability Plan* – A total of 1,415 members participated in the Short-Term Disability Plans, and 11,326 members participated in the Long-Term Disability Plans.

*Group Plans Supplemental AD&D Plan* – Members covered totaled 3,983.

*Group Plans Accidental Death and Dismemberment Plan* – Members covered totaled 7,627.

*Premium Waiver* – The Group Plans employee life plans had 259 members.

#### **Property and Casualty Insurance Program**

The GuideStone Property and Casualty Program provides broad property and casualty coverages for eligible Southern Baptist churches and entities. Those coverages include property and liability, worker's compensation, commercial auto, and foreign missions and travel. An important aspect of the program is providing ministry protection education and resources for churches and ministries. The related distribution affiliate, GuideStone Agency Services, now serves over 1,500 clients with a premium volume of nearly \$36 million at the end of 2019. Since 2012, GuideStone Agency Services has worked in alliance with Brotherhood Mutual Insurance Company to be their exclusive agent serving Southern Baptists in Texas, Alabama and Louisiana. GuideStone Property & Casualty endorses Brotherhood Mutual as the property and casualty provider of choice for GuideStone's participant churches and ministries.

### *Matter Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following item to GuideStone Financial Resources for consideration, action, and report.

**1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** GuideStone Financial Resources of the Southern Baptist Convention stands with all Southern Baptists, our sister entities, and the churches we are privileged to serve in advocating strongly against the scourge of abuse against the vulnerable. We are fully committed to working in conjunction with recommendations by SBC President J.D. Greear’s Sexual Abuse Advisory Group and others interested in protecting children, youth and other vulnerable populations, as well as responding well to reports from victims of abuse in churches and ministry organizations.

To that end:

1. GuideStone has worked closely with MinistrySafe, a leading entity that works with state conventions, churches and other ministries to provide a complete child safety system. GuideStone has sponsored child safety trainings with MinistrySafe at large seminars in Texas and Alabama in 2019, as well as offering a nationally available webcast in conjunction with MinistrySafe and Prestonwood Baptist Church, attended by hundreds of church and ministry leaders.
2. Internally, GuideStone, which has robust employment policies, has reviewed its policies and procedures to ensure that all employees are free to work in an environment free of harassment and abuse. For our participants, GuideStone has made available articles and resources from MinistrySafe, a recognized faith-based company that helps churches and other organizations create and maintain secure environments, on our website.
3. GuideStone’s alliance with MinistrySafe and Brotherhood Mutual Insurance Company help augment the work of the Sexual Abuse Advisory Group. GuideStone’s commitment is two-fold: helping churches respond well to reports of abuse, responding quickly to reports and providing appropriate care for victims, and providing resources and access to training to help churches mitigate, and we pray eliminate, the chances an abuser can access vulnerable populations in Southern Baptist churches.

GuideStone will offer a risk management review for churches and ministries in its Property and Casualty program to aid them in preparing and responding to potential issues, and will continue to offer resources and trainings to support the efforts of our sister entities and the churches we are privileged to serve as together we stand to protect the vulnerable populations entrusted to us.

*One Hundred Seventy-Fourth Annual Report*

3806 Monument Avenue, Richmond, Virginia 23230

**SETH POLK, Chairman**  
**PAUL CHITWOOD, President**

### *Introduction*

On behalf of the International Mission Board, I want to thank you, Southern Baptists, for 174 years of working together to get the gospel to the nations. Thank you for providing for 3,700 IMB missionaries through your Cooperative Program and Lottie Moon Christmas Offering gifts. As we enter the 175<sup>th</sup> anniversary of the birth of our Convention and its two mission boards, we do so with gratitude to God for all that Southern Baptists are doing to reach the world for Christ.

Your faithful financial support through the Lottie Moon Christmas Offering® and the Cooperative Program are the lifeline for Southern Baptist international missions. Southern Baptists gave \$157.3 million\* to support international missionaries in 2018-2019, the third-highest Lottie Moon offering ever received. IMB also received \$99.3 million from the Cooperative Program for 2018-19. This is the third consecutive year that Cooperative Program giving topped \$99 million.

As a result of your gifts and your unwavering prayer support, Southern Baptists have been honored to be part of God at work on the international mission field. Because you gave, because you prayed, because you sent your beloved family, friends, or church members:

- 562,865 people heard the gospel this past year, meaning 3,700 missionaries shared and trained and led and invested so that over half a million people could hear.
- 77,605 new believers and 52,586 baptisms means that those missionaries remained persistent in their praying and witnessing, planting seeds, and watering those seeds, until such a time as the Spirit of God gave an eternal harvest.
- 13,898 new churches planted represents thousands of Southern Baptists who have stepped into their calling and have given their lives to share the gospel, disciple new believers, and then do the all-consuming work of pulling those new believers together in such a way and for such a time that a church is birthed.
- 28,213 people receiving advanced theological training, a number that increased 48 percent over the prior year, means that men and women studied to show themselves approved, to such an extent that they have not only been entrusted with truth but have been found qualified to teach others, and teach others they have.

Has everyone heard? No, everyone has not yet heard. We know that 155,252 individuals among unreached peoples die daily without knowing Christ. We know that 25% of spoken languages do not have Scripture to share the gospel in their heart languages.

And if Southern Baptists from North America are the only ones sharing, the vision of Revelation 7:9 will never come to pass. But that vision will come to pass. One of the ways God will accomplish a great multitude from every nation, from all tribes and peoples and languages standing before His throne and before the Lamb, will be through those who go on to share what they have heard from us. Since 1845, Southern Baptists have been making disciples among

\* Note: As state conventions closed out their fiscal year, it came to IMB's attention that additional Lottie Moon Christmas Funds given in 2018-19 would be forwarded to IMB, increasing the total LMCO gifts to \$157.3 million for the year, rather than the \$156.6 million originally reported on October 3, 2019.

the nations. And now, in an unprecedented season of the globalization of missions, those who Southern Baptists have reached are now taking the gospel to the nations themselves.

The gospel is being preached among the nations and we are privileged to be part of it! Southern Baptists, your IMB is still sending your missionaries. Every church, regardless of its size or resources, has a part to play in reaching every nation with the gospel. And the nations are waiting. Thank you for doing your part.

Paul Chitwood  
President, International Mission Board

### *Ministry Goals and Accomplishments*

**Ministry Statement: Assist churches by evangelizing persons, planting Baptist churches, and nurturing church planting movements among all people groups outside the United States and Canada; and, provide specialized, defined and agreed upon assistance to the North American Mission Board in assisting churches to reach unreached and underserved people groups within the United States and Canada.**

The mission of establishing multiplying churches continues to drive our efforts around the world and the Lord is blessing those efforts. Cooperative Program dollars have provisioned IMB personnel and their national partners to see over 50,000 baptisms and just under 14,000 new churches planted in the last year. Other critical markers that contribute to these results are the 2,500 translation projects that are getting the Word into the language of unreached peoples, and over 85,000 who received leadership training. There are ministries to refugees such as trauma healing and relief efforts in cooperation with Baptist Global Response.

There is much to celebrate as we see baptisms and new churches established among each of the IMB's nine designated affinities: East Asian Peoples, Southeast Asian Peoples, South Asian Peoples, Central Asian Peoples, European Peoples, North African and Middle Eastern Peoples, Sub-Saharan African Peoples, American Peoples, and Deaf Peoples.

### **Annual Statistical Report Based on 2018 Data**

*Global summary reflecting work in calendar year 2018, reported in 2019*

#### **Evangelism**

How many people heard a **gospel witness**? **562,865**

How many people had an **opportunity to respond** to Christ? **364,725**

How many who received a gospel witness do you believe are **seekers**? **87,536**

How many who heard a gospel witness became **new believers**? **77,605**

How many believers were **baptized**? **52,586**

#### **Healthy Church Formation**

How many **total groups** intending to become churches are meeting now? **23,812**

How many **new groups** were formed that intend to become churches? **14,987**

How many **new churches** were formed? **13,898**

How many 1st-, 2nd-, and 3rd-generation **churches** are **meeting now**? **53,848**

How many 1st-, 2nd-, and 3rd-generation **churches** have **ceased to meet**? **1,954**

*Note: In some cases, churches cease to exist as people change locations or as members are absorbed into other congregations. In other cases, IMB personnel lose direct contact with the work and consequently have no interaction to be able to include them in the totals.*

How many **baptized believers met** in groups or churches? **439,697**

## Annual Statistical Report Based on 2018 Data *(continued)*

### Discipleship

How many people met in **on-going Bible studies**? **261,812**

How many people are being **personally mentored**? **34,495**

### Leadership Development

How many men have received practical **pastoral training**? **18,428**

How many people received **training** to start **new churches**? **38,721**

How many individuals received **advanced theological education**? **28,213**

How many believers were trained in **other training opportunities**? **91,773**

*The International Mission Board's Annual Statistical Report (ASR) contains the most accurate information for the stated reporting period available at the time of publication. Figures reported are for work related to IMB personnel and their close, indigenous baptistic partners only. Since 2009, the ASR no longer includes reports from partner conventions and unions. Major movements and baptistic church planting partners that are self-sustaining and require only occasional guidance and assistance from IMB personnel are removed from the statistics annually. This is a cause for celebration but can result in some statistics being different from earlier reporting periods.*

*After publication, the Board's Global Research Department continues to process both new and revised reports as field personnel continually strive to provide the most accurate picture of the Board's work and influence during the given reporting period. New or revised reports may be submitted for a variety of reasons, including typographical errors in the original report, newly received or corrected information, clarification of reporting categories, etc.*

*All analyses utilize the most current data for the reporting period available at that time, including any new and revised reports submitted since publication. Thus, subsequent ASRs will reflect corrected data and may differ from previously published reports. For current data regarding a given reporting period, including the latest revisions, contact the Global Research Information Center (GRIC@imb.org.)*

**Ministry Statement: Assist churches in sending and supporting Southern Baptist missionaries and volunteers by enlisting, equipping, and enabling them to fulfill their calling.**

In the last year, the Assessment, Deployment, and Training Team of the IMB processed 159 mid-term and 111 long-term candidates for missionary service to the point of approval for deployment. The team trained 242 new adult missionaries and their 99 children in Field Personnel Orientation, and further trained 537 adult missionaries and their 432 children in Stateside Assignment Conferences. They also conducted training in the components of the missionary task at three large field Affinity Group Meetings. The Training Development Team completed a thorough revision of the Apprenticeship training program for first-term missionaries, in cooperation with field affinity training teams, along with other training projects.

**Ministry Statement: Assist churches and partners to mobilize Southern Baptists to be involved in international missions through praying, giving, and going.**

At the 2019 Southern Baptist Convention annual meeting in Birmingham, the IMB challenged every Southern Baptist church to join their fellow churches in the Convention in international missions under IMB's banner, "Every Church. Every Nation." IMB's promise to serve every Southern Baptist church is based on the fundamental belief that the mission to "go and make disciples" was given to the church. Every church can play a vital role in reaching every nation with the gospel through praying, giving, and going.

During the IMB-sponsored dinner in conjunction with the SBC annual meeting, IMB President Paul Chitwood challenged churches to continue in and increase their cooperative efforts to see the vision laid out in Revelation 7:9-10 — "After this I looked, and behold, a great multitude that no one could number, from every nation, from all tribes and peoples and languages, standing before the throne and before the Lamb, clothed in white robes, with palm branches in their

*hands, and crying out with a loud voice, 'Salvation belongs to our God who sits on the throne, and to the Lamb!'"* (ESV).

Prior to the SBC annual meeting, Dr. Chitwood sent a letter to every pastor in the SBC reporting on his firsthand interactions with missionaries in Colombia and Uganda who are engaged in ministry to refugees in South America and Africa, respectively. He challenged pastors to lead their churches in supporting these ways God is using Southern Baptists to fulfill His purposes around the world.

In January 2019, the IMB held its sixth Missions College with the purpose of mobilizing Southern Baptist churches to go deeper in missions training. It is an annual mobilization and training event for Southern Baptist churches engaging in short-, mid-, and long-term missions with the IMB. Over 265 participated that included lead pastors, missions pastors/directors, and lay leaders with the majority in partnership with field IMB missionaries. Dr. Chitwood challenged the participants to join forces with the IMB in sound biblical missiology in fulfilling the core missionary task. In the Americas alone, more than 350 churches are co-laboring with our field missionaries and national Baptist partners.

In October 2019, IMB conducted an advocate forum in Richmond, Virginia, with 257 attendees from 190 churches in 31 states, representing advocacy affinity areas of prayer, alumni, giving, state and associational leaders, student leaders, and mobilization. The attendees were challenged to lead the advocacy among their areas of influence to increase praying, giving, and going to the nations. From this meeting of advocates: 137 committed to pray during the 175 days of prayer in conjunction with IMB's 175<sup>th</sup> anniversary in 2020; committed \$442,000 in giving, which represents seven missionary years on the field; attendees invited 12,608 people to join them in giving; 35 committed to go on a short-term trip to an unreached people group; eight felt led to go mid-term (2-3 years) in missions service; and three felt led to go long-term (3+ years) in missions service.

In the past fiscal year, IMB added two church mobilizers (for a total of seven full-time church mobilizers on the team), four full-time student mobilizers, and 24 part-time student mobilizers covering 13 states (five full-time on the student team covering the Convention). IMB's Mobilization Team also added a Hispanic mobilization role and is adding Asian and African American mobilizing positions.

IMB's Mobilization Team also added one Associational Missionary Network Associate for AMS/DOM relations east of the Mississippi River (for a total of three staff on the Convention and Network Relations Team) with another role to be added focused on areas west of the Mississippi River. A study published in 2018 by the SBCAL reported that the Association Leader (AMS/DOM) is recognized by the majority of leaders across the Convention to be the closest denominational entity to the local church. IMB recognizes the significant efforts of associational leaders as they partner with church staff to see Southern Baptists reaching their communities and the nations with the gospel. Our desire in growing our Convention and Network Relations Team is to ultimately become a better partner to these key leaders in the mobilization task.

The IMB Partner Relations Team recorded 5,778 engagements with SBC audiences during the last fiscal year and completed 668 "next steps" with Southern Baptist churches toward beginning new missions activities, specifically praying, giving, going, and sending. Partnership opportunities, including short-term mission trip requests, were highlighted via outbound promotion to U.S. churches, state conventions, local associations, and other partnering agencies. These opportunities included 40 partnerships created in relation to the works of the

Southeast Asian Peoples Affinity, East Asian Peoples Affinity, and Northern Africa and Middle Eastern Peoples diaspora, as well as 1,000 to 1,200 connections related to short-term unique opportunities. In 2019, the group also facilitated 769 student trips in international missions.

IMB continued engaging advocates through its Partner Hub website to inform and equip those advocates who mobilize Southern Baptist churches on behalf of the IMB. IMB trustees, missionary alumni, donors, associational mission strategists, and state convention leaders have committed to leverage the platform to both increase and improve the engagement of our churches in praying, giving, going, and sending.

Throughout the year, the IMB hosted four Sending Celebrations honoring newly appointed missionaries. The celebrations, available by livestream, inspire Southern Baptist churches to be a part of sending new missionaries and to pray for the work God has prepared in advance for them among the unreached people and places. In 2019, 98 full-time, fully-funded missionaries were appointed — in addition to 138 mid-term personnel sent — with many celebrated among thousands of Southern Baptist messengers at the June Sending Celebration conducted during the SBC annual meeting in Birmingham. A November 2019 Sending Celebration held in conjunction with the Baptist General Convention of Oklahoma annual meeting drew a full house for the time of worship, prayer, and celebration.

In 2019, Dr. Chitwood re-established a home office-based Global Communications Team which focuses primarily on telling the stories of how God is at work around the world and giving Southern Baptists ongoing return-on-investment reports of how their praying, giving, going, and sending is being used by God to change lives. The team consists of both Richmond-based and field-based media professionals.

In the 2019 Cooperative Program promotion, IMB contributed stories of how God is at work on the mission field to the “52 Sundays” resource. In our promotion of the 2019 Lottie Moon Christmas Offering® (LMCO), we reinforced how every dollar given by Southern Baptists supports the work of nearly 3,700 International Mission Board personnel on the mission field to reach the “multitudes” referenced in Revelation 7:9. The IMB sent 44,896 English-language LMCO resource kits to churches, as well as 4,291 language-specific kits. Of those language-specific kits, 3,277 were in Spanish, 769 in Korean, and 245 in Chinese. An additional 6,731 English-language kits and 29 language-specific kits were ordered through the IMB’s Church Success Center. The information in the kits collectively celebrated the number of people groups engaged, professions of faith, baptisms, and new churches planted over the past year. The IMB educated church members with an understanding of LMCO and equipped church leaders with the necessary resources to easily and effectively engage their churches in missions through faithful giving.

The Woman’s Missionary Union and IMB worked together to mobilize churches to pray for the nations during the annual Week of Prayer for International Missions held December 1-8, 2019. The week of prayer focused on the ways God is at work around the world through Southern Baptists — such as missionaries in Mexico, Korea, Canada, Bulgaria, and Japan; through partnerships with believers in East Asia; and relief efforts in Colombia; as well as through a specific call to prayer by Dr. Chitwood. In addition, during 2019, IMB strengthened prayer resources by engaging thousands of pastors and church leaders in prayer for the nations. For example, at the SBC annual meeting in Birmingham, IMB distributed perpetual prayer calendars to motivate and educate Southern Baptists to pray for the unreached and unengaged people and places of the world. These calendars also were distributed at each of the state convention meetings.

**Ministry Statement: Assist churches in fulfilling their international missions task by developing global strategies, including human needs-based ministries, and providing leadership, administrative support, and financial accountability for implementation of these strategies.**

Baptist Global Response (BGR) partners with the IMB and its personnel to provide training, expertise, consultation, and resources to implement human needs ministries. This includes responses to acute needs due to disaster events as well as long-term chronic needs from things such as poverty, hunger, and injustice.

In 2019, the IMB — with the assistance of BGR — implemented 330 projects in 74 different countries with an appropriated amount of \$8 million. Over 1.4 million people were impacted and 3,838 communities helped. This includes 321,702 people receiving clean water through 1,298 implemented community water systems and 12,715 water filters distributed.

Agriculturally, 926 families received seeds/seedlings for planting their home farms with over 1,700 animals distributed. More than 77,000 people received health care treatment of some degree while 2,825 were trained in improved job skills and another 4,441 in literacy. Over 18,000 children received some type of education assistance while 457 small micro-enterprise initiatives were undertaken.

Human needs ministries such as those described above continue to play an important, strategic role for the IMB in order to gain access to hard-to-reach peoples and places as well as fuel the spread of the gospel in many contexts around the world where spiritual and physical needs coincide.

*Based on the listed Ministry Assignment, what opportunities or challenges do you see on the horizon from 2020 and beyond that would necessitate changes, or new directions, in how you are accomplishing the above Ministry Assignment?*

**Ministry Statement: Assist churches by evangelizing persons, planting Baptist churches, and nurturing church planting movements among all people groups outside the United States and Canada; and, provide specialized, defined and agreed upon assistance to the North American Mission Board in assisting churches to reach unreached and underserved people groups within the United States and Canada.**

Tremendous opportunities await as IMB personnel are partnering closely with indigenous baptistic associations and networks to equip and send missionaries through these long-time partners. As Baptists worldwide are moved by God to pray, give, and go to the multitudes, IMB envisions tremendous possibilities and potential for Baptist church planting and Kingdom growth.

Challenges also await as IMB strives to increase its long-term personnel count by an additional 500 before 2025. These additional missionaries will come from Southern Baptist churches and are needed to meet the challenges and growing opportunities to nurture church planting among all people groups outside of the United States and Canada. IMB is optimistic that cooperatively, Baptists will be able to send personnel to meet the Baptist church planting challenges of the next decade.

**Ministry Statement: Assist churches in sending and supporting Southern Baptist missionaries and volunteers by enlisting, equipping, and enabling them to fulfill their calling.**

In addition to continuing to assess, deploy, and train new missionaries, as well as provide ongoing training for existing missionaries, the 175<sup>th</sup> anniversary of the founding of the Southern

Baptist Convention and the International Mission Board will provide better opportunities to develop training resources and deliver training in the year ahead. In keeping with the vision of our President, Dr. Paul Chitwood, the Training Development Team will devote much of its energy in the year ahead to engaging with Southern Baptist churches and entities to enable them to participate in global missions more effectively in partnership with the International Mission Board.

**Ministry Statement: Assist churches and partners to mobilize Southern Baptists to be involved in international missions through praying, giving, and going.**

IMB's Mobilization Team will continue to focus on increased engagement with Southern Baptist pastors and churches. Research has shown us that missions is an identity of the church led by its pastor, not simply an out-sourced activity to the IMB. We are finding that, for many churches today, the IMB is one of many options that mission-minded churches consider in order to get involved in international missions. As the official international sending agency of the Southern Baptist Convention, the IMB wants Southern Baptist pastors to prefer the IMB as the primary organization to partner with in praying, giving, and going to the nations. To accomplish that, we are committed to work harder than ever to build strong relationships, enhance service levels, and promote more field-to-church interaction with 46,000 Southern Baptist churches in the US.

President Chitwood has stated IMB's mobilization efforts must be a priority for the entire organization. Trustees will be voting on a new Mobilization Vice President who is fluent in Spanish and who brings a lifetime of experience with the IMB as well as global business experience — from growing up as a “missionary kid” in South America, to leading global work for a chemical division of a Fortune 500 petroleum company, to leading and growing IMB's work in the Americas Peoples Affinity from Montevideo, Uruguay; Santiago, Chile; and Lima, Peru. He also led the Marketplace Advance/Skybridge Community initiative of the IMB that was focused on awakening, equipping, and sending out marketplace professionals to join in the missionary task as they go globally with their companies/professions.

The Mobilization Team has hired a new leader in African American mobilization and an Associational Missionary Network Associate for AMS/DOM relations west of the Mississippi River, and IMB plans to hire an Asian mobilizing position, as well. Our desire in growing our Convention and Network Relations Team is to ultimately become a better partner to these key leaders in the mobilization task.

IMB has reinstated a Prayer Office to emphasize the vital nature of prayer in our mission. The team is being rebuilt with the primary task of educating and engaging Southern Baptists in praying for unreached people and places and for those taking the gospel to them.

Research reveals that fewer than half of the churches in the Southern Baptist Convention gave to the Lottie Moon Christmas Offering in recent years. Dr. Chitwood is challenging every Southern Baptist church to give through the LMCO. IMB is investigating resources for increasing donor involvement in a manner that communicates the necessity of Southern Baptists selecting SBC giving channels over other ministry outlets competing for their attention and financial gifts.

Since 1845, Southern Baptists have been making disciples among the nations. The IMB is rebuilding its missionary force as the sending-arm for Southern Baptist missionaries. Every church, regardless of size or resources, has a role to play in reaching every nation — and the nations are waiting. IMB is undergirding its mobilization efforts to report to Southern Baptists how God is at work on the mission field, how they are a part of His work, and how they can expand their involvement in praying, giving, going, and sending to take the gospel to unreached people and places.

**Ministry Statement: Assist churches in fulfilling their international missions task by developing global strategies, including human needs-based ministries, and providing leadership, administrative support, and financial accountability for implementation of these strategies.**

The needs of people around the world will only increase and thus continue to grow the need for strategic engagement of human needs and lostness by the IMB. Today, approximately 20 to 25 percent of all IMB teams engage in some type of human needs ministry/project. As the IMB leads Southern Baptists in the push toward the remaining unreached and unengaged peoples of the world, they will encounter more and more physical challenges such as poverty, hunger, war, etc. Our ability to address human needs in a professional manner, keeping the context of gospel sharing, will continue to be a key strategy as we strive toward the end goal of our task.

### *Matter Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following item to the International Mission Board for consideration, action, and report.

**1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** THAT the International Mission Board trustees and leaders, in response to the request that the IMB provide an update related to our efforts to address abuse, hereby reports:

1. The International Mission Board has added the role of a designated Prevention and Response Administrator whose primary responsibility is to oversee and manage prevention and response efforts for child abuse (physical and sexual), sexual harassment (including sexual assault), and domestic violence. This includes overseeing all aspects of training (development of material, delivery of training, and ensuring compliance) for field and staff employees, specific departments, volunteers, investigators, Third Culture Kids, partners, and others. At least twice annually, IMB senior leadership sends all field and home-office staff reminders a) of the IMB’s policy on abuse and harassment <sup>1</sup>; b) that IMB encourages anyone who has been a victim of abuse by its personnel to report it to authorities; c) and, in addition, that victims can contact IMB on a confidential hotline at (866) 292-0181 or email [advocate@imb.org](mailto:advocate@imb.org) so that IMB can provide compassionate care to that victim and take appropriate steps to ensure the safety of others. In numerous outlets, including Baptist Press <sup>2</sup> and [IMB.org](http://IMB.org) <sup>3</sup>, the IMB has stated that it strongly encourages any church, entity, or other employer who is considering working or partnering with a former IMB personnel to contact IMB at [references@imb.org](mailto:references@imb.org) to obtain a reference on that individual so that the IMB can do its part to help employers make wise and informed hiring decisions.

2. Following the 2018 SBC annual meeting in Dallas, Texas, (since Fall 2018), the International Mission Board has undergone a rigorous examination of IMB's handling of past allegations of abuse and sexual harassment and IMB's present policies and practices. In May 2019, IMB trustees heard a report from Gray Plant Mooty <sup>4</sup> (the firm conducting the examination), and IMB President Paul Chitwood responded immediately <sup>5</sup> with an apology to victims and a pledge for IMB to lead the SBC in abuse prevention and response. IMB trustees and senior leadership are committed to implementing all the recommendations from Gray Plant Mooty. IMB maintains publicly accessible web pages with its statement on abuse and harassment <sup>1</sup> as a resource for churches; and frequently asked questions <sup>3</sup> about the external examination and related resource links.
3. The actions of the International Mission Board are consistent with the suggestions presented by the Sexual Abuse Advisory Group report. International Mission Board leaders are accessible for communication and collaboration with leaders of the Sexual Abuse Advisory Group.

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Footnotes:

1. IMB Statement on Child Abuse and Sexual Harassment. (n.d.). Retrieved from <https://www.imb.org/for-churches/abuse-harassment>
2. McGowan, J. (2019, May 22). IMB pledges to 'be a leader' in abuse prevention. Retrieved from <http://www.bpnews.net/52958/imb-pledges-to-be-a-leader-in-abuse-prevention>
3. IMB Staff (2019, May 22). Frequently Asked Questions about Examination Update. Retrieved from <https://www.imb.org/2019/05/22/faqs-examination-update>
4. Gray Plant Mooty. (2019, May 22). Examination Update. Retrieved from <https://www.imb.org/2019/05/22/examination-recommendations>
5. Chitwood, P. (2019, May 22). IMB Response to External Examination. Retrieved from <https://www.imb.org/2019/05/22/chitwood-response>



**One LifeWay Plaza, Nashville, Tennessee 37234**

**TODD FANNIN, Chairman**

**BEN MANDRELL, President and CEO**

### *Introduction*

Greetings from Nashville and LifeWay Christian Resources! It's a blessing to report to you for the first time on the state of LifeWay and the direction I see God leading this incredible organization in a new season.

As I began my tenure in August 2019 as the 10<sup>th</sup> president of this 129-year-old organization, I was struck by LifeWay's creation story—how its first president, Dr. James Frost, cast a vision for an organization that would fuel the ministry of local churches by creating doctrinally sound, easy-to-use materials.

Dr. Frost saw enormous potential in designing tools that make church ministry more effective. It's my desire to continue that vision and commitment.

For LifeWay, the year 2019 turned out to be a year of transitions. In March 2019, LifeWay leaders made the difficult decision to close our brick-and-mortar bookstore chain. By the end of the year, LifeWay had shifted its retail strategy to other channels. I'm pleased to report LifeWay's reach and impact is not waning with the closure of the retail chain.

LifeWay continues to enhance its online experience at LifeWay.com, and we are exploring new partnerships to provide resources at affordable prices. LifeWay will continue to serve customers through multiple channels, including LifeWay.com, our Customer Service Center, and partnerships with churches, independent Christian bookstores and other retailers.

God has continued to bless the expansive ministries of LifeWay as He allows the organization to serve churches in many places across this country and around the world. Throughout the past year, LifeWay has assisted tens of thousands of churches and millions of individuals with biblically faithful, relevant, and high-quality Christian resources.

You'll find many details within LifeWay's ministry report, but I want to take a moment and share with you some of the highlights.

Since June of last year, more than 450 independent bookstores across 46 states have signed up to have a dedicated section of their store contain LifeWay-branded content. Through these authorized dealers, we're finding new shelf space to allow customers to touch and feel our products before they buy them. In addition to retail stores, we're also partnering with local churches who wish to carry an assortment of LifeWay resources. Together, we've extended our ministry reach into more than 90 new markets (regions where LifeWay never had a brick-and-mortar storefront).

After a successful launch of the Christian Standard Bible in 2017, we continue to see the growth of the CSB as a leading Bible translation.

In 2019, LifeWay, in partnership with the ERLC and the SBC Sexual Abuse Advisory Study, released *Becoming a Church that Cares Well for the Abused*, a free multimedia resource geared toward church staff members, lay leaders, and volunteers. Available at ChurchCares.com, this comprehensive training curriculum combines a handbook with 12 video lessons from experts in

the areas of social work, law enforcement, trauma counseling, abuse counseling, legal services and pastoral care.

More than 2,400 churches and organizations have registered and assigned this course to people in their churches and more than 900 additional individuals have self-assigned the *Becoming a Church that Cares Well for the Abused* training.

Investing in the discipleship of the next generation is an important focus for LifeWay. Last summer, more than 122,000 kids and students attended one of LifeWay's camps, including CentriKid, FUGE camps, Student Life, and World Changers.

Over the past year, LifeWay has distributed resources and developed on-the-ground relationships in more than 160 nations, and we're making Vacation Bible School a global ministry to teach children throughout the world the good news about Jesus. In India alone, VBS reached more than 100,000 children in 2019. We praise the Lord for the opportunity to minister in these new ways.

This March, when COVID-19 began to impact the ability of churches to gather in person, LifeWay very quickly felt the effects of nationwide shelter-at-home orders. We saw numerous churches shift to online services and Sunday School classes meeting through Zoom and Facebook. It seemed like overnight we went from serving the church gathered to serving the church scattered. I'm so proud of how quickly the teams at LifeWay came together to provide free digital resources to churches, families and individuals to support ongoing discipleship and the study of God's Word.

LifeWay has been working on solutions for supporting local churches as they begin to rebound and regather in person. Churches who are struggling financially can find help through our church assistance package at [LifeWay.com/ChurchAssistance](http://LifeWay.com/ChurchAssistance). This is a small, tangible way LifeWay can walk beside church leaders and help bear the burden of this crisis.

LifeWay remains committed to coming alongside local churches in order to support the Great Commission. LifeWay will continue to help believers and churches engage God's Word, deepen their walk with Jesus Christ, and help them disciple others.

As we reflect on this past year, I am reminded how the Lord has provided and sustained LifeWay through a difficult season. We are so thankful for how God continues to use LifeWay to meet the needs of churches.

Thank you Southern Baptists for everything you are doing to fulfill the Great Commission by making disciples who make disciples. We are thrilled that we get to come alongside you in this tremendous work.

Gratefully,  
Ben Mandrell  
President and CEO

## *Ministry Goals and Accomplishments*

### **1. Ministry Assignment: Assist churches in the development of church ministries.**

#### *Sunday School*

**Significant Accomplishments** — The publishing teams at LifeWay continue to provide an assortment of trustworthy, doctrinally-sound Bible studies used by ongoing groups in churches. While the majority of these churches are Southern Baptist churches, there are congregations from different denominations that have partnered with LifeWay and now provide LifeWay ongoing Bible studies to the members of their congregations, recognizing the quality and sound doctrinal studies.

LifeWay's ongoing Bible studies are more user-friendly than ever before, with some churches using the studies at times other than Sunday mornings, on days throughout the week and at off-campus locations. Flexible and easy-to-use, LifeWay's ongoing Bible studies are being warmly received inside and outside the denomination.

The Daily Discipleship Guide, an alternative group study tool now available in student and adult groups, continues to grow and reach new audiences. The Daily Discipleship Guide is used in the group Bible study, but group members now have the added advantage of five daily studies that build upon the learning that takes place in their group. An extra "D-group" (discipleship group) feature adds another level of depth in disciple-making as group members can now use a final section in each study to meet with three or four individuals and continue their learning and accountability.

To better serve churches that prefer the King James Version, *Bible Studies for Life* created a new option for those churches in 2019, and the Herschel Hobbs Commentary (which is KJV based) pairs well with the new King James Version study. Additionally, a Daily Discipleship Guide has been created to serve this large audience (an alternative to the Personal Study Guide that is available), as well as a KJV Group Box (a new resource that contains everything a group of 10 people and their leader will need for Bible study): 10 Personal Study Guides, one Leader Guide, one Leader Pack, one Herschel Hobbs Commentary, one *Biblical Illustrator*, and access to a free Wordsearch Bible Digital Library of eBooks that complements each quarter's study.

The annual Sunday School support booklet, *Saddle Up: Leading with Purpose, Posture, and Preparedness* was published and released for use by churches who want to train group leaders. The booklet continues as a part of the series written by former director of Sunday School, David Francis. Michael Kelley, Ken Braddy, and Dwayne McCrary partnered to write this annual resource (LifeWay.com/TrainingResources). Michael Kelley is senior vice president of LifeWay's Church Ministries team, Ken Braddy is the new director of Sunday School and well-known champion of Sunday School, and Dwayne McCrary is a seasoned Christian education veteran who serves as the team leader for *Explore the Bible* (adults).

*Saddle Up* was made available as a purchasable booklet and as a free PDF download from LifeWay.com. This resource included teaching plans, PowerPoint® presentations, and other downloads for church leaders who are training others to start new groups. Free downloads of the book were also made available through the iTunes store and through the LifeWay Reader for other devices.

Finally, the book *Breathing Life Into Sunday School* was released in April 2019. Authored by Ken Braddy, the book chronicles 12 essentials for revitalizing and growing a church's Sunday School. The book went into reprint in Fall 2019.

**Future Plans** — *Explore the Bible*, one of LifeWay's most popular ongoing studies, will be refreshed in Fall 2020. In addition, the *YOU* curriculum (designed for urban and multi-ethnic congregations) will undergo a similar refresh for Fall 2020.

### **Discipleship**

**Significant Accomplishments** — Serving the church through discipleship resources and training remains at the very core of what LifeWay seeks to accomplish. To that end, in the past year, LifeWay has focused on creating clear, simple ways to help churches prepare their people to make disciples.

LifeWay released a training book for Sunday School leaders – *Breathing Life into Sunday School: 12 Essentials to Revive Your Most Important Ministry*, as well as a book for small group leader training – *Leading Small Groups: How to Gather, Launch, Lead, and Multiply Your Small*

*Groups*. Both of these books have found an audience and are being used to help people fulfill the Great Commission to make disciples.

In addition, LifeWay has focused on providing digital training content to disciple-makers through our Groups blog and through the *Group Answers* podcast, which has tripled its audience in the past year.

From a live-training standpoint, LifeWay has promoted the Discipleship Pathway philosophy around the country and incorporated those research-supported principles into the *Bible Studies for Life* curriculum, as well as the stand-alone Bible study portfolio. This plan can be accessed at [LifeWay.com/BalancedDiscipleship](http://LifeWay.com/BalancedDiscipleship).

On the study resources side, LifeWay has recently partnered with both Radical and Passion Ministries to develop new discipleship studies.

LifeWay continues to serve tens of thousands of churches through our primary ongoing curriculum lines, *Explore the Bible*, *Bible Studies for Life*, and *The Gospel Project*. Each of these resources has experienced growth in the last year.

Finally, classic discipleship studies from LifeWay like *Experiencing God* continue to provide great value for deep discipleship experiences in the church.

**Future Plans** — In 2020, LifeWay will release a new expression of the popular curriculum, *Explore the Bible*. This new version, called *Characters*, is a one-year exploration of the Bible through the lives of its people. This 7-volume series will help disciples and disciple-makers understand how the Bible fits together and how God works through regular people like them.

LifeWay will also continue to seek new discipleship training opportunities and strategic partnerships. We will continue to educate churches and leaders on how flexible Bible study resources can help move people into greater engagement with God's Word, regardless of how their groups are structured.

### **Leadership Development**

**Significant Accomplishments** — LifeWay Leadership's key initiatives in 2019 focused on equipping church leaders and volunteers in ongoing training and leadership development. The team continues to see great momentum in the new version of Ministry Grid, with more than 2,000 subscribing churches. LifeWay Leadership has also continued its partnership with Southeastern Baptist Theological Seminary to host 10 free online open classes on Ministry Grid, which includes more than 5,300 users.

LifeWay Leadership partnered with the Ethics & Religious Liberty Commission (ERLC) and the SBC's Sexual Abuse Advisory Group to produce the video lessons for *Becoming a Church that Cares Well for the Abused* and the website [ChurchCares.com](http://ChurchCares.com). B&H published the accompanying handbook. For individuals and churches to assign this training, track user progress, and receive a certificate of completion, the videos and downloadable handbook are accessible for free on Ministry Grid. Completing this training is step five of the Caring Well Challenge, an initiative of the ERLC and the Sexual Abuse Advisory Group.

LifeWay Leadership continues to see success in Leadership Pipeline coaching as an underlying philosophy and framework for leadership development. The team hosted Leadership Pipeline coaching events in Houston, TX; Austin, TX; Nashville, TN; and Bangalore, India. The team also returned to Australia where they hosted Leadership Pipeline coaching days to equip churches, denominations, and church planting networks.

LifeWay Leadership has also continued partnering with Josh Patterson and Kevin Peck to launch three Strategic Learning Communities, which met three times over six months to equip ministry leaders and pastors in executive and organizational leadership.

The ministry of this team has grown through the success of its *5 Leadership Questions* podcast. The team also continues to see success with the LifeWay Leadership Podcast Network, which includes *Ask Me Anything* by J.D. Greear; *5 Leadership Questions* by Todd Adkins; *New Churches Q&A* by Ed Stetzer, Todd Adkins, and Daniel Im; *Unseen Leadership* by Chandler Vannoy and Josh Hunter; *Making Disciples* by Robby Gallaty; *Group Answers* by Chris Surratt and Brian Daniel; and *The One Thing* by Scott Sanders and Derek Hanna.

Additionally, the LifeWay Leadership team provided free resources to more than 600 new church plants, including access to Ministry Grid, curriculum, website support, online giving, and other LifeWay resources. The *New Churches* podcast has continued to grow and reached over 1 million downloads in early 2019. In late 2019, the team also released the Church Planter Candidate Assessment (CPCA) on Ministry Grid.

In response to COVID-19, the LifeWay Leadership team provided free digital access to LifeWay's ongoing Bible studies through Ministry Grid. Over 6,600 churches, totaling more than 57,800 users, received digital access to *The Gospel Project*, *Bible Studies for Life*, and *Explore the Bible* from March-May 2020.

**Future Plans** — The LifeWay Leadership team has a heart to see local churches develop an army of leaders, not just an audience. In January 2020, the team released three exclusive leadership courses with Carey Nieuwhof on Ministry Grid. LifeWay Leadership will also continue to add features and enhancements to Ministry Grid to enable church leaders to provide training, ongoing Bible studies, and resources to their volunteers and leaders for ongoing development and discipleship.

### ***Worship and Music Ministry***

**Significant Accomplishments** — Since the Southern Baptist Convention's 2019 annual meeting, there have been many new and exciting developments for LifeWay Worship, the church music and church supplies arm of LifeWay Christian Resources. Here are just a few of the highlights.

LifeWay Worship increased its music releases significantly in 2019. Offerings in choral and instrumental music were complemented by a new pipeline of albums/playlists in the digital streaming market. Working with Provident Music Group, LifeWay Worship is releasing music through all of the major digital streaming providers, including iTunes Music, Spotify, Pandora, TuneCore, and many others. LifeWay Worship continues its work with Daywind Music Group in choral music and song publishing.

WorshipLife events at California Baptist University and in Gatlinburg, TN, served more than 1,000 worship leaders this past year. With its unique blend of corporate worship, training, reading sessions, counseling, and concerts, the event serves pastors and worship leaders professionally, spiritually, and emotionally. The SonPower student event moved this year from Orlando, FL, to Nashville, TN. Students were encouraged through times of worship, training, and a hands-on mission project in association with The Nashville Bridge ministry. They presented a live concert event with Christian artists: Joseph Habedank, Michael Farren, and Janice Gaines.

Broadman Supplies enjoyed a record year of growth serving churches through communion supplies, bulletins, evangelistic tracts, and more in North America and around the world by increasing our channels of distribution. Our LifeWay OneSource Program also continued to show growth with diverse offerings of church services and solutions.

**Future Plans** — LifeWay Worship is developing a new modern collection for Spanish-speaking churches that will be available exclusively at LifeWayWorship.com. This collection will be the first of its kind serving churches all over Latin America and the world.

### ***Christian Education***

**Significant Accomplishments** — The largest gathering of people outside of the weekly worship service in Southern Baptist churches takes place in the ministry of Christian education. The church is commanded to “*Go, therefore, and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, teaching them to observe everything I have commanded you*” (Matthew 28:18-20). Through the teaching of the Word of God, the church becomes more mature “*until we all reach unity in the faith and in the knowledge of God’s Son, growing into maturity with a stature measured by Christ’s fullness*” (Ephesians 4:13).

The preaching of God’s Word is a foundational ministry, and when a church’s education ministry strongly partners with the pastor to move people from worship services and into small group Bible studies, a Holy Spirit-empowered transformational experience can take place in the lives of men, women, boys, and girls. Discipleship happens most effectively in groups, and it is in these groups that people discover and apply God’s Word to their lives in age-appropriate ways.

In 2019, LifeWay’s Christian education ministry sponsored training and development opportunities for Christian education leaders from the local church. These intense periods of training and encouragement took place at LifeWay’s corporate headquarters, as well as in strategic locations around the country, hosted by a Southern Baptist church in each location or a Southern Baptist entity such as one of our six seminaries.

Known as M.E. Essentials (Minister of Education), these three-day events exposed church practitioners to LifeWay leaders, best practices in Christian education today, and created new networks of relationships among the participants. The average attendance at any of the Essentials events is limited to approximately 20-25 practitioners so that interaction with LifeWay personnel is maximized and so that these church leaders can experience interactive, engaging learning approaches during the three-day conference. Information concerning Essentials conferences can be obtained by contacting [ken.braddy@lifeway.com](mailto:ken.braddy@lifeway.com).

**Future Plans** — The ME Essentials conferences will be rebranded in 2020 and will become the Christian Education Essentials conference. The content of the three-day event has been rewritten and will focus on three essential roles of the person responsible for Christian education in the local church. The participants of these new Christian Education Essentials conferences will be fully immersed in learning Arthur Flake’s five-step strategy for growing a Christian education ministry. Whether a church’s strategy is Sunday School (on campus) or small groups off campus, the steps in Flake’s Formula will be crucial no matter which approach is chosen by a local church.

### ***Pastoral Ministries***

**Significant Accomplishments** — LifeWay values its partnerships with state conventions, associations, and seminary leaders, placing an emphasis on providing resources, training events, and ministry guidance for pastors and church leaders.

***The Partner’s Summit***, held in December 2019, allowed state convention partners to gather with key leaders from LifeWay to discuss matters of church practice in disciple-making. The Summit included large group gatherings, ministry role intensives, and breakout sessions. The topic discussions centered on ways to assist group ministry growth in churches. The theme was “Groups Still Matter.”

*“Pastors Essentials: Leading the Disciple-Making Ministry in Your Church,”* is a unique workshop designed specifically for the senior pastor who has a heart and passion to develop and lead the disciple-making ministry in the local church. With training and discussion specifically tailored for senior pastors, Pastors Essentials addresses issues and topics pastors face in making disciples. The goal is for pastors to leave the conference with a plan to disciple their people with wisdom and intentionality. LifeWay offered 11 Pastors Essentials in 2019, averaging 20 pastors in attendance.

LifeWay’s *FactsAndTrends.net* covers faith, culture, and local church ministry, providing insight to cultural and religious trends that are sure to impact the church. In 2019, the site had 3.5 million total page views and 1.6 million users. The Daily Insights newsletter reaches 30,000 church leaders.

### **Evangelism**

**Significant Accomplishments** — LifeWay continues to position evangelism as a crucial component of its publishing strategy. By keeping existing evangelism resources in front of churches through consistent messaging and developing new concepts and titles, LifeWay is taking measures to ensure that evangelism and evangelism strategies maintain their rightful place as a core discipline. *Three Circles* by Jimmy Scroggins walks through the three circles evangelism strategy to help believers discover just how simple sharing the gospel can be.

*Something Needs to Change* by David Platt is a powerful message that focuses on reaching unreached people groups with the gospel. This small-group Bible study experience points out the need to take the gospel message of Jesus into unreached regions. Specifically pointing to the Himalayan areas of the east, *Something Needs to Change* makes it clear that even though the mountains have proclaimed God’s creation for generations, there are still fewer than 100 believers among the millions of inhabitants, showing the need for Christians confessing Jesus as Lord as the only way to reach these unbelievers.

LifeWay continues to provide training resources to assist churches to reach the millions of people in the U.S. and Canada who have no relationship with Jesus Christ. The video-enhanced resource *Tell Someone: You Can Share the Good News* by Greg Laurie encourages believers to share the gospel by sharing Jesus’ story and their own story of how Jesus changed their lives.

Sharing the gospel with kids is one of the most important elements of kids ministry. With *The Gospel: God’s Plan for Me* curriculum, kids will be encouraged and challenged as they explore what God has revealed about His plan for salvation through Jesus in the Bible. This study presents the gospel story in kid-friendly language with applicable Scripture verses. It includes information about how to respond to the gospel, pages to guide parents in at-home conversations, and downloadable leader content.

*What is a Christian? Answers for Kids* is an eight-week activity book for kids that helps them answer questions about becoming a Christian. This study includes questions about God, Jesus, sin, the gospel, becoming a Christian, heaven, baptism, and the Lord’s Supper. An included parent section equips parents to have conversations with children who are asking questions about the gospel. *What is a Christian?* can be used in a class setting at church or in a home environment to help kids work through their questions related to what it means to be a Christian and how to receive God’s gift of salvation.

*Share Jesus Without Fear*, revised edition, presents a simple and relational approach to witnessing that underscores dependence on God’s power for the results. Birthed out of the radical life-transformation of its author, Bill Fay, *Share Jesus Without Fear* teaches believers how to navigate a witnessing conversation in everyday situations. LifeWay has released additional

*Share Jesus* tools to equip believers to share their faith: the *Share Jesus Without Fear* app and *Share Jesus Without Fear Scripture and Question Cards*.

Many churches continue to experience great success with *FAITH Evangelism*. The resources for *FAITH Evangelism*, highlighted at [LifeWay.com/Faith](http://LifeWay.com/Faith), include:

- *FAITH Evangelism 1* is designed to equip believers to grow in their personal faith while, at the same time, taking the gospel and needed ministry into their communities.
- *FAITH Evangelism 2* continues the evangelism journey while focusing on building strong, committed leaders who will pour and multiply their lives into the lives of learners.

*Go & Tell Kids Mission Trip VBS* is an easy-to-use, transportable VBS designed to help mission trip teams host a Vacation Bible School anywhere in the world. Simple visuals, 100+ recreation games, and five sessions of gospel-centered content equip volunteers to explain the good news to kids in any context.

**Vacation Bible School** is the largest outreach to unchurched kids in a given year for 78% of churches hosting VBS, according to LifeWay Research. In fact, 69% of American parents will encourage their child to participate in a VBS event at a church they don't attend if they are invited by a friend. Since the opportunities for evangelism, discipleship, and relationship-building that can take place in one week of VBS might take half a year for a Sunday School teacher, LifeWay provides churches with evangelistic VBS and Backyard Kids Club curriculum materials.

### **Marriage and Family Ministry**

**Significant Accomplishments** — LifeWay has resourced churches in family ministry for many years through the publication of quality family and devotional magazines. Included are:

- *HomeLife* — Focused on faith, family, and life, *HomeLife* is a monthly magazine with articles and fresh ideas for families, marriages, and personal development.
- *Mature Living* — A monthly magazine focusing on the spiritual and personal needs of adults, from boomers to seniors.
- *ParentLife* — A monthly magazine offering biblical and relevant content. Each issue offers practical helps with insights written especially for parents.
- *Parenting Teens* — A monthly magazine providing encouragement, information, and insights to address the unique challenges of guiding a teen through adolescence into adulthood.
- *Journey* — Monthly devotional magazine for women with content that is substantive but not overwhelming for busy schedules.
- *Stand Firm* — A monthly devotional guide for men with daily encouragement and small group questions that fit into a man's busy schedule.
- *Open Windows* — A quarterly devotional guide featuring individual daily readings and selected Scripture passages (also available in large print). It also includes a prayer guide that focuses on praying for missionaries serving through the International Mission Board.

Churches use these resources to help families realize and prepare for the fact that life happens between Sundays. While these magazines provide wonderful leisure reading, they also hit difficult topics of life from a strong biblical perspective.

**Woo Marriage:** In 2019, LifeWay launched an online tool that provides marriage coaching for churches. As pastors struggle to find adequate time to offer marriage ministry and encouragement, *Woo Marriage* is a convenient and biblical way to help couples prepare for marriage, strengthen their marriage, and resolve conflicts. Some of the coaches include LifeWay authors such as Ben and Donna Stuart, Derwin and Vicki Gray, Byron and Carla Weathersbee, and more. In six months, more than 50 churches subscribed to this new resource and many more have started the free trial.

Parenting resources: *22:6 Parenting* is a digital discipleship plan for parents that now reaches more than 400 families around the world. Led by Dr. Joshua Straub and his wife, Christi, this resource is offering encouragement through not only this digital resource, but also their weekly podcast *Famous at Home*, which receives more than 50,000 downloads a month. In March 2019, the Straubs released their first children's book with B&H titled, *What Am I Feeling?* and in April 2019, their first LifeWay Bible study, *Homegrown*, was released.

### **LifeWay Global**

**Significant Accomplishments** — LifeWay Global continues to develop a unified strategy to better serve global churches and individuals, anchored by our market-leading publishing lines: Bible and Reference, Trade Books, Leadership Resources, Women's Resources, Kids Resources, On-Going Curriculum, and Short-Term Studies. LifeWay Global enjoyed another record year in 2019 with more than 4 million lives impacted in more than 160 countries through print, digital, licensing, and training.

Contextualization continues to be a strategic imperative for LifeWay Global. To that end, we have indigenous staff in Beijing, Delhi, Mexico City, Cali, and Guatemala City. Our publishing ministry is primarily focused on indigenous authors, including key Hispanic communicators: Miguel Núñez, Sugel Michelén, Wendy Bello, and Juan Sanchez. Key Indian authors include: Stanley Mehta, Rajiv Chelladurai, Sam Verghese, Joel Gummadi, and PC Matthew. In 2019, LifeWay reached a milestone as we acquired our 50<sup>th</sup> global author.

LifeWay is making Vacation Bible School a global ministry to teach children throughout the world the good news about Jesus. In India alone, VBS reached more than 100,000 children in 2019, and more than 24,000 kits in Hindi and Telugu were distributed.

In recent years, LifeWay Global has felt a conviction to complement our indigenous publishing with world-class training by our key authors. Last year (2019) was a breakout year with training events for pastors, including *Equipa* (Equip) in Mexico with more than 3,000 attendees in person and more than 15,000 unique visitors online. LifeWay is also impacting all key evangelical denominations through live events and online training—anchored by *Equipa*, a Spanish Learning Management System (LMS) serving more than 7,000 leaders in 30 countries.

LifeWay followed the successful launch of the Christian Standard Bible (CSB) text in South Africa in 2018 with a strong CSB launch in the Philippines in Fall of 2019. Our vision is to impact the English-speaking church worldwide with this growing and trusted text. We also enjoyed major growth in key English-speaking countries (e.g. Canada, UK, and Australia) through a more aggressive strategy around key publishing lines and new channel development.

Last year was also a solid year for Spanish ongoing curriculum, anchored by *Bible Studies for Life*. We experienced another year of growth in Spanish kids publishing, built around *En La Naturaleza* (In the Wild)—our VBS program. We continue to expand our market-leading Spanish Bible program, anchored by the RVR60 and NVI texts. 2019 was a breakout year for LifeWay Mexico as we expanded our reach through more than 100 events, social media, and mass retail distribution. Our fastest growth in Spanish in 2019 was stateside with 50 million-plus Spanish speakers in the U.S. LifeWay will continue to innovate around customer engagement—especially on proprietary platforms like LifeWay.com.

**Future Plans** — LifeWay Global will expand its leadership in Spanish publishing in 2020 with the introduction of *Adoremus*—a Spanish hymnal, 13 new short-term Bible studies, the *Women's Devotional Bible*, and the *Chronological Study Bible*. We will also launch our Indian Bible publishing program—anchored by the *Telugu Study Bible* (Fall 2020). And we're currently developing *The Gospel Project for Kids* to equip Indian churches with on-going discipleship as a complement to VBS (Summer 2020).

## 2. Ministry Assignment: Assist churches in ministries to college and university students.

**Significant Accomplishments** — LifeWay continues to serve churches seeking to reach and equip college students with the gospel of Jesus Christ. There are almost 23 million college students in North America and churches are continuing to seek ways to reach and equip this important segment of our population. LifeWay provides churches and collegiate ministries with resources and events that will assist in making disciples of Jesus among college and university students.

Ongoing curriculum provides churches with trustworthy resources that give college students the opportunity to study the Scriptures in small groups, Sunday School, or on their own. *Bible Studies for Life – Young Adult*, *Explore the Bible – Daily Discipleship Guide*, *The Gospel Project*, and *YOU* all address relevant and crucial issues of how the Scriptures intersect with the lives of college students. Whether the starting point in these groups is life, the text, or theology, the various lines of curriculum that LifeWay offers for college ministry will help students grow in their walk with Christ.

Short-term studies continue to be produced by LifeWay that are great for college students. These short-term studies are ideal for semester small groups and retreat settings. A variety of authors and subjects are considered “LifeWay Young Adult Recommends” because of relevance to the life of college students and young adults. These titles can be found on the LifeWay Young Adults blog at [YoungAdults.LifeWay.com](http://YoungAdults.LifeWay.com) and recently include *Life + Love* by Ben Stuart, *Something Needs to Change* by David Platt, and *Jude* by Jackie Hill Perry. We also released a new mentoring guide, *Flourish*, in partnership with Passion City Church, which is a great resource to encourage young adults to disciple others.

LifeWay also continues to offer meaningful and relevant events that promote spiritual growth and missions to churches and collegiate ministries including:

**Beach Reach.** For three weeks in March 2019, almost 800 college students and leaders gathered in Panama City Beach, FL, for one of the most intense and challenging experiences provided by LifeWay. Through daily pancake breakfasts (in partnership with the Georgia Baptist Disaster Relief Team), free van rides, and street/beach ministry where the gospel is verbally shared, college students reached out to fellow college students on Spring Break in Panama City Beach. Some 42 salvation decisions were made among college Spring Breakers during the three weeks, along with hundreds of other gospel conversations. Also in 2019, participants engaged in hurricane relief due to the devastation of hurricane Michael. Early registration each year ends in mid-December, but groups can register up to the time of the event.

**Collegiate Week.** More than 1,900 college students and leaders gathered at Falls Creek Conference Center in Oklahoma during the first week of August 2019 for a week of worship, Bible Study, and recreation. Collegiate Week has been a strong connection between churches and state conventions as college students prepare to return to their campuses for the Fall semester. Included in Collegiate Week is an intentional emphasis upon the training of leaders through the leaders track.

A National Collegiate Ministry network continues to partner with LifeWay to give direction and leadership on a number of important topics in reaching and equipping college students. Baptist Collegiate Network (BCNet) consists of seven committees staffed by church and campus-based college ministers in coordination with Baptist Collegiate State Directors (BCSD). LifeWay’s partnership with BCNet and BCSD is an essential component in continuing to emphasize collegiate ministry in the SBC. Together, we launched a new national website for college ministry in the SBC, [www.CollegeMinistry.com](http://www.CollegeMinistry.com).

LifeWay also partners with the North American Mission Board and the International Mission Board, along with other networks such as College Metro and Baptist Collegiate Ministry Partners, to provide resourcing, training, and connections with the opportunity to reach and equip college students as disciples of Jesus Christ.

**Future Plans** — LifeWay and National Collegiate Ministry will continue to seek opportunities to partner with churches and collegiate ministries in reaching and equipping college students and young adults.

Short-term studies will be offered under the “LifeWay Young Adults Recommends” tagline. These studies will be relevant to issues that young adults and college students are facing within their culture. Some of those studies in the new year include *The Prodigal Son* by Matt Carter, *Everyday Theology* by Mary Wiley, and *Help My Unbelief* by Barnabas Piper. Additionally, a Go2 resource will be released to help college ministries challenge graduates to two years of missions (utilizing their degree) upon graduation.

Ongoing curriculum will continue to have a young adult emphasis. *Bible Studies for Life Young Adult*, *Explore the Bible Daily Discipleship Guide*, *The Gospel Project*, and *YOU* will all be lines of curriculum that will help young adults understand what it means to be a disciple of Jesus within their context.

### **3. Ministry Assignment: Assist churches with Christian schools and homeschool ministries.**

**Significant Accomplishments** — A biblical philosophy of education to guide the training of children and youth is presented in *Kingdom Education: God’s Plan for Educating Future Generations*, 2<sup>nd</sup> edition. This resource provides the driving principles that shape essential biblical education services and resources to Christian schools, churches, and families.

*The Gospel Project for Kids: Home Edition* is designed to help families—whether they homeschool or engage in traditional education—supplement biblical education and child discipleship.

LifeWay’s Student Ministry continues to provide *CharacterQuest* Bible Curriculum for Christian schools and home schools.

**Future Plans** — LifeWay continues to provide consultation to schools and churches related to a wide range of topics about Christian school and homeschool education.

### **4. Ministry Assignment: Assist churches in ministries to men and women.**

#### ***Women’s Ministry***

**Significant Accomplishments** — LifeWay Christian Resources and the Women’s Event and Publishing Team continue to equip and minister to women across the country and beyond with multiple live events and resources for a diversified audience, both to the SBC and other women of faith.

The Women’s Event Team continues to look for new ways to engage women through various means of engagement. Living Proof Live events featuring author Beth Moore and worship with Travis Cottrell were held in the following cities from October 2018 through September 2019: Albany, NY; Long Beach, CA; Memphis, TN; Roanoke, VA; Lincoln, NE; Eugene, OR; Green Bay, WI; Cincinnati, OH; Austin, TX; and Woodstock, GA. A special Living Proof Live event was held in October 2018 for Native American women in Chinle, AZ. These events ministered to more than 32,000 women. The Beth Moore simulcast event was partnered with the live event in Woodstock, GA, and included 253 churches and 4,427 individuals representing more than 14 countries. The total people reached was more than 45,000.

A growing ministry for the event team is the Going Beyond Live events with Priscilla Shirer. These events were held in the following cities: Mobile, AL; Charlotte, NC; and Sacramento, CA. More than 15,000 women attended one of these live events. A simulcast event was held in conjunction with the live event in Mobile, AL, and included 676 churches and 6,649 individuals representing more than 22 countries. The estimated number of people reached through this simulcast was more than 112,000.

LifeWay strengthened the event opportunities by offering The Word Alive (TWA) events with Lysa TerKeurst. These live events, featuring worship leader Ellie Holcomb, were held in Athens, GA; Fort Lauderdale, FL; and Dallas, TX. More than 6,000 women attended these events. A special event with TerKeurst included a destination event to Israel. More than 400 women attended this trip. The Abundance event, featuring several LifeWay authors was held at the end of 2018 in Dallas, TX, and Portland, OR. More than 4,000 women attended these events. This event was replaced with a new event in 2019 called LifeWay Women Live. It was held in Orlando, FL, and more than 2,500 women attended.

The year was a full year of releases from the short-term Bible study team. These included: *God of Covenant* by Jen Wilkin, *Surrendering the Secret* (updated) by Pat Layton, *We Over Me* by Whitney Capps, *Legacy* by Jackie Green and Lauren Green McAfee, *Psalm 40* by Sarah Mae, *20/20* by Christine Caine, *Finding God Faithful* by Kelly Minter, *Jude* by Jackie Hill Perry, *Trustworthy* by Lysa TerKeurst, and a new Advent study by LifeWay Women employees. A special release of a new mentoring resource, in partnership with Passion City Church, called *Flourish*, was released in May.

LifeWay Women continued to offer online Bible studies with 75,663 participants.

More than 8,700 women were equipped in 2019 through training events. These events include Essentials, You Lead, the Women's Leadership Forum, as well as a variety of state convention partnership events, Baptist seminaries, and universities.

You Lead events were held in the following cities: Albany, NY; Dallas, TX; Long Beach, CA; Mobile, AL; Memphis, TN; Roanoke, VA; Charlotte, NC; Eugene, OR; Green Bay, WI; Cincinnati, OH; Woodstock, GA; and Sacramento, CA.

More than 1,600 women gathered at the 2019 Women's Leadership Forum (November 7-9) at Long Hollow Baptist Church in Hendersonville, TN.

LifeWay Women also partners with the SBC Ministers' Wives luncheon by providing registration and resources for the event. This was held in Birmingham, AL, in conjunction with the 2019 SBC Annual Meeting.

LifeWay Women continued to expand its social media reach through Facebook, Twitter, Instagram, and its blog, LifeWayWomen.com. In 2019, the blog had 2.17 million total page views and 773,764 million users. The LifeWay Women's Facebook page had close to 196,000 followers. There are 72,200 Twitter followers and 233,000 Instagram followers. In addition to its all access content, the LifeWay.com/WomensMinistry blog focused on content for leaders.

**Future Plans** — LifeWay Women will continue to offer multiple Living Proof Live events, Going Beyond Live Events featuring Priscilla Shirer, three multi-platform events called LifeWay Women Live, and new events with Jackie Hill Perry called Glory. Two cruises, including one with Beth Moore and another with Lysa TerKeurst will take place in 2020-2021.

The publishing pipeline for 2020 includes plans to publish the following women's Bible studies: *Better: A Study of Hebrews* by Jen Wilkin, *Everyday Theology* by Mary Wiley, *Jesus and Women* by Kristi McLelland, *Into the Light* by Mary DeMuth, *Take Courage: A Study of Haggai* by

Jennifer Rothschild, *Matchless: The Life and Love of Jesus* by Angie Smith, *TruthFilled* by Ruth Chou Simons, as well as a new Easter study and Advent study by LifeWay women employees.

### **Men's Ministry**

**Significant Accomplishments** — In 2019, LifeWay partnered with Dr. Tony Evans and The Urban Alternative to produce *Kingdom Men Rising*, a feature documentary film distributed through Fathom Events. *Kingdom Men Rising* was in theaters for two days in the spring. More than 100,000 people saw the movie in theaters during its theatrical run.

In July 2019, the movie was released through various channels including digital, streaming, DVD, and church licenses. Television and international distribution opportunities are also being explored.

*Kingdom Men Rising* wrestles honestly with the unique questions and circumstances men face today. Matters of addiction, sex, race, and passivity are addressed from a biblical perspective. *Kingdom Men Rising* takes a journey that challenges men to rise above cultural or “toxic” masculinity to biblically defined examples.

*Kingdom Men Rising* featured Heisman trophy winner, Tim Brown, former Dallas Cowboy quarterback, Jon Kitna, Super Bowl winning coach Tony Dungy, and others. *Kingdom Men Rising* provides an honest portrayal of today's man that is countered by God's original design.

The film is a catalyst for getting men into groups to study Dr. Evans' Bible study, *No More Excuses*, published by LifeWay Groups. This is Dr. Evans' first men's Bible study since *Kingdom Man*, one of his best-selling resources.

LifeWay also partnered with Dr. Johnny Hunt and First Baptist Church, Woodstock, GA, to simulcast the Johnny Hunt Men's Conference with 59 churches, 61 small groups, and 87 individuals participating. In addition to Dr. Hunt, breakouts were led by Bob Reccord, James Eubanks, Robby Lewis, Buddy Hulsey, Eric Fuller, Bob Mehaffey, Keith Boggs, Jeremy Morton, Kris Dolberry, and Brian Jennings.

*No More Excuses* by Tony Evans was released in 2019 as a follow-up to the *Kingdom Men Rising* event. This Bible study challenges men to live in a way worthy of their calling.

**Future Plans** — LifeWay Men continues to provide biblically trusted resources most notably *Kingdom Man* and *No More Excuses* with Tony Evans, *Manhood Restored* with Eric Mason, and six volumes of *33 The Series* with Authentic Manhood.

### **5. Ministry Assignment: Assist churches through operation of Conference Centers and Camps.**

**Significant Accomplishments** — God impacted many lives at Ridgecrest Conference Center in 2019, hosting more than 65,000 guests and hundreds of events. All guest rooms in the Mountain Laurel East Hotel were renovated and guest feedback has been incredible.

Almost 3,500 campers attended Camp Ridgecrest for Boys and Camp Crestridge for Girls, and more than 800 individuals attended Family Camp, Father & Son Weekend, and Mother & Daughter Weekend.

In 2019, more than 122,000 kids and students attended CentriKid, FUGE, Student Life camps, and World Changers projects.

**Future Plans** — Ridgecrest Conference Center will expand its self-programmed events portfolio in 2020. In addition, we will use our new website (debuted in December 2019) at RidgecrestConferenceCenter.com. Our Ridgecrest Conference Center and Camps team is continuing to monitor COVID-19 developments and plan for various scenarios this summer.

In April 2020, LifeWay's board of trustees authorized a recommendation for the organization's executive team to pursue viable options for the disposition of Ridgecrest Conference Center and Summer Camps. LifeWay hopes to continue using Ridgecrest for future events including student camps and the Black Church Leadership and Family conference.

Due to COVID-19 and restrictions on large-group gatherings, LifeWay canceled all 2020 summer camp sessions for CentriKid, Student Life, FUGE, and World Changers.

## 6. Ministry Assignment: Assist churches through the publication of books and Bibles.

**Significant Accomplishments** — B&H Books publishes trustworthy books that impact children, teens, adults, families, churches, and God's work around the world. In 2019, B&H was able to make significant contributions by publishing new products and collaborating with key partners in the SBC. In June, B&H partnered with the ERLC to publish *Becoming a Church that Cares Well for the Abused*, a handbook bringing together experts from various fields to equip church leaders to implement best practices for preventing and responding to a variety of sexual abuse scenarios.

B&H also partnered with SBC president J. D. Greear, to publish two new books: *Above All and Gospel: 40-Day Devotional Journey*. Other bestselling and award-winning titles include: *Not Forsaken* by Louie Giglio, *The Insanity of Sacrifice* by Nik Ripkin with Barry Stricker, *Pathways* by Tony Evans, *Afraid of All the Things* by Scarlett Hiltibidal, *Letters to My Students, Vol. 1* by Jason K. Allen, *Advocates* by Dhati Lewis, *Disciple Her* by Kandi Gallaty, *Here and Now and Recovered* by Robby Gallaty, *Difference Makers* by Gregg Matte, *Worship Essentials* by Mike Harland, and two new Elisabeth Elliot resources—the never-before-published *Suffering Is Never for Nothing* by Elisabeth Elliot and *Devotedly: The Personal Letters and Love Story of Jim and Elisabeth Elliot* by Valerie Shepard.

Key titles published for children include: *What am I Feeling?* by Josh and Christi Straub, *The Promises of God Storybook Bible* by Jennifer Lyell, *Why God?* by Dan DeWitt, *Empowered: How God Shaped 11 Women's Lives* by Catherine Parks, *Gracefull: Growing a Heart that Cares for Our Neighbors* by Dorena Williamson, two new books from the Little Bible Heroes series — *The Prodigal Son / The Faithful Servant* and *The Wise Builder / The Sower*, and four books in the Slugs & Bugs series — *Are We Still Friends?*, *Who Will Play with Me?*, *The Society of Extraordinary Raccoon Society*, and *The Society of Extraordinary Raccoon Society on Boasting* by Randall Goodgame.

For more than a decade, B&H Books has had the privilege of partnering with Stephen and Alex Kendrick to publish books that relate to their feature films. In 2019, B&H published a suite of bestselling books in support of the new movie *Overcomer*. These books include: *Defined* by Stephen Kendrick and Alex Kendrick, *Revealed* by Stephen Kendrick and Alex Kendrick with Troy Schmidt, *Radiant* by Priscilla Shirer, *Wonderful* by Stephen Kendrick and Alex Kendrick with Amy Parker, and *What's So Wonderful about Webster?* by Stephen Kendrick and Alex Kendrick.

B&H looks forward to moving ahead into 2020 with the publication of several more impactful adult and kids books, by Russell Moore, J. D. Greear, Jeff Iorg, Ellie Holcomb, Jimmy Scroggins, Trevin Wax, Art Rainer, Daniel Darling, Lara Casey, Bob Lepine, and more.

B&H is honored to partner with others throughout LifeWay and across the denomination to produce resources that elevate the kingdom work of the SBC.

**B&H Bible & Reference** — In 2019, Holman Bibles continued to build upon the successful 2017 launch and 2018 growth of the Christian Standard Bible. In its third year, the CSB was again the translation for many new Bible releases, most notably *The Tony Evans Study Bible*

in partnership with Dr. Tony Evans and the Urban Alternative ministry. Continued focus on quality new CSB releases in 2019, in combination with strategic promotional focus on backlist 2017 and 2018 CSB Bibles, resulted in continued growth of CSB as a leading translation in the market.

Other notable 2019 releases in CSB include the *He Reads Truth Bible* (in partnership with the She Reads Truth/He Reads Truth ministry communities), the *Ancient Faith Study Bible* (in partnership with IVP), the group-focused *Life Connections Study Bible* (an updated *Serendipity Study Bible* in partnership with Lyman Coleman), the easy-to-use *Seven Arrows Bible for Students* (to accompany Seven Arrows study method based curriculum), and the *Defend Your Faith Bible for Kids* (kids apologetics Bible based on the *Apologetics Study Bible for Students*). In year two, the *(in)courage Devotional Bible* has seen continued success, with more than 50,000 copies sold since release. The *She Reads Truth Bible* has now sold more than 250,000 copies since release and the *CSB Study Bible*, featuring the ECPA award-winning Holman Study System, continues to exceed expectations with over 75,000 copies sold to date.

In addition to CSB, Holman Bibles continues to extend the reach of God's Word by publishing KJV and NKJV Bibles, many of which are delivered all over the world through partnership with LifeWay Global. In 2019, the *Apologetics Study Bible* was released and well received in KJV to accompany the previously released KJV edition of the *Spurgeon Study Bible* (in partnership with Alistair Begg). The first edition KJV text Bibles with refreshed and easily readable interiors also released in 2019 and will be followed by additional sizes in subsequent release cycles as strategic focus is given to updating and refreshing our KJV Bible and brand assortment.

To serve church leaders in their understanding and proclaiming of the Scriptures, the Holman Reference team continues to release commentaries that edify and equip God's people, most notably the Christ-Centered Exposition series and the New American Commentary series. Editorial work continues in 2019 toward a planned 2020 release of the first edition of the Christian Standard Commentary series. Also in 2019, Holman Reference continued efforts to publish illustrated guides that appeal to the church as well as mass market and Christian Book Association customers. The *Ultimate Guide to Defend Your Faith*, *Ultimate Bible Dictionary*, and *Christian Worldview Handbook* followed the 2018 release of the *Ultimate Bible Guide* with more illustrated guides to follow in the coming years.

B&H Academic — In 2019, B&H Academic published 24 titles to serve our academic and pastoral audiences. In April 2019, we released our first book outside of the area of Christian Studies: *American History I-II* by Thomas Kidd. These full-color textbooks are used by colleges, Christian high schools, and homeschool networks across the U.S. Some other notable academic titles are *EGGNT: Hebrews* by Dana Harris, a print edition of *Trinitarian Theology*, and a unique textbook titled *Bible Toolbox* by Bryan Cribb and Channing Crisler that demonstrates the unique opportunity we have to create resources that are thoroughly integrated with our Wordsearch platform.

B&H Academic also created more resources that can be used in the classroom and the church. We worked with Jared Musgrove, groups pastor at The Village Church, to create a study guide for *Superheroes Can't Save You* that can be used in small groups or as an individual study. We released *The Bible Story* by Preben Vang, a concise overview of the Bible that is a helpful resource for new believers. We also published two more volumes in the Hobbs College Library: *Student Ministry by the Book* by Ed Newton and Scott Pace and *Who is the Holy Spirit?* by Malcolm Yarnell. Finally, we were honored to publish *Spiritual Warfare in the Storyline of Scripture* by Bill Cook and Chuck Lawless. It is our prayer the Lord will use this book to equip ministry leaders to have a biblical understanding of spiritual warfare and to live a victorious life because of the finished work of Christ.

## 7. Ministry Assignment: Assist churches through the operation of LifeWay Christian Stores.

**Significant Accomplishments** — In 2019, LifeWay took steps to correct substantial losses in its brick-and-mortar chain. As we began to assess the future of LifeWay’s brick-and-mortar presence, it became clear that a retail chain of any size was unsustainable. In March 2019, LifeWay announced the decision to close all 170 of its brick-and-mortar stores. By the end of the year, LifeWay had shifted its retail strategy to other channels.

During fiscal year 2019, millions of individuals and tens of thousands of churches, both domestically and internationally, were served through LifeWay’s online store at LifeWay.com. The shift to e-commerce has allowed LifeWay to meet customer demand for online shopping experiences and to expand our reach globally.

LifeWay interacts with customers in a variety of channels—our own proprietary channels of LifeWay.com and our Customer Service Center, as well as external channels that help customers interact with our resources.

LifeWay is expanding access to its materials through channels such as the Amazon Marketplace and a new network of independent Christian bookstores serving as authorized dealers of LifeWay resources.

Since the beginning of June 2019, more than 450 independent bookstores across 46 states have signed up to have a dedicated section of their store containing LifeWay content. We’re finding new shelf space to allow customers to touch and feel our products before they buy them.

In addition to retail stores, we’re also partnering with local churches who wish to carry an assortment of LifeWay resources. LifeWay has extended its ministry reach into more than 90 new markets—regions where LifeWay never had a brick-and-mortar store.

LifeWay also has strong partnerships with retailers like Walmart, Mardel, Books-a-Million, and Christianbook.com.

**Future Plans** — LifeWay will continue to provide our resources at competitive prices through our online store at LifeWay.com, as well as provide LifeWay Stores at regional and national events. The closure of our proprietary brick-and-mortar stores expands the opportunity to provide LifeWay resources globally through multiple retail channels.

By providing trustworthy and transformational resources, we plan to maintain a strong ministry impact among individuals and churches as we emphasize ministry concerns of the Southern Baptist Convention.

## 8. Ministry Assignment: Assist churches through church architecture consultation and services.

Visioneering Studios is proud to be LifeWay’s strategic partner to provide comprehensive architecture and planning services for churches nationwide. Visioneering Studios serves as a guide for churches and other organizations to climb toward a new level of impact for God’s Kingdom.

Through this dynamic ministry resource, LifeWay connects churches, associations, state conventions, and denominational entities with an expanded array of services including Real Estate Brokerage, Development Advisory Services, Campus Master Planning, Architecture and Interior Design, and Construction Services. VSI’s integrated project approach of *Envision – Design – Build* allows the firm to engage each church uniquely and serve their individual people, place, and passion.

Visioneering Studios has full-service, multi-disciplinary studios in Santa Ana, CA; Nashville, TN; and a new studio in Dallas, TX.

**Significant Accomplishments** — Visioneering had the privilege to come alongside 86 churches and nonprofit organizations in 2019, including New Vision Baptist Church, Golden Springs Baptist Church, Magnolia’s First Baptist Church, and Whittier Area Community Church, among many others. In total, Visioneering worked in 19 states and 73 cities throughout 2019.

Visioneering Studios exists to launch inspired vision into reality by being trusted stewards of story and space. The firm has won numerous, national Solomon Awards such as Best Church Architect, Best Church Design, and Best Building Contractor.

In 2019, Visioneering was awarded two Solomon Awards for the Best Building Contractor for Central Christian Church in Weatherford, TX; and Severns Valley Baptist Church in Severns Valley, KY. Visioneering also received an Award for Best Church Design for Youth and Children’s Spaces for McLean Bible Church in McLean, VA, as well as an award for Franklin Avenue Baptist Church in New Orleans, LA, for Best Building Design of Traditional and Contemporary Spaces.

Along the way, Visioneering’s home studio in Santa Ana, CA, was honored to be named by *The Orange County Register* as one of Orange County’s best workplaces for the third year in a row.

Another venture Visioneering embarked upon this year was to create a strategic project readiness calculator called Buildify.app. After nearly 20 years of experience working with thousands of churches, Visioneering has developed a platform to help churches measure their project readiness. Visioneering’s team of real estate experts, designers, architects, and contractors have identified 20 critical variables that lead to a successful renovation or expansion plan. When church leaders complete the 20-question Buildify quiz, they’ll get a custom report with the following vital insights:

- A project readiness score
- A personalized look at your current and future growth
- Any potential growth barriers
- A report on your church’s property usage
- A look into your building’s capacity and pain points
- An analysis of your attendees’ generosity
- A review of your financial outlook with tips on how to prepare for a loan

Visioneering is made up of talented team members whose work is recognized across the country. In 2019, Visioneering contributed four articles to LifeWay’s FactsAndTrends.net to help support the local church, including articles on “9 Signs It Might Be Time To Refresh Your Church’s Interior Design,” “5 Steps For Finding The Best Property For Your Church,” “10 Ways To Evaluate Your Church’s Readiness For An Active Shooter,” and “7 Design Tips To Help Your Church Visitors Stick.”

**Future Plans** — Visioneering Studios is dedicated to providing services to churches and non-profits utilizing its diverse team of real estate professionals, developers, architects and designers, financial analysts, and construction professionals to steward all of their client partners’ assets including facilities, budgets, time, and each unique story, vision, and mission.

Call Visioneering Studios in Nashville, TN, at (877) 899-1872. Visioneering can also be found on Facebook, Twitter, and Instagram. You can also find more information at the website [www.VisioneeringStudios.com](http://www.VisioneeringStudios.com) on how God is using this nationwide ministry.

## **9. Ministry Assignment: Assist churches in capital fund raising.**

**Significant Accomplishments** — The Auxano Resourcing team provides unique, innovative consulting services to help churches navigate capital campaigns and build cultures of generosity

throughout their congregations. The team continues to, year-over-year, break revenue records for the Resourcing area of Auxano, LifeWay's consulting department.

As part of this continuous improvement initiative, the Auxano team also has launched expanded cutting-edge capital campaign and generosity consulting tools aimed for client service excellence, and the posturing of our services as both proven and entrepreneurial. Sample highlights include:

- Congregational Assessment offering, providing personal interviews and digital surveys to determine buy-in and pre-campaign giving potential.
- Variety of entry points offered including remote Boot Camp, onsite Boot Camp, digital coaching, and onsite navigation.
- Focused emphasis on industry-leading, discipleship-based campaign approaches.
- Enhanced strategic partnership with LifeWay's architectural and design firm, Visioneering Studios, to offer integrated seminars to plan for large-scale projects.

Auxano Resourcing in 2019:

- Served a wide variety of clients, including church plants, small churches averaging fewer than 200 in worship, mega-churches averaging 3,000-10,000 in worship, and multi-campus churches.
- Served churches in 17 states coast to coast.
- Served 14 denominations.
- Spoke at numerous events across the country including denominational conferences, generosity forums, and pastor gatherings.
- Partnered with Generosity by LifeWay and Auxano Navigators as content experts for free video coaching offerings at [www.LifewayGenerosity.com](http://www.LifewayGenerosity.com).

**Future Plans** — B&H is publishing Greg Gibbs' book *Capital Campaign Playbook: An Insider Look at a Church Consultant's Game Plan* in June 2020. Gibbs also is completing the sequel book, *Growing Generosity Playbook: Key Factors in Discipling a Congregation Toward A Generous Life*.

**10. Ministry Assignment: Assist churches by conducting research and compiling statistics.**

**Significant Accomplishments** — LifeWay Research released a variety of significant research studies in 2019. These included polling about the views of pastors and/or churchgoers on personal identity, immigration, sports gambling, church multiplication and growth, sexual abuse among pastors, the future of your church, Israel, Hispanic church planting, young adults staying or dropping out of church, worship, Wednesday night activities, retired pastors and missionaries, and civility.

LifeWay Research conducted research with numerous ministries including the Church Planting Leadership Fellowship, Wheaton College, Ethics & Religious Liberty Commission, Exponential, Moody Radio, and Outreach Magazine.

The book *Within Reach: The Power of Small Changes in Keeping Students Connected*, was released examining young adults staying in church or dropping out. The website [DiscipleshipPathwayAssessment.com](http://DiscipleshipPathwayAssessment.com), a revised online discipleship assessment, was launched.

The SBC Annual Church Profile (ACP) for 2018 showed the Southern Baptist Convention had declines in several key measures including the number of congregations, average worship attendance, membership, and baptisms.

The number of churches affiliated with the Southern Baptist Convention declined by 0.19% from 2017. Average worship attendance decreased 0.43%. Reported membership declined 1.28%. Southern Baptists also experienced a decline in baptisms, down 3.02% to 246,442.

**Future Plans** — LifeWay Research will release research studies in 2020 on streaming worship services, disabilities, church security, sermon length, small Bible study groups, understanding the Bible, and ministry in post-Christian America.

### *Matters Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following items to LifeWay Christian Resources for consideration, action, and report.

**1. SBC Referral: To ask LifeWay to include a presentation of the gospel in every children’s lesson (Items 46 and 79, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 61, 80)**

**Motion:** Laura Smith, Indiana

“That LifeWay Christian Resources be asked to make sure all Southern Baptist Convention curriculum for children, ages 0-6th grade, include a gospel presentation written into each lesson as exemplified in LifeWay’s publication *The Gospel Project*.”

**Response:** At LifeWay Kids, our goal is to provide trustworthy, biblical solutions to support the church in her mission to make disciples. Our belief is that a healthy, gospel-centered kids ministry hinges on the essentials of being heart transforming, Kingdom expanding, and culture shaping.

Curriculum is a guide to support churches and ministry leaders as they participate in children’s discipleship. Each resource in our Vacation Bible School and ongoing Bible Study curriculum lines provides natural on-ramps for teachers to regularly share the gospel and its related biblical truths with children in a variety of ways as the Holy Spirit leads.

Because we believe the gospel is the most important message to share with children, gospel presentation tools are included with our curriculum resources. Therefore, with shared urgency to share the gospel and with the desire to continue developing gospel-centered tools that equip churches to effectively make disciples, LifeWay Kids affirms its commitment to include the following in our Vacation Bible School and ongoing Bible Study resources:

- The Gospel: God’s Plan for Me tool in each Bible Study and Worship leader guide for elementary-aged groups. This tool will be referenced in every session where the biblical teaching would naturally transition into a gospel presentation, via an icon, margin note, and/or inline text.
- The Gospel: God’s Plan for Me tool in each Bible Study and Worship leader guide for preschool-aged groups. Individual sessions address foundational biblical concepts and foundational elements of the gospel message, in accordance with the Levels of Biblical Learning®.
- Gospel presentation videos in curriculum resources and online.
- The LifeWay Kids App with gospel-centered activities and biblical content for kids of all ages.

Whether equipping leaders to share gospel truths and lay the foundation necessary for kids to begin understanding and personalizing the gospel, or to give a full gospel presentation and call kids to repentance and faith, LifeWay Kids curriculum resources undergird and point to the gospel, help children build gospel fluency, and support children’s discipleship and faith development.

**2. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** LifeWay Christian Resources has policies and procedures, which include LifeWay Ethics Line, on-going training, and partnership with external experts to foster effective abuse prevention and care for employees and customers. Furthermore, LifeWay has partnered with the Sexual Abuse Advisory Group and the ERLC to record as well as produce the videos, book, and website for *Becoming a Church That Cares Well for the Abused*. The video training itself is hosted on LifeWay’s Ministry Grid platform, and along with the PDF version of the book, has been made available for free to all churches. Additionally, LifeWay continues to identify ways to partner with other SBC entities and serve SBC churches as they address the issues raised by the Sexual Abuse Advisory Group. Included in this effort are activities such as producing and providing free live streaming of the ERLC’s Church Cares 2019 National Conference and additional book and Bible study resource development to help survivors with a biblical framework for recovery and to provide pastors with a lens through which they can more deeply understand how to minister to those who have been sexually abused. Specifically, LifeWay Women has created a Bible study and equipping resource, in partnership with Mary DeMuth, with the intent of helping churches understand the issue of sexual abuse and appropriately receive and then walk alongside survivors of abuse and trauma. The Bible study will release in early Summer 2020. LifeWay is working toward 2021 release dates on other potential resources.



4200 North Point Parkway, Alpharetta, Georgia 30022

**CHARLES M. (DANNY) WOOD, Chairman**

**KEVIN EZELL, President**

At the North American Mission Board (NAMB), it's all about the gospel. Everything we do is to help churches and believers share the hope of Christ in their communities, throughout North America, and around the world.

There were many highlights in 2019 as we served Southern Baptist pastors and churches, but we want to start by thanking each and every person who gave so generously to the Annie Armstrong Easter Offering®. Southern Baptists gave a record \$61.6 million to the offering, an all-time high. In fact, this is the third year in a row we have seen a record-breaking offering. We are grateful and humbled by this generosity. As always, our pledge is that every dollar of the offering will go to missionaries on the field and resources to help them impact North America for Christ. We are committed to be the very best stewards of these dollars.

Pastors are NAMB's number one customer. We are here to serve them and help them succeed as they minister on the front lines. We serve pastors and churches in two primary ways: Send Relief, our compassion ministry arm, and Send Network, our church planting network.

In addition to these two primary ministry areas, NAMB's Evangelism and Leadership Group, led by Johnny Hunt, exists to equip pastors and mobilize Southern Baptists for evangelism. We started 2019 by partnering with SBC president, J. D. Greear, to launch *Who's Your One?*, an evangelism resource that challenges every Southern Baptist to identify a person for whom they will pray and share their faith with. I'm happy to report that thousands of churches responded by ordering *Who's Your One?* church resource kits. Our *Who's Your One?* Tour started in the fall and will visit dozens of cities over the next two years.

Each year, millions of peoples' lives in North America are turned upside down by natural disaster and other crises. As always, Southern Baptists were on the forefront of disaster response: bringing much needed help, assisting with the healing process, and most importantly, sharing the hope of Jesus which transcends any tragedy or triumph.

It was our privilege to come alongside dozens of state convention disaster relief units this past year as they mobilized thousands of Southern Baptist Disaster Relief-trained volunteers and hundreds of pieces of equipment.

NAMB's Send Relief ministry is bringing help and hope to those most in need. Our Puerto Rico rebuild effort hosted hundreds of volunteers this year as residents continue to recover from Hurricane Maria, which struck in 2017.

Send Relief is giving churches the opportunity to serve in areas such as poverty, refugees and internationals, adoption and foster care, human trafficking, and crisis response. We now have seven Send Relief ministry centers (Appalachia, Atlanta, Las Vegas, New Orleans, New York, Pittsburgh, and Puerto Rico) that are meeting needs in specific regions and giving Southern Baptists from all over North America opportunities to serve in long- or short-term settings.

NAMB helps Southern Baptists plant churches everywhere for everyone in North America through Send Network. We primarily focus outside the South, where Southern Baptists are weakest, and in our cities where more than 80% of North Americans live.

Southern Baptists need to start more churches to keep up with population growth and offset churches that are dying. The problem is our need for new churches is outpacing the supply of qualified church planters. That's why NAMB has launched the Multiplication Pipeline to help churches discover and develop the next generation of church planters for the North American mission field.

Our church replanting initiative helps re-launch churches that are dead or close to dying. Each year, dozens of churches that would have been down for the count now have an opportunity to continue to proclaim the gospel and transform lives.

The churches of tomorrow probably won't look exactly like yours. As North America grows more ethnically diverse, we help prioritize ethnic church plants where they are most needed. More than half of all churches that Southern Baptists start each year identify as ethnic or multiethnic. We also are focused on starting churches near college campuses. These churches will have an impact for years to come as they shape the hearts and minds of our next generation of leaders.

We are grateful for all God does through Southern Baptists and the North American Mission Board.

Additional highlights are noted below.

- Thanks to Southern Baptist giving, we are able to resource and support nearly 6,800 missionaries and chaplains. These men and women serve in difficult places and in challenging cultural contexts and many have left behind all that is familiar so they can tell people about Jesus.
- Southern Baptists added 908 new congregations in 2019, the most recent year for which data is available. This includes 552 new church starts, 59 new campuses and 297 new affiliations. We praise God for these new churches that are now part of the Southern Baptist family. (*Note: Under ACP definitions, a new campus is not considered its own church. Tracking campus activity is important, however, in order to have a complete picture of Southern Baptist presence and activity*).
- Churches started since 2010 now account for 11% of all churches in the SBC and they report 18% of all SBC baptisms. Church plants are reaching people for Christ and they are a positive force in our Southern Baptist family.
- Reversing the decline in baptisms won't be accomplished by a national entity, but we are making multiple evangelism resources available free to churches and emphasizing the annual SBC Baptism Sunday. We want to help Southern Baptists maintain evangelism and baptism as the top priority.
- What a privilege it was to celebrate with First Baptist Sutherland Springs in May 2019 as they dedicated a new worship center and education wing that NAMB provided through the gifts of Southern Baptists. Pray for this church as they continue to recover from the tragic mass shooting that took place in November 2017.

NAMB serves as the endorsing entity for more than 3,700 Southern Baptist chaplains who serve throughout the world in the military and in other settings such as hospitals, prisons, fire departments, police departments, and in private, corporate settings. At an Army base in Missouri, for example, more than 8,000 have been baptized since March 2018 under the ministry of Southern Baptist chaplains.

NAMB has the privilege of working closely with state Baptist conventions to assist their efforts in taking the gospel to North America. Each year, NAMB sends millions of dollars to state convention partners to assist in their ministry. This is money that goes to fund missionaries and to support evangelistic church planting, evangelism, and church revitalization efforts.

There are so many needs and much remains to be done, but it is good to pause in moments like these to reflect on all God is doing through Southern Baptists and through the North American Mission Board. We are grateful for the pastors and churches who are in the trenches of ministry. Thank you for everything you are doing to make Jesus known in North America.

Serving Together,

Kevin Ezell  
President

North American Mission Board

Charles M. (Danny Wood)  
Chairman

NAMB Board of Trustees

### ***Goals and Accomplishments***

*(All SBC entities present informative ministry reports to the Executive Committee each February in compliance with the provisions of SBC Bylaw 18 E (12). The North American Mission Board has requested that the content of this report be taken from its 2020 Ministry Report, previously tendered to the Executive Committee.)*

**Relative to the listed Ministry Assignment, please describe accomplishments in the past year that create “value added” to the Cooperative Program dollars that NAMB receives.**

#### **I. Assist churches in planting healthy, multiplying, evangelistic Southern Baptist Churches in the United States and Canada.**

To reach people for Christ—and disciple them to reach others for Christ—North America must have strong, evangelistic, healthy churches. In addition to encouraging existing churches to be as healthy as possible, new churches are needed. These new churches require qualified church planters, and the primary developer of these individuals is the local church. To assist churches in the discovery and development of potential planters, the North American Mission Board’s (NAMB) Send Network has created a Multiplication Pipeline (formerly called Church Planting Pipeline). This resource is designed for use in the local church to discover, develop, and deploy missional leaders, many of whom will move into church planting. This process is a great asset for the pastor who desires to see his church multiply in the future. This resource is greatly enhancing the efforts to raise up future generations of indigenous planters and team members in parts of North America where needs are greatest, especially as existing and future plants gain a vision to become multiplying churches themselves. Currently 1,406 pupils are being trained in the context of their local churches. This training is being led by 315 coordinators and 437 coaches in these local churches.

Send Network continues to provide a clear pathway for SBC churches to utilize in deploying God-called believers across North America. The planting pathway provides a robust application and assessment process that allows churches to confirm the gifts, calling, and abilities of those they seek to send. Send Network’s Planter Development team takes the baton once an individual is endorsed by the Discovery team, providing the opportunity for orientation, training, coaching, and care for all SBC planters.

During the two-day, three-night orientation at NAMB, newly endorsed planters are informed of the vision and mission of the Send Network and equipped to embody our network’s shared values of family, multiplication, and restoration. Planters also receive critical information about being part of the Southern Baptist Convention and the importance of giving through the Cooperative Program and to the Annie Armstrong Easter Offering®. The entire orientation is led by church planting practitioners. The training we provide enables planters to develop a contextual and

missional strategy to engage their cities with the gospel, make disciples, and plant healthy churches. Send Network coaches then walk alongside church planters and help them process the next steps to personal, familial, and church health. In addition to our commitment to developing planters, we are also committed to developing church planting wives. When the spouse is flourishing, her impact on her husband and church plant is transformational. Send Network currently provides care and is building and currently implementing a strategy to train and coach our planting wives. We also have a team of field staff and local churches that provide care to our church planting families so that every planter is appreciated, connected, and encouraged.

Once a planter is on the field, they have a state-of-the-art quarterly reporting system to utilize that allows them to communicate with partners, evaluate their progress, and report via ACP their activity to SBC churches.

## **II. Assist churches in the ministries of evangelism and making disciples.**

In January 2019, NAMB launched the *Evangelism with Johnny Hunt* podcast which provides practical, strategic training to pastors to help them lead their churches on mission. The podcast has been well received with more than 20,500 downloads since it began.

In February 2019, NAMB launched the *Who's Your One?* evangelism emphasis with SBC president, J. D. Greear. The launch included a church evangelism kit to help pastors implement the emphasis in their churches with the goal of encouraging every church member to identify a "one" for whom they will pray and with whom they will share the gospel. Throughout 2019, we distributed to churches a total of 25,827 kits; 411,672 prayer guides; and 1.5 million bookmarks. In addition, NAMB also distributed 469 Spanish kits; 9,228 Spanish prayer guides; and 70,475 Spanish bookmarks.

Crossover 2019, held in Birmingham, AL, was an intentional effort by volunteers and seminary students to go door-to-door in the surrounding communities and share the gospel with those they encountered.

A summary of the Crossover teams' accomplishments is below:

- Knocked on 10,409 doors
- Prayed with/for 2,251 people
- Had 1,817 gospel conversations
- 364 people prayed to receive Christ

The Who's Your One? Tour launched in August 2019, with the following tour sites: Fayetteville, NC; Orlando, FL; Plano, TX; Cordova, TN; Flowery Branch, GA; Pensacola, FL; Fayetteville, AR; and Arvada, CO. The overall attendance at these tour stops: more than 5,600 people attended the Sunday night rallies; more than 2,100 attended the Monday morning evangelism trainings.

NAMB also hosted four Engage 24 workshops that trained 485 pastors and church staff in evangelism.

In 2019, NAMB continued to distribute *3 Circles* evangelism material. More than 1,852,500 English guides and 343,700 Spanish guides were distributed. More than 9,160 of the *3 Circles* training kits were distributed.

In addition to *3 Circles*, NAMB also launched a new resource, *Best News* by James Merritt. More than 2,015 of the training kits have been distributed since its launch in Summer 2019.

## **III. Assist churches by appointing, supporting and assuring accountability for missionaries serving in the United States and Canada.**

NAMB's Send Network team has a comprehensive training resource for the local church to discover and develop future church planting missionaries. The Multiplication Pipeline provides

three years of content that helps a coach in a local church train individuals who want to live a life on mission more intentionally and/or explore church planting. To date, 1,030 churches are actively exploring or implementing the Multiplication Pipeline, and they have engaged 2,158 coordinators, coaches, and learners in the training.

NAMB's Send Network team continues to provide one of the most robust assessments of church planters for those planting in Send Cities/Focus Areas. The online pre-assessment, followed by a two-day assessment retreat, provides critical feedback to Sending Churches which, in turn, allows them to have confidence in the sending or further development of their church planters. NAMB currently has 19 assessment centers located throughout North America which utilize local and regional assessors.

During Send Network Orientation, we inform new planters of the vision and mission of the network and equip them to embody our network's shared values. Our Send Network training helps new planters develop a contextual missional strategy for making disciples. Most recently, we have developed and deployed a strategy to train and coach our planting wives via training retreats. Throughout the planting process, NAMB utilizes a quarterly reporting tool which provides Sending Churches and other entities involved in a church plant a clear picture of the vitality of the plant.

As housing costs in large cities are a significant challenge that keep many missionaries off the mission field, throughout the Send Cities and some other key areas, NAMB has made missionary housing available to a limited number of missionaries on a short-term basis. A missionary may live in the home for up to 18 months as they are deployed or trained for deployment to a Send City. Increasingly, we are seeking to locate these homes near multiplying churches that are committed to regularly developing new church planters and planting churches throughout their city and region. As a planter launches his church and becomes more established, his family transitions out of NAMB's missionary housing so another missionary family can move in.

NAMB's planter and family care ministry walks along a church planting missionary and his family during the entire church planting process. One of the greatest dangers a missionary family faces is isolation, so we make it a priority to connect church planting missionaries with other missionaries in their area and other nearby churches. Events, resources, prayer, gifts, and encouragement are some of the many tangible ways our planter and family care ministry walks alongside church planting missionaries and their families so they are never alone.

NAMB continually assesses its missionary categories and roles in order to bring greater focus. Our goal is to have highly qualified missionaries who are keenly focused on our primary ministry areas of church planting and compassion ministry. Since most of our missionaries are involved with church planting, their tenure with NAMB ends once their church matures past the five-year mark. This results in fluctuation in NAMB's missionary count from year to year.

#### **IV. Assist churches by providing missions education and coordinating volunteer missions opportunities for church members.**

Send Relief provides numerous opportunities to experience missions firsthand through our ministry centers and ministry events. During this last year, Send Relief provided more than 125 mission opportunities where more than 5,250 people were engaged, representing 475 SBC churches.

Our Puerto Rico ministry center provided the bulk of our short-term mission team experiences on a weekly basis this year, with a total of 1,041 mobilized. Send Relief's partnership with FEMA continued through their VALOR (Voluntary Agencies Leading & Organizing Repair) program, which made building materials available to mission teams to serve the people and churches of Puerto Rico in the repair of 74 homes.

In support of Send Relief's efforts, NAMB provides hands-on mission opportunities through mission experiences, service projects, training events, online resources, and consultation. In addition, NAMB developed a new Send Relief portal (<https://volunteer.sendrelief.org>) that provides ways churches and individuals can mobilize to volunteer and serve their communities by meeting tangible needs and sharing the gospel. In 2019, mobilization opportunities included: 1,325 training lab participants, 5,250 missions volunteers, and 475 churches engaged.

The North American Mission Board's Disaster Relief team partners with state Baptist conventions to provide help, healing, and hope for disaster survivors and impacted churches and communities. The Southern Baptist Disaster Relief "yellow shirts" demonstrated the love of Christ in very practical ways and shared the message of the gospel during national disaster relief efforts in 2019. Serving in these responses were more than 7,000 volunteers from 39 conventions, who gave a collective total of 50,988 days. These volunteers are always willing to do all that they can to share God's love with people who have experienced great loss and trauma. Southern Baptist Disaster Relief volunteers provide support to pastors and church planters during times when survivors need encouragement and are open to the gospel. Volunteers reported 916 people coming to Christ in 2019.

Send Relief's GenSend ministry engaged 1,065 students, representing 32 states, to serve in 21 Send Cities to engage various people groups within these large urban areas. These figures include both GenSend summer and spring break experiences. The 272 students who participated in the summer program served 6 to 8 weeks in 19 Send Cities in compassion ministry and church planting. Survey results from 2019 included the following feedback:

- 95% would recommend GenSend to others
- 98% rated overall experience "good or very good"
- 1,700 gospel conversations with 15 reported professions of faith
- Participants logged nearly 73,000 hours of service
- More than 85 church plants/planters were served in the summer
- 27% said they would move back to the city where they served to live and serve post-college

#### **V. Assist churches by providing leadership development.**

At the beginning of 2019, NAMB assumed complete oversight of the Timothy+Barnabas ministry started by Johnny Hunt more than 25 years ago. A total of 593 pastors and 538 wives participated in Timothy+Barnabas Retreats this year. They represent ministry to more 121,000 individuals on an average Sunday. This underscores NAMB's focus that "Pastors are our number one customers." If NAMB can continue to effectively train and encourage pastors, it will have an exponential impact in their churches and communities.

Because of the success of the first Timothy+Barnabas Retreat specifically for bi-vocational pastors, NAMB is currently looking at adding additional retreats in different regions. There are currently two of these retreats planned for 2020.

NAMB is intentional about nurturing young leaders in the SBC. In this context, *young* is not defined by age but rather by length of time serving in the lead pastor role. As a result of listening sessions with young leaders, NAMB's director of Young Leader Engagement learned that young pastors crave to be nurtured and mentored by more seasoned pastors. They go to conferences, and those are helpful, but the younger pastor isn't setting the agenda for those. A coaching relationship allows the pastor to set the agenda and talk real-life situations he is experiencing. To that end, NAMB established the Timothy+Barnabas Institute.

The Timothy+Barnabas Institute, which matches younger lead pastors with more experienced (seasoned) lead pastors for a coaching/mentor relationship, is a two-year commitment and

includes four, two-day workshop trips to NAMB (two each year). There are tracks for pastors 45 and younger and for those over the age of 45. In addition to the two-day workshops, each younger pastor is assigned to a cohort of roughly 10 members who relate to their pastor-coach. To be accepted into the Institute, pastors must apply and pay a \$500 deposit that is refunded once the two-year commitment is fulfilled, if the pastor stays in the program the entire time and attends all the workshops. In addition to the \$500 refundable deposit, the pastor will have to pay his way to the workshops, though NAMB will pay for the lodging. Scholarships are available.

During the workshops, there will be keynote speakers who will address relevant topics and younger pastors will go into breakouts with their pastor-coaches to further flesh those out. The Institute will allow pastors to work through topics and curriculum such as personal life, marriage and family, devotional life, personal evangelism, progressing to organizational leaders, staffing, team building, culture changing, and more—topics that will make them more effective leaders. Between the workshops, these pastors will connect monthly with their coach and their cohort.

The first Timothy+Barnabas Institute took place in January 2020. Our goal is to develop at least 300 pastors over the next two years. There are already over 100 pastors signed up between the ages of 25 and 69. There are also 20+ coaches enlisted and ready to invest in developing pastoral leaders.

Through three Replant/Leadership conferences, NAMB aimed to equip leaders in replanting. A training for associational mission strategists to consult churches on replanting options occurred in March and was attended by 250 men. An event for replanters and their wives had an attendance of 109 with the goal of helping pastors discern their calling/skills to replant. The Replant Summit, a national conference for replanters, state and associational leaders, and replanters' wives, emphasized leading worship in replants and normative-sized churches. Attendance numbered 195. In addition to these events, regional and local trainings hosted by local associations and facilitated by NAMB's Replant team had more than 3,000 attendees. Additionally, four replant residencies focused on training and deploying replanters are equipping up to 40 men as replanters.

## **VI. Assist churches in relief ministries to victims of disaster and other people in need.**

Southern Baptist Disaster Relief (SBDR) continues to be a positive and constructive force for opening doors and avenues for sharing the gospel and planting churches. State and local leaders continually seek to engage SBDR for long-term assistance in their communities. Send Relief also published a new ministry guide to assist churches in starting a *Disaster Ready Church Ministry* available on our website as a downloadable resource.

During 2019, 39 of 42 SBDR states responded to national natural disaster responses, for which Send Relief provided coordination and response supplies. In serving communities during these times, SBDR volunteers contributed to the statistics in the chart to the right.

### **SBDR Summary Activity Reported**

(YTD 11-20-2019)

Professions of Faith	916
Gospel Presentations	4,167
Total Contacts	45,772
Volunteer Days - SBDR	50,988
Work Hours	416,585
Total Meals Prepared	349,302
Hours Worked	817,641
Total Meals	2,289,315

*Based on the listed Ministry Assignment, what opportunities or challenges do you see on the horizon from 2020 and beyond that would necessitate changes, or new directions, in how you are accomplishing the listed Ministry Assignments?*

### **I. Assist churches in planting healthy, multiplying, evangelistic Southern Baptist Churches in the United States and Canada.**

Southern Baptists need to add more churches annually in order to keep up with population growth and stay ahead of church deaths. NAMB's goal is to help churches plant 750 churches each year. An anticipated 50 congregations are added through new church campuses and 400 added through established churches that become newly-affiliated with Southern Baptists. We work with our partners to assist in both of these efforts as well.

The challenge we face in church planting is the lack of church planters. While 75% of the applicants who complete NAMB's online church planter assessment score high enough to receive an invitation to one of NAMB's assessment retreats, of those who attend an assessment, 67% are approved for moving forward as a church planter.

To turn this challenge into opportunity, we must help churches develop leaders who may one day become church planters. To accomplish this, NAMB has developed the Multiplication Pipeline. This allows a church to intentionally raise up prepared and qualified planters from within the congregation. The Multiplication Pipeline resource/process can be implemented in the local church or church plant, which will allow the church to discover, develop, and deploy greater numbers of planters and other missionaries to meet this challenge.

As endorsed church planter numbers increase, so will our need for more supporting and sending churches. NAMB takes every opportunity to encourage every SBC church to be on mission by actively and intentionally starting and supporting new churches. We have currently identified 1,056 SBC churches as Sending Churches for plants or multiple plants. Additionally, there are currently 2,866 SBC churches identified as Supporting Churches. Of these, 1,071 have thus far simply committed to pray for a list of planters in a specific area through our "Pray for Planters" initiative as a first step in engagement.

### **II. Assist churches in the ministries of evangelism and making disciples.**

The biggest challenge related to evangelism is working to keep evangelism at the forefront of the priorities and thinking of local churches and state and associational partners. Johnny Hunt is in a local church almost every Sunday preaching and leading the challenge for churches and church members to embrace the *Who's Your One?* movement. Johnny also spoke at six state conventions/pastors' conferences on *Who's Your One?* and provided the resources pastors and leaders need to implement the initiative in their church and equip their people.

While the anecdotal evidence makes it appear there is a renewed passion for evangelism in SBC churches, NAMB must continue to push the importance of evangelism and continue to reach pastors and leaders who are not leading their churches to be evangelistic. NAMB must also address the steady decline in youth and young adult baptisms across North America. This alarming reality led NAMB to hire Shane Pruitt as the National Next Gen Evangelism Director in Fall 2019. His singular focus will be reaching Millennials and Gen Z.

Since November 1, Shane has preached at nine events. The majority of those were geared towards the next generation (Gen Z and Millennials). Overall, more than 5,200 attended these events and more than 230 decisions were recorded—more than 190 being professions of faith. Shane also spoke at the XTREME Winter Conference, which included thousands of students from across the Southeast and Midwest. Shane was interviewed for three podcasts on reaching

the next generation, and he wrote the article “6 Common Traits of Generation Z,” published by Baptist Press (BP) and also available on NAMB.net. The article became one of BP’s most popular articles.

In 2020, Shane will be speaking extensively, traveling to state conventions, local associations, churches, student camps, conferences, Disciple Now weekends, college chapels, crusades, revivals, and more. He will also be meeting with pastors and other leaders to determine how we can best move toward more student baptisms.

### **III. Assist churches by appointing, supporting and assuring accountability for missionaries serving in the United States and Canada.**

At this point, NAMB does not anticipate substantial changes or new directions. We will continue to promote tools and processes to ensure that the best and most effective missions personnel are placed appropriately and consistently cared for and held accountable. (See Accomplishments under Assignment III.)

As we continue to face the challenge of helping churches discover, develop, and deploy missionaries and planters—especially into under-reached and underserved communities—in coordination with the International Mission Board (IMB), NAMB is promoting the Go2 initiative. Go2 encourages college graduates to start their careers and live on mission in strategic cities where new plants can benefit from their experience, skills, and heart for evangelism. In addition to Go2, NAMB is starting a Journeyman program (similar to IMB’s) that places college graduates in a Send City for two years as a fully funded missionary.

### **IV. Assist churches by providing missions education and coordinating volunteer missions opportunities for church members.**

We see several opportunities for growth and new involvement in 2020 and the years ahead. We are continuing to develop current Send Relief ministry centers and launch new ones, which will provide churches and individuals with hands-on mission opportunities. Our 2020 goal is to have more than 150 mission trips made available through our ministry centers with opportunities for registration on our website.

These ministry centers also provide ministry models for churches and associations to replicate in their own communities. The strategy of our ministry centers is to provide churches a place to come to participate and learn, model and execute, and multiply and replicate compassion ministry. Send Relief also continues to produce relevant ministry guides and podcasts to inspire, resource, and engage churches across the nation in its five specific focus areas: poverty, refugees and internationals, foster care and adoption, human trafficking, and crisis response.

Send Relief will continue to host and support mercy and compassion ministry events (vision tours, ministry training/modeling, mission experiences, etc.) in order to increase the awareness and model ministries for churches. We have a goal of mobilizing 10,000 people in compassion ministry in 2020. Through these efforts, we will inspire, resource, and train churches in North America.

We face two primary challenges in accomplishing our goal. We must create systems which provide accurate and timely metrics that hold us accountable to desired results. Much of the needed infrastructure has been put into place in 2019, which will allow us to begin tracking results on a timelier basis. As we bring new ministry centers on board, it will be critical to bring them up to speed quickly with our systems and processes. Our challenge is that each ministry center is unique, based on the context of the location.

As GenSend collegiate ministry continues to expand, we must ensure that we are maintaining a high-quality experience. The challenge moving forward is that student demand will outpace current budget levels and service-site coaches/leadership capacity. In time, we will need to develop a sustainable ministry model that can support more college students by creating a pipeline process that prepares young adults to live their lives on mission in whatever career paths or locations God places them.

#### **V. Assist churches by providing leadership development.**

NAMB will continue to work diligently to engage congregations in support of missions, helping and encouraging them to engage with missionaries and support church plants. The key to this engagement is the pastor—NAMB’s number one customer. Though there are multiple ways to communicate with pastors, NAMB often discovers that pastors are living in information overload. Therefore, there is no single approach of communication that works.

NAMB continues to be challenged to ensure that engaging in multiple opportunities does not add to this overload. This requires NAMB to focus on constant internal communication that simplifies and prioritizes external communication.

Pastors continue to ask for opportunities to learn from fellow pastors. This desire gives NAMB a great opportunity to provide venues to share best practices (e.g., evangelism workshops, replant conferences, pastor roundtables, etc.). NAMB also has the opportunity to deliver updated content of these best practices by utilizing multiple forms of electronic media. This allows content to be fresh, digestible, and self-paced. It is also the intention that pastor-centric events include content that addresses other felt needs pastors have as they seek to strike a balance with their personal faith, family life, and serving the church.

Through the efforts of NAMB’s Evangelism and Leadership group, there are more opportunities for pastors to participate not only in leadership development opportunities, but also for NAMB to receive feedback about their needs and how we can help.

Many pastors are experiencing the impact of serving a stagnant or declining church. To help them, in 2019, an online replant cohort was established as part of the church replanting focus and has served 165 pastors. We have started three new replanting residencies in various contexts throughout the country in addition to our first located in Denver, CO. This is critical as we move beyond the discovery and recruitment of replanters to empowering pastors, associational mission strategists, state directors of missions, and other state convention personnel with resources designed to develop replanters and connect them to churches seeking replanters.

As noted earlier in Accomplishment V, NAMB is intentional about nurturing young leaders in the SBC. As a result of listening sessions with young leaders, NAMB’s director of Young Leader Engagement learned that young pastors crave to be nurtured and mentored by more seasoned pastors. They go to conferences and those are helpful, but the younger pastor isn’t setting the agenda for those. A coaching relationship allows the pastor to set the agenda and talk about real-life situations he is experiencing. To that end, NAMB established the Timothy+Barnabas Institute (see Accomplishment V for further information).

With the establishment of the Institute, and the first participants starting in January 2020, we hope to see this as a significant way to invest in and grow young pastors for greater Kingdom impact.

#### **VI. Assist churches in relief ministries to victims of disaster and other people in need.**

As the Southern Baptist Disaster Relief (SBDR) state directors and the Send Relief team assess and debrief from the 2019 response season, we will be formulating plans to address the following opportunities.

1. The gap in Quick Response Disaster Relief Mobile feeding units deployed immediately following a storm or disastrous event.

This was raised as an urgent need in 2018. At least 15 of the states have now built new mobile quick response units or they have retro-fitted some of their existing small units by adapting the equipment to produce quick, simple meals. This adaptation requires fewer individuals to staff the unit during responses. Unit meal capacities range from 500–2,000 simple meals per day. The size and style of these units also allows them to maneuver in the heart of a destruction zone where they can serve first responders and homeowners who did not evacuate and now lack the basic needs of food and water. The idea is to meet the urgent and immediate needs in the “strike zone” while the more traditional, mass feeding units prepare for full mobilization. The traditional units require up to 3–4 days to set up fully and require an established food supply chain.

2. Send Relief and SBDR leadership are aware of the need during large-impact disasters for hundreds of volunteers—especially following tornadoes, hurricanes, and floods—to remove debris in a timely manner and get homeowners back into their homes.
3. Several SBDR directors are beginning to develop processes to engage untrained volunteers to serve alongside trained SBDR team members. There is a significant need for a common data and communication system during national disaster events to allow the SBDR/Send Relief to report and describe needs as well as accomplishments. The affected state director could provide information about what the urgent needs are digitally so that all SBDR/Send Relief personnel across the nation can communicate as to whether they can meet that need and then have the ability to respond as soon as possible.

### *Matters Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following items to the North American Mission Board for consideration, action, and report.

1. **SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11–12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** The North American Mission Board (NAMB) reports to the Southern Baptist Convention (SBC) that NAMB has strongly supported and continues to support the work of the SBC Sexual Abuse Advisory Group as well as the work the ERLC has been leading to create and advance the *Caring Well* curriculum and guidelines. Our longstanding policies require mandatory reporting of illegal activity to appropriate authorities, sexual abuse prevention training for staff and endorsed missionaries, as well as high standards for all personal interactions outlined in our conduct expectations. NAMB has also closely reviewed existing policies and procedures to ensure they are strong and effective in preventing abuse and caring well for abuse victims. NAMB does not believe that a onetime review of

policies and procedures is adequate; rather, we remain committed to reviewing and, where appropriate, strengthening our policies on an ongoing basis. We encourage all churches and our other ministry partners to do the same.

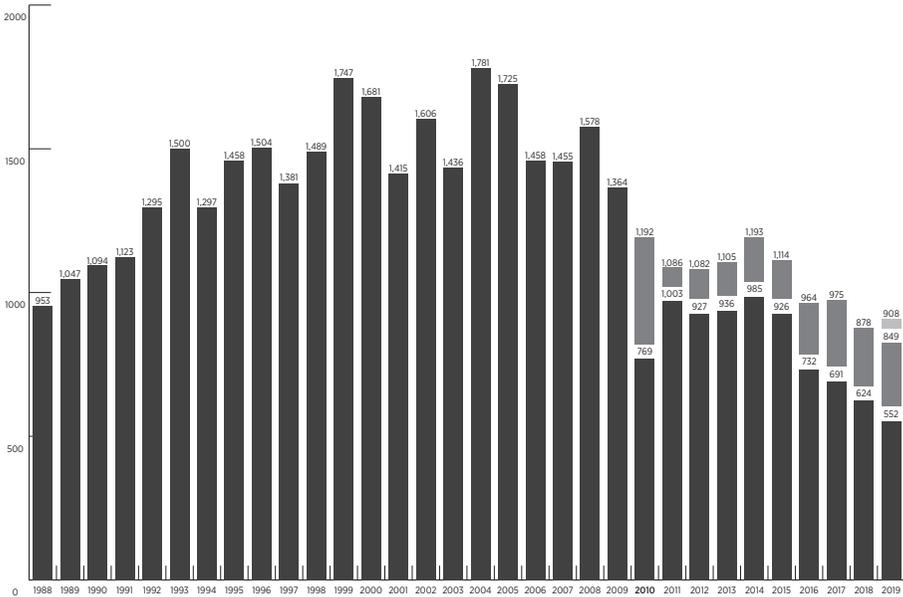
**2. SBC Referral: To study North American Mission Board funding for staff in small churches (Items 27 and 60), Proceedings of the Southern Baptist Convention, June 11–12, 2019, *SBC Annual*, p. 59, 63)**

**Motion:** David Hobson, Alabama

“That the Southern Baptist Convention study the feasibility of initiating a program through the North American Mission Board to partner with associations with primarily bi-vocational pastors of churches 50 or less that may only be able to afford a small salary for one partially funded staff member to place a second staff member in the church as an association to aid in preaching, teaching, pastoral ministry, and church growth at no cost to the church or association until such time as the church or association can feasibly partially fund the new staff position on their own.”

**Response:** The North American Mission Board works closely with churches, Baptist Associations, and state Baptist Conventions in an effort to reach their mission fields with the gospel. In many states, more than half of Southern Baptist pastors are bivocational. With so many pastors serving in this capacity, funding a staff member for each of them for an indefinite time period would not be possible. We do, however, encourage churches and individuals to embrace and encourage bivocational pastors in whatever ways they can. Their work is and will continue to be essential to reach North America with the gospel.

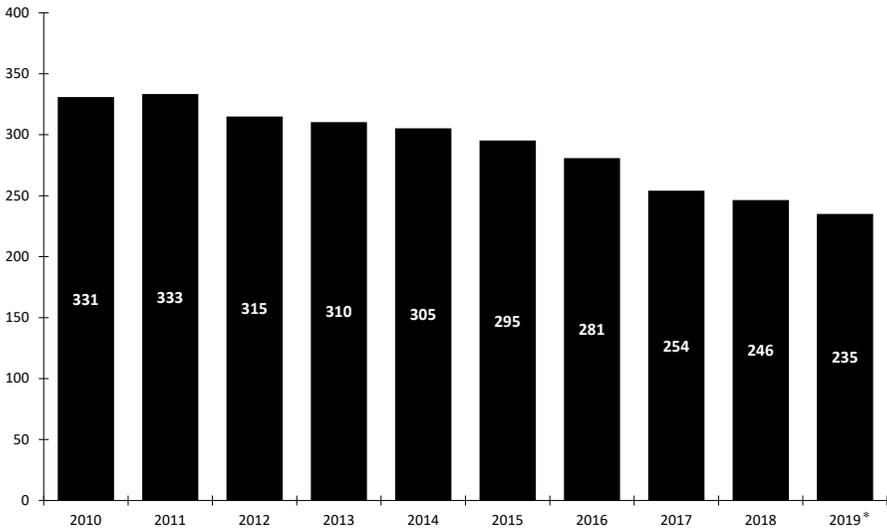
Figure 1—New Congregations (Church Plants, New Affiliates and Campuses), SBC, 1988–2019



Source: Reports from State Directors of Missions compiled by the North American Mission Board, Alpharetta, Ga.  
 \*2010 was the first year an SBC ID # was required for each reported congregation.  
 \*\*In 2019, LifeWay began assigning SBC ID numbers to each campus of a multi-site church, allowing for the tracking of location, health, impact and life cycle for individual campuses.

■ New Church Plants  
 ■ Affiliations  
 ■ Campuses

Figure 2—Baptisms Reported by SBC Churches, 2010–2019 (In Thousands)



Source: Annual Church Profile, LifeWay Christian Resources, Nashville, TN  
 \*2019 Baptisms as reported from the Lifeway ACP Statistical Summary. May 28, 2020

# SEMINARY COMPARATIVE DATA

**Enrollment**

a. Total SBC Full-Time Equivalent (FTE) both funded and unfunded — (Total credit hours divided by 24):

	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>3-Yr. Rolling Average</u>
GS	443	498	489	476
MBTS	1,395	1,264	1,025	1,228
NOBTS	1,531	1,598	1,324	1,484
SEBTS	2,215	2,128	2,035	2,126
SBTS	2,311	2,339	2,328	2,326
SWBTS	<u>1,029</u>	<u>1,164</u>	<u>1,222</u>	<u>1,138</u>
Total	8,924	8,991	8,423	8,778

b. Actual FTEs approved by the Council of Seminary Presidents for Cooperative Program (CP) Seminary Funding Formula:

	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>3-Yr. Rolling Average</u>
GS	338	422	381	380
MBTS	1,395	1,264	1,025	1,228
NOBTS	1,110	1,028	1,074	1,071
SEBTS	1,185	1,216	1,214	1,205
SBTS	2,311	2,339	2,328	2,326
SWBTS	<u>1,029</u>	<u>1,164</u>	<u>1,222</u>	<u>1,138</u>
Total	7,368	7,433	7,244	7,348

c. CP Allocation per SBC Student:

	<b>Total</b>	<b>2018-2019</b>	<b>2018-2019</b>
	<u>SBC Students</u>	<u>CP Allocation Budget</u>	<u>CP Allocation Budget</u>
			<u>Per Student</u>
GS	443	\$ 3,991,950	\$ 9,011
MBTS	1,395	\$ 6,253,005	\$ 4,482
NOBTS	1,531	\$ 7,045,382	\$ 4,602
SEBTS	2,215	\$ 7,707,673	\$ 3,480
SBTS	2,311	\$ 10,279,637	\$ 4,448
SWBTS	<u>1,029</u>	<u>\$ 7,631,157</u>	<u>\$ 7,416</u>
Total	8,924	\$ 42,908,804	\$ 4,408

d. Nonduplicate Head count (number of students registered and taking one credit hour or more):

	<b>Total</b>	<b>Total</b>	<b>Total</b>
	<u>Non-SBC Students</u>	<u>SBC Students</u>	<u>Total</u>
GS	301	1,525	1,826
MBTS	1,075	2,925	4,000
NOBTS	486	3,355	3,841
SEBTS	1,016	3,749	4,765
SBTS	997	4,541	5,538
SWBTS	<u>752</u>	<u>3,096</u>	<u>3,848</u>
Total	4,627	19,191	23,818

## e. Basic Degrees awarded for the 2018-2019 academic year

	<b>M.Div.</b> <b>(3 year)</b>	<b>Th.M.</b>	<b>M.A. &amp; other</b> <b>2-year</b>
GS	28	0	64
MBTS	84	31	27
NOBTS	86	19	113
SEBTS	179	20	157
SBTS	216	48	130
SWBTS	<u>123</u>	<u>17</u>	<u>323</u>
Total	716	135	814

## f. Total Tuition Revenue

	<b>2019-2020</b>	<b>2018-2019</b>	<b>2017-2018</b>
GS	\$ 3,643,166	\$ 3,647,064	\$ 3,562,756
MBTS	\$ 15,166,984	\$ 13,316,002	\$ 11,160,785
NOBTS	\$ 9,400,000	\$ 9,553,944	\$ 8,681,160
SEBTS	\$ 14,462,328	\$ 16,031,323	\$ 14,309,502
SBTS	\$ 26,566,668	\$ 25,088,953	\$ 24,518,232
SWBTS	<u>\$ 12,830,532</u>	<u>\$ 13,051,740</u>	<u>\$ 13,157,517</u>
Total	\$ 82,069,678	\$ 80,689,026	\$ 75,389,952

## g. Credit Hour Cost: 2019/2020

	<b>Non SBC Students</b>	<b>SBC Student</b>
GS	\$495	\$275
MBTS	\$475	\$280
NOBTS	\$410	\$275
SEBTS	\$609	\$304
SBTS	\$648	\$324
SWBTS	\$590	\$295

## h. Annual Cost per Student (For a married student on campus, tuition, fees, book housing)

	<b>2019-2020</b> <b>Non SBC</b>	<b>2019-2020</b> <b>SBC</b>
GS	\$ 33,330	\$ 28,840
MBTS	\$ 26,106	\$ 22,957
NOBTS	\$ 16,880	\$ 14,450
SEBTS	\$ 20,262	\$ 14,772
SBTS	\$ 26,978	\$ 19,202
SWBTS	\$ 18,740	\$ 12,840

## i. Percent of total budget that relates to personnel expenses based on each seminary's E&amp;G budget (Salaries and Benefits):

	<b>2019-2020</b> <b>Low</b>	<b>2019-2020</b> <b>Median</b>	<b>2019-2020</b> <b>High</b>
GS	72.6%	72.3%	73.2%
MBTS		41%	
NOBTS		69.5%	
SEBTS			74%
SBTS			48%
SWBTS		72%	

j. Statement of Income for 2019-2020:

**Seminary Statement of Income for 2019-2020**

	GS	MBTS	NOBTS	SEBTS	SBTS	SWBTS	TOTAL
Operating Income							
Tuition & Fees	\$ 2,996,482	\$ 13,316,002	\$ 9,553,944	\$ 16,031,323	\$ 25,802,607	\$ 13,051,740	\$ 80,752,098
Auxiliary Enterprises	\$ 515,517	\$ 1,815,981	\$ 2,009,678	\$ 5,293,181	\$ 6,689,060	\$ 5,668,690	\$ 21,992,107
Cooperative Program	\$ 3,991,950	\$ 6,253,005	\$ 7,141,231	\$ 7,707,673	\$ 10,279,637	\$ 7,631,157	\$ 43,004,653
Private Gifts	\$ 194,820	\$ 1,947,819	\$ 7,541,504	\$ 958,168	\$ 2,866,167	\$ 6,208,680	\$ 19,717,158
Endowment Income	\$ 1,281,840	\$ 349,711	\$ 1,749,304	\$ 251,245	\$ 3,902,046	\$ 4,579,405	\$ 12,113,551
Investments	\$ 267,847	\$ 630,833	\$ 2,983,222		Included in Endowment Income		\$ 3,881,902
Return on Beneficial Interest Trusts	\$ 2,240,502	\$ 1,617			Included in Endowment Income	\$ (58,037)	\$ 2,184,082
Other Income	\$ 175,244	\$ 241,770	\$ 944,486	\$ 428,984	\$ 527,625	\$ 778,670	\$ 3,096,779
Total Income	\$ 11,664,202	\$ 24,556,738	\$ 31,923,369	\$ 30,670,574	\$ 50,067,142	\$ 37,860,305	\$ 186,742,330
% of CP to Total Income	34.2%	25.46%	22.36%	25.13%	20.53%	20.15%	

# INSTITUTIONS



## GATEWAY SEMINARY

*Biblical • Missional • Global*

3210 E. Guasti Road, Ontario, California 91761

**C. KEITH GOEKING, Chairman**

**JEFF IORG, President**

As we complete our fourth year as Gateway Seminary in new locations, our focus is on the future and the opportunities before us. Our enrollment continues to grow, our financial position remains strong, our morale is good, and our mission is clear. We have been and will continue to shape leaders who expand God's kingdom around the world.

Despite the progress we have made, we are not satisfied with current results or locked into present methods. We have specific challenges we must face as we move forward. We must significantly increase enrollment at the Bay Area Campus; find new ways to integrate our regional campuses, online, and video access delivery modes; create long-term student housing solutions in Southern California; discover ways to help students pay for seminary and lessen their dependence on scholarships; determine the form and function of library services in the future; and continue to build enrollment while Southern Baptist churches are diminished in their ability to reach and retain young adult members. While these are formidable challenges, our team is resolute in working toward solutions.

Here is a report on our progress in the past year as well as a summary report on the accomplishment of our strategic goals for the past five years.

### **Enrollment Growth**

For Fall 2019, overall student headcount was up 9.4% over Fall 2018. Enrolled hours have increased by 10.3% in Fall 2019 (up a strong 19% at the Ontario Campus). For Spring 2020, overall student headcount increased 6.9% over Spring 2019. All these percentages exclude the DMin and Advance programs which are not semester-based enrollment programs. The strongest enrollment growth for 2019-20 was at the Ontario Campus and Online program.

### **Personnel Changes**

Dr. John Shouse retired from the faculty after 34 years of service. He has been replaced by Dr. David Rathel as Associate Professor of Theology. Dr. Rick Durst relocated from the Bay Area to Ontario Campus as Professor of Theology. Dr. Max Stabenow is now the Director of the Bay Area Campus.

Dr. Leroy Gainey will retire from the faculty after 33 years of service on July 31, 2020. Dr. Gainey was the first trustee-elected African-American professor in the Southern Baptist Convention. Dr. Phil Connor will also retire from the faculty on July 31, 2020.

### **Brea Location Sale**

When Gateway moved its primary campus to Southern California, it decided to close the Brea Campus and sell the property. This has been a lengthy process that involved resolving sewer rights and many other development issues. The property is under contract for sale with a close date later in 2020.

### Student Housing

Gateway currently owns 58 housing units in Southern California and they are fully occupied. We are considering purchasing another apartment complex, while also exploring other creative housing solutions to place seminary students in secular community housing.

### 75<sup>th</sup> Anniversary Events

We are in the midst of celebrating the 75<sup>th</sup> anniversary of Gateway Seminary. We started the celebration with an all-day prayer event in March 2019. This commemorated the prayer meeting which catalyzed the seminary's beginning. We followed that event with a celebratory dinner at the Board meeting in May 2019. After that, we also recognized the seminary's legal birthday in July 2019 with an all-employee ice cream party.

We have celebrated our 75<sup>th</sup> anniversary with two major events – both in conjunction with our Board of Trustees' meetings. The first event was on October 15, 2019 in Fremont, California. It was a banquet celebration focused on our heritage as Golden Gate Seminary in the Bay Area. The second event was the 75<sup>th</sup> anniversary gala on April 28, 2020. It featured a banquet, musical presentations by our partners at California Baptist University, the debut of a commemorative history book telling the Gateway story, the announcement of major financial gifts to support Gateway projects, and other commemorative activities.

The final 75<sup>th</sup> anniversary event will be the Alumni and Friends luncheon at the SBC Annual Meeting in Orlando on June 10, 2020.

### Paul Chitwood Visit

Dr. Paul Chitwood, the new president of the International Mission Board, was our special guest on the Ontario Campus on September 4-5, 2019. We hosted a luncheon for Gateway faculty, staff, and students with about 150 in attendance as well as a pastor's briefing for 80 local leaders. Dr. Chitwood then spoke in chapel at Gateway.

### Diamond Plan Report

In 2010, the Board of Trustees adopted a strategic document to guide the seminary through 2020. It was called The Diamond Plan. The Board adopted an initial set of strategic goals for 2010-2015. Those goals were fulfilled and the details reported to the Board annually, with a final report in 2015. The Board then adopted a new set of goals for 2015-2020. Those goals provided the administrative framework through which significant progress has been made over the past five years. Here is a summary of the accomplishments over the past five years related to each goal.

**1. We will establish a new identity as Gateway Seminary with a primary campus in Southern California supporting other delivery locations and methods.**

This goal has been accomplished. The primary campus in Ontario is fully operational. The Bay Area Campus is also fully operational. All other regional campuses remain operational. The online campus continues to grow, as does the video access option for accessing live classroom presentations. The seminary has completed all legal requirements related to changing its name to Gateway Seminary.

**2. We will continually assess educational effectiveness and adjust academic programs and seminary operations to maximize accomplishment of our mission.**

This goal has been accomplished. We preserved all academic functions through the relocation, revised the MDiv curriculum, implemented new competency-based academic evaluation procedures, added six new faculty members, completed a very successful re-accreditation process with WSCUC, secured and used an ATS Educational Innovation grant, upgraded all academic software, secured accreditation approval for all masters

degrees to be offered online, and received accreditation approval to offer the DMin in a distance format.

**3. We will require each degree program and delivery system/location to meet enrollment goals commensurate with sustaining the seminary's overall academic program.**

This goal has been accomplished in some areas, with others still needing work. We have experienced growth at the Ontario Campus and the Online program. We are maintaining enrollment at the regional campuses outside California. We have stable or growing enrollment in most degree programs. The KEB program is now stabilized and the CEB program, after a slow start, has started to increase its enrollment. Video access classrooms are now available at all campuses.

**4. We will implement a new faculty organizational plan and performance standards.**

This goal has been accomplished. We have implemented a thorough faculty review process which includes input from students, faculty peers, and administration. These are reported to the Board and they make final decisions about faculty promotions. The faculty compensation strategy implemented in 2014 has been sustained and has made a positive difference on recruiting quality faculty members. Faculty organization and administrative processes are functioning well. The administration has clarified and increased the expectations of faculty members who are granted sabbaticals. Internal faculty governance and supervision of academic programs function well.

**5. We will implement a new staff organizational plan and performance standards.**

This goal has been accomplished. The initial staffing plan for Gateway Seminary was largely successful, but has been adjusted as needed and is working well. Since the move to Southern California, our workforce has remained more stable than we expected. We have also been able to attract high-quality applicants for staff positions – both professional and support positions. We have standardized the annual review process for director-level employees. We have a solid organizational plan, competitive compensation based on market realities in Southern California, and consistency in staff compensation throughout the organization.

**6. We will intensify efforts on training and supporting pastors.**

This goal has been accomplished in some ways, but we continue to work toward fulfilling it. We have adjusted the MDiv curriculum to better address contemporary issues in pastoral leadership. We initiated a Pastor's Study program at the Ontario Library to provide a study center and research assistance to local pastors. We are making chapel messages available to pastors and other leaders as a source of inspiration and encouragement. We launched the Women's Mentoring Network to support pastors' wives. The *Lead On!* podcast by Dr. Jeff Iorg is often directed toward pastors. We have hosted multiple training events for pastors and other church leaders.

**7. We will create a more integrated information management, communication, and education technology system.**

This goal has been accomplished. We now have the hardware and software in place to accomplish this goal. We now have enough Information Technology staff to support both the hardware and software we own, including providing service and training to use it effectively. We have developed significant expertise in using educational software to integrate our delivery modalities (recognized as a strength by our accreditors). We revised our user interface and continue to develop new ways to use technology to accomplish our mission. We still need to improve our overall user-experience with administrative technology and our internal databases.

**8. We will have a total endowment of \$100 million by 2020.**

Endowment has grown significantly since the Diamond Plan was adopted in 2010. Counting all funds and investments, our endowment on July 31, 2019 was \$59.5 million. The total endowment on July 31, 2010 was \$13.3 million. We have done a good job building endowment through property sales and capital asset management. We need to continue building endowment through major gifts and planned gifts.

**9. We will receive \$500,000 in annual gifts by 2020.**

Annual fund giving continues to grow. We received \$300,309 in 2017-18 and \$344,988 in 2018-19. We continue to have a loyal giving base that provides generous support. We have made some progress in developing new giving channels and new donors.

**Gateway Imperative Adoption**

In October 2017, the Board of Trustees directed the creation of a new strategic plan to guide Gateway Seminary toward 2030. In response, President Iorg appointed the following to a Strategic Planning Task Force: Dallas Bivins, Michael Brito, Anne Dent, Rick Durst, Kristen Ferguson, Adam Groza, Tom Hixson, Lisa Hoff, Jeff Jones, Michael Martin, John Taylor, and Jim Wilson.

The task force worked for 18 months on a study of the seminary divided into two parts – internal data/constituents and external data/constituents. In the first part of the study, the task force focused on future student demographics, future trends in graduate education, status and future projections about Southern Baptist churches in the western United States, and input from ministry partners and critics. In the second part of the study, the task force focused on gathering input from students, staff, faculty, trustees, donors, and from the 2019 WSCUC re-accreditation documents.

The task force vetted their report summaries and draft recommendations with seminary constituents by various media and in multiple meetings – particularly with staff, faculty, and trustees. The faculty endorsed the final document in August 2019 and it was adopted by the Board of Trustees in October 2019. It is now the strategic planning document guiding Gateway Seminary.

**Appreciation and Gratitude**

As we have celebrated 75 years of effective ministry in the West and around the world, our profound appreciation for Southern Baptists has deepened. We were adopted by our larger Southern Baptist family in 1950 – more than 70 years of faithful support! Our inclusion in the SBC solidified the dream of developing a school in the West and gave us the resource base – prayers, finances, and students – to become one of the largest seminaries in the United States. It's doubtful that would have happened if we had remained an independent school.

Thanks to past generations of Southern Baptists, we are part of the family. Thanks to today's partners, we enjoy the benefits of the Cooperative Program and the spiritual support of millions of fellow believers. We are grateful for all that God has done for us through Southern Baptists and appreciate your steadfast support as we shape leaders who expand God's kingdom around the world.

**Enrollment Report**

Gateway Seminary operates five fully accredited campuses in Ontario, California; Fremont, California; Phoenix, Arizona; Denver, Colorado; and Vancouver, Washington – as well as an extensive distance learning program (online and video access).

In addition, Gateway Seminary supports 48 ADVANCE contextualized leadership development centers in partnership with Southern Baptist churches, associations and state conventions. The

centers offer courses in English, Spanish, Burmese, China, Korean, Thai, Lao, Khmer, Karen, Main, Nepalese, French, Haitian Creole, Russian, Hmong and Mongolian.

The most recent revision of the SBC Seminary Funding Formula has significantly changed how Gateway reports its enrollment. For that reason, this current report needs to be in a different form than past reports. The incongruity with past reporting patterns makes comparisons to past years difficult without understanding the intricacies of the formula. For that reason, we are reporting our enrollment in a new format and will create a new comparison chart over the next few years.

#### **Enrollment Report by Campus or Program – 2018-19**

<u>Campus</u>	<u>Total Enrollment</u>	<u>Total FTE</u>
Ontario	653	267
Arizona	95	32
Bay Area	71	21
Pacific Northwest	41	13
Rocky Mountain	62	14
Advance Ministry Training	605	97
Online Program	279	111
Video Access Program	20	23
Totals	1,826	578

#### **Enrollment Report by Degree Program – 2018-19**

<u>Prebaccalaureate</u>	
Diplomas	260
Diplomas – Advance	427
Special Status	131
<u>Basic Degrees</u>	
Master of Divinity	354
Master of Arts	306
Special Status	124
<u>Advance Degrees</u>	
Master of Theology	8
Doctor of Ministry	198
Doctor of Philosophy	18
Totals	1,826

#### **Enrollment Report Summary – 2018-19**

Total Enrollment	1,826
Total FTE Generated	578
SBC Fundable FTE	338
SBC Formula FTE	400
New Students	421
Total Graduates	215

### *Matter Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following item to Gateway Seminary of the Southern Baptist Convention for consideration, action, and report.

**1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** Preventing sexual harassment, gender discrimination, and abuse are important issues at Gateway Seminary – both in our organization and as we train future leaders of other ministry entities.

Gateway has fully-formed and well-established policies and practices on these matters related to internal operations. We continue to monitor and enforce those policies to maintain our institutional integrity. We also train employees on these issues through a required program which both meets our needs and satisfies our legal responsibilities under California law and the other Western states where we have campuses/employees.

We also address these issues in multiple classes in our curriculum and with co-curricular activities like conferences, training seminars, chapel speakers, and at partnership events with state conventions and associations. Gateway also performs background checks on new students, offers counseling services to students who have experienced abuse or harassment in other settings, and provides extensive training on these issues through a partnership with MinistrySafe.

Since 2018, Gateway has initiated an annual conference to train church leaders in various legal, ethical, and moral dimensions of contemporary ministry leadership. This conference is co-sponsored by law firms and insurance companies that support our mission. Through this partnership, we have been able to bring national leaders to the Ontario Campus to address these issues.

We have also devoted our annual Intersect Conference in 2019 to the theme: Working Together. This conference addressed the specific issue of how men and women can work together appropriately and effectively in ministry organizations. It addressed preventing abuse and harassment, as well as proactive steps ministry leaders must take to ensure a wholesome work environment for everyone.

Gateway has continued to offer legally-mandated and seminary-required training to employees on harassment, abuse, and related issues. We have been doing this for years and will continue to do so in the future. We have also received an independent assessment of our policies and procedures on these issues from our insurance provider. We are implementing suggested improvements.

Gateway is fully supportive of the work of the Sexual Abuse Advisory Group. We have embraced their report to the SBC and are applying it as needed within our organization. We have also advised faculty members who teach about these issues to use the report as a resource to shape both the content and perspective of their instruction. Gateway also sponsored and promoted the national ERLC conference on Caring Well in Dallas, Texas in 2019 and has accepted the Caring Well challenge.



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**JOHN MATHENA, Chairman**

**JASON K. ALLEN, President**

When submitting the yearly President's report, it always calls for a time to stop, reflect, and remember all that the Lord has done the previous year at Midwestern Seminary. It does not take long to recall God's incredible kindness in leading me to serve this great institution. I am constantly amazed to see what God is doing at MBTS, especially when I reflect upon our institution's history. I have learned much over the past seven years, but one thing I know to be emphatically true today is that God alone is worthy of the glory and honor.

One constant from the past seven years is that Midwestern Seminary has not strayed from its vision — *For the Church*. This is, and continues to be, why we exist. We are striving with all our God-given might to equip pastors, ministers, and missionaries for service in North American and international churches. This vision impacts everything we do, from the curriculum we teach to the culture we seek to cultivate, and it has been incredibly encouraging to see this vision take hold and spread throughout the Southern Baptist Convention.

This past year has been particularly incredible in the life of our institution and for me personally. For the sake of clarity, I want to detail some of the significant happenings under the headings of how our institution is structured. Midwestern Seminary is comprised of three divisions: an academic division, an administrative division, and an institutional relations division.

Within academics, first, we praise God for another increase in student enrollment. Since 2010, the number of students has more than quadrupled — having over 4,000 students enrolled this fall — which is the largest number in the seminary's history. All glory be to Him for the growth at Midwestern Seminary over the past seven years. Pray that we will continue to steward these students well as we train them for service to our SBC churches, and ultimately, the kingdom of God.

Second, this year we welcomed three new faculty members to further equip us in providing the most effective training to our students. Dr. Jason DeRouchie of Bethlehem College and Seminary in Minneapolis was elected to Midwestern's faculty as research professor of Old Testament and Biblical Theology. In addition, Dr. Andrew King was elected the assistant dean of Spurgeon College and assistant professor of Biblical Studies. Finally, Dr. Thomas Kidd was hired as distinguished visiting professor of Church History.

Third, our M.Div. program, particularly at the residential level, continues to expand, and Midwestern Seminary and Spurgeon College's online presence also continues to increase at a rapid pace. This enables students from across the globe access to a state-of-the-art educational platform and the highest quality theological education. In addition, through our Online Connect program, all our online courses provide students with personalized access to mentors in the field and also meets their individual ministry education and training needs.

Fourth, in January we announced the addition of Fusion: North America to our current Fusion: International missions program at Spurgeon College. After a year of intentional preparation in evangelism and discipleship, students will spend their summer months serving in ministry alongside an IMB missionary or NAMB church planter. We are eager to see how expanding this program will positively impact our students, our partnership with IMB and NAMB, and our institution.

Fifth, in February, we announced the addition of two new Ph.D. emphases: biblical theology and biblical counseling. Student interest in the fields of biblical theology and biblical counseling has increasingly grown, and with the expertise of new faculty members, we are in a place to provide excellent scholarship that will prepare our students for a lifetime of serving well and faithfully for the church. Midwestern also launched the Masters of Arts in Biblical Counseling this year, shifting from an integrative approach to a biblical counseling approach that will better serve our institution's mission as we focus on training men and women for the local church.

Sixth, the third year of the Timothy Track M.Div. launched with its largest group to date (25 students). This has been a strong group of students, and they have indicated overwhelmingly that their experiences are helpful, substantial, and enjoyable. A continuing trend is that students are often citing the Timothy Track as a primary reason why Midwestern is at or near the top of their list of seminary choices, if not *the* reason why they choose to attend here.

Seventh, at our Spring trustee meeting, MBTS adopted the Nashville Statement as an additional confessional requirement. Relating to human sexuality and gender roles, this statement of faith expresses support for the biblical definition of marriage, for chastity outside of marriage, and for a link between biological sex and self-conception as male and female.

Eighth, the 65<sup>th</sup> commencement service on May 3, 2019, marked Midwestern's largest graduating class, conferring 218 degrees — 33 undergraduates, 153 graduates, 31 doctoral degrees, and one post-graduate degree. In addition, two students were among the first to complete Midwestern's Korean-language Ph.D. degree. We are thrilled to launch these theologically trained gospel ministers into kingdom service.

Ninth, this past November at ETS, MBTS was represented by more than 40 faculty members and doctoral students as they presented scholarly papers, the most from any one institution. High-level scholarship is amongst our training goals, and an excellent place for this to be showcased is the ETS annual meeting.

Next, within our Institutional Administration division, it is with a thankful heart that I can share that the Lord has allowed us to increase our financial strength. We continue to pursue a sustainable business model that appropriately stewards and maximizes the resources provided to us via the generosity of Southern Baptists through the Cooperative Program. We are well-aware that Midwestern Seminary could not exist, and fulfill its purpose to train men and women for the church, without the faithful giving of our churches. We pray that Southern Baptists will continue to faithfully channel these funds to their seminaries, and that God will continue to bless the efforts of His people through an ever-growing Cooperative Program. May the people of the Southern Baptist Convention know of the immense gratitude Midwestern Seminary has for all they have done and are doing to support the Lord's work here!

Second, at our Fall meeting, the trustees approved a \$2.5 million renovation project for our main research library. The three-story library building at Midwestern Baptist Theological Seminary was constructed in 1958. Modifications to the library since then have been minor, and we desire our library to be modernized to facilitate a 21<sup>st</sup> century working and learning environment. The library project anticipates a total renovation of the existing facility and promises to create spaces for group and individual study, faculty offices, seminars, archives, and research centers. The project schedule targets completion during the summer of 2020 and restoration of full library operations in advance of the Fall 2020 semester. Our overarching desire in stewarding this resource is that the library would be a living instrument used to serve the church by equipping pastors and ministers of God's Word. We are grateful to God for this improvement of existing campus facilities and for the opportunity to make our campus more efficient and effective for students. The Trustees also reviewed plans for a forthcoming renovation and addition to the Vivion House.

Fourth, Spurgeon College launched its first intercollegiate sports team through the NCCAA. The Spurgeon Knights basketball team is currently competing in its inaugural season. It has been a thrill to watch our students play under Coach Philip Parker's leadership, as the Midwestern community surrounds them in support and enthusiasm. In addition to men's basketball, we are overjoyed to announce that we will launch women's volleyball and men and women's soccer in the coming year.

Finally, within our third division, Institutional Relations, the first item of note is our flourishing in the fields of recruiting, admissions, marketing, retention and advancement — evidencing much fruit by the Lord's kindness. Our very best energies are spent expanding the mission and ministry footprint of the school through this department. Through this team's faithful efforts, we have reached record enrollment and seminary growth over the past seven years. The ultimate focus of this division is that more pastors, evangelists, missionaries, and ministers will be thrust into Kingdom service both in the present and well into the future.

Second, in June, during the annual meeting of the Southern Baptist Convention in Birmingham, Alabama, we hosted FTC Birmingham. The theme for the event was "The Future of Southern Baptist Ministry and Mission," and the panel included myself, Jamie Dew, Paul Chitwood, H. B. Charles, Jr., Ronnie Floyd, and Kevin Ezell. Almost 1,000 people attended the event, which allowed us to speak into current issues within the SBC and use our influence to positively impact the Convention.

Additionally, in conjunction with the Southern Baptist Convention, we hosted our annual Alumni and Friends luncheon. Typically, this event consists of institutional updates and a brief academic panel discussion. This year, we shifted our panel to encompass the idea of "Christianity and Culture" and used Dean Inserra's newest book as the fulcrum for our discussion. The panel discussed engaging nominal Christianity, and consisted of myself, Micah Fries, Dean Inserra, and Collin Hansen. Each year our Alumni and Friends luncheon awards a graduate with the *Alumnus of the Year* award, and this year, Dean Inserra was the honoree.

Third, on September 23-24, we held our national *For the Church* Conference in Kansas City. The conference sold out (1,100) and was a very edifying and encouraging time. Plenary speakers for the conference included myself, Crawford Loritts, Owen Strachan, Tony Merida, J. D. Greear, and Jared Wilson. Breakout speakers included Micah Fries, D. A. Horton, Christine Hoover, Dale Johnson, John Onwuchekwa, Dean Inserra, Dr. Andreas Köstenberger, Dr. Margaret Köstenberger, and many others.

Additionally, we were excited to launch our first-ever women's pre-conference to the annual *For the Church* Conference. While the main conference is geared toward pastors and ministry leaders (both men and women who serve in the local church), the pre-conference allows us to focus exclusively on women in ministry. Speakers included my wife, Karen Allen, as well as Abigail Dodds, Christine Hoover, and Trillia Newbell.

Fourth, our communications team helped design and launch the newest institutional resource website/podcast, which is hosted Dr. Andreas Köstenberger, called *The Center for Biblical Studies*. On this website, one will find hundreds of trusted resources concerning biblical studies. We are praying that this resource will grow and prove to be helpful to ministers as they seek to preach and teach God's Word to an ever-changing world.

Fifth, we have been blessed by many visiting scholars this year on Midwestern's campus. The Sizemore Lectures' guest this year was Dr. Peter Williams, principal of Tyndale House, who addressed the topic of inerrancy and infallibility of the Scriptures. Dr. Denny Burk, director of the Center for Gospel and Culture at Boyce College and Southern Seminary, presented the C.W. Scudder Lectures on March 7. In the lecture, Burk addressed issues of homosexuality

and transgenderism. On October 22-23, with a focus on preaching narrative texts, Dr. Don Carson delivered Midwestern's seventh annual Spurgeon Lectures on Biblical Preaching. To sit under the teaching of these men, who are among the most respected biblical scholars, was an inspiration to our seminary community.

It is undeniable that we share an incredible stewardship on behalf of Southern Baptists to train the next generation of pastors and ministry leaders *for the Church*. It is without hesitation that this institution will be faithful to the churches of the Southern Baptist Convention and in fulfilling what they have charged us with by the way of ministry assignment and by the way of doctrinal convictions. We will strive to project forward and outward in our mission and ministry, and we will continually assess how our commitment to exist *For the Church* will direct us into the future. May we never cease to be thankful to God for the victories He has given us these past seven years, and may we never cease to serve Him in such a way that He is pleased to give us such victories going forward.

Sincerely,

Jason K. Allen, Ph.D.

President

Midwestern Baptist Theological Seminary

### ***Ministry Goals and Accomplishments***

*(All SBC entities present informative ministry reports to the Executive Committee each February in compliance with the provisions of SBC Bylaw 18 E (12). Midwestern Baptist Theological Seminary has requested that the content of this report be taken from its 2020 Ministry Report, previously tendered to the Executive Committee.)*

#### **I. Assist churches by programs of prebaccalaureate and baccalaureate theological education for ministers.**

The mission of Spurgeon College is to educate the next generation of leaders to impact the world in the workforce. Spurgeon College will maintain its focus on biblically-based degrees as well as providing students with disciplines that can train them to work in the marketplace. Through its residential and online degree programs, Spurgeon College offers students a rigorous academic environment designed to prepare them for their ministry calling.

This past year, Spurgeon College experienced continued growth of its Accelerate program, which is designed to enable students to earn a bachelor's degree in Biblical Studies and a Master of Divinity degree within five years. This program focuses on providing students the opportunity to engage more quickly in full-time ministry, while keeping their educational debt to a minimum.

Moreover, Spurgeon College shifted its B.A., Counseling Psychology degree to a B.A., Biblical Counseling. This new curriculum will provide a base of knowledge in the sufficiency of Scripture and its interpretation for the task of counseling and soul care, in service to the biblically mandated mission and ministries of the local church.

Additionally, to complement its B.A. degrees in Christian Ministry, Biblical Studies, Business Leadership, Intercultural Studies and Student Ministry, Spurgeon College added new Teaching and Communications degree options. Students may earn a B.A., Interdisciplinary Studies with emphases in either Elementary or Secondary Social Studies Education. In tandem with our partnership with Liberty University, these students may also earn their Master of Arts in Teaching online in just one additional year. Spurgeon's B.A., Communications provides students specific training in journalism, public relations, rhetoric, visual communications, and several other communications-related disciplines.

Spurgeon College also continued development of its Fusion program. We launched Fusion: North America which takes the same robust missions training for international missions and applies it to our own continent. This tract equips and then sends students to train underneath and learn from church planters in some of the hardest-to-reach cities in North America. Upon returning to campus from service, Spurgeon College looks to retain these students, many of whom continue over the next three years to obtain a B.A. in Christian Ministry with a missions focus.

## **II. Assist churches by programs of master's level theological education for ministers.**

Midwestern Baptist Theological Seminary is still committed to emphasizing the Master of Divinity degree as its primary track for ministry preparation. Additionally, our residential Master of Arts degree offerings train students theologically for multiple roles within ministry and serve those seeking more specialized training. Midwestern Seminary also offers multiple fully-online degrees for students needing a more flexible approach to theological education or are not in a position to relocate to our Kansas City campus.

In 2019, we had our largest Timothy Track M.Div. class yet with 25 students. Timothy Track enables residential students to earn their degrees and obtain invaluable ministry experience at the same time. By partnering with numerous local churches, Midwestern Seminary provides leadership experience for students within the context of the local church while concurrently studying to earn their M.Div. degree. The program also offers students significant cost savings in tuition through scholarships during their first year of study.

Additionally, we shifted our M.A., Christian Counseling degree to a M.A., Biblical Counseling. This new curriculum will provide a base of knowledge in the sufficiency of Scripture and its interpretation for the task of counseling and soul care, in service to the biblically mandated mission and ministries of the local church. The degree change better aligns with who we are as an institution that is for the church.

Once again, Midwestern Seminary expanded its online course offerings and degree programs in 2019 as well. This provides more opportunities for online students to practically apply their knowledge within a ministry context. Through practicum-based coursework, students work with ministry leaders in the field for hands-on ministry training. This education format further enables students to earn their degree via a program that is custom fit to their educational needs. Midwestern believes its quality online programs have many strengths for ministry training and seeks to provide further training through regular on campus interaction and with ministry leaders in their local areas.

## **III. Assist churches by programs of professional doctoral education for ministers.**

Our doctoral program has continued to grow in health and numbers. Offering a modular format where students can maintain their current ministry work, students come to our Kansas City campus for a one week seminar and then complete other pre- and post-course research and writing through an online format. Concerning our professional doctorates (D.Min. and D.Ed.Min.), these tracks are designed for persons seeking high-level competence in the practice of pastoral and other ministry leadership roles within the local church. Students who typically take two to three seminars annually can continue ministering in their places of full-time ministry service while pursuing professional doctoral education.

## **IV. Assist churches by programs of research doctoral education for ministers and theological educators.**

The primary focus of the Doctor of Philosophy in Biblical Studies degree is to prepare students to serve local churches as teachers, pastors, and leaders on the highest academic,

professional, and spiritual level. The modular Ph.D. seminars involve five-day intensives held on Midwestern Seminary's campus and require significant pre-seminar and post-seminar research and writing. Similarly to our professional doctoral seminars, students taking two or three seminars yearly can remain in their places of full-time ministry service while pursuing research doctoral education.

Additionally, we added two new emphases to our Ph.D. program this past year: Biblical Theology and Biblical Counseling. We are confident that these two new emphases will help to train and develop students to be maximally prepared in both of these fields.

In 2019, we saw continued growth of our residential Ph.D. program known as "The Residency" which now has over 40 students. This cohort, led by Dr. Owen Strachan, directly benefits Ph.D. students by merging independent advanced theological research with mentorship and oversight — adding regular, intensive engagement with faculty and other theological leaders within the rhythm of the unique oncampus ministry culture of Midwestern. In this community context, The Residency continues to provide students with a unique avenue for following their calling to serve churches through the academy.

***Based on each of MBTS' Convention assigned ministry statements, what opportunities or challenges do you see on the horizon from 2020 and beyond that would necessitate changes, or new directions, in how MBTS is accomplishing the above Ministry Assignment?***

**I. Assist churches by programs of prebaccalaureate and baccalaureate theological education for ministers.**

In 2020, Midwestern will have continued focus upon two programs (which are the same two we mentioned last year): Accelerate and Fusion. The reason we repeat the same two programs from last year is because these two programs are of vital importance to Spurgeon College. The Accelerate program enables students to get into their ministry context more quickly and affordably. This "fast track" allows qualified students to receive the best education they possibly can in the shortest amount of time.

Additionally, continued focus will be upon the Fusion program, which provides first-hand missions training and experience like no other opportunities. The Fusion: North America tract is needed and we are confident that it will give students a critical education when it comes to planting churches in North America. Additionally, new partnerships are constantly being explored for Spurgeon College. Overall, both of these programs present opportunity for Spurgeon College graduates and students to serve the church, both locally and across the globe, in ways that glorify God and interact positively with an everdeclining spiritual culture.

Spurgeon College implemented a fresh Contextualized Leadership Development Program, known as the FTC Institute, to position itself to better serve local churches and those who desire further theological training in those settings. The FTC Institute is a front door to Midwestern Seminary and Spurgeon College. Through conferences, church/organization partnerships, and forthcoming online features, the FTC Institute allows churches or individual Christians to drink from the vast pool of resources for the church available through Spurgeon College and Midwestern Seminary.

**II. Assist churches by programs of master's level theological education for ministers.**

In 2020, Midwestern will, once again, place primary emphasis on the Master of Divinity degree, particularly the residential M.Div., as the gold standard degree for those seeking to serve local churches as pastors and ministry leaders. Through the Timothy Track, more residential students will be afforded the opportunity to obtain valuable, hands-on ministry experience while at the same time earning their degrees.

As mentioned last year, there is now an increased focus upon women's ministry concentrations. Students studying at Midwestern Seminary for a Master of Divinity degree can earn a concentration in women's ministry and those working toward degrees through the Midwestern Training Network can obtain a Master of Theological Studies with an emphasis in women's ministry. The main impetus for Midwestern Seminary in offering these degree concentrations is to more fully serve the local church, specifically in the area of women's ministry. Within the context of the seminary's mission of developing and maintaining strong local churches, that means we must properly educate and train members for service in each distinctive ministry within the church. Women have long-served vital areas within the local church and played key roles in spreading the gospel. These concentrations will afford them the opportunity to develop their God-given spiritual gifts and abilities to an even fuller extent.

### **III. Assist churches by programs of professional doctoral education for ministers.**

Regardless of the many challenges facing higher education, cultural shift, or economics at home or abroad, Midwestern is committed to fulfilling its ministry assignment of providing affordable professional doctoral education. The professional doctorate is a key program that equips pastors and other ministry leaders to be on the front line of controversial issues concerning the church. A key to this is regular innovation and adaptation built upon Midwestern's core degree programs.

In 2020, Midwestern will continue to refine the format of modular doctoral seminars in its professional degrees (D.Min., D.Ed.Min.), as well as offer such in conjunction with other ministry partners to further equip ministers desiring professional doctoral education.

### **IV. Assist churches by programs of research doctoral education for ministers and theological educators.**

As stated in the above section, regardless of the many challenges facing higher education, cultural shift, or economics at home or abroad, Midwestern is committed to fulfilling its ministry assignment of providing affordable research doctoral education. We will continue to offer a Ph.D. program that is affordable and comprehensive. Advanced education, such as our professional doctorate and Ph.D. programs, are crucial in preparing ministers to boldly, yet winsomely, confront a lost and dying world.

In 2020, Midwestern will continue to refine the format of modular doctoral seminars as well as offer such in conjunction with other ministry partners to further equip ministers desiring research doctoral education. Last year, we introduced two new Ph.D. emphases in Biblical Counseling and Biblical Theology to broaden the scope of ministry training available to Ph.D. candidates. Additionally, we plan to continue to promote and invest in training through "The Residency," which will offer unique opportunities on campus for those able to relocate to our Kansas City campus.

## ENROLLMENT

	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Unduplicated headcount enrollment</b>					
Prebaccalaureate (Dip-Ministering Wives)	28	39	56	46	60
CLD (taking Associate level courses)	71	129	160	222	418
Undergraduate (Bachelor's & Associate)	365	398	483	562	579
Basic Degrees					
(MDiv, MACE, MACM, MACO, MA-)	795	1,000	1,256	1,526	1,735
Advanced Degrees (PhD, DMin, DEdMin)	682	971	1,056	1,169	1,208
<b>Total</b>	<b>1,941</b>	<b>2,537</b>	<b>3,011</b>	<b>3,525</b>	<b>4,000</b>
<b>Credit Hours</b>					
Prebaccalaureate (Dip-Ministering Wives)	57	84	95	74	139
CLD (taking Associate level courses)	405	525	710	773	687
Undergraduate (Bachelor's & Associate)	6,647	6,940	8,159	9,357	10,622
Basic Degrees					
(MDiv, MACE, MACM, MACO, MA-)	9,147	12,022	14,670	17,531	19,131
Advanced Degrees (PhD, DMin, DEdMin)	3,896	4,925	5,948	6,833	7,427
<b>Total</b>	<b>20,148</b>	<b>24,496</b>	<b>29,582</b>	<b>34,568</b>	<b>38,006</b>
<b>SBC Annual Formula FTE</b>					
Annual Total	740	931	1,025	1,264	1,395
Three-year rolling average	602	743	899	1,073	1,228
<b>New Student Unduplicated Headcount Enrollment</b>					
Prebaccalaureate (Dip-Ministering Wives)	19	19	34	21	45
CLD (taking Associate level courses)	44	93	113	126	79
Undergraduate (Bachelor's & Associate)	164	170	189	228	238
Basic Degrees					
(MDiv, MACE, MACM, MACO, MA-)	359	441	594	573	680
Advanced Degrees (PhD, DMin, DEdMin)	191	307	323	380	322
<b>Total</b>	<b>777</b>	<b>1,030</b>	<b>1,253</b>	<b>1,328</b>	<b>1,364</b>
<b>Graduates</b>					
Prebaccalaureate (Dip-Ministering Wives)	0	0	3	1	0
Undergraduate					
(Bachelor's & Associate [CLD graduates])	49	56	54	97	56
Basic Degrees					
(MDiv, MACE, MACM, MACO, MA-)	104	128	133	171	224
Advanced Degrees (PhD, DMin, DEdMin)	30	38	46	71	88
<b>Total</b>	<b>183</b>	<b>222</b>	<b>236</b>	<b>340</b>	<b>368</b>

*Matter Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following item to Midwestern Baptist Theological Seminary for consideration, action, and report.

**1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** Midwestern Baptist Theological Seminary and Spurgeon College are charged with the sacred trust of preparing God-called men and women for gospel ministry in and through the local church. The scourge of sexual abuse has long been a critical issue in the local church and we have taken aims to equip ministers to recognize sexual abuse, to accurately report such abuse when it occurs, and to train pastors, teachers, and leaders to prevent sexual abuse through best-practices policies and processes.

To this end, Midwestern Seminary and Spurgeon College contracted with MinistrySafe in 2018 and built their training into the onboarding of all students, faculty, and staff. Our mandated reporters receive training at various points of the year, and our Title IX Coordinators receive specialized training relating to sexual abuse under the direction of the Dean of Students annually.

Through the Dean of Students office, our institution coordinates with local churches and counseling ministries to provide care and healing for those experiencing the results of trauma caused by sexual abuse. Additionally, as part of our requirements related to federal guidelines published in the Clery Act and Title IX of the Education Amendments Act of 1972, we regularly report to our constituencies our ongoing progress, training, and even incidents should they arise. Our policies can easily be found in our annual academic catalogs in the Student Handbook section, as well as in our reports, located on our website at: <https://www.mbts.edu/about/consumer-information>.



**NEW ORLEANS**  
BAPTIST THEOLOGICAL SEMINARY



**LEAVELL**  
COLLEGE

3939 Gentilly Boulevard, New Orleans, Louisiana 70126

**GARY SHOWS, Chairman**  
**JAMIE DEW, President**

On behalf of the New Orleans Baptist Theological Seminary and Leavell College family, I extend you greetings. I offer my deep thanks and gratitude for the men and women and churches of the Southern Baptist Convention that you represent. NOBTS and Leavell College depend on the partnership of Southern Baptists through the Cooperative Program to accomplish the ministry assignment we have been given to fulfill.

I have now reached the one-year anniversary in my presidency at NOBTS and Leavell College. Much has been accomplished and the days have been full. We have plenty of work left to do, but I and the rest of the NOBTS and Leavell College family are taking great joy in the work we are doing. One of the first things we have done is to consider the mission of NOBTS and Leavell College. We looked carefully at what NOBTS and Leavell College have accomplished in the last one hundred years and the impact she has had in the region. We considered what NOBTS and Leavell College are positioned to do well right now for the Kingdom. Finally, we looked ahead to the great things God will accomplish through the NOBTS and Leavell College family. At the end of that process, we had determined a mission statement that will, as long as I serve in this role, drive everything we do as an institution.

New Orleans Baptist Theological Seminary and Leavell College prepare servants to walk with Christ, proclaim His truth, and fulfill His mission.

We pray that God will send us men and women with the disposition of servanthood ready and willing to serve the Kingdom. As an institution, we will prepare these servants to walk closely with Christ. We will prepare these men and women to answer God's call to proclaim His truth wherever He will lead them. NOBTS and Leavell College will prepare these Kingdom servants to fulfill His mission in the smaller-membership churches, in the hard, inner-city neighborhoods, in church plants, on the international mission field, or to whatever ministry God calls them to accomplish. We believe so strongly in this mission that it will become the ethos of everything we do.

In the past year we have also hired three vice-presidents to lead key divisions of the institution: enrollment (Larry Lyon), development (Mike Wetzel), and business affairs (Pattie Shoener). These individuals are ready to serve and retell the story of NOBTS and Leavell College.

When I arrived, I was delighted to learn of the men and women of the NOBTS and Leavell College family who serve faithfully as faculty, staff, and students of this institution. They serve in ministries across the city and region, all while leading their classes and serving the students of NOBTS and Leavell College. All of our faculty serve faithfully in local churches, many of them in leadership and staff positions. Our faculty serve just as so many of our pastors do, in bi-vocational ministry. The students of NOBTS and Leavell College are dedicated to their studies while also serving in the churches around our region. Over one hundred of our students serve in leadership or attend NAMB church plants in the New Orleans area.

When I was elected as President, I shared with the NOBTS and Leavell College trustees that I would focus on four initiatives in my first few years. I am committed to the following initiatives as we seek to build on the work of the last one hundred years:

1. Leavell College. We are going to dedicate ourselves to making Leavell College into the regional college for those men and women preparing for gospel-ministry.
2. Enrollment. NOBTS and Leavell College are going to work hard to recruit men and women ready to be servants in the Kingdom. We are going to work just as hard to help them finish their degree as quickly and efficiently as possible.
3. Communications. NOBTS and Leavell College have much to offer the churches of the SBC. We are going to tell the story of this place and her people and the faithful service offered each day.
4. Denominational Relationships. We are going to work hard to serve the churches of the SBC to build relationships and partnerships. We seek as an institution to faithfully steward the men and women and financial resources the churches of the SBC send to New Orleans.

These are fun and exciting days at NOBTS and Leavell College. My family and I have quickly come to love the city of New Orleans alongside the NOBTS and Leavell College family. We are grateful for the opportunity to answer God's call in such a beautiful place.

Pray for us. Come visit us.

Your servant,

Jamie Dew

President, New Orleans Baptist Theological Seminary and Leavell College

### ***Ministry Goals and Accomplishments***

*(All SBC entities present informative ministry reports to the Executive Committee each February in compliance with the provisions of SBC Bylaw 18 E (12). New Orleans Baptist Theological Seminary has requested that the content of this report be taken from its 2020 Ministry Report, previously tendered to the Executive Committee.)*

***Please describe accomplishments, relative to each of your convention assigned Ministry Assignments, in the past year that create “value added” to the Cooperative Program dollars that New Orleans Baptist Theological Seminary receives.***

#### **I. Assist churches by programs of pre-baccalaureate and baccalaureate theological education for ministers.**

Leavell College trains God-called men and women without an undergraduate degree for ministry. Last year, Leavell College of NOBTS trained 1,668 undergraduate students through courses for credit on the main campus, at extension centers, and online — a slight increase over the previous year. This total does not count a large number of certificate students enrolled in not-for-credit courses offered in church and associational settings.

Many of our students are older, second-career individuals called into ministry later in life, who can fill the many bi-vocational and small church ministry positions in the SBC. Our highest concentration of ethnic or minority students who can serve in ethnic church settings, particularly African-American, French-speaking Haitian, Hispanic, and Korean students is also in Leavell College. In recent years, Leavell College has seen an increase in traditional students who know that God wants to use them in some manner but are not sure of what that might entail. Last year, Leavell College trained 424 for-credit certificate students. Many of these certificates were for pastors who will not otherwise receive any theological education. In addition, our certificates

include laypersons from large and small churches. Our certificate programs are our most ethnically diverse programs and address the initiatives in this area by the SBC.

In 2019, NOBTS developed the Accelerated B.A. + M.Div. program that allows students to earn their bachelor's degree and Master of Divinity degree within five years. This program was made possible through a grant and allows students to enter into full-time ministry more quickly while saving both money and time. NOBTS is excited about the possibilities of this new opportunity for students.

## **II. Assist churches by programs of master's level theological education for ministers.**

NOBTS had 1,614 master's-level students last year, 833 of those were Master of Divinity (M.Div.) degree students, which we consider the standard ministry preparation degree. Many students at NOBTS and other seminaries have transferred to shorter M.A. degrees offered online, at extension centers, and on campus. The remaining 781 master's-level students were in various degree programs that provide focused training for discipleship ministry, music ministry, specific areas in theological and biblical studies, or counseling ministry.

One of our primary assignments from the Convention is to train master's-degree students, and we focus a great deal of effort on this task. The seminary master's programs do not require an undergraduate degree in Religion or Christian Studies. Therefore, the training is typically broad. Students receive a solid biblical and theological foundation along with practical training in areas like discipleship, pastoral ministry, and counseling. We measure our health by the churches and ministries our graduates lead and we strive to prepare them to serve effectively in ministry.

Students who study at NOBTS receive a world-class education from faculty who have built their lives upon the Word of God. The faculty at NOBTS not only teach and publish in their areas, but they are involved in local church ministry and missions. Thus, students have the opportunity to learn from those who are doing ministry.

## **III. Assist churches by programs of professional doctoral education for ministers.**

The D.Min. (Doctor of Ministry) and D.Ed.Min. (Doctor of Educational Ministry) at NOBTS continue to be among the strongest such programs in the nation, with 331 students enrolled last year. The D.Min. program continues to be one of the largest and best such programs, with 275 students enrolled. Of that number, 46 are Korean D.Min. students.

The NOBTS D.Ed.Min. is one of just a handful of such programs in the United States. The D.Ed.Min. has 46 students enrolled. In many churches, the D.Min. has become the required degree for consideration of prospective pastors. This program provides students with that credentialing, and does so with excellence. Since the D.Min. and D.Ed.Min. programs only accept ministers with three or more years of experience, these degrees probably do more than any academic degree to help ministers make mid-career adjustments in their own ministry that positively impact the churches and ministries in which they serve.

Professional doctoral education provides an opportunity to impact churches immediately since students pursuing the D.Min. and D.Ed.Min. degrees are able to continue to minister in their churches. NOBTS provides training in a workshop format designed to allow students to continue in their place of service. Students unable to travel to New Orleans are also able to participate in most seminars through web conferencing software or at a nearby extension site. Thus, NOBTS is providing opportunities for this training in a variety of ways.

#### **IV. Assist churches by programs of research doctoral education for ministers and theological educators.**

NOBTS has worked hard to make the research doctoral degrees accessible for students wherever they might live. Each Ph.D. major is available through web conferencing technology or in person. Many students pursue a Ph.D. who would otherwise not be able to attain the degree because they are called to a church at some distance from New Orleans. Students make limited trips to New Orleans, while the majority of their seminars are available through live-stream offerings.

In part, because of the availability of the degree, NOBTS has seen continued growth in the research doctoral programs in recent years. Last year, 190 students enrolled in the Th.M., Ed.D., D.M.A., and Ph.D. programs — which was an all-time high in enrollment. NOBTS is consistently evaluating the research doctoral degrees to be sure we are offering the appropriate curriculum. Each degree program was created to meet a need in Southern Baptist life. NOBTS is training the next generation of seminary and college teachers and providing highly trained practitioners in every area of ministry.

*Based on each of NOBTS' Convention assigned ministry statements, what opportunities or challenges do you see on the horizon from 2020 and beyond that would necessitate changes, or new directions, in how NOBTS is accomplishing the listed Ministry Assignments?*

#### **I. Assist churches by programs of pre-baccalaureate and baccalaureate theological education for ministers.**

The greatest challenge confronting most undergraduate students is the problem of affordability and student debt. Many of our older students have children and it is very difficult for them to juggle several jobs (ministry and secular) in order to get by while earning their theological education. NOBTS has sought to address this by instituting the tuition cap. Qualified students who take between 12 and 18 hours pay the same tuition. Thus, students are able to save \$1,650 each semester if they can focus on being a full-time student. Partially because of the financial challenges, many students take fewer hours than they should each semester, which extends their time to completion. The end result is that students may not complete their degree at all. NOBTS continues to encourage students to take the appropriate amount of courses to facilitate successful completion of their training.

The new Accelerated B.A. + M.Div. program at NOBTS represents a great opportunity for Leavell College students. This program allows students from a Baptist college to save significant time and money while earning their Master of Divinity degree. Leavell College students could earn their bachelor's degree and the Master of Divinity degree in as little as five years while saving thousands of dollars. The rising costs associated with education remains a significant threat to Southern Baptist education, particularly for places focused on training ministers.

#### **II. Assist churches by programs of master's level theological education for ministers.**

New Orleans Baptist Theological Seminary remains committed to providing quality education for the current and future leaders of the SBC. We will continue to emphasize the Master of Divinity degree that provides the broadest type of training. In addition, we have developed multiple master of arts degrees to meet the specialized needs of students.

While encouraging every student to come to New Orleans and invest in the city as our faculty invests in them, we will also continue to develop and improve our offerings to those students who are unable to move to New Orleans. The mentoring program of NOBTS allows students

to gain practical experience while gaining their theological education. We are convinced that partnering with churches to equip students for ministry is a great opportunity for students. In addition, NOBTS offers online training that allows students to participate in live classes through NOLA2UFlex classes. These classes let students participate in the class while it is meeting from their own home or office or watch the recording in the next week and follow up through various online activities.

### **III. Assist churches by programs of professional doctoral education for ministers.**

Our professional doctorate programs are among the best in the country. We are continually striving for excellence. In addition to constant attention to be sure we are offering the specialization offerings and courses that students need, NOBTS works hard to find ministers who need further training and are willing to invest the time and energy needed to that end. Maintaining excellence with the responsibility of a large student body that requires a great deal of individualized attention remains a consistent challenge. NOBTS continues to utilize every means available to make professional doctoral training available to those who are interested as well as to equip students to succeed. Students who are unable to come to New Orleans for classes are able to use webcasting technology to participate in most of the professional doctoral classes enabling them to focus their energy and time in the local church setting.

### **IV. Assist churches by programs of research doctoral education for ministers and theological educators.**

The Ph.D. program at NOBTS continues to grow, partially because of the quality of the program and its accessibility. Every degree major is available to students who do not live in New Orleans through web conferencing technology; we expect to continue to see growth. Students have appreciated the ability to participate in the class as if they were there in person while remaining on the field of ministry. We will continue to seek to expand our offerings while maintaining the most efficient program possible.

### *Statistical Tables*

#### **Enrollment**

<b>Basic Degrees</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Graduate Certificate	161	125	102	100	81
M.Div.	1,096	1,059	1,000	878	833
M.A.C.E.	172	171	142	130	134
M.M.C.M.	34	26	23	23	18
D.Min.	313	321	313	278	275
D.Ed.Min.	56	55	53	48	46
Th.M.	48	75	64	52	59
Ph.D.	128	64	82	100	95
D.M.A.	16	17	13	15	19
EDD	6	7	8	9	9
M.A.M.F.C.	34	33	38	45	78
M.A.	75	121	198	304	379
MTS	84	75	60	52	64
Diploma	0	0	0	0	0
Certificate	677	687	624	713	699
Associate	135	146	105	97	93
Baccalaureate	818	812	879	826	870

**Enrollment (continued)**

Basic Degrees	2014-15	2015-16	2016-17	2017-18	2018-19
Internet	*498	*540	*595	*669	*711
Nondegree	103	94	74	64	51
Formula allowances for off campus programs	163	157	151	144	249
<b>Total FTE Enrollment</b>	<b>3,956</b>	<b>3,888</b>	<b>3,778</b>	<b>3,734</b>	<b>3,803</b>

\* This amount is included in the degree programs.

**Annual Accumulative Enrollment (nonduplicating head count) 2018-2019: 3,803**

Graduates	2014-15	2015-16	2016-17	2017-18	2018-19
Prebaccalaureate	191	137	170	205	149
Baccalaureate	87	86	117	95	154
Graduate	205	217	230	210	259
Doctoral	40	76	53	59	62
<b>Total</b>	<b>523</b>	<b>516</b>	<b>570</b>	<b>569</b>	<b>624</b>

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**Motion:** Phillip Bethancourt, Tennessee

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**Response:** New Orleans Baptist Theological Seminary is committed to the prevention of abuse within the institution and in the churches and other ministries where our graduates serve. We have historically trained students in preventing sexual abuse and in ways to care well for victims, and we have added or increased several significant parts of this effort since the 2018 SBC Annual Meeting in Dallas. The seminary president gives institutional leadership and takes a personal role in this effort. NOBTS provides the following to increase awareness, prevent abuse, and care for victims:

- Ministry Safe prevention training for all students, staff, and faculty within their first year in the seminary. This material is included in required first-year courses for all students. (added since 2018)
- Annual, in-person sexual abuse and sexual harassment prevention training for full-time faculty and staff. (added since 2018)
- Criminal background checks on all faculty, staff, and degree-seeking students. (increased scope since 2018)
- A specific address by the president to smaller groups of students at New Student Orientation emphasizing the institutional priority of protecting the vulnerable,

maintaining a safe and healthy campus environment, and responding well to sexual abuse and harassment. (added since 2018)

- Meetings in residence halls conducted by hall staff, Student Affairs staff, and senior administrators to ensure student understanding of NOBTS policies, procedures, ways to access help, and our commitment to protecting and caring for students. (added since 2018)
- Student Affairs staff train regularly in this area, and the Associate VP for Student Affairs serves as our liaison to the Sexual Abuse Advisory Group.
- A female Student Affairs staff member is employed specifically for women students to process experiences and seek counsel or advocacy in situations where abuse or harassment may be at issue.
- Security cameras and specific training for The REC center staff help ensure safety and abuse prevention in the recreation center.
- Undergraduate core course that includes sexual abuse prevention using the Darkness to Light material and graduate-level core courses that include training on abuse, caring for victims, and prevention of abuse in the church.
- Graduate-level counseling program coursework including a course on trauma counseling in which students learn the most effective, empirically-supported interventions for trauma care for children and adults in a Christ-centered counseling environment; a course on trauma-informed care for adoptive and other children from abusive backgrounds; counseling model courses including specific interventions for the counseling and care of victims.
- Individual and group counseling on campus at no cost for students recovering from past trauma or abuse.
- Counseling through a local Christian counseling agency available at no cost for faculty.
- A director-level police liaison to local law enforcement agencies and on-site legal counsel work with administration to facilitate timely and appropriate reporting to law enforcement, as well as protection of victims and the campus community in cases of suspected sexual abuse or assault.
- Regular group counseling opportunities for students struggling with issues of sexual integrity.
- Weekend conferences related to issues of sexual purity and sexual integrity.



P.O. Box 1889, Wake Forest, North Carolina 27588-1889

**REBECCA L. GARDNER, Chairman**  
**DANIEL L. AKIN, President**

Southeastern Baptist Theological Seminary, a seminary that seeks to equip students to serve the church and to fulfill the Great Commission. It is my prayer that our seminary would be an institution that is consumed by the Great Commission. Southeastern has been blessed in recent years. Our student population has grown to more than 4,700 students, and this is our 11<sup>th</sup> year of record enrollment.

God has been very, very good to us. With the growth of the College and the Seminary, we are on pace to break 5,000 students in the near future. God continues to bless Southeastern Seminary as we hold fast to the gospel and remain fervent in our commitment to fulfill the Great Commission.

We continue to remind ourselves of this foundational truth: The church can live without the seminary, but the seminary cannot live without the church. When seminaries do their job well, they provide an invaluable service to the churches of the Lord Jesus Christ. We see that as our calling and we see that as central to our identity.

It is my joy to share with you some of the new and exciting things that we are doing at Southeastern Baptist Theological Seminary. Let me begin with our graduate programs. At the graduate level, we continue to have a thriving Master of Divinity program and are constantly working to develop degrees that will equip students to serve the church and fulfill the Great Commission. We have just launched a number of new programs for Ministry to Women, in particular, our M.A. in Ministry to Women and Biblical Counseling, our Master of Theology in Women Studies, and the Doctor of Ministry in Ministry to Women. These degree programs put Southeastern at the forefront of educating and equipping women for ministry in accordance with our complementarian theology. We believe there is no better place for women in ministry to study than at Southeastern Baptist Theological Seminary.

We have also launched a series of Church Revitalization degrees that we are really excited about in partnership with Thom Rainer and Church Answers. With Dr. Rainer teaching in the program, we will be offering a M.A., M.Div. and D.Min. in Church Revitalization. Lifeway Research tells us that 70% of the churches in the Southern Baptist Convention are either declining or they have plateaued. There is perhaps no greater need for our Convention today than that we would revitalize churches. So Southeastern is ready to meet that need by training pastors to lead these churches out of complacency and onto the mission that God has called all of us to be in terms of reaching our neighbors for Jesus Christ.

The College at Southeastern, in addition to our incredible graduate program, is doing a tremendous job and growing at a rapid pace. We are investing heavily in our undergraduate students. This year we are celebrating the College's 25<sup>th</sup> anniversary. We continually say that The College at Southeastern is more than a college, it is a calling. So whether our students become teachers, business people, lawyers, missionaries or pastors, we believe God has a plan for them to be involved in His mission. We want to equip students to give their lives for the cause of Christ in the church, among the nations, and in every aspect of society.

We believe that we are uniquely placed in our state to do this. Think about our confession: we are the only evangelically accredited four year college in North Carolina affirming four doctrinal statements. Our curriculum: with a vast spectrum of majors and minors and the history of ideas

program as the centerpiece, we are training students to think well and to think Christianly. Our community: our House System is thriving, helping cultivate student communities that foster Great Commission living, academic excellence, community identity, and enduring friendships that will last for a lifetime. We really believe that The College at Southeastern is a special place and we are thankful as we continue to watch it grow each year.

Let me talk to you about our North Carolina Field Minister Program. In partnership with the North Carolina Department of Public Safety and Joe Gibbs with Game Plan for Life, we are providing theological training through our college to long-term inmates who will then live on mission in their respective assignments within our prison system. These students have sentences of more than 12 years, most are 40 years to life. And yet, we are equipping them to transform the prison community from the inside through evangelism and discipleship training. We are offering a Bachelor of Arts in Pastoral Ministry through The College at Southeastern, and we now have more than 70 students in the program preparing to serve within our prison system. We will see our first graduating class in May 2021.

We also continue to focus on theological training overseas. Southeastern maintains a global focus that reaches from North America literally to the ends of the earth. We don't just take theological training seriously in North Carolina, we also extend that training beyond the walls of Wake Forest into other parts of the world through what we call our Global Theological Initiatives (GTI). Our goal is to provide global theological training, and our partnerships now include places like Brazil, Mexico, Uganda, Dominican Republic, Ukraine, Korea, and Hong Kong. Soon we hope to lay the foundation to start a government-approved seminary in the country of Vietnam. Through our Persian Leadership Development Program, aimed at providing church leaders with theological education in their own language of Farsi, today we have now more than 1,000 Farsi speakers taking classes online with Southeastern. There is really no other program like this in the world. God is working mightily among the Farsi speakers in Iran and America and Southeastern is delighted to be a part of this incredible initiative.

At Southeastern, we are consumed with a global focus. We are certain in our doctrinal conviction. We are committed to ministry preparation. And we are characterized by a spiritual vibrancy. So thank you, Southern Baptists, for your prayers and your support. Our focus remains for all of our students, faculty, and staff, to be about the business of going and making disciples of all the nations. It is our calling to equip every student to serve the church and to fulfill the Great Commission. By His grace and for His glory, we want to do this until King Jesus returns again. We hope to be a faithful Great Commission seminary until that day.

Danny Akin,  
President

**Enrollment Figures by Degree Programs and Full-Time Equivalent (FTE) Students  
as Per the SBC Funding Formula**

	<b>2014- 2015</b>	<b>2015- 2016</b>	<b>2016- 2017</b>	<b>2017- 2018</b>	<b>2018- 2019</b>
<b>Special Students</b>					
Credit Only	193	320	288	458	888
Certificate/Diploma	263	255	353	467	552
<b>Special Student Total</b>	456	575	641	925	1,440
<b>Prebaccalaureate &amp; Baccalaureate</b>					
Associate of Divinity	30	23	23	23	17
Associate of Arts	14	12	5	3	11
Bachelor of Arts/Science	424	418	396	475	514
<b>Prebaccalaureate &amp; Baccalaureate Totals</b>	468	453	424	501	542
<b>Basic Programs</b>					
Master of Arts	532	608	611	703	739
Master of Church Music	6	2	2	1	-
Master of Theological Studies	48	169	125	266	204
Master of Divinity	1,382	1,206	1,209	1,225	1,231
<b>Basic Programs Total</b>	1,968	1,985	1,947	2,195	2,174
<b>Advanced</b>					
Master of Theology	66	74	70	67	74
Doctor of Ministry	221	218	254	271	262
Doctor of Education	74	77	83	86	90
Doctor of Philosophy	178	197	205	205	193
<b>Advanced Total</b>	539	566	612	629	619
<b>Total Unduplicated Headcount</b>	3,431	3,579	3,624	4,250	4,775
<b>Cooperative Program Funded FTEs</b>					
Full-Time Equivalent Students	2,106	2,155	2,161	2,337	2,412
<i>Unfunded FTEs</i>					
Over 70 Hours BA Deduction	(75)	(76)	(69)	(65)	(68)
Online SBC FTE Students	(377)	(430)	(495)	(555)	(655)
Adv Degree Students Past Time Allowance	(219)	(226)	(247)	(255)	(295)
Non-SBC FTE Students	(101)	(145)	(136)	(246)	(209)
<i>Total Unfunded FTEs</i>	(771)	(877)	(947)	(1,121)	(1,227)
<b>Total Cooperative Program Funded FTEs</b>	1,335	1,278	1,214	1,216	1,185
<b>Graduates</b>					
Prebaccalaureate & Special	3	20	39	46	42
Baccalaureate	62	57	52	69	46
Basic Programs	311	291	312	283	336
Advanced	39	79	68	70	84
<b>Total Graduates</b>	415	447	471	468	508

### *Matter Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following item to Southeastern Baptist Theological Seminary for consideration, action, and report.

**1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** Southeastern Baptist Theological Seminary is fully supportive of the work of the Sexual Abuse Advisory Group. SEBTS has worked to ensure that our campus has the resources and training necessary to help prevent sexual abuse and provide an environment where those who have suffered from abuse at any time in their life can receive the care and support they need to flourish.

1. What is the entity doing to foster effective abuse awareness, prevention, and care?

SEBTS employs the use of background checks for all employees, and background checks are also included as a part of the application process for all prospective students. If someone has been convicted of a sex abuse crime in the past, this effort will allow us to take the steps necessary to help ensure that no one on campus is put at risk.

Our Student and Employee Handbook makes the SEBTS policy clear that we do not tolerate abuse, neglect, and exploitation. We also encourage the reporting of even suspected incidents.

SEBTS has a Counseling Center that is available to all on campus for those seeking help on a variety of issues. This center is equipped to deal with domestic and sexual abuse issues and is prepared to assist with intake, initial counsel, and then make referrals to other professionals when necessary. In addition, our Student Life Staff has been trained to notify Campus Security authorities in all reported or suspected cases. Similarly, our Residence Life Staff has been trained on recognizing signs of abuse and harassment and on proper reporting protocols. We have worked with the senior leadership of this institution as well as with our security department to develop an “emergency response team” and “emergency response team protocol” on how to identify and report potential threat.

In order to raise awareness among our student body, we have instituted a policy in which all of our incoming students are required to watch a training video that helps inform students on how to recognize and report harassment and abuse as part of New Student Orientation training. This video training features the insight and advice of a local lawyer who specializes in domestic and sexual abuse litigation.

Regarding curriculum for ministry preparation, our Biblical Counseling professors address abuse and trauma in several classes. M.Div. students receive instruction on how to handle abuse and response to accusations of abuse in the BCO5500: Introduction to

Biblical Counseling, and faculty is currently taking steps to add significant portions of the *Church Cares* curriculum to BCO5500. This addition includes a number of the videos from the curriculum and making the book that accompanies the curriculum required reading. The reporting requirements are also taught in BCO7501: Practicum 1, and covered in B06570: Counseling Parents and Children during lectures that address counseling children and parents in the midst of/after instances of abuse. Post-traumatic Stress Disorder and counseling abused and traumatized adults are dealt with in BCO6551: Counseling Problematic Emotions. In a Doctor of Ministry seminar, DMN 8161: The Minister as Person and Professional, the *Church Cares* curriculum will be required reading.

2. What additional steps has the entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas?

Since the annual meeting in Dallas, SEBTS has taken the opportunity to review all policies and procedures to make sure they are current and comprehensive. In addition, though unrelated to the actions in Dallas, but related to the topic of abuse awareness, prevention, and care, SEBTS' Director of Campus Security has been established as our Title IX Coordinator. Title IX encompasses the federal regulations that educational institutions are required to follow to cover issues of protection in the cases of sexual abuse and misconduct.

SEBTS has also implemented a Threat Assessment Tool. This program is a web-based application provided through a company called CLPS Consultants in partnership with Utica, SEBTS' liability provider. This tool provides a standardized method of investigating and recording various kinds of threats to the SEBTS campus and community. The tool also analyzes the results of any investigation and makes recommendations on the further handling of and monitoring of involved persons. Campus Security and many personnel from Student Life have been trained on the use of this program for investigative purposes.

3. How is the entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?

Those in leadership at SEBTS have all read the Caring Well report produced by the Sexual Abuse Advisory Group, and have made our students aware of the resource. We fully support the work of the Sexual Abuse Advisory Group and desire to continue to see this effort provide relief and care for the victims as well as help to train to protect victims in the future.

SEBTS will have in place, by the next Annual Meeting, a requirement for all students to complete the Caring Well certificate as well as additional certificate work focused on sexual abuse prevention and care for victims.



**THE SOUTHERN BAPTIST  
THEOLOGICAL SEMINARY**

**2825 Lexington Road, Louisville, Kentucky 40280**

**F. MATTHEW SCHMUCKER, Chairman  
R. ALBERT MOHLER, JR., President**

I am privileged once again to present the following report on behalf of The Southern Baptist Theological Seminary. Thank you for all you do on behalf of Southern Baptists and our seminaries.

We never forget to whom we belong. The Southern Baptist Theological Seminary belongs to the churches of the Southern Baptist Convention. The sole purpose for which this institution was established in 1859 was to train God-called ministers for faithful service in the SBC. The gospel of Jesus Christ is the great passion of Southern Seminary. The training of ministers is our central mission—indeed, the most glorious mission invested to any institution anywhere on planet earth.

Right now, at Southern Seminary, we have almost 5,500 students enrolled. From the programs offered at Boyce College, to the M.Div. and Ph.D. degrees, this Southern Baptist institution offers a theological education accessible to everyone. The extraordinary expansion of our online program means that there is now nowhere on earth within internet's reach where courses offered by our world-class faculty cannot reach. This means Southern Baptists are teaching students we've never taught before.

On behalf of Southern Seminary, I want to say thank you for your generosity and continued support through the Cooperative Program. Our students are able to partake of the quality education offered at our institution, while paying rates of tuition far below what they would cost anywhere else. Our main goal is that these students are taught exactly what you want them to be taught. With your support, we are able to graduate more students free of debt. Where debt is one of the greatest enemies of the Great Commission, the Cooperative Program is one of its greatest friends.

If you look across the landscape of theological education, most institutions are declining. Many schools are faltering, merging, and some will pass from existence. The market for theological education is not big in a secularizing country—except for those places where there is firm faith and gospel commitment. The Southern Baptist Convention and its seminaries stand upon that conviction, contending for the faith once for all delivered to the saints. The strength of your seminaries stands in stark contrast from what we see happening around the world.

At the midpoint of the last century, American denominations faced a decision. The vast intellectual, moral, and cultural changes of the twentieth century fueled the liberalization of the denominations described as the Protestant Mainline—the Episcopal Church, the United Methodist Church, the Christian Church (Disciples of Christ), the United Church of Christ, the Evangelical Lutheran Church in America, the Presbyterian Church U.S.A., and the American Baptist Churches—that all accommodated to theological liberalism and are experiencing dramatic numerical decline, even collapse.

Here is an interesting fact: At the middle of the last century, mainline liberal Protestantism was considered the looming theological reality and evangelicals, including Southern Baptists, were considered the outsiders and the outnumbered. We remain outsiders, in the sense of that denominational world, but it is the liberal denominations that have collapsed.

Let us be thankful again that in the Southern Baptist Convention, it is the conservatives who stayed and the more liberal/moderate faction who left. Look to the seminaries to see the effect.

Indeed, Southern Baptists made monumental decisions over the last several decades concerning theological education. First, that the SBC would have a system of six separate schools, bound by a single denominational commitment and included within a single Cooperative Program budget line and percentage. Second, that the Cooperative Program budget would fund *seminaries* and not *students*. Those decisions were made decades ago, and the wisdom is clear. Funding is based on a formula driven by actual enrollment, but it is stewarded by the seminaries as accountable to the SBC. This has allowed Southern Baptists to build a seminary system beyond the imagination of other denominations.

Our students know, and are constantly reminded, that their education is made possible by Southern Baptists through the Cooperative Program. They know that the generous support through the Cooperative Program is what makes their theological education affordable.

Southern Baptists have made this education possible by means of the Cooperative Program and through the disciplines of the Funding Formula that have created a platform for stability and strength, along with accountability, for many years. The formula rightly requires the six seminaries to put primary emphasis on training pastors in residential programs centered in the Master of Divinity.

The emphasis on the M.Div. centers the entire institution on the preparation of pastors. That successful emphasis also requires a tremendous amount of energy and commitment on the part of the entire school, prioritizing the M.Div. and its support.

Our business model, adopted over 20 years ago, maximizes the stewardship of the entire program by adding the undergraduate program of Boyce College. Now a well-respected, 4-year undergraduate school, the program offers a first-rate Christian worldview education, made possible by the prior existence of the entire SBTS campus and instructional infrastructure. The business model is working and Boyce is now making a net contribution to the total SBTS budget, providing support for the graduate program. This only works if tuition support is generated by quality at the undergraduate level.

As you know, SBC formula FTE is a subset of total institutional FTE—and for good reason. The formula prioritizes certain programs and principles, including the preservation of an on-campus educational program. The wisdom behind this is compelling. First, the on-campus program proves to be the best context for theological education. Second, the quality of the off-campus program is entirely dependent on the quality of the on-campus program. Put bluntly, there will be no quality anywhere if quality is not established on-campus. Why? Because the strength of the program is the faculty, and quality faculty (in terms of scholarship, longevity, work production and publishing, and comprehensive impact) are not attracted to or financially supportable by a primarily off-campus or online program.

I am proud to say that at The Southern Baptist Theological Seminary our enrollment is now the largest of all ATS accredited seminaries. For this we are exceedingly thankful. The spirit on campus will inspire any Southern Baptist. God has given us a future, and we can see the future of the Southern Baptist Convention taking shape right on our campus. This is a generation that has already been swimming against the culture tide. They know what they are going to face in the context of a rapidly secularizing culture.

Those students are taught by the faculty we have been able to build over the last 27 years – a faculty second to none in the history of modern theological education. We are also blessed by outstanding leadership additions in the past year. Dr. Matthew J. Hall now serves as Provost and Senior Vice President for Academic Administration. Dr. Paul Akin has joined us as Dean of the Billy Graham School of Missions, Evangelism, and Ministry. Dr. Dustin Bruce has joined us as Dean of Boyce College. We are also thankful for more than 15 significant recent additions to

the Southern Seminary and Boyce College faculty. We are involved in several big projects on the campus, but all are designed to maximize stewardship. Over the course of the last 27 years, we have strategically avoided adding large construction projects to the campus that would drain institutional resources.

Long-term trendlines include the growth of the online academic programs and increased enrollment and investment in our Hispanic Initiative. We are constantly looking at the future, seeking opportunities to endure lasting viability in terms of finances, faculty, and student resources.

In this generation, God is raising up the most amazing group of ministers, preachers, missionaries, and others, who will serve Christ and take the gospel around the world. In an age of so much secular pressure on the church, the Lord is raising up those ready to stand against that pressure—to be bold for the gospel. The students that come from your churches are incredibly bright, talented, and committed to Jesus. Our hope and prayer is that we send these students back to you, into the pulpit, and into the world, equipped with the finest theological education the world has to offer.

My commitment—the commitment of The Southern Baptist Theological Seminary—is to serve Southern Baptists with faithfulness, teaching the full wealth of biblical Christianity to as many as we can, as faithfully as we can, as joyously as we can, for as long as we can.

Sincerely,

R. Albert Mohler, Jr.

President, The Southern Baptist Theological Seminary

### ***Ministry Goals and Accomplishments***

*(All SBC entities present informative ministry reports to the Executive Committee each February in compliance with the provisions of SBC Bylaw 18 E (12). The Southern Baptist Theological Seminary has requested that the content of this report be taken from its 2020 Ministry Report, previously tendered to the Executive Committee.)*

***Based on each of SBTS' Convention approved Ministry Assignment, please describe accomplishments in the past year that create "value added" to the Cooperative Program dollars that SBTS receives.***

#### **I. Assist churches by programs of prebaccalaureate and baccalaureate theological education for ministers.**

Boyce College, the undergraduate school of The Southern Baptist Theological Seminary, continues to serve a growing student population of Southern Baptist college students. These students are receiving a Christian education of the highest quality and relevance. The aim of Boyce College is to raise up a new generation of leaders for faithful service in our churches and the mission field. Boyce attracts students who are already serious about their faith and challenges them to grow in their commitment to Christ and His church while they pursue undergraduate education. This depth of conviction has resulted in healthy growth as more and more students are drawn to Boyce's theological clarity and academic rigor. The non-duplicating headcount at Boyce College was 1,099 students in 2018-2019.

The professors at Boyce College are not only recognized experts in their scholarly fields, but they also possess a clear commitment to shepherd and mentor their students. This is why Boyce students receive excellent instruction in the classroom, as well as a vibrant, all-around student experience. Resident advisors work to cultivate biblical community within the residence halls. Students are exposed to a number of Southern Baptist pastors and leaders through weekly dorm meetings and chapel services. Student groups, such as the student council and an undergraduate academic journal, provide students with opportunities to develop leadership skills and experience that will serve them and our churches in the future. The honors program

continues to grow and gives students in the program an opportunity for a deeper and more challenging academic experience. This program has proven effective in attracting some of the sharpest young minds in the SBC.

## **II. Assist churches by programs of masters' level theological education for ministers.**

The central mission assignment for the seminaries is the education of pastors. That reaches back to our founding in 1859. The Master of Divinity program forms the core of Southern's efforts to provide master's level theological education. This is then supplemented through various master's level offerings, such as our Master of Arts in Biblical Counseling, Missiology, Theological Studies, and more. The Global Campus continues to expand as a vehicle for delivering theological education to master's students around the world. Students from all fifty states, the District of Columbia, and over twenty countries are enrolled in degree programs. Within the Global Campus, the Online Hispanic Program has grown exponentially, which helps prepare and train ministers of the gospel in the Spanish-speaking world.

The significance on the M.Div. centers the entire institution on the preparation of pastors. The M.Div. program continued as the largest program at the seminary with a total enrollment of 2,208 students for 2018-2019, which is a 4% increase from the previous year. In an era when the M.Div. is experiencing wide-spread decline, we are particularly proud of the work the Lord has done in raising up so many current and future pastors and entrusting us with their education. Southern Seminary also maintains an unparalleled faculty whose focus remains on instructing master's level students. In addition to their classroom responsibilities, our faculty also continues to set the pace for serving in local SBC churches, speaking at conferences, and contributing to evangelical scholarship through writing books and delivering academic presentations. In 2018-2019 alone, Southern Seminary professors published over 25 books and contributed many articles to various academic journals. When you enter a classroom at Southern Seminary, you will find one of many consecrated Christian scholars whose commitment to the gospel, to the church, and to the Lord Jesus Christ is translated into a love for students and the task of teaching.

## **III. Assist churches by programs of professional doctoral education for ministers.**

Southern Seminary offers professional doctoral education through the Doctor of Ministry and the Doctor of Educational Ministry. For the 2018-2019 academic year, the total annual headcount for all Professional Doctoral Studies degree programs was 411 students. Specific attention was paid to prospective student recruitment efforts. Completing a degree while in full-time ministry can be challenging, so at Southern, professional doctoral students begin their program with a plan. Trained mentors guide students toward completion at a healthy pace, ensuring a greater number of students not only complete the program, but achieve the level of growth they desire. Southern Seminary continues to add value to the student experience through chapel services, focused panel discussions, and writing mentors throughout the program. The Broadus Society Fellowship exposes students to experienced preachers and provides a venue for mutual encouragement. Our graduates continue to hold key leadership positions in our SBC local associations, state conventions, and national entities. They are also pastoring hundreds of established SBC churches and are planting churches all over the world.

## **IV. Assist churches by programs of research doctoral education for ministers and theological educators.**

Southern Seminary offers research doctoral education through the Doctor of Philosophy, Doctor of Education, Doctor of Missiology, and Master of Theology. These academic programs are among the most highly respected in the nation and continue to produce well-trained pastor-scholars who serve in local church leadership, academics, and entity leadership. Research Doctoral Studies include in their program offerings a fully modular Th.M. degree. This program allows

students to receive a more intensive level of education in a range of subjects through week-long concentrated courses taken with a cohort. For the 2018-2019 academic year, the total annual headcount for all Research Doctoral Studies degree programs was 400 students. The program, however, is not merely large, but of the highest quality. Workshops on academic writing were offered during the summer term. Dozens of our current students and graduates of our program presented papers at the prestigious national meeting of the Evangelical Theological Society and continue to shape the entire evangelical academic landscape. Several other students presented at other national academic conferences. The weekly 1892 Club continued to attract many students each week for fellowship and interaction with a visiting scholar. Modular students are provided a chapel experience and lunch during their time on campus to facilitate further learning and fellowship between other students and scholars. Southern is equipping many of the most gifted academic and church leaders within the Southern Baptist community. In an academic job market considered severe by almost any standard, Southern doctoral graduates are continually sought after to serve in both traditionally academic and church-based posts. Amongst member schools of the Association of Theological Schools, Southern Seminary has continued to lead the way in the number of graduates that currently hold teaching posts. In addition to this, many of our graduates hold administrative positions of leadership in institutions of higher learning all over the country. As with our other programs, graduates are giving leadership throughout the SBC at the local, state, and national levels. This is a great testimony to the strength of our program and the quality of our students.

*What opportunities or challenges do you see on the horizon from 2020 and beyond that would necessitate changes, or new directions, in how SBTS is accomplishing each of its Ministry Assignments?*

**I. Assist churches by programs of prebaccalaureate and baccalaureate theological education for ministers.**

Boyce College has experienced growth in terms of enrollment, educational excellence, and opportunities for students outside the classroom. The opportunity for 2020 primarily consists of building on the momentum already present to expand the reach of Boyce College among prospective students in order to maintain healthy growth. We believe that our current students are our best drivers for future growth. So, Boyce aims to deliver excellent educational offerings, as well as extracurricular activities, with the goal of forming godly and well-equipped future Southern Baptist leaders. The addition of the Bachelor of Communication degree will prepare students to be effective communicators in a diverse and complex world, extending the mission of the school to new academic territory. As we maintain the SBC's commitment to abstain from government funding, we will need to carefully structure Southern Seminary and Boyce College in terms of personnel and facilities to make sure we are able to offer a program that is the highest in academic quality and competitively priced.

**II. Assist churches by programs of masters' level theological education for ministers.**

Southern Seminary is committed to providing the best possible theological education for current and future pastors and ministry leaders of the Southern Baptist Convention. This means not only maintaining an excellent faculty but providing an education that aims at the formation of ministry leaders who are intellectually capable, morally faithful, and walking closely with the Lord. An opportunity that comes out of this commitment is to continually improve not only our on-campus efforts, but opportunities for our online and modular students to be mentored, trained, and served both inside and outside of the classroom. As increasing numbers of our students are attending through our Global Campus program, Southern Seminary leadership, faculty, and staff must respond to the calling to bring excellent education through this growing opportunity. The high quality of our online program is rooted in the high quality of our

on-campus program. Professors are continuing to improve their pedagogy through provided training, not only in the classroom, but also for their online teaching. The unique pedagogical challenges inherent in online learning require that our professors receive additional training and instruction in order to provide the best possible experience for our online students. With the rising number of online courses being taken, Southern Seminary maintains vigilant efforts to get online students connected to the campus.

### III. Assist churches by programs of professional doctoral education for ministers.

The professional doctoral studies team continuously strives for excellence and innovation in serving those seeking to develop their ministry competencies and skills. One of the challenges that most professional doctoral programs face is maintaining a high rate of degree completion. Southern Seminary continues to see rising graduation rates and will seek to improve even more. Students are being assigned writing mentors and are helped with a project strategy immediately as part of their first week of classes. This helps students to focus on their project throughout their entire program. This focus allows the student to begin the writing process earlier and has been effective in helping them complete the degree program. We will continue to increase the quality of program orientation and introduction to doctoral writing as part of our efforts to ensure successful graduates.

### IV. Assist churches by programs of research doctoral education for ministers and theological educators.

While Southern's research doctoral program remains one of the strongest in Christian higher education, the aim is always to increase the quality and reach of the program. One area of opportunity will be to expand the non-residential offerings in our traditional programs (Church History, Systematic Theology, Old Testament, and New Testament). These programs will continue to strengthen the pastor-theologians within the SBC in these foundational disciplines. Southern Seminary continues to develop partnerships related to international student teaching opportunities with the intention of student deployment. Currently, there is a growing need and opportunity for international theological education. Thousands of pastors around the world have no means to be trained. A continued focus on developing the pedagogical skills of our students will be paired with a continued commitment to encourage research doctoral students to exercise their academic gifting in the service of local churches. The extensive pedagogical training that Southern Seminary students will receive will allow them to become even more competitive in the current academic job market.

#### Enrollment by Degree Program Converted to Full-Time Equivalent As per SBC Seminary Formula

	2015–2016	2016–2017	2017–2018	2018–2019
<b>Prebaccalaureate Programs:</b>				
Diploma Theology	24	26	36	31
Diploma Missions	13	26	47	49
Boyce: Associate of Arts	29	23	25	31
Special (including Prebacc. and SWI)	180	189	194	119
<b>Baccalaureate Programs:</b>				
Boyce: Bachelor of Arts	329	299	268	242
Boyce: Bachelor of Science	612	632	656	653
<b>Basic Degree Programs:</b>				
M.Div.	1,405	1,500	1,399	1,400
M.A.	283	287	279	251
M.A.T.S.	54	78	121	127

	2015–2016	2016–2017	2017–2018	2018–2019
M.C.M.	6	8	9	12
Special (Postbacc.)	53	51	29	22
<b>Advanced Degree Programs:</b>				
Th.M.	75	66	66	78
D.Min.	248	246	226	221
D.Miss.	12	15	16	14
D.Ed.Min.	79	109	161	190
Ed.D.	47	46	46	40
Ph.D.	308	301	302	268
Special	3	1	3	2
<b>Total FTE Enrollment</b>	3,760	3,903	3,883	3,750
<b>Official FTE</b>	2,294	2,328	2,339	2,311
(Nondup. HC)	5,373	5,489	5,459	5,485

### Degree Program Graduates

Degree Programs:	2015–2016	2016–2017	2017–2018	2018–2019
<b>Prebaccalaureate Programs:</b>				
Diploma Theology	1	0	0	0
Diploma Missions	6	0	0	0
Worldview Studies Certificate	0	9	0	2
Seminary Wives Institute	19	14	20	13
Boyce: Associate of Arts	11	9	3	9
<b>Baccalaureate Programs:</b>				
Boyce: Bachelor of Arts	21	22	19	20
Boyce: Bachelor of Science	54	51	66	57
<b>Basic Degree Programs:</b>				
M.Div.	217	217	212	205
M.A.	74	71	66	69
M.A.T.S.	24	18	35	54
M.C.M.	0	1	0	1
<b>Advanced Degree Programs:</b>				
Th.M.	38	36	38	46
D.Min.	42	41	36	29
D.Ed.Min.	6	4	23	22
D.Miss.	1	0	2	1
Ed.D.	10	11	7	6
Ph.D.	35	36	41	34
<b>Total Graduates</b>	561	546	579	591

### *Matter Referred by the Convention*

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**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** The Board of Trustees of The Southern Baptist Theological Seminary adopted the following response on October 14, 2019:

The Southern Baptist Theological Seminary is committed to the highest standards of care for every member of the seminary community and to preparing ministers of the gospel and servants of Christ to fulfill this responsibility wherever they are called and however they serve. The challenge of sexual abuse is a particularly urgent challenge, especially to Christians and our churches. Southern Seminary has made abuse awareness, prevention, and care a top institutional priority. We require all students, faculty and staff to complete MinistrySafe, a third-party training and assessment tool. Furthermore, Southern Seminary has clear policies on all matters appropriate for such an institution, including mandatory reporting of the abuse of minors and other reporting responsibilities and instructions for care published in our student and employee handbooks. The Seminary’s policies and procedures have recently undergone a thorough legal review in order to make certain that all policies are appropriate, complete, and up to date. In this light, policies now even more thoroughly define reporting responsibilities and the procedure for reporting any abuse or suspected abuse. This policy is regularly re-communicated to the campus community through all available means.

Since the 2018 meeting of the Southern Baptist Convention, Southern Seminary has continued to make our commitment clear. Mrs. Garnetta Smith has been appointed as the seminary’s Women’s Support Coordinator, a cabinet-level position that functions as liaison and support for all women on campus, and with particular responsibility to women who experience or are aware of any harassment or abusive behavior.

Southern Seminary is committed to work fully with the Sexual Abuse Advisory Group and has gratefully received their report and findings and has also received the “Caring Well” curriculum and will be using this material as a useful resource in the preparation for curriculum and training for students, faculty, and staff.



2001 West Seminary Drive, Fort Worth, TX 76115-1153  
 P.O. Box 22040, Fort Worth, TX 76122-0040

**PHILIP LEVANT, Chairman**  
**ADAM W. GREENWAY, President**

Having now commenced my first, full calendar year as president of Southern Baptists' "crown jewel" seminary, it is my deep joy to witness the dawning of a new day at The Southwestern Baptist Theological Seminary as we seek to be faithful in training the next generation of pastors, missionaries, and other ministers of the gospel of Jesus Christ.

At the heart of this administration's vision for Southwestern Seminary is a reanimation and reinvigoration of the original vision of our founder and first president, the great Baptist pastor-theologian and denominational statesman Benajah Harvey (B.H.) Carroll. Our "big-tent vision" is grounded in four non-negotiable institutional commitments:

1. An unapologetic embrace and celebration of a high view of Scripture as the written Word of God: inspired, inerrant, infallible, authoritative, and sufficient;
2. Confessional fidelity – from the beginning, the Southwestern Seminary faculty have been confessionally aligned with our Southern Baptist Convention of churches, as expressed in our affirmation of every iteration of *The Baptist Faith and Message*;
3. A passion for the Great Commission, as demonstrated in the fact that Southwestern Seminary was the first seminary ever to have a full-time professor of evangelism – Dr. Lee Rutland (L.R.) Scarborough, who would go on to serve as the second president of the seminary; and
4. A strong affirmation of the vitality of cooperation in Southern Baptist life, including the genius of the Cooperative Program, with roots that go deep in the life of Southwestern Seminary. To Southern Baptists, we say, "Thank you, for your generous financial support channeled through the Cooperative Program, which helps makes possible all that we do here."

The Spring 2020 semester was historic — both in ways we would have never sought and in ways that have demonstrated once again the truly special nature of Southwestern Seminary. I have never been prouder to be a Southwesterner as our extraordinary faculty and staff seamlessly moved our entire educational program online in the span of a couple of weeks to best serve our students during a time of great difficulty for them, for our churches, and for this nation. In God's providence, our new eight-week online courses were in the final planning stages before the arrival of the COVID-19 pandemic, so we were already well positioned to offer these new courses at a time when they are able to be especially meaningful to our students.

Because of the historically negative effects on the American economy due to necessary governmental measures to limit the spread of COVID-19 pandemic, Southwestern Seminary instituted budgetary reductions of approximately 25% campus-wide through a combination of faculty and staff position deletions, furloughs, and discontinuation of certain academic programs. These actions realigned expenditures with reduced revenue projections while undergirding mission-critical academic programs and continuing the institution's renewal begun last year. As this report is being submitted, our administration is working with our Board of Trustees to finalize the fiscal year 2020-2021 budget to prudently project our financial plans during times of economic uncertainty.

Before the pandemic, we were seeing encouraging signs of growth in student recruitment and support for the seminary. It is undeniable that the coronavirus is altering the plans of current and prospective students, and the incredible national economic contraction that rapidly developed over a short period of time has negatively impacted the financial position of Southwestern Seminary. We believe for some time into the future, the ripple effects of these developments will be felt throughout the Southern Baptist Convention as these realities are being faced by other SBC entities, state convention partners, and especially our local churches.

In spite of the challenges associated with COVID-19, I remain very hopeful about the future of Southwestern Seminary. We are committed to offering the very best theological education to God-called men and women in service to the churches of the Southern Baptist Convention. Our seminary has endured hardships and trials throughout its 112-year history, and with God's blessings we will persevere and thrive during these days just as we have in the past. I am more confident than ever that God is at work on Seminary Hill and that the best days of Southwestern Seminary are in our windshield, rather than our rearview mirror. I am also convinced God is at work in the midst of the COVID-19 pandemic – as He has been throughout the history of Christianity during times of great difficulties – to bring glory to Himself, to extend the gospel across the globe, and to make us better ministers of the gospel. This hope is also my fervent prayer.

Beyond the pandemic, we find ourselves in a time too often characterized by dissension and division. I believe there is no more urgent time than now for Southern Baptists to come together. The challenges in today's culture demand more cooperation among us, not less. We desperately need leadership committed to helping equip the people of God not only to evangelize the lost and disciple new believers, but also to teach Christians how to live out a Christian worldview that makes a difference for Christ in our culture, especially while secular voices increasingly demand capitulation and compromise from God's standards.

Our steadfast commitment at Southwestern Seminary is to be an institution that produces gospel-driven men and women who are able to minister effectively in these urgent and chaotic times. It is because of our relationships and partnerships with local churches, state conventions, and fellow SBC entities that we are able to meet this challenge. Please pray for us that God would find us faithful and make us fruitful in His service.

The next time your travels bring you to the Dallas-Fort Worth (or as we prefer, Fort Worth-Dallas) Metroplex, please come visit us on Seminary Hill. And as always, please do keep Southwestern Seminary in your prayers.

Adam W. Greenway  
President

### *Program Report*

#### I. Enrollment by Degree Program in SBC funded Full-Time Equivalents

Undergraduate and Certificate Programs	2011– 2012	2012– 2013	2013– 2014	2014– 2015	2015– 2016	2016– 2017	2017– 2018	2018– 2019
B.A.	190	154	127	98	81	148	179	163
B.S.	59	120	158	165	146	79	35	13
B.M.	N/A	N/A	N/A	N/A	23	34	33	32
Certificate	20	20	20	20	15	15	11	14
Diploma	1	0	0	1	1	0	0	0
Special	27	28	33	14	25	31	20	13
<b>Basic Degree Programs</b>								
M.A.A.B.S.	11	8	8	9	9	10	9	5
M.A.B.C.	12	29	46	62	63	59	53	39
M.A.C.C.	6	2	0	1	0	0	0	0
M.A.C.E.	180	147	107	81	84	76	66	49
M.A.C.M.	26	20	9	10	11	9	8	10
M.A.C.S.E.	13	14	14	10	9	10	6	4
M.A.I.S.	20	13	13	6	8	5	8	6
M.A.L.M.	6	4	2	1	0	0	0	0
M.A.M.	32	24	15	19	17	16	16	9
M.A.M.F.C.	37	5	0	0	0	0	0	0
M.A.P.	N/A	2						
M.A.Th.	19	24	22	13	11	14	14	11
M.A.W.	1	2	3	4	3	6	6	4
M.Div.	647	567	473	473	424	398	353	260
M.M.	51	49	51	44	39	31	29	31
M.A.C.A.	N/A	N/A	N/A	3	7	6	7	5
M.T.S.	N/A	N/A	16	26	33	36	39	30
<b>Advanced Degree Programs</b>								
D.Ed.Min.	8	4	12	13	13	14	12	22
D.Min.	70	61	102	57	39	47	73	79
Ph.D./D.M.A.	152	176	170	182	170	155	156	193
Th.M.	29	26	23	20	18	23	31	35
<b>Total SBC FTE</b>								
<b>Enrollment</b>	<b>1,617</b>	<b>1,497</b>	<b>1,424</b>	<b>1,332</b>	<b>1,249</b>	<b>1,222</b>	<b>1,164</b>	<b>1,029</b>
<b>Headcount</b>								
<b>Enrollment</b>	<b>3,210</b>	<b>3,259</b>	<b>3,582</b>	<b>3,942</b>	<b>4,276</b>	<b>4,076</b>	<b>4,007</b>	<b>3,848</b>

**Graduates**

<b>Undergraduate and Certificate Programs</b>	<b>2011– 2012</b>	<b>2012– 2013</b>	<b>2013– 2014</b>	<b>2014– 2015</b>	<b>2015– 2016</b>	<b>2016– 2017</b>	<b>2017– 2018</b>	<b>2018– 2019</b>
B.A.	31	40	34	24	20	16	21	21
B.S.	N/A	N/A	8	53	51	62	58	52
B.M.	N/A	N/A	N/A	N/A	1	0	1	3
Certificate	25	9	21	12	20	2	20	13
Diploma	2	0	1	0	0	1	0	0
<b>Basic Degree Programs</b>	<b>2011– 2012</b>	<b>2012– 2013</b>	<b>2013– 2014</b>	<b>2014– 2015</b>	<b>2015– 2016</b>	<b>2016– 2017</b>	<b>2017– 2018</b>	<b>2018– 2019</b>
M.A.A.B.S.	1	2	1	2	5	1	2	10
M.A.C.C.C.	3	3	0	1	0	0	0	0
M.A.C.E.	98	82	65	55	34	41	49	42
M.A.C.M.	3	0	3	0	2	2	1	0
M.A.C.S.E.	6	2	6	3	3	3	2	3
M.A.I.S.	3	6	7	6	2	3	4	2
M.A.L.M.	1	4	4	2	0	0	0	0
M.A.M.	12	16	10	10	9	9	6	5
M.A.M.F.C.	55	15	0	0	0	0	0	0
M.A.Th.	10	10	12	14	9	10	11	10
M.A.W.	0	0	0	1	0	6	2	4
M.Div.	148	159	143	137	143	112	137	123
M.M.	12	26	11	13	25	20	12	10
M.A.B.C.	N/A	1	8	9	17	13	25	24
M.T.S.	N/A	N/A	19	39	103	165	191	208
M.A.C.A.	N/A	N/A	N/A	N/A	1	0	4	3
M.A.Ph	N/A	N/A	N/A	N/A	N/A	N/A	1	2
<b>Advanced Degree Programs</b>								
D.Ed.Min.	4	10	4	6	2	4	7	3
D.Min.	12	13	10	9	10	26	17	17
Ph.D./D.M.A.	14	34	29	24	18	26	33	22
Th.M.	15	10	9	10	6	17	22	17
<b>Total Graduates</b>	<b>455</b>	<b>442</b>	<b>405</b>	<b>430</b>	<b>481</b>	<b>539</b>	<b>626</b>	<b>594</b>

***Matters Referred by the Convention***

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following items to The Southwestern Baptist Theological Seminary for consideration, action, and report.

- 1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting

in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?"

**Response:** Given the motion's specific language requesting a report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, no report can be given due to the cancellation of the Annual Meeting. Southwestern Seminary has provided an institutional update on addressing abuse, however, via the Ministry Inquiries included as part of the 2020 SBC Cooperative Program Ministry Report. That update is reproduced in its entirety here:

*Consistent with the objectives of the Caring Well initiative, Southwestern Seminary is committed to strengthening our policies in order to better protect students and the entire seminary community by creating a safer environment for all. To that end, we have taken the following steps in recent months:*

- *created a new administrative leadership position, Dean of Women, with responsibilities to include serving as the first point of contact for any women with concerns or complaints;*
- *updated admissions policies to prohibit anyone who is listed on a sex offender registry from being admitted as a student;*
- *reviewed and updated administrative, student, and personnel policies to ensure compliance with expectations for mandatory reporting;*
- *finalizing plans to implement sexual abuse awareness training for all faculty, staff, and students; and*
- *transitioning from a seminary campus security team to a campus police force consisting entirely of professional, sworn officers. After hiring a new chief of police with more than 30 years police experience, the seminary now has 12 sworn police officers with an average experience of nearly 30 years in major metropolitan departments and only 3 security officers, with plans to be 100 percent sworn officers during 2020. Previously, there were only 4 sworn officers with average experience of 4-5 years, none in major metro departments, and 14 security officers.*

*Southwestern Seminary supports all efforts in the life of the Southern Baptist Convention to better educate our churches – both ministers and members – about the biblical, moral, and legal obligations to oppose sexual abuse in our midst and to minister effectively to those harmed by such sinful activity.*

**2. SBC Referral: To request Southwestern Baptist Theological Seminary to pursue the recovery of certain seminary property (Items 40 and 79, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 60, 80)**

**Motion:** Benjamin Cole, Oklahoma

“That this Convention request the trustees of SWBTS to authorize the seminary president and legal counsel to pursue through all means necessary the lawful recovery of seminary property, both tangible and intangible, including furniture, household furnishings, artifacts, antiquities, memorabilia, audiovisual and computer equipment, and any official records that may have been removed from the presidential home or other campus facilities without authorization between the dates of May 30, 2018, and February 27, 2019.”

**Response:** Due to the cancellation of the 2020 Southern Baptist Convention in Orlando, Florida, this motion remains under consideration for action and report back to the 2021 Southern Baptist Convention in Nashville, Tennessee.



# SEMINARY EXTENSION

**A ministry of the Southern Baptist Convention:  
Incorporated under the Council of Seminary Presidents  
901 Commerce Street, Suite 500, Nashville 37203**

**R. ALBERT MOHLER, JR., President of the Council of Seminary Presidents  
RANDAL A. WILLIAMS, Executive Director of Seminary Extension**

Seminary Extension is a ministry of the Southern Baptist Convention. Through this ministry, the SBC provides an opportunity for theological education and ministry training to individuals who cannot or will not attend a traditional institution of learning. Students may take one course or enroll in certificate and diploma programs. Many take individual courses for personal, spiritual development. Others enroll in programs where they take a prescribed group of biblical, theological, and ministry training courses that are affordable and immediately applicable.

By action of the Southern Baptist Convention, Seminary Extension began its work June 15, 1951, with Lee Gallman as its director. In 2007, Randal A. Williams became Seminary Extension's seventh director. Under these seven leaders, Seminary Extension has served and continues to serve Southern Baptists by educating its members where they live and serve.

Seminary Extension is not a formally accredited institution. Nevertheless, many college and seminary undergraduate programs recognize the value of its courses and accept credit for them. This acceptance is generally based on the following criteria. First, Seminary Extension courses are of excellent academic quality. Courses are written by individuals approved by the Council of Seminary Deans (the academic deans of our SBC seminaries). Most course writers are professors in our SBC seminaries. Second, Seminary Extension testing methods ensure the integrity of the work done by students. Third, student records are permanent, accessible, and accurate. Although we maintain these standards, Seminary Extension cannot guarantee that other institutions will receive transfer credit for its courses. Therefore, it is important to check with other institutions before investing in courses with Seminary Extension for the purpose of transferring credit.

Seminary Extension is licensed by the Tennessee Higher Education Commission.

Seminary Extension students may take advantage of two methods of study. Many students have the opportunity to study with friends and neighbors in small groups. These groups are generally formed to take one or more courses to strengthen a local ministry. For instance, we have groups that meet in local Baptist Association offices or churches where a Seminary Extension certified instructor guides them through courses. The other method is independent study which is accomplished through correspondence. These students simply work directly with Seminary Extension to complete courses at their own pace.

## *Program Report*

The statistical data below shows the number of course enrollments and the total number of students enrolled during the 2018-2019 academic year.

Course Enrollments	936
Total Number of Students	484



## SOUTHERN BAPTIST HISTORICAL LIBRARY AND ARCHIVES

901 Commerce Street, Suite 400, Nashville, Tennessee 37203

TAFFEY HALL, Director

Governed by the Council of Seminary Presidents

August 2018 - July 2019

### Yearly Highlights

- Acquired minutes and reports of the Conference of Southern Baptists Evangelists (2015-2018).
- Acquired one document box of the E.Y. Mullins Fellowship Collection (1969-1971).
- Acquired nine document boxes of the East Tennessee Baptist Hospital Collection (1976-1983).
- Acquired two document boxes of the Ronald Clyde Sumners Sermon Collection.
- Materials from SBC Executive Committee, North American Mission Board, and former SBC Brotherhood Commission were acquired, as well as the scrapbook from the 2017 SBC Minister's Wives Conference.
- Acquired five document boxes of Southern Baptist Press Association Records (1981-2004).
- Acquired two records center boxes of Baptist Sunday School Board Teaching Pictures for Primaries Artwork Collection (1956-1970); and one document box of the Stained Glass Windows, BSSB Collection (1960s to 1970s).
- Acquired 34 CDs and DVDs of materials documenting the movement of underground evangelical and Baptist churches in Russia; 53 microfilm reels of books, tracts, and periodicals by and about Russian Baptists; and one document box of the William Yoder Russian Baptist Collection.
- Acquired six microfilm reels of Baptist World Alliance (BWA) administrative and executive committee minutes (1940-1979), minutes of BWA committees (1904-1940), BWA study papers (1950-1978); and 18 microfilm reels of the North Carolina Baptist Children's Home publication, *Charity and Children* (1912-1948, 1976-1991).
- Acquired German Baptists in America periodicals *Jugend Herold*, youth publication (1889-1910, 1917-1919); and *Vereins Herold* (1911-1918).
- Acquired one document box of Bethany Homestead minutes (1928-1938).
- Acquired recordings of Tennessee Baptist Convention annual meeting proceedings (1961-2013); and TBC annual meetings and pastors' conference events (1975-2014).
- Microfilmed records of six Baptist churches and the 2016-2017 Baptist state newspapers.
- Completed processing the Fred Luter Papers, Bryant Wright Papers, Baptist Convention of Israel Collection, Dwight Leonard Baker Papers, Mary and Donald Langford Collection, Joshua Grijalva Ethnic Baptist History Manuscript Collection, Myrtle Robinson Creasman WMU Pageants Collection, Andrew MacRae Letters Collection, and the Home Mission Board Language Missions Field Reports Collection.
- Completed new historical displays on the second floor of the SBC building on the 100th anniversary of GuideStone Financial Resources and Southern Baptist disaster relief; and a new display in the Library and Archives on the Tennessee Baptist Children's Home.
- Added 455 annuals, 616 books, 274 pamphlets, 23 archive collections, 161 microfilm reels, 2,073 periodicals, 307 informational files, 302 photographs, 1,002 electronic resources, and 285 recordings.

### Research Use

The collection continues to attract scholars and students from a wide range of colleges and universities. Researchers from 26 different institutions conducted research in the collection during the past year, including four international researchers from Australia, Brazil, Canada, and Russia. The collection was visited by 105 registered researchers and staff provided 2,239 patron contacts.

### Acquisitions

The Archives acquired minutes and reports of the Conference of Southern Baptists Evangelists (2015-2018). These materials were added to the COSBE archive collection housed at the SBHLA. Southern Baptist Press Association (Association of Baptist State Papers) files (1981-2004) were acquired. Materials include correspondence, minutes, annual meeting information, and financial reports of the ABSP organization.

Materials from SBC Executive Committee, North American Mission Board, and former SBC Brotherhood Commission were acquired, as well as the scrapbook from the 2017 SBC Minister's Wives Conference. The Archives received a collection of Baptist Sunday School Board Teaching Pictures for Primaries Artwork Collection. These 11x14 cardstock images span from 1956-1970. A collection on the BSSB Stained Glass Windows was acquired from Willet Stained Glass Studios of Philadelphia. The collection includes correspondence, contracts, and architectural drawings from the 1960s and 1970s.

The Ronald Clyde Sumners Sermon Collection was acquired. Sumners served as pastor of churches in Kentucky, North Carolina, South Carolina, and Alabama. The collection includes typescripts of sermons he gave at the Meadow Brook Baptist Church in Alabama where he pastored for 19 years. One records center box of church minutes, photographs, and financial records of Immanuel Baptist Church, Henderson, Kentucky (1919-1990) was acquired.

The Archives acquired recordings of Tennessee Baptist Convention annual meeting proceedings (1961-2013); and TBC annual meetings and pastors' conference events (1975-2014). Materials of the Conservative Baptists of Oregon were acquired, including reports, directories, and reports from the executive office (1954-2009).

The Archives acquired one document box of the Bethany Homestead collection. Bethany, established as the united effort of seven Baptist churches and seven Congregational churches in Northampton, England, opened in 1926 as a housing and nursing care facility for the aged and sick. The collection includes annual meeting minutes (1928-1938) and a history of the home written in 1945. The Archives acquired administrative files and minutes of the East Tennessee Baptist Hospital (1976-1983).

Through assistance from a researcher from the Congress of Evangelical Christian-Baptists (Russia) the Library and Archives acquired 34 CDs and DVDs of materials documenting the movement of underground Evangelical and Baptist churches in Russia and the USSR. These materials, primarily in Russian, include books, periodicals, sermons, and informational files in electronic format. Staff included both English and Russian translations in the OCLC catalog records generated for these items. The Archives also acquired the William Yoder Collection which includes one document box of correspondence and news stories related to Baptists in Russia. A historical film of Simon Antone was also acquired. Antone was a Russia Jew who became Christian and ministered in Iraq. The film documents his ministry and death.

The Library acquired 21 ethnic/foreign language manuals (accessioned into the book collection) produced by the Home Mission Board. These manuals, mostly on witnessing, include manuals in English, and counterparts in Afrikaans, Chinese, Korean, and Spanish. The Library acquired

German Baptists in America periodicals *Jugend Herold*, youth publication (1889-1910, 1917-1919); and *Vereins Herold* (1911-1918).

### **Preservation Program**

Preserving material in a sustainable format is an ongoing task for the staff of the SBHLA. The staff works to provide archival quality containers (folders and boxes) and a suitable environment for the valuable collection in the library and archives. Microfilming was completed on six church records and the 2016-2017 Baptist state newspapers, resulting in the addition of 37 reels of microfilm to the collection.

### **Access to the Collection**

The processing of nine significant archive collections was completed, including cataloging and posting the finding aids to the website on these collections. The presidential papers of two former presidents of the Southern Baptist Convention were processed and are available for use, the Fred Luter Papers and Bryant Wright Papers. The Luter Papers include one linear ft. of material and span the years 2012-2014. Luter, the first African American to be elected as President of the SBC, served as SBC president from 2012-2014. He presided at the Convention in 2013 and 2014. The collection includes clippings, programs, news stories, articles by others, and correspondence. Luter has served as pastor of the Franklin Avenue Baptist Church, New Orleans, Louisiana, since 1986. The Wright Papers include 1.25 linear ft. of material and span the years 2010-2012. Wright presided at the Convention in 2011 and 2012. The collection includes mostly correspondence, articles, committee files, and recordings of the Southern Baptist Name Change Committee. In 1981, Wright became pastor of Johnson Ferry Baptist Church in northwest metro Atlanta. In 1992, he founded Right from the Heart Ministries, a radio, television, and internet ministry that airs 30-60 second inspirational spots on secular radio and television. In 2018, he announced his plans to step down as pastor of Johnson Ferry Baptist Church.

Processing of the Baptist Convention in Israel Collection was completed. This collection includes three linear ft. of material and spans from 1954-1992. The collection documents the work of the Baptist mission and church work in Palestine and Israel from 1954-1983. The majority of the files on the convention include a wealth of information on Southern Baptist activities in the country of Israel. The files usually include minutes of the executive committee and the convention meeting, proceedings of the annual meeting, correspondence, reports from committees, ministries and mission stations, resolutions, programs and agendas, financial information and budgets, clippings, personal reports, and general information on Baptist mission and church activities.

Processing was completed on the Dwight Leonard Baker Papers. The collection includes 1.25 linear ft. of material and spans from 1953-2012. The collection includes articles, clippings, correspondence, writings, and other material documenting Baker's work as a missionary and teacher in Israel, India, and the Philippines. The collection also includes information on the Elliott controversy in the Southern Baptist Convention (1962-1963) and articles and clippings from 1980-1987 on the inerrancy controversy within the SBC. The collection includes Dwight Baker's Memoirs and a 50-year history of Baptist mission work in Israel and Palestine.

Processing was completed on the Mary and Don Langford Collection. This collection includes 1.5 linear ft. of material and spans the years 1935-1990. Mary and Don Langford served as missionaries to Hong Kong with the SBC Foreign Mission Board from 1963-1991. The collection includes correspondence, cards, clippings, and a few photographs. The majority of the collection consists of hand-written letters about the Langfords' mission work written by Mary Langford to her parents, Mr. and Mrs. Billy McCrary, in Shreveport, Louisiana.

Processing was completed on the Joshua Grijalva Ethnic Baptist History Manuscript Collection. The collection includes a manuscript in five volumes of a history of ethnic Baptist history, focusing on the work of Southern Baptist missions and ministries with a wide range of ethnics and language groups in America. The manuscript was compiled by Joshua Grijalva, who wrote most of the narrative but also enlisted others to write histories of state ethnic Baptist work. Grijalva served as pastor to churches in San Antonio, Texas, and Denver, Colorado, before serving as Dean of the Hispanic Baptist Theological Seminary in San Antonio from 1962-1981. From 1981-1989, he served with the Home Mission Board as National Consultant of Ethnic Leadership Development. In 1989, he was named President of the Hispanic Baptist Theological Seminary, serving in this position until his retirement in 1993.

Processing was completed on the Myrtle Robinson Creasman WMU Pageants Collection. This collection of pageants and plays was written by Myrtle Creasman for anniversaries of Woman's Missionary Unions, church anniversaries, and missionary plays. Creasman grew up in Chattanooga, Tennessee. She was baptized into the membership of Second Baptist Church in Chattanooga in 1899. She attended and graduated with her B.A. degree from Virginia Intermont College in Bristol, Virginia, in 1910, and continued her studies at the American Conservatory in Chicago, where she received a Teachers certificate in piano. In 1915, she married a Baptist minister, Clarence D. Creasman, in Chattanooga.

Processing was completed on the Andrew MacRae Letters Collection. The Rev. Dr. Andrew D. MacRae was born in Lasswade, near Edinburgh, Scotland, in 1933. Through the early encouragement of his pastor, Dr. MacRae became a street evangelist in Edinburgh as a teenager. He graduated from the University of Edinburgh and Baptist Theological College of Scotland, and was ordained in early August 1957. He pastored in Scotland for 12 years, focusing on urban ministry, then spent 14 years as General Secretary and Superintendent of the Baptist Union of Scotland. This small archive collection includes correspondence (1962-1966) between MacRae and W.L. Howse, Director of the Education Division of the Sunday School Board of the Southern Baptist Convention. The correspondence relates to personal news and information about MacRae's Sunday School work with the Baptist Union of Scotland and his involvement with the Baptist World Alliance.

Processing was completed on the Home Mission Board Language Missions Field Reports Collection. This large collection (34 records center boxes) contains hundreds of field reports filed by missionaries working with American Indian, Arabic, Cambodian, Chinese, Eskimo, Filipino, French, Haitian, Hispanic, Hmong, Japanese, Korean, Laotian, Polish, Portuguese, Romanian, Ukrainian, and Vietnamese people groups in America. The reports, mostly from the 1980s, include information on church membership, evangelism visits, number of baptisms, professions of faith, revival campaigns, scripture distribution, and sermons preached/classes taught. In addition to this statistical information, the reports provide space for missionaries to record observations and describe other information they deemed significant to their mission work. The collection provides a valuable resource to the ethnic missions activities of the HMB in the latter half of the 20th century.

The SBHLA awarded 12 individuals with Lynn E. May Study Grants for 2018-2019, which ranged from \$400 to \$500.

A digital project of transcripts of the SBC Pastor's Conference Sermons and Convention Presidential Addresses was completed. These word-searchable PDF files were added to the Digital Resources page of the SBHLA website. The Pastor's Conference sermons (1962-1994) include the manuscripts submitted by the preacher of the sermon to the Executive Committee prior to the Conference. Copies of these sermons were included in the Press Kit which was supplied to members of the press covering the Southern Baptist Convention. The sermons were

given by a wide variety of preachers and evangelists, some well-known and others who were not. The Presidential Addresses include the manuscript of the addresses from 1922-1923 and 1951-2018.

The SBHLA is tasked with collecting, preserving, and making available materials that document Southern Baptist history. This work allows members of our staff to discover aspects of our Baptist heritage that inspire and enrich us each day. Our task is big, but we welcome the work with grateful hearts.

## COMMISSION



THE ETHICS & RELIGIOUS  
LIBERTY COMMISSION  
OF THE SOUTHERN BAPTIST CONVENTION

901 Commerce Street, Suite 550, Nashville, Tennessee 37203

**DAVID PRINCE, Chairman**  
**RUSSELL MOORE, President**

As I think about the work of the Ethics & Religious Liberty Commission over the last year, I'm reminded of an anniversary that made headlines. In 2019, many news organizations marked the thirtieth anniversary of a pro-democracy protest in Beijing that culminated in the famous image of a young, unknown Chinese man standing—alone—against a row of tanks in Tiananmen Square.

What is most striking about this image is that he was not—in that moment—part of a mob or a riot or an army. It was just him: unarmed and unaccompanied. And yet, ironically enough, that's where the power was. The loneliness is what gives the image its force. And part of the reason the world paid such attention is because this action didn't seem to make sense. It looks so strange to see a person risk his life and his place in society without the means to fight back. And yet, courage, biblically defined, includes both of these elements—a redefinition of power and a reshaping of community. As this milestone passes us, those of us who belong to Christ should pause to reflect on how the courage that comes from the Spirit of God ought to prompt all of us to, when necessary, stand alone against the crowd.

That's one of the things that we as Christians have to be willing to do, and it's one of the things that your Ethics & Religious Liberty Commission strives to do each day. Be willing to speak the truth as we see the Bible telling it.

One of the ways we have sought to do that is with a relentless focus on the issue which, for many around the world, defines the Southern Baptist Convention at this moment: church sex abuse. Over the last year, your Ethics & Religious Liberty Commission has devoted itself wholeheartedly to this issue in service to Southern Baptist churches around the country who want to do everything in their power to combat this wickedness in unity together, on behalf of the vulnerable, and for the sake of the gospel.

Over the last year, it has been a privilege to partner with our SBC President J. D. Greear, and with the President's Sexual Abuse Advisory Group. This work was made possible in part by the generosity of the Executive Committee, giving sacrificially in order to help fund research and resources that would equip our churches. Already hundreds of churches and thousands of Southern Baptists have taken the Caring Well Challenge or utilized resources connected to this issue of combatting church sex abuse. The ERLC devoted its national conference to this issue over the last year and welcomed the largest crowd in the event's history. In Texas, we worked to see legislation passed that would protect churches from civil liability if they informed another congregation of a potential staff member about whom there may be questions or allegations on this matter. Much has been done, and yet much more work remains to do. And those of us at the ERLC are both grateful to serve our churches, and determined to do so with unflinching commitment to Scripture and our Lord.

Over the last year, there have been a number of areas where we have focused efforts beyond the issue of abuse. At the forefront, though, is the issue of life and human dignity. We live in

a society in which our federal government—to this very day—subsidizes the work of Planned Parenthood, an organization that preys upon women and profits on the backs of slaughtered children. We live in a society where multi-million dollar companies threaten state legislatures who would dare enact common-sense laws designed to protect women and children. We live in a world that thinks and speaks of unborn children made in the image of our God as problems to be solved.

But at the ERLC, we wake up every morning and we imagine what a post-Roe world would look like. We imagine that, and we work toward that future. In some cases, that takes the form of conferences and events. In other cases, it looks like advocacy for legislation. In yet other cases, it takes the form of our Psalm 139 Project, with which we provide ultrasound technology to centers around the country. In every case, though, this work means standing athwart a watching world that sees our care for the vulnerable as backwards. But the way of the cross is one that cares for the vulnerable. The way of the cross says that Jesus loves the little children—all the children of the world.

You see, the vulnerable matter to Jesus, and so matter to your ERLC. Sometimes this entails working across the country in state legislatures to help enact pro-life legislation. In other situations, it looks like working with the White House to ensure adoption agencies are not forced to choose whether they will violate their consciences or abandon needy children. And in other cases it's declaring—in a world that uses migrants, including children, as political punching bags—that the church of Jesus Christ must take our cues not from talking heads on television but from living words in Scripture. That's also why your Ethics & Religious Liberty Commission will not back down one inch when it comes to standing for racial unity. We're proud to be partnering with LifeWay to produce curriculum for our churches on how we should apply the gospel to the issue of race. And we'll continue to provide resources that counter lies from many corners.

Beyond this issue, however, we also face assaults on religious liberty that would have seemed unthinkable just a matter of years ago. Over the last year, we've worked with the White House and Congress to prevent Bibles from getting caught up in trade disputes, and to keep government from taxing church parking lots. We've combatted well-intentioned legislation that would sacrifice religious liberty. And we've combatted egregious legislation that would threaten adoption agencies and healthcare providers from carrying out their callings to serve. We must be stewards of the inheritance of our Baptist forebears, and every day, that's exactly what your ERLC strives to be.

At the same time, one of the jobs of the Ethics & Religious Liberty Commission is to be a Paul Revere of sorts for our churches—running out ahead and alerting our churches of dangers that are coming and questions that need to be considered. Here, one area where we've spent a great deal of energy is on the issue of artificial intelligence and social media. We've put together resources, events, and content that examine questions that the families of tomorrow will face that seem nearly possible to imagine today. In a world in which social media has been characterized by falsehoods, toxicity, and cruelty, the ERLC has tried to highlight larger problems of a society increasingly isolated and rootless—and provide resources and solutions can help churches see the way forward. After all, biblical courage often means being willing to stand alone, against a crowd. But biblical unity means those who are in Christ should never be forced to stand alone, or against, those who bear the name of Christ.

Returning to Tiananmen Square, though, it's worth pointing out that this “tank man” was bravely alone, but, in his loneliness, he inspired people all over the world to stand for freedom over tyranny. As we remember him, let's remember how much more so we as Christians are called to stand—sometimes in community and sometimes in solitude—for the truth that is dependent on

the cross, not dependent on the crowd. That's what your ERLC is here to do, and to equip our churches to do as well. We're grateful for the opportunity to do so by the sacrificial, cooperative giving of our churches for the sake of the Great Commission and the glory of our Lord Jesus Christ.

For the Gospel,  
Russell Moore

### *Ministry Goals and Accomplishments*

*(All SBC entities present informative ministry reports to the Executive Committee each February in compliance with the provisions of SBC Bylaw 18 E (12). The Ethics & Religious Liberty Commission has requested that the content of this report be taken from its 2020 Ministry Report, previously tendered to the Executive Committee.)*

#### **I. Assist churches in applying the moral and ethical teachings of the Bible to the Christian life.**

Every day, the team at the ERLC seeks to answer one fundamental question: How can we serve Christians and churches with content that will help them answer questions and engage the culture with the gospel of Jesus Christ? Over the last year, we've sought to do that daily, particularly at the ERLC website—which publishes new content directly related to the issues of human dignity, family stability, civil society, and religious liberty in a variety of formats. Additionally, the ERLC strives to respond to events in the news important to Southern Baptists so as to help train churches and assist Southern Baptists in thinking through the issues. Beyond this, the ERLC has been intentional in launching events—ranging from area pastor lunches, leadership summits, and large-scale annual conferences, designed to equip men and women to think through these issues from a kingdom-focused, gospel framework. This last year, as the SBC seeks to address sexual abuse at every level of our denomination, the ERLC centered its national conference around the theme of combatting sexual abuse—how to care well for survivors and how to protect churches against predators. In partnership with LifeWay and others, these events are often uploaded online after the fact so that all Southern Baptists, not just those who were able to attend our national events, are able to benefit from the conference content.

As a few examples of church-minded resources created, the ERLC has produced bulletin inserts for SBC churches for each of the respective emphasis Sundays for pastors and church leaders. The ERLC has provided numerous resources free of charge to SBC churches and state conventions around the country for various events. Beyond that, the ERLC has continued to devote energy to this issue of racial reconciliation and is thankful for the opportunity to partner with LifeWay for a six-lesson Bible study titled, *The Church and the Racial Divide*.

The ERLC continued to innovate along several different multimedia initiatives, launching a YouTube channel designed to reach the up and coming generation with answers to complex questions with a focus on the gospel. The ERLC also continued to develop its policy-focused podcast, in which the DC-based ERLC staff offer insight and analysis from a Christian perspective on developments in our nation's capital and what we as a Commission are doing to drive conversations there. Additionally, video has received a great deal of attention over the last year. As an organization we have published hundreds of hours of interviews, discussions, and video productions on a variety of issues. This has been a common request from pastors and churches, particularly for use in their weekly services and for small group training. In the same vein, the ERLC is continuing to ask what issues Christians aren't yet thinking about but will need to be thinking about in the near future. That's exactly the intention with one major document released earlier this year—Artificial Intelligence: An

Evangelical Statement of Principles. The goal of this document is to help churches prepare for all the ways AI will make inroads into one's community and daily life, how Christians ought to think about AI, and what the benefits and dangers consist of. This project was developed by the ERLC Research Institute, signed by over 70 top evangelical leaders from across disciplines, and received a great deal of attention in press across the country. Our hope is that it will help to provide an ethical and moral framework for the church and society as we begin to think about this issue more and more in the years ahead.

## **II. Assist churches through the communication and advocacy of moral and ethical concerns in the public arena.**

As the SBC entity charged not only to serve as a moral and ethical voice to Southern Baptist churches, but also to be a gospel witness in the public square, the ERLC engaged the legislative, executive, and judicial branches of government on multiple fronts, from meeting with lawmakers and advocacy partners to issuing public comments to the Administration to filing amicus briefs in the Supreme Court.

The ERLC labored in the public square on a range of issues, from religious liberty to the sanctity of human life to marriage to human trafficking to racial reconciliation and many areas in between, seeking to apply the gospel to public policy for the sake of religious liberty and human flourishing. Among the many specific policies engaged, the ERLC worked to secure religious liberty protections and worked tirelessly to be a voice of reason and persuasiveness on issues of concern to Southern Baptists.

Throughout the last ministry year, the ERLC focused its legislative attention on issues of life, family, and religious liberty, about which Southern Baptists have been insistent and consistent for decades. A summary of the ERLC's public policy activities is below, but the ERLC's policy team also secured a number of key victories this year, some of which are highlighted here:

- ***Removal of Tax on Church Parking Lots:*** The ERLC completed a successful push—one that required nearly two years to see to completion along with extensive work with the Executive Branch and both houses of Congress—which repealed a provision of the 2017 tax reform legislation that would have had serious consequences for churches. Included in the 2017 tax reform package was a provision that created a new 21% tax on the value of some nonprofit employees' benefits. Because of the change, tax-exempt organizations that provide parking or transit benefits to their employees were subject to unrelated business income tax on the cost of the parking provided. This income tax on churches would have been the first in the history of the United States.
- ***Securing Religious Liberty Protections for Child Welfare Providers:*** After working closely with the Administration for several months, the Department of Health and Human Services (HHS) proposed a new regulation in November 2019 that would help ensure faith-based organizations can continue serving vulnerable children and families through foster care and adoption services. This rule will reverse an Obama-era provision that functionally required adoption agencies to abandon their deeply held religious beliefs in order to continue receiving federal funding for their services. This new provision will bring these regulations back in line with other federal nondiscrimination law and allow these agencies to resume their work serving needy children.
- ***Advocacy on the Born Alive Abortion Survivors Protection Act:*** The ERLC's work on the Born Alive Abortion Survivors Protection Act is a good example of the ERLC's capabilities to lead in the midst of a cultural flash point—the passage of the sweeping abortion legislation in New York and Virginia Governor Ralph Northam's comments

on Virginia's abortion legislation. We translated this cultural moment into public policy advocacy, but more broadly, an argument about the logical conclusion of the arguments of the abortion lobby and abortion industry.

- **Advocacy on Tariffs on Bibles:** In June 2019, the U.S. Trade Representative announced a new round of tariffs on products produced in China as a part of USTR's Section 301 investigation into Chinese trade practices. This new round of tariffs included a proposed 25% tariff on Bibles and other publishing products produced in China. The ERLC partnered with LifeWay to raise this issue with the Administration, submitting formal comments and written testimony to USTR and making contact with a range of Administration officials. In August 2019, USTR released a revised list of products subject to the new tariffs, and Bibles were removed from this list.
- **FIRST STEP Act:** The ERLC played a key role in the passage of the FIRST STEP Act, a bipartisan criminal justice reform package passed in December 2018. The ERLC has been involved in the bipartisan effort to reform the federal criminal justice system for many years, and the passage of the FIRST STEP Act was a significant milestone.
- **Protecting the Hyde Amendment:** Since 2016, pro-life advocates have been on notice that the abortion lobby was preparing to fight to eliminate the Hyde Amendment and thereby expand federal funding for abortion. The ERLC has been working with House and Senate leadership as well as the Administration to ensure that the Hyde Amendment remains in all final spending bills passed each year. The ERLC has, at the same time, been working to highlight the extremism of the abortion lobby in order to maintain and build support for the Hyde Amendment moving forward.

Beyond these victories, the ERLC continued its advocacy work on a wide range of issues of importance to Southern Baptists. Below is a list of some of just a few of the key pieces of legislation the ERLC advanced, included to highlight the range of issues the Commission engages on behalf of Southern Baptists:

- **Protecting the Hyde Amendment:** For over forty years, the Hyde Amendment has been passed each Congress to protect American consciences. However, the abortion industry is working to remove any Hyde protection during the appropriations process. In 2016, the Democratic platform declared that “they would continue to oppose, and seek to overturn, federal and state laws and policies that impede a woman’s access to abortion, including by repealing the Hyde Amendment.” The ERLC is working with the Senate Appropriations Committee and the White House to protect the Hyde Amendment. This work is ongoing, and the ERLC will continue to advocate for the protection of the Hyde Amendment.
- **The Born-Alive Abortion Survivors Protection Act:** The 14<sup>th</sup> Amendment to the U.S. Constitution affirms that “No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law.” Even the majority in *Roe v. Wade* admit a right to life for “persons” in the United States, although they rejected that a fetus is a person under the 14<sup>th</sup> Amendment. This Act would establish criminal penalties for failing to provide adequate care to born-alive babies that have survived a failed abortion. In such moments, children deserve all the medical care possible. President Bush signed into law the Born-Alive Infants Protection Act of 2002.

However, this law did not include criminal penalties for doctors that withhold care to a born-alive infant. The Born-Alive Abortion Survivors Protection Act would amend the federal criminal code to require a healthcare practitioner that is present when a child is born alive following an abortion or attempted abortion to, first, exercise the same degree

of care as reasonably provided to any other child born alive at the same gestational age, and, second, ensure the child is immediately admitted to a hospital. The bill was passed by the House of Representatives in January 2018 but failed to pass the Senate.

- ***Conscience Protection Measures:*** No healthcare professional should be compelled to compromise his or her deeply-held beliefs in order to provide medical care, such as being forced to perform abortions or other medical procedures that conflict with an individual’s religiously-informed conscience. In 2018, the ERLC was very pleased to see the establishment of a new Conscience and Religious Freedom Division in the Department of Health and Human Services (HHS) Office of Civil Rights. This new division was announced for the first time at the ERLC’s 2018 Religious Liberty Summit. HHS also created new regulations to strengthen the conscience rights of healthcare workers, and the ERLC submitted comments in support of those regulations. At the end of last year, HHS published two rules that provide conscience protections for Americans with religious or moral objections to health insurance that covers contraception methods. These rules will help curb the conscience abuses healthcare professionals face across the country. In addition, the ERLC continues to advocate for the Conscience Protection Act—federal legislation that seeks to amend the Public Health Service Act in order to protect healthcare providers who chose not to perform an abortion—as well as working to permanently codifying the Hyde and Weldon Amendments into law. Last year, the Conscience Protection Act was passed by the House of Representatives and was part of the final negotiations on the spending bills last year. While it did not pass, Congress has voted several times on the measure and there is strong consensus about the language. Also included in the ERLC’s advocacy is our opposition to the Medicare for All Act of 2019. Among its many provisions, the Act would eliminate medical professionals’ ability to object to performing abortions based upon conscience, thereby creating a dangerous government precedent. As Dr. Moore has previously argued, “A government that can pave over the consciences of some can steamroll over dissent everywhere.”
- ***Defund Planned Parenthood:*** The ERLC is committed to seeing the nation’s largest abortion provider, Planned Parenthood Federation of America, deprived of federal taxpayer dollars. There have been several efforts to defund Planned Parenthood over the last two years, including through the healthcare reform package and through House appropriations bills.

However, unless Congress uses the Budget Reconciliation Act, any effort to defund Planned Parenthood is unlikely to succeed, as this measure will not receive 60 votes in the Senate. Last year, the ERLC advocated for changes to HHS grant rules and spending levels that defund Planned Parenthood. These new rules were proposed, and spending levels have dramatically increased. The ERLC will continue to look for opportunities to defund Planned Parenthood, and ensure that the American taxpayer dollars aren’t going towards Planned Parenthood.

- ***Higher Education Reauthorization Act:*** Public universities ought to be places where diversity is encouraged, not stifled. The rights of free religious exercise and assembly of students on public college campuses are in need of clear federal protections. Specifically, college administrators ought to respect the rights of students to freedom of association and stop requiring religious student groups to accept as members or select as leaders those who do not share their core religiously informed beliefs. The Higher Education Reauthorization Act included language specifically protecting religious liberty of students to select leaders based on religious criteria. The bill also included language that would have protected the accreditation of faith-based higher education institutions. The ERLC

continues to support efforts to include this language in the Senate companion bill and calls on Congress to protect students from religious discrimination.

- ***Protect Religious Freedom for Military Chaplains & Medical Professionals:*** As the country grapples with the ever-expanding implications of the sexual revolution, religious liberty conflicts develop for those who hold to God’s design for human sexuality. The normalization of same-sex marriage and transgenderism are creating conflicts in virtually every sphere of society, including the military and the medical practice. The ERLC monitors the climate in these spheres and advocates for the freedoms of religion and conscience of service members, chaplains, and medical professionals to serve their country in a manner consistent with their deeply held religious beliefs. This includes advocating on behalf of Southern Baptist chaplains publicly and through back channels as well as public policy provisions to protect the religious freedom of chaplains and other service members.
- ***Opposition to the Equality Act:*** H.R. 5, the Equality Act, would redefine the Civil Rights Act of 1964’s use of the word “sex” to also include “sexual orientation and gender identity” and make them federally protected classes. While the proposed intention of H.R. 5 is to protect individuals who identify as LGBT, the bill would instead steamroll the consciences of millions of people. H.R. 5 threatens the efforts of faith-based adoption and foster care agencies, hinders the work of healthcare professionals and faith-based hospitals, and undermines decades of civil rights protections for women and girls. These proposed changes to the Civil Rights Act of 1964 would bring a dramatic shift in civil rights law, religious liberty, and the foundations of civic pluralism. The ERLC opposes this bill, as it represents one of the most alarming threats to religious liberty ever proposed in the United States Congress.
- ***Responding to the Opioid Crisis:*** Two-thirds of drug related deaths are due to opioid usage, and the drivers for the epidemic are complex. Last year, the ERLC engaged with House leadership and the Department of Health and Human Services on a range of responses including poverty and welfare programs, engagement and training for the faith community, and drug prescription practices and regulation. The ERLC also supports initiatives that engage churches and other local organizations to call for awareness and advocacy approached with a pro-life ethic.
- ***Legislative Solution for DACA Recipients:*** In September 2017, the Trump Administration rescinded the Deferred Action for Childhood Arrivals (DACA) program. Enacted in 2012 by President Obama, DACA sought to protect undocumented immigrants who entered the U.S. as minors—known as Dreamers—from deportation. Notwithstanding debate over the problematic elements of the DACA program, the ERLC believes Dreamers who came forward in good faith should not be punished with deportation for an act that was no fault of their own. Now young adults, these Dreamers—many of whom have families of their own with children who are U.S. citizens—are workers, students, and positive contributors to their communities. The ERLC continues to work closely with Congress and the White House to deliver a permanent legislative solution for Dreamers.
- ***North Korea IRF Initiative:*** It is undeniable that the right to freedom of religion is not respected in the Democratic People’s Republic of Korea (DPRK). The Pyongyang regime persecutes Christians and other religious minorities in a particularly brutal fashion. Prayer, worship, congregating, and possessing sacred texts are severely penalized by torture and imprisonment. The ERLC is working with a broad, multi-faith coalition of organizations through the United Nations Universal Periodic Review process to urge North Korea to cease all restrictions on the right to freedom of opinion and expression, and ensure that

the right to manifest one's religious convictions in private or in public is fully protected and realized. The ERLC continues to urge the international community to prioritize the opposition of the egregious religious freedom violations carried out by the DPRK. Additionally, the ERLC produced a short film, produced on the ground in South Korea, giving voice to the stories of North Korean defectors and refugees who now live and worship in South Korea. The ERLC was also the only organization to host an event on religious freedom and human dignity violations in the DPRK at the 2019 Department of State's Ministerial to Advance Religious Freedom, demonstrating the ERLC's leadership in and commitment to religious freedom.

- ***China IRF Initiative:*** Over the past year, the Chinese government has severely escalated its persecution of religious minorities, including Christians, by destroying religious symbols on houses of worship, burning Bibles, confiscating religious materials, closing houses of worship, and detaining individuals holding divergent views. The Chinese people are facing threats to manifesting their religious beliefs in public, private, and in community. China has, for many years, been involved in controversial uses of technology and artificial intelligence that infringe on the basic human rights of Chinese citizens as well as political and religious dissidents. The ERLC has grave concerns about the trajectory of China's approach to Christians and other religious minorities and is committed to working with other nongovernmental organizations to direct both U.S. and international pressure towards alleviating their persecution.
- ***Fighting global anti-Semitism:*** There is an alarming rise of anti-Semitic incidents in Europe and anti-Semitic speech around the world, particularly in the Middle East. But with the rise of the so-called Alt-Right movement in the United States, anti-Semitism is on the rise here as well. Through collaborative action with like-minded organizations, the ERLC has worked against such action at the United Nations, and it will continue its work defending victims of anti-Semitic incidents in Europe and anti-Semitic speech wherever it happens. Earlier this year, Travis Wussow, spoke at the American Israel Public Affairs Committee conference on the need for increased freedoms for our brothers and sisters in Israel as well as the SBC's efforts to help displaced Christians and other minorities.

As usual, one of the other means by which the ERLC engaged the public square was through one-on-one meetings and other communication with elected officials and their staff. Through regular interaction with congressional offices, the ERLC sought to ensure that social issues and religious liberty issues were neither steamrolled nor relegated to backburner status. A second means by which the ERLC engaged the public square was through coalition work. ERLC staff participated in numerous coalitions, both formal and informal, among religious, life, family, and other public policy groups on issues of common agreement in an effort to find unified approaches to advance sound policy in the public square. In every instance, the ERLC brought a decidedly Baptist and gospel-focused perspective to the issue at hand. In many cases, the ERLC helped to reshape thinking and action among coalition partners by consistently voicing its positions through the lens of the gospel.

### **III. Assist churches in their moral witness in local communities.**

The primary front of the advance of the kingdom of God is the local church, faithfully proclaiming the gospel, training disciples, and reaching the community around it with the gospel. The ERLC never wants to lose sight of the primacy of the local church and the needs of the communities they serve. That being the case, over the course of the ministry year the ERLC has offered resources designed to assist churches in their moral witness in local churches. The ERLC provides new resources daily—from books, to blog posts, articles, essays, podcasts, videos, bulletin inserts, and sermon outlines—for Christians and churches

to help think through moral and ethical issues. Additionally, the ERLC continues its rapid response strategy for news-related items that churches may want to address.

Throughout the year, ERLC staff and leadership traveled the country speaking at churches and church events throughout the Southern Baptist Convention, in addition to our Southern Baptist seminaries. This ranged from state convention gatherings to Sunday morning worship to church-sponsored events and forums designed to address key cultural issues.

In the midst of our emphasis to stand for the unborn, the Psalm 139 Project of the ERLC continued to place ultrasound machines in crisis pregnancy centers around the country. There are few things more important to the ERLC than standing for vulnerable children at risk from death at the hands of a predatory abortion industry. This ministry has been one concrete way the ERLC has been able to equip local centers, often working closely with local churches, to have resources for women in crisis and be a gospel witness at the same time.

In tandem with our denominational calendar, the ERLC produced bulletin inserts, videos, and content designed to address areas of denominational emphasis within the life of local churches, including sanctity of human life, racial reconciliation, and important social issues. Throughout the year, the ERLC also partnered with individual churches, associations, and state conventions via videoconference to help answer questions and equip churches on the issues alive in their respective congregations.

#### **IV. Assist churches and other Southern Baptist entities by promoting religious liberty.**

No issue in the public square has been so foundational for Southern Baptists as has the priority of religious liberty and the right of liberty of conscience. As such, beyond the concrete legislative efforts listed in sections above, ERLC staff regularly published articles in Baptist Press, on ERLC properties, and at prominent outlets around the country. From the latest developments pertaining to religious liberty and persecution around the world, as well as many other important topics including adoption, marriage, human trafficking, race, and others, the ERLC addressed concerns of many different kinds. On our website, entire channels are devoted specifically to these important issues. These pages feature brief explanations of the various topics, informational videos, links to news stories, and applicable Scripture references.

Additionally, our public policy page includes information designed for legislators, staff, and thought leaders on issues of concern to Southern Baptists. We regularly meet with and attempt to drive the conversation regarding bills important for the sake of religious liberty, and our in-person presence wed with timely and well-supported information are key facets of legislative success.

Beyond this, the ERLC labored to promote religious freedom with like-minded groups and organizations and continued the work of its international office—designed to promote religious liberty for Southern Baptists around the globe, particularly calling attention to persecution of Christian minorities in North Korea, China, and the Middle East.

The ERLC also named leaders for their distinguished service awards on the basis of their contribution to the cause of promoting religious liberty—with Senator James Lankford (R–Okla.), being awarded the John Leland Religious Liberty Award for his faithful commitment to the issue of religious liberty in the United States Senate. Additionally, Rachael Denhollander was named the Distinguished Service Award for her work in combatting sex abuse and her particular service in consultation with the President’s Sexual Abuse Advisory Group.

Beyond these areas, the ERLC continued to participate in a number of regular gatherings with religious leaders and groups on issues of domestic and international religious liberty, along with other issues important to Southern Baptists. The ERLC also worked to continue to cultivate relationships with members of Congress and their staff by speaking at Capitol Hill events and meetings.

*Based on the listed Ministry Assignment, what opportunities or challenges do you see on the horizon from 2020 and beyond that would necessitate changes, or new directions, in how you are accomplishing the above Ministry Assignment?*

**I. Assist churches in applying the moral and ethical teachings of the Bible to the Christian life.**

Each new year brings new challenges and questions in our culture that affect the lives of Southern Baptists and Southern Baptist churches. Part of the ERLC's role is being attentive to those questions and applying the gospel to them for the benefit of our churches. Perhaps the most important way we will continue to do this in the 2020 ministry year is through helping to serve the denomination alongside the Sexual Abuse Advisory Group and Caring Well initiatives. The world is watching how the denomination handles this problem, and for the sake of our witness as well as for the benefit of local churches throughout our denomination, the ERLC wants to do everything possible to make sure that this study provides the best possible resources for pastors and churches. By no means is this the only issue, far from it in fact. But it is one that is front of mind and focus both for the Southern Baptist Convention and the ERLC.

**II. Assist churches through the communication and advocacy of moral and ethical concerns in the public arena.**

Each new year brings new opportunities for the ERLC to continue to make inroads in building coalitions, driving conversations, and being a voice of influence on Capitol Hill to represent Southern Baptists and their concerns well. A sampling of some of the areas and legislation on which the ERLC will focus include:

- Defunding Planned Parenthood
- Promoting pro-life judicial nominees
- No Taxpayer for Abortion Act
- Pain Capable Unborn Child Protection Act
- Born Alive Abortion Survivors Protection Act
- Conscience Protection Act
- Restoration of Russell Amendment protections
- First Amendment Defense Act
- Opposition to women in combat and in the draft
- Reviving obscenity prosecution

A continued focus in the 2020 ministry year will be Capitol Conversations, regular ERLC meetings with coalition partners, elected officials, and influencers to keep close contact and influence with those crucial to defending America's first freedom of religious liberty. Beyond this, additional work done over the last year, along with key strategic partnerships we have developed, has poised the ERLC to grow its media presence, and our fully-equipped television studio in the Southern Baptist Convention building in Nashville adds to that potential.

### III. Assist churches in their moral witness in local communities.

As mentioned last year, in the year ahead, we have unique opportunities to use enhanced digital platforms, ERLC events, and other platforms to leverage strategic relationships with churches and invest in local communities. Being the smallest SBC entity, it is an organizational challenge to be as involved in all of our states and associations as we would aspire to be, but through digital platforms, events, podcasting, and video conferencing, the ERLC has the ability to extend its reach in unique and strategic ways even further into the life of local churches.

### IV. Assist churches and other Southern Baptist entities by promoting religious liberty.

With new cultural flashpoints around every turn, increased attention to the issue of religious liberty provides the ERLC a unique opportunity to be a prophetic voice in the public square. Additionally, a continuing investment in events provides the ERLC with the ability to speak to a broad audience on issues of concern to Southern Baptists. This year, several of our key events and publications will focus on what faithful Christian families should look like in the midst of an ever-changing and ever-challenging cultural landscape in which religious liberty is increasingly imperilled. As we equip Christian families, at the same time we hope to use the opportunity to model to the watching world a vision of religious freedom and Christian witness—with faithful men and women serving others, loving others, and welcoming them to hear the gospel message. Beyond that, through the work of the Research Institute, the ERLC has an arsenal of strategically-gifted and committed Southern Baptist thinkers that can help drive the conversation in the public square on issues of importance to Southern Baptists.

#### *Matters Referred by the Convention*

During the Annual Meeting of the Southern Baptist Convention in Birmingham, Alabama, June 11–12, 2019, the Convention referred the following items to The Ethics & Religious Liberty Commission for consideration, action, and report.

#### **1. SBC Referral: To request each SBC entity to provide an update on addressing abuse (Items 15 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, SBC Annual, p. 57, 63)**

**Motion:** Phillip Bethancourt, Tennessee

“That the Southern Baptist Convention request each of the entities of the Southern Baptist Convention provide an update related to their efforts to address abuse and report back to the 2020 Southern Baptist Convention meeting in Orlando, Florida, covering three subjects: what is their entity doing to foster effective abuse awareness, prevention, and care; what additional steps has their entity taken to address abuse since the 2018 SBC annual meeting in Dallas, Texas; and how is their entity partnering with the efforts of the Sexual Abuse Advisory Group to address abuse?”

**Response:** The Ethics & Religious Liberty Commission has, arguably, devoted more energy to addressing the issue of sexual abuse as it has any single issue over the last year. Following the 2018 annual meeting of the Southern Baptist Convention, J. D. Greear formed a Sexual Abuse Advisory Group to work in partnership with the ERLC. As part of that work, the ERLC labored alongside this group over the last year as it moved through three phases: the first phase, a listening phase, pursued a goal of listening to and learning from hundreds of survivors, advocates, outside experts, and pastors. Many of the findings from this phase were conveyed verbally at the SBC annual meeting during the President’s Sexual Abuse Advisory Group report. At the same time, even more detail was released in a written report titled, “Caring Well: A Report from the SBC Sexual Abuse Advisory Group.” In the second phase, a

development phase, the ERLC helped produce and house resources and recommendations to equip SBC churches to care for survivors and to prevent abuse. These resources have included a number of articles at [erlc.com](http://erlc.com) and [caringwell.com](http://caringwell.com); the new, free video-based curriculum, *Becoming a Church that Cares Well for the Abused*; and the Caring Well Challenge, an eight-step, twelve-month process to help churches know they are doing everything they can on the issue. The third phase, an implementation phase, continued through 2019. In this phase, the ERLC focused much of its effort in serving churches as they walk through the first round of the Caring Well Challenge.

Beyond serving the Sexual Abuse Advisory Group, though, the ERLC has focused much additional time and energy on this issue. As merely a few examples, throughout 2019, the ERLC hosted several gatherings and events on this important topic. The ERLC also devoted its largest event of the year, the ERLC National Conference, to focus on this issue. The Caring Well Conference was held October 3–5, 2019 in Grapevine, Texas, and was the largest National Conference to-date in the history of the Commission. Beyond this event, the ERLC will continue to work throughout the upcoming years to keep a denomination-wide focus on this issue to combat the evil of sexual abuse.

**2. SBC Referral: To request the Ethics & Religious Liberty Commission study the effects of birth control methods (Items 19 and 60, Proceedings of the Southern Baptist Convention, June 11-12, 2019, *SBC Annual*, p. 58, 63)**

**Motion:** David Haynes, Alabama

“That the Ethics and Religious Liberty Commission study the effects of birth control pills, IUD’s, and other contraceptive devices and methods to see if ‘at any time and any way’ there is the possibility of these taking the life of a conceived child, that the Ethics and Religious Liberty Commission give a report of their findings to the Southern Baptist Convention in Orlando, Florida, in 2020, and that the compilation of studies in Randy Alcorn’s book *Does the Birth Control Pill Cause Abortions?* be used as one of the resources for studying this issue.”

**Response:** The Ethics & Religious Liberty Commission takes very seriously the concerns raised about the possibility of certain contraceptive methods causing abortions (also known as abortifacients). As an organization tasked with monitoring trends and movements impacting pro-life witness, we are familiar with ongoing debates surrounding various contraceptive devices’ connection with abortion. As an unapologetically pro-life organization committed to advocating for the dignity of unborn children, we are vigilant about providing information on any technology or medical device that would cause an abortion. We are committed to providing resources and equipping individuals and churches to develop a whole-life approach to pro-life advocacy, which includes concerns over methods of contraception that may cause an abortion. At the ERLC website, readers can find numerous resources discussing the concerns associated with unquestioned use of contraception, in addition to resources discussing whether certain forms of contraception can induce abortion. In Washington, the ERLC team spent several years opposing the Obama Administration’s contraceptive mandate, standing with GuideStone and several other Baptist institutions who filed suit to challenge the mandate. Additionally, through event productions and coalition partnerships, the ERLC continues its commitment to awareness on the issue of abortifacient contraceptives. The ERLC is committed to providing further resources equipping Christians to think critically about the impact of contraception on unborn life.

**3. SBC Referral: To equip local churches on issues of marriage and sexuality (Items 47 and 79, Proceedings of the Southern Baptist Convention, June 11-12, 2019, *SBC Annual*, p. 61, 80)**

**Motion:** Dau Ayub, Texas

“That, due to the major assault on marriage and family by the normalization and desensitizing of the body of believers towards sexual immorality, common law union and same sex partnerships, and the continuous onslaught on Christian family values, including adoption by the unwed or same sex partnerships, the Southern Baptist Convention increase its efforts to equip the local church in order to minister to these groups, to love them well in Jesus’s name calling sin a sin, to lead them to a godly understanding of marriage and family, and to equip the local church to anticipate attacks on the pulpit, to stand with Christ’s definition of marriage and family, and to defend proper membership to the churches.”

**Response:** The Ethics & Religious Liberty Commission wholeheartedly shares the conviction expressed in this motion concerning the importance of teaching the biblical view of marriage and sexuality to a world that is increasingly confused. In marriage, we see a picture of the very mystery that defines the existence of the people of God—the gospel of Jesus Christ. At the same time, allegiance to Christ must include obedience to his commands—including what Scripture says about a biblical sexual ethic. In light of this reality, the ERLC happily devotes significant resources to this matter as one of our primary issues of concern. This ranges from dozens of articles, podcasts, and interviews each year, to covering these issues at conferences, speaking on these issues at churches, events, and interviews with national and international print and television outlets. The Sexual Revolution cannot deliver on its promises, and the ERLC wants to do everything in its power to equip churches to remain faithful to the gospel while at the same time embodying and articulating a biblical vision of marriage to the world around us.

**4. SBC Referral: To ask the Executive Committee and Ethics & Religious Liberty Commission to facilitate a healing process for abuse survivors (Items 49 and 79, Proceedings of the Southern Baptist Convention, June 11-12, 2019, *SBC Annual*, p. 61, 80)**

**Motion:** Rebecca Krueger, Alabama

“That, in light of the already active movement to fight for the vulnerable, the Executive Committee and Ethics and Religious Liberty Commission implement for those who have been, are being, and will be abused (all ages-including sexually, physically, emotionally, and spiritually) a process and clear path to receive training to counsel, that wisdom outside the walls of the convention be sought as to the psychological effects of abuse, and that professional recommendations be returned to the convention with biblical, clear, focused, actionable steps toward healing for those fighting for healing from horrific abuse so that we can move forward to minister to others affected.”

**Response:** The Ethics & Religious Liberty Commission recognizes that the psychological effects of abuse are severe, long-term, and in many cases requires care and treatment from trained professionals. Over the last year, the ERLC has served the Sexual Abuse Advisory Group, which has involved a range of professionals—including psychologists and counselors with experience working with trauma—to develop resources for churches, state and national entities, and seminaries. This work has included the curriculum titled *Becoming a Church that Cares Well for the Abused*, which will be used and implemented widely among Southern Baptist churches and cooperative entities. This group of experts continues to provide advice to the Sexual Abuse Advisory Group moving forward.

The Sexual Abuse Advisory Group continues to explore strategies to ensure that care and healing is available to all survivors of abuse and that those who will be providing biblical counseling and care are trained and equipped for the task. This includes providing training and resources for existing counselors and professionals, providing resources to those entities tasked with training new counselors, and exploring models for providing counseling to survivors through national, state, and local entities.

**AUXILIARY**

**WMU**® God's mission.  
Our passion.

**WOMAN'S MISSIONARY UNION**®  
P.O. Box 830010, Birmingham, Alabama 35283-0010

**LINDA COOPER, President**

**SANDRA WISDOM-MARTIN, Executive Director/Treasurer**

### *Introduction*

Making disciples of Jesus who live on mission is the focus of WMU®. This passion and purpose of WMU is driven by being:

- Biblically-rooted—Scripture guides us in knowing God, His ways, His character, His mission, His redemptive acts, and His purpose for the Church.
- Missions-focused—Jesus commissioned His disciples to proclaim good news, disciple people of all nations, and teach them to live out the truths He taught.
- Church-based—Jesus gave the Church authority to act on His behalf. Teaching all ages prepares the Church to fulfill His mission.
- World-aware—God is always at work among all peoples, and we join Him where we discern He is calling us.
- Denominationally-supportive—No one church can do alone what many churches can do together. Our voluntary cooperation extends the missions reach of a local church.

WMU seeks to cultivate the characteristics of a missional person—one who learns about missions, prays for missions, supports missions, does missions, and tells about Jesus. Avenues for missions involvement include missions discipleship, leadership development, and compassion ministries. Through these three areas collectively, WMU had ministry touchpoints this year in 39 countries.

### *Report of Ministries*

#### **MISSIONS DISCIPLESHIP**

##### **Missions in the Church**

From preschoolers to adults, WMU provides relevant resources to help inform, inspire, and involve those in WMU groups in missions. WMU created and distributed 11 subscription items, including periodicals and resource kits. Ongoing missions discipleship through WMU develops believers who understand God's mission in the world, leading to engaged Christians who are passionate about sharing the love of Christ with others.

WMU's age-level groups include:

- Mission Friends® for preschool boys and girls from birth through kindergarten
- Girls in Action® (GA®) for girls in grades 1–6
- Royal Ambassadors® (RA®) for boys in grades 1–6
- Children in Action<sup>SM</sup> for boys and girls in grades 1–6
- Acteens® for girls in grades 7–12
- Challengers® for boys in grades 7–12
- Youth on Mission<sup>SM</sup> for boys and girls in grades 7–12
- myMISSION<sup>SM</sup> for collegiate and young women

- Women on Mission® for women
- Adults on Mission<sup>SM</sup> for men and women

### **Mission Boards**

Participants in WMU missions groups learn about North American and international missionaries and their work and readily support them through prayer and giving to the missions offerings.

In 2018\*, WMU helped raise \$157.3 million—the third-highest total in the offering’s 130-year history—for the Lottie Moon Christmas Offering® for International Missions. Since initiating the first offering in 1888, WMU has helped raise more than \$4.7 billion through this effort. The offering represents more than half of IMB’s total annual support. Every penny given to the offering goes directly to support missionaries, including housing, training, healthcare, and more.

In 2019, WMU helped raise \$61.4 million—the highest total in the offering’s history—for missions work in North America through the Annie Armstrong Easter Offering®. Since 1907, when official reporting began for the home missions offering started by WMU, receipts totaled more than \$1.9 billion through 2019. All of the funds raised through this offering go directly to NAMB to support field personnel and supplies nearly half of their total annual revenue.

Additionally, national WMU awards a variety of scholarships each year to children of Southern Baptist missionaries and continues to actively promote giving through the Cooperative Program of the Southern Baptist Convention.

National WMU is not a part of the Cooperative Program allocation budget and receives no funds from the Annie Armstrong Easter Offering or Lottie Moon Christmas Offering. National WMU is supported through the sale of magazines and products, and from investments and charitable contributions.

\*Final 2019 totals for the Lottie Moon Christmas Offering were not available at time of print.

### **Missionary Housing**

WMU administers housing for Southern Baptist missionaries while they are on stateside assignment. We maintain a database of more than 600 houses made available by churches, associations, and individuals and make this information available to missionaries on a secure website.

### **LEADERSHIP DEVELOPMENT**

From online, on-demand courses to print and digital resources to in-person training, WMU offers a variety of opportunities for discovering and expanding one’s leadership skills and spiritual gifts. Through WMU’s Christian Women’s Leadership Center (CWLC), women from all over the world enrolled in our online courses this year. These courses include stand-alone enrichment classes to a full leadership certificate program comprised of nine courses that require approximately 150 hours of coursework. Additional components of CWLC include helpful blogs, monthly luncheons, and college internships.

### **COMPASSION MINISTRIES**

#### **Pure Water, Pure Love**

WMU awarded grants to supply clean water resources in Cuba, Kenya, Sierra Leone, Thailand, and Uganda, among others, in 2019. In addition, more than 1,000 filters were given to International Mission Board personnel and missions teams through Pure Water, Pure Love<sup>SM</sup>.

**Christian Women's Job Corps/Christian Men's Job Corps**

Through this ministry, thousands of participants gained life and job skills in a Christian context through nearly 200 registered CWJC® and CMJC<sup>SM</sup> sites around the United States, along with four international sites. CWJC/CMJC offers classes, resources, mentoring, Bible study, and more. Lives are transformed as participants gain self-confidence, purpose, direction, and hope for the future.

**WorldCrafts**

Since 1996, we have worked to develop sustainable, fair-trade businesses among impoverished people around the world through WorldCrafts<sup>SM</sup>. This ministry now works with nearly 60 artisan groups in more than 20 countries to bring their products to market and provide income with dignity.

Our artisan groups seek to meet the physical, emotional, and spiritual needs of their workers. Men and women receive job training and enjoy comfort, camaraderie, friendship, and purpose. Some women find a safe haven and receive counseling as they leave the sex industry. Individuals and families discover abundant life and see that life lived out in front of them. WorldCrafts abides by and requires all partnering artisan groups to abide by Fair Trade Federation guidelines, ensuring artisans receive fair wages and the goods purchased were produced in an ethical and environmentally-friendly manner.

**Baptist Nursing Fellowship**

WMU provides administrative support for national Baptist Nursing Fellowship<sup>SM</sup>. WMU facilitates ongoing communication as well as a national event for this group of healthcare professionals.

**Project HELP: Refugees**

Project HELP is a WMU initiative designed to help the church address a current social and moral issue by raising awareness, meeting needs and sharing the gospel. Our current focus is the global refugee crisis, as conflict and persecution around the world cause tens of thousands of people to flee their homes every day and become refugees. They leave behind their entire way of life and face the daily realities of uncertainty and distress.

As Christians, we are uniquely positioned to minister to refugees. Learn more and discover resources at [wmu.com/refugees](http://wmu.com/refugees).

*Supportive Operations***Executive Board Meetings**

The Executive Board of WMU, which is comprised of women who serve as WMU presidents in their state or multistate territory, gathered twice in 2019 to conduct the business of the organization. These meetings took place January 12–14 and June 9–10 in Birmingham, Alabama.



# PART 4

## FINANCIAL STATEMENTS OF ENTITIES RELATED TO THE SOUTHERN BAPTIST CONVENTION

THE FOLLOWING INFORMATION HAS BEEN COMPILED BY THE EXECUTIVE COMMITTEE FROM REPORTS SUBMITTED BY THE RESPECTIVE ENTITIES AND, WHILE ACCURATE, IS NOT AN EXACT DUPLICATION OF ENTITY AUDITS. COMPLETE AUDITS OF EACH ENTITY HAVE BEEN RECEIVED AND REVIEWED BY THE EXECUTIVE COMMITTEE.

## THE EXECUTIVE COMMITTEE OF THE SOUTHERN BAPTIST CONVENTION

### Statements of Financial Position

September 30,	2019	2018
<b>Assets</b>		
Cash and cash equivalents	\$ 3,900,868	\$ 6,131,289
Investments - available for general operations	12,823,430	11,817,245
Investments - held for long-term purposes	2,779,062	2,661,009
Property and equipment, net	2,392,526	2,343,700
Other assets	<u>1,255,353</u>	<u>1,248,868</u>
<b>Total assets</b>	<b><u>\$ 23,151,239</u></b>	<b><u>\$ 24,202,111</u></b>
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 844,041	\$ 457,854
Undistributed gifts payable	3,108,510	4,812,045
Postretirement benefit obligation	3,853,419	4,042,668
Other liabilities	<u>1,213,208</u>	<u>1,175,234</u>
<b>Total liabilities</b>	<b><u>9,019,178</u></b>	<b><u>10,487,801</u></b>
<b>Net assets</b>		
Without donor restrictions	11,708,647	11,393,612
With donor restrictions	<u>2,423,414</u>	<u>2,320,698</u>
<b>Total net assets</b>	<b><u>14,132,061</u></b>	<b><u>13,714,310</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 23,151,239</u></b>	<b><u>\$ 24,202,111</u></b>

*The Accompanying Notes are an Integral Part of These Financial Statements*

### Statements of Activities

**For the Years Ended September 30,**

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS</b>				
Cooperative Program allocation budget and designated gifts				
With donor restrictions	\$ -	\$ 382,325,927	\$ 382,325,927	\$ 385,839,563
Without donor restrictions	<u>6,101,330</u>	<u>-</u>	<u>6,101,330</u>	<u>5,990,800</u>
Total Cooperative Program allocation budget and designated gifts	<u>6,101,330</u>	<u>382,325,927</u>	<u>388,427,257</u>	<u>391,830,363</u>
Contributions without donor restrictions	<u>384,558</u>	<u>-</u>	<u>384,558</u>	<u>1,157,667</u>
Investment income				
Without donor restrictions	1,197,543	-	1,197,543	841,041
With donor restrictions	<u>-</u>	<u>191,518</u>	<u>191,518</u>	<u>142,839</u>
Total investment income	<u>1,197,543</u>	<u>191,518</u>	<u>1,389,061</u>	<u>983,880</u>
Annual meeting	953,907	-	953,907	973,432
Grants from LifeWay Christian Resources	160,000	-	160,000	220,000
Other	133,124	-	133,124	62,657
Net assets released from restrictions	<u>382,414,729</u>	<u>(382,414,729)</u>	<u>-</u>	<u>-</u>
Total public support and revenue and net assets released from restrictions	<u>391,345,191</u>	<u>102,716</u>	<u>391,447,907</u>	<u>395,227,999</u>
<b>EXPENSES</b>				
Program activities				
Southern Baptist Convention operations	2,427,981	-	2,427,981	2,469,525
Executive Committee				
Southern Baptist Convention missions and ministry	382,325,927	-	382,325,927	385,839,563
Convention communications and relations	1,253,984	-	1,253,984	1,243,224
Convention policy	825,770	-	825,770	781,995
Other ministry expenses	757,972	-	757,972	677,214
Cooperative Program and stewardship	588,809	-	588,809	666,113
Convention advancement	<u>457,976</u>	<u>-</u>	<u>457,976</u>	<u>462,987</u>
Total program activities	<u>388,638,419</u>	<u>-</u>	<u>388,638,419</u>	<u>392,140,621</u>

**For the Years Ended September 30,**

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	
Supporting activities				
General and administrative	2,281,325	-	2,281,325	1,881,364
Fundraising	110,412	-	110,412	104,052
Total supporting activities	2,391,737	-	2,391,737	1,985,416
Total expenses	391,030,156	-	391,030,156	394,126,037
Change in net assets without donor restrictions	315,035	-	315,035	1,046,645
Change in net assets with donor restrictions	-	102,716	102,716	55,317
<b>CHANGE IN NET ASSETS</b>	315,035	102,716	417,751	1,101,962
<b>Net assets - Beginning of year</b>	11,393,612	2,320,698	13,714,310	12,612,348
<b>Net assets - End of year</b>	<u>\$ 11,708,647</u>	<u>\$ 2,423,414</u>	<u>\$ 14,132,061</u>	<u>\$ 13,714,310</u>

*The Accompanying Notes are an Integral Part of These Financial Statements*

**Statements of Cash Flows****For the Years Ended September 30,**

	2019	2018
<b>Operating cash flows</b>		
Cash received from Cooperative Program allocation budget and designated gifts	\$ 388,427,257	\$ 391,830,363
Cash received from contributions	384,558	1,157,667
Cash received from other activities	1,247,031	1,256,089
Dividend and interest income	565,580	464,773
Cash paid for operating activities and costs	(392,172,467)	(397,147,754)
<b>Net operating cash flows</b>	<u>(1,548,041)</u>	<u>(2,438,862)</u>
<b>Investing cash flows</b>		
Proceeds from sales of investments	105,996	104,431
Purchases of investments	(406,753)	(363,073)
Purchases of and improvements to property and equipment	(381,623)	(98,310)
<b>Net investing cash flows</b>	<u>(682,380)</u>	<u>(356,952)</u>
<b>Net change in cash and cash equivalents</b>	(2,230,421)	(2,795,814)
<b>Cash and cash equivalents - Beginning of year</b>	6,131,289	8,927,103
<b>Cash and cash equivalents - End of year</b>	<u>\$ 3,900,868</u>	<u>\$ 6,131,289</u>

**Reconciliation of change in net assets to net operating cash flows**

Change in net assets	\$ 417,751	\$ 1,101,962
Adjustments to reconcile change in net assets to net operating cash flows		
Depreciation	332,797	335,985
Net gain on investments	(823,481)	(519,107)
Change in other assets	(6,485)	34,643
Change in accounts payable and accrued expenses	386,187	8,509
Change in undistributed gifts payable	(1,703,535)	(3,309,749)
Change in postretirement benefit obligation	(189,249)	(116,072)
Change in other liabilities	37,974	24,967
<b>Net operating cash flows</b>	<u>\$ (1,548,041)</u>	<u>\$ (2,438,862)</u>

*The Accompanying Notes are an Integral Part of These Financial Statements*

**NOTES TO FINANCIAL STATEMENTS****NOTE 1. DESCRIPTION OF THE ORGANIZATION**

The Executive Committee of the Southern Baptist Convention ("the Executive Committee"), a Tennessee nonprofit corporation, is the fiduciary, the fiscal, and the executive entity of the Southern Baptist Convention ("SBC"), a Georgia nonprofit corporation, in all its affairs that are not specifically delegated to another board or entity. The Executive Committee's operations include the administration and distribution of funds received from state conventions, churches, and individuals for and to the various entities of the SBC in accordance with the SBC's Cooperative Program Allocation directives or donor-imposed restrictions. The Executive Committee receives its financial support primarily from Cooperative Program gifts. The Cooperative Program is Southern Baptists' primary method of supporting both state and national SBC missions and ministry efforts.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES****REVENUE AND SUPPORT**

The Executive Committee recognizes cash contributions as revenue when the contributions are received by the Executive Committee. Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires, net assets with donor restrictions

are reclassified to net assets without donor restrictions and reported in the statements of activities as “net assets released from restrictions.”

The SBC authorizes a portion of Cooperative Program allocation budget gifts received by the Executive Committee to be used to fund the Executive Committee’s operations. The portion of Cooperative Program allocation budget gifts received up to the amount authorized for this purpose is included as revenue without donor restrictions in the accompanying statements of activities. Gifts received above and beyond this amount are included as revenue with donor restrictions in the accompanying statements of activities. Amounts distributed (or held for distribution) to various entities of the SBC are included with net assets released from restrictions and SBC missions and ministry expense in the accompanying statements of activities.

#### PROGRAM ACTIVITIES

The Executive Committee’s program activities include the following:

##### *Southern Baptist Convention operations*

Carrying out the activities of the SBC, including overseeing the SBC annual meeting and managing the Southern Baptist building in Nashville, Tennessee.

##### *Southern Baptist Convention missions and ministry*

Grants to various SBC cooperating ministries.

##### *Convention communications and relations*

Promoting and publicizing the overall ministries of Southern Baptists.

##### *Convention policy*

Coordinating all legal matters, overseeing technological infrastructure and websites, and ensuring the operations of the SBC are carried out in conformity with foundational documents and policies.

##### *Other ministry expenses*

Conducting other outreach programs not classified elsewhere.

##### *Cooperative Program and stewardship*

Assisting churches through promotion of cooperative giving and stewardship education.

##### *Convention advancement*

Assisting in global evangelical relations and encouraging involvement and facilitating participation of various ethnic and demographic constituencies.

#### CASH AND CASH EQUIVALENTS

The Executive Committee considers investments purchased or donated with original maturities of three months or less to be cash equivalents.

#### INVESTMENTS

Investments are carried at estimated fair value and are managed by the Southern Baptist Foundation (“SBF”). Such amounts are invested in money market funds, equity securities, and fixed income securities through SBF’s Balanced Fund. Estimated fair values are based on quoted market prices. Interest and dividend income and net gains or losses on investments are reported in the statements of activities as investment income without donor restrictions unless a donor restricts its use temporarily or perpetually, in which case such amounts are reported in the statements of activities as investment income with donor restrictions. Donated investments are recorded at estimated fair value on the date of donation and thereafter carried in accordance with the above provisions.

#### INVESTMENTS HELD FOR LONG-TERM PURPOSES

Investments held for long-term purposes relate to donor-restricted endowment net assets, unexpended endowment earnings, and board-designated endowment funds.

#### PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. The Executive Committee uses the straight-line method of depreciating property and equipment over the estimated useful lives of the related assets.

#### UNDISTRIBUTED GIFTS PAYABLE

Undistributed gifts payable represent contributions received from state conventions, churches, and individuals that must be distributed to various entities of the SBC as soon as administratively practicable in accordance with SBC Cooperative Program allocation budget directives and donor-imposed designations to these entities.

#### POSTRETIREMENT BENEFIT PLANS

The Executive Committee provides postretirement healthcare and other benefits for retired employees. The Executive Committee accounts for the plans following guidance prescribed under accounting principles generally accepted in the United States (“U.S. GAAP”).

**NET ASSETS**

Net assets without donor restrictions are available for use at the discretion of the Board of Trustees. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

**INCOME TAXES**

The Executive Committee is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to Tennessee law. The Executive Committee is further classified as a public charity and not a private foundation for federal tax purposes. The Executive Committee has not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying financial statements.

**USE OF ESTIMATES**

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those related to the estimated fair values of investments, the useful lives of property and equipment, and the calculation of the postretirement benefit obligation. Actual results could differ from the estimates.

**NEW ACCOUNTING PRONOUNCEMENT**

Financial Accounting Standards Board Accounting Standards Update (“ASU”) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities is effective for the Executive Committee’s financial statements for the year ended September 30, 2019. The ASU requires various changes to the presentation of financial statements of not-for-profit entities, the most significant of which relate to the classifications of net assets, a requirement to report expenses by natural classification as well as by functional classification, and new required disclosures related to an entity’s liquidity and availability of resources. The adoption of the ASU had no effect on the Executive Committee’s net assets as of October 1, 2017 or the change in net assets for the year ended September 30, 2018. As allowed by applicable guidance, the Executive Committee has chosen not to retrospectively apply provisions not required to be applied to the financial statements as of and for the year ended September 30, 2018.

**SUBSEQUENT EVENTS**

The Executive Committee has evaluated for possible financial reporting and disclosure subsequent events through December 19, 2019, the date as of which the financial statements were available to be issued.

**NOTE 3. LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available for general expenditure within one year of the date of the September 30, 2019 statement of financial position are as follows:

Cash and cash equivalents	\$ 3,900,868
Investments available for general operations	12,823,430
Investments held for long-term purposes	<u>2,779,062</u>
Total financial assets available within one year	19,503,360
Less:	
Amounts unavailable due to:	
Undistributed gifts to be paid as soon as administratively practicable	(3,108,510)
Board-designated endowment and other funds	(1,489,968)
Unexpended endowment earnings	(1,252,086)
Donor-restricted endowment funds	<u>(1,171,328)</u>
<b>Net financial assets available within one year</b>	<b><u>\$ 12,481,468</u></b>

The Executive Committee is primarily supported by Cooperative Program gifts and other contributions. As part of the Executive Committee’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board of Trustees has designated certain amounts for endowments and other purposes. Because of the designations, these amounts are not available for general expenditures within the next year; however, the Board of Trustees could make them available, if necessary. The Executive Committee has certain assets limited to use for donor-restricted purposes. Because a donor’s restriction requires resources to be used in a specific manner or in a future period, the Executive Committee must maintain sufficient resources to meet its responsibilities to its donors. Thus, those financial assets may not be available for general expenditures within the next year and are excluded from net financial assets available to meet general expenditures within one year. Management believes the Executive Committee has sufficient liquid funds available for general operations that may be drawn upon in the event of unanticipated financial distress or immediate liquidity need.

**NOTE 4. CONCENTRATIONS**

The Executive Committee maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Executive Committee has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

**NOTE 5. INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments available for general operations consisted of the following:

<u>September 30,</u>	<u>2019</u>	<u>2018</u>
SBF Balanced Fund	\$ 12,823,430	\$ 11,817,245

Investments held for long-term purposes consisted of:

<u>September 30,</u>	<u>2019</u>	<u>2018</u>
Endowments - perpetual donor restrictions	\$ 1,171,328	\$ 1,169,184
Unexpended endowment earnings	1,252,086	1,151,514
Board-designated endowment funds	<u>355,648</u>	<u>340,311</u>
<b>Total investments held for long-term purposes</b>	<b><u>\$ 2,779,062</u></b>	<b><u>\$ 2,661,009</u></b>

U.S. GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, U.S. GAAP recognizes a hierarchy of "inputs" an organization may use in determining or estimating fair value. The inputs are categorized into "levels" that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. All of the Executive Committee's investments are considered Level 2 investments (i.e., fair value is estimated based on quoted prices for similar items).

**NOTE 6. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

<u>September 30,</u>	<u>2019</u>	<u>2018</u>
<b>Category</b>		
Land	\$ 205,000	\$ 205,000
Buildings and building improvements	8,648,015	8,438,990
Furniture and equipment	<u>2,141,183</u>	<u>1,968,586</u>
Total	10,994,198	10,612,576
Less: Accumulated depreciation	<u>(8,601,672)</u>	<u>(8,268,876)</u>
<b>Net property and equipment</b>	<b><u>\$ 2,392,526</u></b>	<b><u>\$ 2,343,700</u></b>

Depreciation expense amounted to \$332,797 and \$335,985 during the years ended September 30, 2019 and 2018, respectively.

**NOTE 7. EMPLOYEE BENEFIT PLANS****DEFERRED COMPENSATION PLAN**

The Executive Committee sponsors a 409(a) deferred compensation plan for certain employees which is administered by GuideStone Financial Resources of the Southern Baptist Convention ("GuideStone"). Contributions to the deferred compensation plan for the years ended September 30, 2019 and 2018 were approximately \$141,000 and \$180,000, respectively. The balance of assets and liabilities in the deferred compensation plan was approximately \$1,213,000 and \$1,175,000 as of September 30, 2019 and 2018, respectively, and is included in other assets and other liabilities in the accompanying statements of financial position.

**EMPLOYEE RETIREMENT PLAN**

The Executive Committee participates in a defined contribution annuity plan ("the Plan") sponsored by GuideStone which covers substantially all employees. The Executive Committee makes contributions to the Plan equal to 10% of participant compensation and matches participant contributions up to 1% of compensation for each three years of service, not to exceed 5% of compensation. Employees are eligible to participate on their first day of employment. The Executive Committee contributed approximately \$416,000 and \$397,000 to the Plan during the years ended September 30, 2019 and 2018, respectively.

**POSTRETIREMENT BENEFIT OBLIGATION**

The Executive Committee sponsors postretirement healthcare, life insurance, and retirement gift benefits for all eligible active participants provided they remain employed until retirement (age sixty or above) and meet certain other criteria. The postretirement healthcare benefits provide for a contribution toward both the retirees' and eligible dependents' supplemental Medicare insurance plan. The Executive Committee has a Healthcare Reimbursement Arrangement (HRA) in place for all eligible retirees. The HRA contribution provides a fixed contribution to cover a portion of the eligible retirees' and any eligible dependents' Medicare supplement premiums. The Executive Committee does not pay Medicare premiums. The life insurance benefits provide postretirement insurance benefits up to a maximum of \$20,000. The retirement gift benefits provide a one-time gift based on the participant's salary level and years of service.

There are no plan assets for the Executive Committee's postretirement benefit plans, as postretirement benefits are funded by the Executive Committee on an as-needed basis.

A summary of changes to the postretirement benefit obligation is as follows:

<b>For The Years Ended September 30,</b>	<b>2019</b>	<b>2018</b>
Postretirement benefit obligation, beginning of year	\$ 4,042,668	\$ 4,158,740
Service cost	52,817	52,183
Interest cost	159,456	163,941
Actuarial gain	(181,181)	(105,150)
Benefits paid	<u>(220,341)</u>	<u>(227,046)</u>
<b>Postretirement benefit obligation, end of year</b>	<b><u>\$ 3,853,419</u></b>	<b><u>\$ 4,042,668</u></b>

The following sets forth the postretirement benefit obligation's unfunded status reconciled with the amounts reported in the statements of financial position:

<b>September 30,</b>	<b>2019</b>	<b>2018</b>
Postretirement benefit obligation		
Retirees	\$ 2,008,923	\$ 2,179,189
Fully eligible active participants	1,101,799	1,125,236
Other active participants	<u>742,697</u>	<u>738,243</u>
	3,853,419	4,042,668
Plan assets at fair value	<u>-</u>	<u>-</u>
<b>Postretirement benefit obligation</b>	<b><u>\$ 3,853,419</u></b>	<b><u>\$ 4,042,668</u></b>

Components of net periodic postretirement benefit cost are as follows:

<b>For the years ended September 30,</b>	<b>2019</b>	<b>2018</b>
Service cost	\$ 52,817	\$ 52,183
Interest cost	159,456	163,941
Amortization of unrecognized prior service cost	-	(43,109)
Amortization of net loss from earlier periods	<u>202,286</u>	<u>229,629</u>
<b>Net periodic postretirement benefit cost</b>	<b><u>\$ 414,559</u></b>	<b><u>\$ 402,644</u></b>

The discount rate and rate of compensation increase used to determine the postretirement benefit obligation and the net periodic postretirement benefit cost as of and for the year ended September 30, 2019 were 4% and 3%, respectively. Because the Executive Committee provides fixed contributions for healthcare costs, healthcare cost trend rate assumptions do not impact the amounts reported.

The postretirement health care and other benefits estimated to be paid over the next 10 years are approximately as follows:

<b>For the years ended September 30,</b>	
2020	\$ 279,000
2021	\$ 225,000
2022	\$ 275,000
2023	\$ 268,000
2024	\$ 323,000
2025-2029	<u>\$ 1,257,000</u>

The expected benefits are based on the same assumptions used to measure the benefit obligation and include estimated future employee service. Because the plans are funded as claims are made, the expected employer contribution for the year ending September 30, 2020 is approximately \$279,000.

#### NOTE 8. NET ASSETS

Net assets consisted of the following:

<b>September 30,</b>	<b>2019</b>	<b>2018</b>
Without donor restrictions		
Undesignated	\$ 7,826,153	\$ 7,456,770
Equity in property and equipment - net	2,392,526	2,343,700
Board-designated endowment funds	355,648	340,311
Other board-designated funds	<u>1,134,320</u>	<u>1,252,831</u>
<b>Total without donor restrictions</b>	<b><u>11,708,647</u></b>	<b><u>11,393,612</u></b>
With donor restrictions - time and/or purpose restrictions		
Unexpended endowment earnings		
Cooperative Program	525,795	467,217
Scholarships	<u>726,291</u>	<u>684,297</u>
<b>Total with donor restrictions - time and/or purpose restrictions</b>	<b><u>1,252,086</u></b>	<b><u>1,151,514</u></b>

<u>September 30,</u>	<u>2019</u>	<u>2018</u>
With donor restrictions - perpetual restrictions		
Cooperative Program endowment	924,132	921,988
Scholarship endowment	<u>247,196</u>	<u>247,196</u>
<b>Total with donor restrictions - perpetual restrictions</b>	<u>1,171,328</u>	<u>1,169,184</u>
<b>Total with donor restrictions</b>	<u>2,423,414</u>	<u>2,320,698</u>
<b>Total net assets</b>	<u>\$ 14,132,061</u>	<u>\$ 13,714,310</u>

The Executive Committee's endowments consist of funds established for a variety of purposes as a result of donor contributions. Net assets associated with endowment funds, including board-designated quasi-endowments, are classified and reported based on the existence or absence of donor restrictions. Earnings from net assets with perpetual donor restrictions are primarily available to support Cooperative Program activities and scholarships.

The Executive Committee preserves the estimated fair value of all original endowment gifts as of the gift date, which management deems is in compliance with state law. Accordingly, the Executive Committee classifies as "net assets with perpetual donor restrictions" (a) the original value of gifts donated to the perpetual endowment and (b) the original value of subsequent gifts to the perpetual endowment (including investment income required to be reinvested into corpus). The Executive Committee has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to supported programs while seeking to maintain the purchasing power of the endowment assets and to preserve the invested capital. The Executive Committee seeks the advice of investment counsel, as well as management and certain committees of the Executive Committee, when determining amounts to be spent on supported programs. The Executive Committee periodically makes distributions (in accordance with its spending policies) for use in furthering its exempt purpose.

Endowment net asset composition by type as of September 30, 2019:

	<u>Without donor restrictions</u>	<u>With donor restrictions - time and/or purpose restrictions</u>	<u>With donor restrictions - perpetual restrictions</u>	<u>Total</u>
Board-designated	\$ 355,648	\$ -	\$ -	\$ 355,648
Donor-restricted	<u>-</u>	<u>1,252,086</u>	<u>1,171,328</u>	<u>2,423,414</u>
<b>Total</b>	<u>\$ 355,648</u>	<u>\$ 1,252,086</u>	<u>\$ 1,171,328</u>	<u>\$ 2,779,062</u>

Endowment net asset composition by type as of September 30, 2018:

	<u>Without donor restrictions</u>	<u>With donor restrictions - time and/or purpose restrictions</u>	<u>With donor restrictions - perpetual restrictions</u>	<u>Total</u>
Board-designated	\$ 340,311	\$ -	\$ -	\$ 340,311
Donor-restricted	<u>-</u>	<u>1,151,514</u>	<u>1,169,184</u>	<u>2,320,698</u>
<b>Total</b>	<u>\$ 340,311</u>	<u>\$ 1,151,514</u>	<u>\$ 1,169,184</u>	<u>\$ 2,661,009</u>

Changes in endowment net assets:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, October 1, 2017	\$ 331,894	\$ 2,265,381	\$ 2,597,275
Net investment income	21,150	142,839	163,989
Appropriated for expenditure	<u>(12,733)</u>	<u>(87,522)</u>	<u>(100,255)</u>
Endowment net assets, September 30, 2018	340,311	2,320,698	2,661,009
Net investment income	28,287	191,518	219,805
Appropriated for expenditure	<u>(12,950)</u>	<u>(88,802)</u>	<u>(101,752)</u>
Endowment net assets, September 30, 2019	<u>\$ 355,648</u>	<u>\$ 2,423,414</u>	<u>\$ 2,779,062</u>

**NOTE 9. TRANSACTIONS WITH COOPERATING MINISTRIES**

The Executive Committee is the sole entity with an ownership interest in the Southern Baptist Building. The building is owned subject to a restriction that it be used for the benefit of the Executive Committee in addition to certain other Southern Baptist Convention entities. The Executive Committee receives no payment from the other entities related to occupancy of office space and each entity is responsible for the maintenance and operating costs associated with the office space which it occupies.

The Executive Committee is the sole member of SBF. As the sole member, the Executive Committee appoints SBF's board of trustees. However, the Executive Committee does not have an "economic interest" in SBF as that term is defined in U.S. GAAP. Accordingly, the accompanying financial statements do not include SBF's financial activities. SBF managed investments totaling \$15,602,492 and \$14,478,254 as of September 30, 2019 and 2018, respectively, on behalf of the Executive Committee.

Following are approximate financial statement amounts from SBF's audited financial statements as of and for the years ended September 30, 2019 and 2018:

<b>September 30,</b>	<b>2019</b>	<b>2018</b>
Total assets	<u>\$ 215,780,000</u>	<u>\$ 206,180,000</u>
Total liabilities	<u>\$ 202,920,000</u>	<u>\$ 194,850,000</u>
Total net assets	<u>\$ 12,860,000</u>	<u>\$ 11,330,000</u>
Total revenue	<u>\$ 3,730,000</u>	<u>\$ 3,150,000</u>
Total expenses	<u>\$ 2,200,000</u>	<u>\$ 1,900,000</u>
Total change in net assets	<u>\$ 1,530,000</u>	<u>\$ 1,250,000</u>

The Executive Committee's board of trustees is appointed by the SBC, as are the governing bodies of certain other SBC organizations. Following is a summary of grants (to)/from other SBC cooperating ministries:

<b>For the years ended September 30,</b>	<b>2019</b>	<b>2018</b>
The International Mission Board of the Southern Baptist Convention	<u>\$ (231,912,937)</u>	<u>\$ (234,327,483)</u>
The North American Mission Board of the Southern Baptist Convention, Inc.	<u>\$ (102,873,610)</u>	<u>\$ (103,681,851)</u>
Gateway Seminary of the Southern Baptist Convention	<u>\$ (3,978,744)</u>	<u>\$ (4,168,806)</u>
Midwestern Baptist Theological Seminary, Inc.	<u>\$ (6,374,995)</u>	<u>\$ (5,786,857)</u>
New Orleans Baptist Theological Seminary	<u>\$ (7,161,887)</u>	<u>\$ (7,331,196)</u>
The Southeastern Baptist Theological Seminary, Inc.	<u>\$ (7,699,121)</u>	<u>\$ (7,976,304)</u>
The Southern Baptist Theological Seminary	<u>\$ (10,388,762)</u>	<u>\$ (10,231,671)</u>
The Southwestern Baptist Theological Seminary	<u>\$ (7,685,709)</u>	<u>\$ (7,844,857)</u>
Historical Library and Archives	<u>\$ (472,790)</u>	<u>\$ (473,186)</u>
The Ethics and Religious Liberty Commission of the Southern Baptist Convention	<u>\$ (3,258,880)</u>	<u>\$ (3,264,692)</u>
GuideStone Financial Resources of the Southern Baptist Convention	<u>\$ (37,758)</u>	<u>\$ (39,671)</u>
LifeWay Christian Resources of the Southern Baptist Convention	<u>\$ 160,000</u>	<u>\$ 220,000</u>

#### NOTE 10. FUNCTIONAL ALLOCATION OF EXPENSES

The Executive Committee's expenses reported on a natural and functional classification are as follows:

##### For the year ended September 30, 2019

	Total program activities	Total supporting activities	Total expenses
Missions and ministry	\$383,083,899	\$ -	\$383,083,899
Personnel and benefits	2,727,519	1,624,526	4,352,045
Meetings and travel	1,623,794	456,487	2,080,281
Contract services	462,922	110,412	573,334
Building operations	365,100	88,245	453,345
Depreciation	299,517	33,280	332,797
General operations	<u>75,668</u>	<u>78,787</u>	<u>154,455</u>
Total expenses	<u>\$388,638,419</u>	<u>\$ 2,391,737</u>	<u>\$391,030,156</u>

Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

**SUPPLEMENTAL SCHEDULE OF COOPERATIVE PROGRAM ALLOCATION  
BUDGET AND DESIGNATED GIFTS RECEIVED FOR DISBURSEMENT  
For The Year Ended September 30, 2019**

<b>RECEIVED:</b>	<b>Cooperative Program Allocation Budget</b>	<b>Designated</b>	<b>Total</b>
Alabama	\$ 18,816,517	\$ 18,434,556	\$ 37,251,073
Alaska	156,172	209,786	365,958
Arizona	1,155,915	1,364,037	2,519,952
Arkansas	9,486,646	7,385,449	16,872,095
California	2,239,289	2,526,818	4,766,107
Colorado	650,545	647,399	1,297,944
Dakota	94,598	140,103	234,701
Florida	14,966,809	8,169,982	23,136,791
Georgia	16,174,800	15,993,052	32,167,852
Hawaii Pacific	244,989	308,748	553,737
Illinois	2,312,997	2,121,966	4,434,963
Indiana	812,509	895,443	1,707,952
Iowa	321,257	249,310	570,567
Kansas-Nebraska	803,809	946,847	1,750,656
Kentucky	9,865,588	7,639,989	17,505,577
Louisiana	6,838,064	6,042,052	12,880,116
Maryland-Delaware	1,686,659	1,388,151	3,074,810
Michigan	343,796	341,150	684,946
Minnesota-Wisconsin	233,099	232,838	465,937
Mississippi	12,318,599	12,542,870	24,861,469
Missouri	5,864,071	6,386,246	12,250,317
Montana	197,540	208,228	405,768
Nevada	623,420	251,961	875,381
New England	210,399	227,383	437,782
New Mexico	806,554	1,189,638	1,996,192
New York	223,748	362,663	586,411
North Carolina	11,621,226	19,698,459	31,319,685
Northwest	650,991	796,704	1,447,695
Ohio	2,079,821	1,506,294	3,586,115
Oklahoma	9,934,324	7,067,463	17,001,787
Pennsylvania-South Jersey	339,516	310,907	650,423
Puerto Rico/Virgin Islands	7,091	17,225	24,316
South Carolina	11,018,556	12,222,604	23,241,160
Tennessee	16,002,260	15,582,523	31,584,783
Texas - BGCT	10,208,419	12,962,268	23,170,687
Texas - SBTC	15,369,706	12,154,318	27,524,024
Utah - Idaho	211,676	300,025	511,701
Virginia - BGAV	823,068	3,104,174	3,927,242
Virginia - SBCV	4,620,758	4,875,536	9,496,294
West Virginia	522,680	493,448	1,016,128
Wyoming	108,921	120,704	229,625
	190,967,402	187,419,317	378,386,719
Churches & Individuals	<u>5,764,303</u>	<u>4,276,235</u>	<u>10,040,538</u>
	<u>\$ 196,731,705</u>	<u>\$ 191,695,552</u>	<u>\$ 388,427,257</u>

*See the Accompanying Report of Independent Auditor*

**SUPPLEMENTAL SCHEDULE OF COOPERATIVE PROGRAM ALLOCATION  
BUDGET AND DESIGNATED GIFTS RECEIVED FOR DISBURSEMENT  
For The Year Ended September 30, 2019  
(continued)**

<b>EXPENDED:</b>	<b>Cooperative Program Allocation Budget</b>	<b>Percentage of Total Program</b>	<b>Designated</b>	<b>Total</b>
The International Mission Board of the Southern Baptist Convention	\$ 99,254,130	50.45%	\$ 132,658,807	\$ 231,912,937
The North American Mission Board of the Southern Baptist Convention, Inc.	44,835,155	22.79%	58,038,455	102,873,610
Gateway Seminary of the Southern Baptist Convention	3,966,734	2.02%	12,010	3,978,744
Midwestern Baptist Theological Seminary, Inc.	6,358,059	3.23%	16,936	6,374,995
New Orleans Baptist Theological Seminary	7,144,588	3.63%	17,299	7,161,887
The Southeastern Baptist Theological Seminary, Inc.	7,664,237	3.90%	34,884	7,699,121
The Southern Baptist Theological Seminary	10,351,129	5.26%	37,633	10,388,762
The Southwestern Baptist Theological Seminary	7,638,843	3.88%	46,866	7,685,709
Historical Library and Archives	472,156	0.24%	634	472,790
The Ethics and Religious Liberty Commission of the Southern Baptist Convention	3,246,074	1.65%	12,806	3,258,880
GuideStone Financial Resources of the Southern Baptist Convention	-	0.00%	37,758	37,758
SBC Executive Committee and SBC Operating	<u>5,800,600</u>	<u>2.95%</u>	<u>781,464</u>	<u>6,582,064</u>
	<u>\$ 196,731,705</u>	<u>100.00%</u>	<u>\$ 191,695,552</u>	<u>\$ 388,427,257</u>

*See the Accompanying Report of Independent Auditor*

**REPORT OF INDEPENDENT AUDITOR**

***The Board of Trustees***

***The Executive Committee of the Southern Baptist Convention***

***Nashville, Tennessee***

We have audited the accompanying financial statements of **The Executive Committee of the Southern Baptist Convention** ("the Executive Committee"), which consist of the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Executive Committee's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Executive Committee's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Executive Committee of the Southern Baptist Convention as of September 30, 2019 and 2018, the changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedule of cooperative program allocation budget and designated gifts received for disbursement and supplemental schedule of cooperative program allocation budget and designated gifts distributed for the year ended September 30, 2019 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida

December 19, 2019

## GUIDESTONE FINANCIAL RESOURCES OF THE SOUTHERN BAPTIST CONVENTION

### Consolidated Statements of Financial Position December 31, 2019 and 2018

<i>(amounts in millions)</i>	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Investments in Funds, at fair value	\$ 15,125	\$ 13,356
Cash	16	9
Notes receivable from participants	125	130
Other assets, net	<u>39</u>	<u>35</u>
<b>Total assets</b>	<b><u>\$ 15,305</u></b>	<b><u>\$ 13,530</u></b>
<b>Liabilities</b>		
Restricted insurance reserves	\$ 65	\$ 65
Other liabilities	<u>57</u>	<u>52</u>
<b>Total liabilities</b>	<b>122</b>	<b>117</b>
<b>Participant accumulations and fund balances</b>	<b><u>15,183</u></b>	<b><u>13,413</u></b>
<b>Total liabilities and participant accumulations and fund balances</b>	<b><u>\$ 15,305</u></b>	<b><u>\$ 13,530</u></b>

The accompanying notes are an integral part of the consolidated financial statements.

### Consolidated Statements of Revenues, Expenses, Gains and Losses For the Years Ended December 31, 2019 and 2018

<i>(amounts in millions)</i>	<u>2019</u>	<u>2018</u>
<b>Investment income and gains/(losses), net</b>		
Investment income	760	742
Investment gains/(losses), net	<u>1,564</u>	<u>(1,288)</u>
Investment income and gains/(losses), net	2,324	(546)
Operating revenue	<u>132</u>	<u>157</u>
<b>Revenues, gains/(losses), net</b>	<b>2,456</b>	<b>(389)</b>
<b>Operating expenses</b>	<b><u>97</u></b>	<b><u>95</u></b>
<b>Revenues, expenses, gains/(losses), net</b>	<b><u>\$ 2,359</u></b>	<b><u>\$ (484)</u></b>

The accompanying notes are an integral part of the consolidated financial statements.

### Consolidated Statements of Changes in Participant Accumulations and Fund Balances For the Years Ended December 31, 2019 and 2018

<i>(amounts in millions)</i>	<u>2019</u>	<u>2018</u>
<b>Participant accumulations and fund balances at beginning of year</b>	<b>\$ 13,413</b>	<b>\$ 14,081</b>
Revenues, expenses, gains and losses, net	2,359	(484)
Participant transactions		
Participant contributions, gifts, relief and other receipts	761	714
Withdrawals, benefit and relief payments	<u>(1,350)</u>	<u>(898)</u>
Net decrease from participant transactions	<u>(589)</u>	<u>(184)</u>
<b>Net change in participant accumulations and fund balances</b>	<b><u>1,770</u></b>	<b><u>(668)</u></b>
<b>Participant accumulations and fund balances at end of year</b>	<b><u>\$ 15,183</u></b>	<b><u>\$ 13,413</u></b>

The accompanying notes are an integral part of the consolidated financial statements.

### Notes to Consolidated Financial Statements

#### 1. Consolidated Financial Statement Presentation

GuideStone Financial Resources of the Southern Baptist Convention (“GuideStone”) is a tax-exempt, not-for-profit corporation organized under Section 501C(3) of the Internal Revenue Service Code. GuideStone and its affiliates are the custodian and trustee for various retirement plans (the “Plans”) and benefit funds (the “Benefit Funds”). The accompanying consolidated financial statements present the financial position and results of operations of the assets GuideStone administers on behalf of the Plans, Benefit Funds, and operations.

GuideStone is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) and is not a state licensed insurance company. Additionally, GuideStone is not subject to the various insurance regulations by the states in which it serves.

**Recent Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Codification (“ASC”) 606, “Revenue from Contracts with Customers”. This standard updated the revenue recognition requirements and is effective for periods beginning after December 15, 2018. GuideStone has adopted this new guidance as of and for the year ended December 31, 2019. The adoption of this accounting standard did not have a material impact on GuideStone’s financial position and results of operations.

**Plans and Funds Administered by GuideStone**

GuideStone administers the holdings of several benefit plans designed to provide retirement or health and welfare protection for plan participants. Retirement benefits can be provided under either a defined benefit plan or defined contribution plan. GuideStone also markets and services personal, IRA, and institutional investment products (“Retail Assets”) to investors. See Note 4 for a detail of Investments in Funds and a detail of Investment Income and Losses of Funds.

**A. Retirement Plans**

Retirement Plans are comprised of the following plans:

**1. 403(b)(9) Retirement Plan**

The 403(b)(9) Retirement Plan is a defined contribution plan offered to agencies, institutions, boards and commissions of the Southern Baptist Convention and the state Baptist conventions. The plan is a defined contribution plan permitted by Internal Revenue Code Section 403(b) and designated as a “church plan” exclusively for employees of Southern Baptist agencies.

**2. Church Retirement Plan**

The Church Retirement Plan is a defined contribution plan permitted by Internal Revenue Code Section 403(b)(9) and designated as a “church plan” exclusively for ministers and other employees of Southern Baptist churches. Each state convention makes matching contributions for certain eligible members’ benefit. Eligibility for matching contributions varies from state to state.

**3. Voluntary Retirement Plan**

The Voluntary Retirement Plan is a defined contribution plan designed to receive contributions by Southern Baptist ministers or other church or agency employees who are ineligible to participate in either the 403(b)(9) Retirement Plan or the Church Retirement Plan. All contributions are made by the employee on a voluntary basis. The plan is a “church plan” as defined in Internal Revenue Code Section 403(b).

**4. Ministers’ and Chaplains’ Plan**

The Ministers’ and Chaplains’ Plan is a defined contribution plan designed to receive contributions from Southern Baptist ordained, commissioned or licensed ministers who are either self-employed or are employed by for-profit or certain not-for-profit employers that do not provide a retirement plan. All contributions are made by the ministers as employer contributions. The plan is a “church plan” as defined by Internal Revenue Code Section 403(b).

**5. Trusteed Plans**

Trusteed plans include retirement plans permitted under various Internal Revenue Service Code Sections and administered by GuideStone.

**6. Other Accumulations**

Other Accumulations consists of amounts held for Southern Baptist agencies to fund various employee benefits. These funds may be used by the agencies to fund contributions to the 403(b)(9) Retirement Plan or to pay other employee benefits. Also included are non-Southern Baptist defined contribution plans designated as a “church plan” as defined by Internal Revenue Code Section 403(b).

**B. Benefit Funds**

Benefit funds include the Fixed Benefit Fund (“FBF”) and the Variable Benefit Fund (“VBF”). The FBF is administered by GuideStone and provides retirement benefits to annuitants based on participation, which includes salary and service, and accumulations from defined contribution plans. Neither the employer nor GuideStone contribute to these funds. As of December 31, 2019 and 2018, the present value of future benefit payments of the FBF exceeded the FBF assets. The FBF is closed to new participation other than accumulations transferred from defined contribution plans when participants choose to set up an annuity. The VBF consists of accumulations transferred from defined contribution plans and is invested to provide a variable benefit for participants. See Note 5 for further discussion of the benefit funds.

**C. Health and Welfare Plans**

GuideStone administers various health and welfare plans, which include life, medical, dental, long-term disability and accident insurance, for church and agency members. GuideStone may terminate its administration of these plans at any time; however, it currently has no intention to do so. Benefits provided by the health and welfare plans are payable by these plans except for certain disability, accident, dental HMO, and Medicare-coordinating drug plans administered and underwritten by third party insurers. A portion of reserves has been segregated and reported separately as restricted insurance reserves on the Consolidated Statements of Financial Position. Restricted insurance reserves are set aside to cover management’s estimate of valid claims which had not been reported as of December 31, 2019. Any anticipated deficiencies in plan balance would require increases in future premiums and/or revisions in future benefits. In management’s opinion, current plan balance levels are adequate for current plan obligations based on historical claims experience.

GuideStone offers property and casualty (P&C) coverage to church and ministry organizations. GuideStone acts as an agent and earns commission revenue and endorsement fees from its marketing and sales efforts. P&C revenue of \$7.0 million and \$5.3 million in 2019 and 2018, respectively, is included in operating revenue on the Consolidated Statements of Revenues, Expenses, Gains and Losses.

#### **D. Retirement Servicing Fund**

This fund consists of fixed and other assets, related liabilities, and unrestricted reserves required for GuideStone retirement operations.

#### **E. Operating Reserves Fund**

The Operating Reserves Fund was established to hold the majority of unrestricted reserves from each line of business.

#### **F. Financial Assistance Fund**

This fund consists of gifts and other receipts made by outside parties for distribution according to the discretion of GuideStone or provisions of the gift agreement. The Mission:Dignity program receives gifts from individual donors and churches and then disburses those monies to qualified recipients. This process is overseen by a committee of the GuideStone Financial Resources Board of Trustees (the "Board").

#### **Investments in Funds**

Substantially all of each Plan's resources are invested in registered mutual funds. The majority of the Benefit Fund's resources are invested in non-registered investment funds and separately managed portfolios (collectively, "Non-Registered Funds").

##### **A. Investment in Registered Mutual Funds**

The registered investments are held principally in the GuideStone Funds family of registered mutual funds ("the GS Funds"). The assets of the Plans may be invested in three types of mutual funds: Target Date, Target Risk, and Select. Target Date funds invest primarily in different mixes of select funds that gradually grow more conservative as the target date approaches. Target Risk funds invest primarily in different mixes of select funds to meet certain investment strategies. Select funds include Equity Select funds, Fixed Income Select funds, Real Asset Select funds, and Alternative Asset Select funds. Equity Select funds invest primarily in publicly traded common and preferred stocks of domestic and international companies of small to large capitalization. Fixed Income Select funds invest primarily in publicly traded corporate, mortgage and government bonds of various durations. Real Asset Select funds invest in various real asset strategies that are commonly used as a strategic diversifier to traditional equity and fixed income investments and as inflation hedges within a broader investment portfolio. Alternative Asset Select funds invest in short duration high yield, long-short equity, options equity, currency trading, and global macro strategies.

##### **B. Investment in Non-Registered Funds**

The non-registered funds, which are exempt from registration with the Securities and Exchange Commission ("SEC"), invest in public and non-public securities. The Capital Preservation Fund ("CPF") is a stable value fund that primarily invests in publicly traded fixed income instruments. The Hedge Assets Fund consists of publicly traded senior and super senior structured credit securities, high yield securities, and bond investments in sovereign and corporate emerging market fixed income securities. The Alpha Fund invests in non-public vehicles. The Fixed Benefit Reserve Fund holds cash and publicly traded U.S. Treasury and equity futures. The Long-Short Fund consists primarily of non-public vehicles in long-short equity investments. The High Yield Fund invests in publicly traded high yield fixed income securities. The Multi-Strategy Fund holds non-public vehicles with broadly diversified exposure to various investment strategies. The Private Equity Fund includes interests in private equity limited partnerships across multiple investment strategies. The Private Real Estate Fund is comprised of multiple underlying limited partnership vehicles. The Balanced Risk Fund holds non-public vehicles that invest in exchange traded futures contracts, swaps, currency forwards, and sovereign bonds. The Private Debt Fund holds non-public vehicles that invest in private loans and direct lending. The Private Opportunities Fund invests in non-public vehicles. The Private Infrastructure Fund invests in non-public vehicles that hold infrastructure interests. The Opportunistic Investments Fund invests in non-public vehicles that invest in opportunistic and other situational investment strategies. The Enhanced Cash Fund invests in liquid cash-like instruments. The Hedge Fund Opportunities Fund invests in relative-value, multi-strategy non-public vehicles.

## **2. Summary of Significant Accounting Policies**

The following is a summary of significant accounting policies followed by GuideStone in the preparation of its consolidated financial statements.

#### **Basis of Presentation**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues, expenses, gains and losses during the reported period. Actual results could differ from those estimates.

#### **Principles of Consolidation**

The consolidated financial statements include the accounts of GuideStone and its affiliates. Affiliates are those entities in which GuideStone has a controlling financial interest through either majority or sole ownership. All intercompany transactions and balances have been eliminated.

**Valuation of Investment in Registered Mutual Funds**

GuideStone plan investments in registered mutual funds are valued based on the Net Asset Value (“NAV”) of each fund. Although the investment in the GS Funds represents the combined ownership of all the Plans, the earnings from funds are allocated to the respective Plans based on their share ownership.

**Valuation of Investment in Non-Registered Funds**

Private equity, real estate investments, and equity investments in partnerships and limited liability companies are carried at estimated fair value. Fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see Note 3). The high yield securities and bond investments of the CPF, the Hedge Asset Fund, and the High Yield Fund are valued at quoted market rates. Certain debt securities in these funds may be valued on the basis of broker quotations or valuations provided by a pricing service which may use a matrix, formula or other objective method that takes into consideration market indices, matrices, yield curves and other specific adjustments. The Hedge Asset Fund and Enhanced Cash Fund hold a private highly liquid fund that is priced daily by the manager.

The Alpha Fund, Long-Short Fund, Multi-Strategy Fund, Private Equity Fund, Private Real Estate Fund, Balanced Risk Fund, Private Debt Fund, Private Opportunities Fund, Private Infrastructure Fund, Opportunistic Investments Fund, and Hedge Fund Opportunities Fund are valued using the NAV calculated by the manager of the underlying investments, as a practical expedient to determining an independent fair value. GuideStone's private investments, by their nature, have little or no price transparency. Investments denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation.

Plan investments in the CPF are valued at the market value of the underlying securities. As of December 31, 2019, the market value exceeded the stated NAV of the fund, or contract value, of \$580 million by \$13 million. Management has determined that in the case of dissolution of the CPF, the shareholder is due the fair market value of the fund. Therefore, the excess of the market value of the CPF over the stated NAV is recorded as an additional investment in the CPF at the plan level. In the event that the market value of the underlying assets is below the stated NAV of the CPF of \$10 per share, GuideStone has purchased book value wrap contracts from third parties whereby the third parties would assume the liability for this shortfall, should it occur. Therefore, GuideStone does not record a liability for the difference if the stated NAV exceeds the market value of the underlying investments. There are currently four “wrapper” contracts at major financial institutions. These institutions have credit ratings that range from A+ to AAA. Using a matrix pricing technique, the replacement value of the contracts, or fair value, approximates zero at December 31, 2019. The CPF records the premiums paid to the third parties as an expense during the period in which it is incurred.

A majority of GuideStone's non-registered funds also invest in the GuideStone Money Market Fund.

**Investment Income**

Investment income consists of dividend income and interest income. Dividend income is recognized on the ex-dividend date, and interest income is recognized on an accrual basis.

**Investment Gains/(Losses), net**

GuideStone records security transactions on a trade date basis. Investment gains/(losses) are comprised of realized and unrealized changes in the market value of the investments.

**Notes Receivable from Participants**

Participants in some plans can borrow from their fund accounts up to a maximum amount of 50 percent of their vested account balance or \$50,000, whichever is less. The loans are collateralized by the pre-loan balance in the participant's account. In accordance with the authoritative guidance on defined contribution pension benefit plans that allow participant loans, these loans are carried at the loan's principal balance plus accrued but unpaid interest and are recorded as notes receivable in the Consolidated Statements of Financial Position.

**Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation and are included in other assets. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Improvements to property and equipment are capitalized and depreciated over their estimated useful lives. Gains and losses upon retirement or disposal of fixed assets are recognized as incurred.

**Operating Revenue**

GuideStone earns revenue primarily through fees associated with retirement servicing. GuideStone Capital Management, LLC (“GSCM”), an affiliate of GuideStone and the registered advisor to the GS Funds, receives advisory fees from the GS Funds. Through these advisory fees, GuideStone is reimbursed by GSCM for the use of its personnel and resources. The advisory fees, net of GSCM expenses, related to Plan assets flow through GuideStone Investment Services (“GSIS”), a not-for-profit company, to GuideStone. The advisory fees, net of GSCM expenses, related to Retail assets flow through GuideStone Resource Management (“GSRM”), a for-profit company of GuideStone. GuideStone receives shareholder servicing fees related to Plan assets directly from the GS Funds and the CPF. GSRM receives shareholder servicing fees related to Retail assets directly from the GS Funds. Any net income, after tax, from GSRM would be contributed to GuideStone. During 2019 and 2018, shareholder servicing fees and advisory fees related to Plan assets were \$62.1 million and \$63.2 million, respectively. During 2019 and 2018, shareholder servicing fees and advisory fees related to taxable

Retail assets were \$5.1 million and \$3.9 million, respectively. All advisory and shareholder servicing fees are included in operating revenue on the Consolidated Statements of Revenues, Expenses, Gains and Losses.

Additionally, the premiums, claims, and carrier expenses relating to the health and welfare plans are included on a net basis in operating revenue. In 2019 and 2018, premiums were \$426.5 million and \$426.8 million, claims were \$(352.9) million and \$(315.8) million, and carrier expenses were \$(25.0) million and \$(31.3) million, respectively.

The remaining operating revenue is made up of participant loan fees and other income.

### Operating Expenses

Operating Expenses include salaries, benefits, consulting, audit, legal services, and other expenses. Operating expenses are expensed as incurred. GuideStone operating expenses as reported in the Consolidated Statements of Revenues, Expenses, Gains and Losses are attributable to plans and funds as follows:

<i>(amounts in millions)</i>	<u>2019</u>	<u>2018</u>
Operating and Financial Assistance Funds	\$ 68	\$ 63
Health and Welfare Plans	29	32
Retirement and Benefit Plans	-	-
Total Operating Expenses	<u>\$ 97</u>	<u>\$ 95</u>

### Income Taxes

GuideStone claims exemption from filings for federal and state income taxes under IRS Code, Section 501(c)3. Management has determined that there are no uncertain tax positions for GuideStone and its affiliates that would require accrual as of December 31, 2019. GuideStone does not expect a significant change in uncertain tax positions during the twelve months subsequent to December 31, 2019.

GSRM is a for-profit affiliate of GuideStone that is subject to federal income tax. As of December 31, 2019, GSRM had a net loss position and no tax liability was required.

As of December 31, 2019, GuideStone is not currently undergoing any tax examinations nor has GuideStone agreed to extend the statute of limitations beyond the prescribed expiration date. GuideStone remains subject to examination by U.S. federal and state jurisdictions for prior tax years that remain open (2016 tax year through present) and upon completion of these examinations, tax adjustments may be necessary.

### Participant Accumulations and Withdrawals

Participant accumulations consist of participant contributions to retirement plans and accumulated earnings on those contributions. Withdrawals may be made for the purpose of providing retirement benefit payments, distributions to external retirement plans and relief payments. Participant contributions and withdrawals are immediately recorded as they are received or paid, respectively.

### Risk and Uncertainties

The Plans provide for various investment options in a variety of funds. All investment securities are exposed to the risk of potential loss due to changes in the market (market risk) or due to the failure of the other party to a transaction to perform (credit risk). Market risk may be caused by factors specific to an individual investment, its issuer or any other factors affecting financial instruments traded in the market. As GuideStone's financial instruments are carried at fair value with fair value changes recognized in the Consolidated Statements of Revenues, Expenses, Gains and Losses, all changes in the market conditions will directly affect participant accumulations and fund balances.

However, market risk is minimized by GuideStone constructing a diversified portfolio of financial instruments traded on various markets.

Debt securities are also subject to credit risk, which is the risk of the issuer's inability to meet principal and interest payments on its obligations, and are subject to price volatility due to factors such as interest rate sensitivity and market perception of the creditworthiness of the issuer. GuideStone minimizes concentrations of credit risk by undertaking transactions with a large number of customers and counterparties on recognized and reputable exchanges. In addition, the exposure to credit risk is monitored on an ongoing basis.

Local, regional or global events such the spread of infectious illnesses or other public health issues, recessions, natural disasters or other events could have a significant impact on the Plans and Benefit Funds.

## 3. Fair Value Measurement

The fair value hierarchy under ASC 820 prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to level 1 measurement, which includes unadjusted quoted prices, and the lowest priority is given to level 3 measurements, which include measurements involving significant unobservable inputs. The three levels of the fair value hierarchy are as follows:

*Level 1* – Quoted unadjusted prices for identical instruments in active markets that are accessible at the measurement date;

- Level 2* – Quoted prices for similar instruments in markets that are not considered to be active but are valued based on executed trades; broker quotations that constitute an executable price; and alternative pricing sources supported by observable inputs. Level 2 inputs are either directly or indirectly observable for the asset in connection with market data at the measurement date;
- Level 3* – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by GuideStone. GuideStone considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the lowest level of significant input. Valuation levels are not necessarily an indication of the risk associated with investing in those securities.

In determining fair value, GuideStone separates its investments into five categories: publicly traded securities, short term investments, corporate bonds, derivative contracts, and private investments.

- **Publicly Traded Securities.** GuideStone's publicly traded securities that have no contractual restrictions on sale are classified within level 1 of the fair value hierarchy and are reported at their quoted market prices. Substantially all of GuideStone's investments have been classified within level 1 as they primarily consist of investments in the GS Funds, including the Money Market Fund.
- **Short Term Investments.** Short term investments consist of cash and cash equivalents and are classified within Level 1 of the fair value hierarchy. Short term investments also consist of an investment in a highly liquid private fund valued by the manager. As the fund is valued based on readily available market quotes obtained by the manager, this investment is classified within Level 2 of the fair value hierarchy.
- **Corporate Bonds.** GuideStone's corporate bonds are valued at the mean of the last bid and asked prices available. These investments are classified within Level 2 of the fair value hierarchy.
- **Derivative Contracts.** The Funds record their derivative contracts at market or fair value. Market values are determined by using quoted market prices when available. Otherwise, fair values are based on pricing models that consider the time value of money, volatility, and the current market and contractual prices of the underlying instruments. Pricing model inputs can generally be verified and model selection does not involve significant management judgment. Derivative contracts are generally classified within Level 2 of the fair value hierarchy. The total value of all derivative contracts at December 31, 2019 and 2018 is \$(100) thousand and \$60 thousand, respectively. The derivative values are included with corporate bonds for leveling purposes in the fair value hierarchy tables.
- **Private Investments.** GuideStone holds investments in private equity funds, real estate funds, and hedge funds. The hedge funds are: the Alpha Fund, Long-Short Fund, Multi Strategy Fund, Balanced Risk Fund, Private Debt Fund, Private Opportunities Fund, Private Infrastructure Fund, Opportunistic Investments Fund, and Hedge Fund Opportunities Fund. As a practical expedient, GuideStone generally values the private investments at an amount equal to the net asset value reported by the underlying investment as the primary input to its valuation, so long as the net asset value of the fund (or its equivalent) is calculated in a manner consistent with the measurement principles for an investment company. Generally, the net asset value of each investment is recorded at acquisition cost and then adjusted to reflect GuideStone's share of the income or loss and additional subscriptions or redemptions. The resulting value is represented by the change in net asset value in the investment.

GuideStone, with the assistance of its sub-advisors, considers various sources of information, including audited financial statements, to validate the net asset value of the private investments. The sub-advisors obtain monthly reporting from the underlying investments and analyze the underlying manager's valuation methodologies and related inputs, which include, but are not limited to, proprietary models and due diligence visits to the underlying managers.

The following tables present the investments carried on the Consolidated Statements of Financial Position by level within the fair value hierarchy as of December 31, 2019 and 2018.

(amounts in millions)

	<b>Fair Value Measurements at December 31, 2019</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Quoted Price</b>	<b>Significant</b>	<b>Significant</b>	
		<b>Observable Input</b>	<b>Unobservable Input</b>	
Mutual Funds	\$ 12,748	\$ -	\$ -	\$ 12,748
Money Market	85	-	-	85
Short Term Investments	24	28	-	52
Corporate Bonds	-	704	-	704
Total Investment in Funds	<u>\$ 12,857</u>	<u>\$ 732</u>	<u>\$ -</u>	<u>\$ 13,589</u>

(amounts in millions)

	<b>Fair Value Measurements at December 31, 2018</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Quoted Price</b>	<b>Significant</b>	<b>Significant</b>	
		<b>Observable Input</b>	<b>Unobservable Input</b>	
Mutual Funds	\$ 11,008	\$ -	\$ -	\$ 11,008
Money Market	117	-	-	117
Short Term Investments	31	43	-	74
Corporate Bonds	-	758	-	758
Total Investment in Funds	<u>\$ 11,156</u>	<u>\$ 801</u>	<u>\$ -</u>	<u>\$ 11,957</u>

As of December 31, 2019 and 2018, GuideStone held investments in private investments, which are valued using net asset value per share as a practical expedient, that are not included in the tables above at the fair value of \$1.5 billion and \$1.4 billion, respectively.

The following table summarizes the unfunded commitments, redemption frequency, and redemption period of GuideStone's private investments. The redemption frequency and notice period for the private investments is dependent on the underlying investments of the fund.

	<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption</b>
	<b>(in millions)</b>	<b>(if Currently Eligible)</b>	<b>Notice Period</b>
Private Equity Fund <sup>(c)</sup>	\$ 107.1	-	-
Private Real Estate Fund <sup>(c)</sup>	45.1	-	-
Private Debt Fund <sup>(c)</sup>	382.9	-	-
Private Opportunities Fund <sup>(c)</sup>	81.8	-	-
Private Infrastructure Fund <sup>(c)</sup>	35.8	-	-
Opportunistic Investments Fund <sup>(d)</sup>	17.2	-	-
Hedge Fund Opportunities Fund	-	quarterly	65 days
Alpha Fund	-	monthly	5 days
Long-Short Fund	-	monthly	60 days
Multi Strategy Fund	-	monthly-annually	30-180 days
Balanced Risk Fund	-	monthly	5-15 days

<sup>(c)</sup> These funds invest in partnerships with no ability to redeem except upon termination.

<sup>(d)</sup> The Opportunistic Investments Fund has an interest in one partnership which permits withdrawals quarterly with 60 days prior written notice, one partnership which permits withdrawals quarterly with 65 days prior written notice, one partnership which permits withdrawals quarterly with 90 days prior written notice, and one partnership which is only redeemable upon termination of the partnership.

#### 4. Investments in Funds

The Investments in Funds at December 31, 2019 and 2018 and the Investment Income and Losses of the Funds for the years ended December 31, 2019 and 2018 are summarized in the following pages. The investment schedules include both the registered and the non-registered funds. The financial statements of the registered mutual funds are filed with the SEC and are available upon request.

## Investment in Funds

(amounts in millions)

	Combined Retirement and Benefit Funds		Combined Health and Welfare Plans		Combined Operating and Financial Assistance		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Registered Mutual Funds:								
Target Date funds:								
MyDestination 2015 Fund	\$ 617	\$ 566	\$ -	\$ -	\$ -	\$ -	\$ 617	\$ 566
MyDestination 2025 Fund	1,314	1,074	-	-	-	-	1,314	1,074
MyDestination 2035 Fund	871	658	-	-	-	-	871	658
MyDestination 2045 Fund	658	498	-	-	-	-	658	498
MyDestination 2055 Fund	203	139	-	-	-	-	203	139
Total Target Date funds	3,663	2,935	-	-	-	-	3,663	2,935
Target Risk funds:								
Conservative Allocation Fund	450	429	-	-	-	-	450	429
Balanced Allocation Fund	1,459	1,367	-	-	-	-	1,459	1,367
Growth Allocation Fund	1,186	1,065	-	-	-	-	1,186	1,065
Aggressive Allocation Fund	1,031	887	-	-	-	-	1,031	887
Total Target Risk funds	4,126	3,748	-	-	-	-	4,126	3,748
Select funds:								
Equity:								
Defensive Market Strategies Fund	366	312	8	7	59	54	433	373
Equity Index Fund	678	525	-	-	-	-	678	525
Growth Equity Fund	861	693	-	-	4	4	865	697
Small Cap Equity Fund	293	260	-	-	1	1	294	261
Value Equity Fund	427	369	-	-	4	4	431	373
International Equity Index Fund	4	3	-	-	-	-	4	3
International Equity Fund	359	306	-	-	5	4	364	310
Emerging Markets Fund	66	54	-	-	1	1	67	55
Fixed income:								
Money Market Fund	443	455	-	-	5	1	448	456
Low-Duration Bond Fund	239	250	38	36	27	31	304	317
Medium-Duration Bond Fund	313	270	8	7	13	5	334	282
Extended-Duration Bond Fund	147	127	-	-	1	1	148	128
Global Bond Fund	98	84	8	7	10	26	116	117
Real Return:								
Global Real Estate Securities Fund	110	86	-	-	1	1	111	87
Alternatives:								
Strategic Alternatives Fund	107	130	7	7	48	46	162	183
Total Select funds	4,511	3,924	69	64	179	179	4,759	4,167
Non-Registered Funds:								
Capital Preservation Fund	594	625	-	-	-	-	594	625
Hedge Assets Fund	135	167	-	-	-	-	135	167
Alpha Fund	87	118	-	-	17	9	104	127
Fixed Benefit Reserve Fund	15	42	-	-	-	-	15	42
Long-Short Fund	1	2	-	-	-	-	1	2
High Yield Fund	33	36	4	3	3	5	40	44
Multi Strategy Fund	165	154	-	-	78	70	243	224
Private Equity Fund	196	182	-	-	-	-	196	182
Private Real Estate Fund	74	82	-	-	-	-	74	82
Balanced Risk Fund	-	-	-	-	84	68	84	68
Private Debt Fund	529	468	-	-	-	-	529	468
Private Opportunities Fund	-	-	-	-	114	68	114	68
Private Infrastructure Fund	43	37	-	-	-	-	43	37
Opportunistic Investments Fund	146	148	-	-	-	-	146	148
Enhanced Cash Fund	-	-	-	-	34	43	34	43
Hedge Fund Opportunities Fund	3	3	4	4	18	14	25	21
Non-Proprietary Fund	193	152	-	-	-	-	193	152
Self-Directed Accounts	7	6	-	-	-	-	7	6
Total Non-Registered Funds	2,221	2,222	8	7	348	277	2,577	2,506
Total investments in funds	<u>\$14,521</u>	<u>\$12,829</u>	<u>\$ 77</u>	<u>\$ 71</u>	<u>\$ 527</u>	<u>\$ 456</u>	<u>\$15,125</u>	<u>\$13,356</u>

## Investment Income and Gains/(Losses), net

(amounts in millions)

	Combined Retirement and Benefit Funds		Combined Health and Welfare Plans		Combined Operating and Financial Assistance		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Registered Mutual Funds:								
Target Date funds:								
MyDestination 2015 Fund	\$ 84	\$ (21)	\$ -	\$ -	\$ -	\$ -	\$ 84	\$ (21)
MyDestination 2025 Fund	198	(55)	-	-	-	-	198	(55)
MyDestination 2035 Fund	150	(48)	-	-	-	-	150	(48)
MyDestination 2045 Fund	123	(42)	-	-	-	-	123	(42)
MyDestination 2055 Fund	37	(12)	-	-	-	-	37	(12)
Total Target Date funds	592	(178)	-	-	-	-	592	(178)
Target Risk funds:								
Conservative Allocation Fund	45	(9)	-	-	-	-	45	(9)
Balanced Allocation Fund	226	(70)	-	-	-	-	226	(70)
Growth Allocation Fund	228	(86)	-	-	-	-	228	(86)
Aggressive Allocation Fund	229	(99)	-	-	-	-	229	(99)
Total Target Risk funds	728	(264)	-	-	-	-	728	(264)
Select funds:								
Equity:								
Defensive Market Strategies Fund	60	(6)	1	-	10	(1)	71	(7)
Equity Index Fund	162	(27)	-	-	-	-	162	(27)
Growth Equity Fund	230	2	-	-	1	-	231	2
Small Cap Equity Fund	63	(38)	-	-	-	-	63	(38)
Value Equity Fund	94	(46)	-	-	1	-	95	(46)
International Equity Index Fund	1	-	-	-	-	-	1	-
International Equity Fund	69	(55)	-	-	1	(1)	70	(56)
Emerging Markets Fund	10	(16)	-	-	-	-	10	(16)
Fixed income:								
Money Market Fund	8	7	-	-	-	-	8	7
Low-Duration Bond Fund	9	3	1	-	1	-	11	3
Medium-Duration Bond Fund	26	(2)	1	-	1	-	28	(2)
Extended-Duration Bond Fund	17	(5)	-	-	-	-	17	(5)
Global Bond Fund	9	(4)	1	-	2	(2)	12	(6)
Real Return:								
Global Real Estate Securities Fund	21	(5)	-	-	-	-	21	(5)
Alternatives:								
Strategic Alternatives Fund	6	-	-	-	2	-	8	-
Total Select funds	785	(192)	4	-	19	(4)	808	(196)
Non-Registered Funds:								
Capital Preservation Fund	27	3	-	-	-	-	27	3
Hedge Assets Fund	10	5	-	-	-	-	10	5
Alpha Fund	(2)	16	-	-	1	1	(1)	17
Fixed Benefit Reserve Fund	-	-	-	-	-	-	-	-
Long-Short Fund	-	5	-	-	-	-	-	5
High Yield Fund	5	(1)	-	-	1	-	6	(1)
Multi Strategy Fund	16	1	-	-	7	-	23	1
Private Equity Fund	10	24	-	-	-	-	10	24
Private Real Estate Fund	8	3	-	-	-	-	8	3
Balanced Risk Fund	-	-	-	-	10	(3)	10	(3)
Private Debt Fund	41	32	-	-	-	-	41	32
Private Opportunities Fund	-	-	-	-	5	4	5	4
Private Infrastructure Fund	3	2	-	-	-	-	3	2
Opportunistic Investments Fund	12	9	-	-	-	-	12	9
Enhanced Cash Fund	-	-	-	-	1	1	1	1
Hedge Fund Opportunities Fund	-	-	-	-	1	-	1	-
Non-Proprietary Fund	39	(10)	-	-	-	-	39	(10)
Self-Directed Accounts	1	-	-	-	-	-	1	-
Total Non-Registered Funds	170	89	-	-	26	3	196	92
Total investment income and gains/(losses), net	<u>\$ 2,275</u>	<u>\$ (545)</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ (1)</u>	<u>\$ 2,324</u>	<u>\$ (546)</u>

## 5. Benefit Funds

The FBF is comprised of assets that provide funding for Plan A, which is a past service defined benefit plan that was closed to new participants as of January 1, 1978; the International Mission Board's past service defined benefit plan that was closed December 31, 1981; and purchased annuities, which represent annuities in pay status that originated when a participant annuitized defined contribution accumulations. Under Plan A and the International Mission Board's past service defined benefit plan, benefits are payable upon the retirement based on earnings and years of credited prior service. Purchased annuities are payable based on accumulations transferred into the Plan, the age of the annuitant, the annuity option selected, and the annuity funding rate at the time of the annuity purchase.

### Normal Retirement Date

In most cases, the normal retirement date is the first day of the month coinciding with or next month following the attainment of age 65.

### Normal Retirement Benefit

#### Plan A

The amount of the normal retirement benefit payable monthly for the lifetime of the participant shall be the formula benefit accrued by the participant, as of December 31, 1987, as determined by GuideStone, and as increased from time to time at the discretion of GuideStone.

#### International Mission Board

The amount of the normal retirement benefit payable monthly for the lifetime of the participant shall be the formula benefit accrued by the participant, as of December 31, 1981 (the date the plan closed), and as increased from time to time at the discretion of GuideStone.

### Purchased Annuities

The normal retirement benefit is that amount which is determined to be of actuarial equivalent value to the participant's accumulations at the time of purchase, based on the prevailing annuity funding rate, the age of participant and the benefit option selected, and as increased from time to time at the discretion of GuideStone.

<i>(in thousands)</i>	<u>2019</u>	<u>2018</u>
Actuarial present value of accumulated fund benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 1,821,886	\$ 1,888,185
Deferred vested participants	<u>17,291</u>	<u>21,232</u>
Total actuarial present value of accumulated fund benefits	<u>\$ 1,839,177</u>	<u>\$ 1,909,417</u>
<b>Funded Status of the Fixed Benefit Fund</b>		
<i>(in thousands)</i>	<u>2019</u>	<u>2018</u>
Change in present value of future benefits:		
Present value of future benefits at beginning of year	\$ 1,909,417	\$ 1,959,993
(Gain)/loss due to change in mortality assumptions	(75,015)	(1,690)
(Gain)/loss due to change in interest assumption	44,978	-
Interest cost	127,988	131,239
Amounts received for funding annuities	94,889	87,695
Disbursements	(233,945)	(237,215)
(Gain)/loss due to experience	<u>(29,135)</u>	<u>(30,605)</u>
Present value of future benefits at end of year	<u>\$ 1,839,177</u>	<u>\$ 1,909,417 <sup>(c)</sup></u>
<i>(in thousands)</i>	<u>2019</u>	<u>2018</u>
Change in fund assets:		
Fair value of fund assets at beginning of year	\$ 1,548,036	\$ 1,600,374
Actual return on fund assets	110,817	97,182
Amounts received for funding annuities	94,889	87,695
Benefits paid	<u>(233,945)</u>	<u>(237,215)</u>
Fair value of fund assets at end of year	<u>\$ 1,519,797</u>	<u>\$ 1,548,036</u>

<sup>(c)</sup> The present value of future benefits includes multiple discretionary increases dating back to 1987 of \$196.1 million and \$222.3 million through December 31, 2019 and 2018, respectively. The funded percentage of the FBF excluding these discretionary increases was 92.5% and 91.8% for the years ended 2019 and 2018 as compared to the unadjusted funded percentage of 82.6% and 81.1% for the same time periods.

### Significant Assumptions

The discount rate for the present value of future benefits was 6.60% and 7.00% for the years ended December 31, 2019 and 2018.

Effective December 31, 2015, the mortality assumption utilizes the recently published Pri-2012 tables with a modification of the Scale MP-2019 and MP-2018 mortality improvements.

**Discontinuance**

GuideStone expects that the FBF will continue without interruption. In the event that the FBF is terminated, no assets will inure to the benefit of the member church or institution prior to satisfaction of all benefit payments to the participants.

**6. Other Post-Retirement Benefit Plans**

GuideStone provides certain post-retirement health care and life insurance benefits to qualified employees. The accumulated post-retirement benefit obligation at December 31, 2019 and 2018 is \$9.6 million and \$8.5 million, respectively.

GuideStone sponsors a retirement plan which covers substantially all GuideStone employees. During 2019 and 2018, contributions to the plan amounted to approximately \$5.5 million and \$5.4 million, respectively.

**7. Commitments and Contingencies**

From time to time, GuideStone is involved in certain claims and legal actions arising during the normal course of business. In management's opinion (based upon advice of legal counsel), the ultimate liability, if any, related to legal matters, will not have a material effect on the financial position or operations of GuideStone.

**8. Subsequent Events**

Subsequent events have been evaluated through June 4, 2020, the date that the consolidated financial statements were available to be issued. All subsequent events determined to be relevant and material to the consolidated financial statements have been appropriately recorded or disclosed.

The recent outbreak of the novel coronavirus rapidly became a pandemic and has resulted in disruptions to the economies of individual companies and the markets in general, the impact of which cannot be foreseen at the present time. This pandemic could result in continued volatility in the financial markets and lead to increased levels of redemptions; however, at this time, GuideStone has not experienced a significant impact on the Plans and the Benefit Funds.

**Report of Independent Auditors**

To the Trustees and Members of GuideStone Financial Resources of the Southern Baptist Convention

We have audited the accompanying consolidated financial statements of GuideStone Financial Resources of the Southern Baptist Convention ("GuideStone") and its subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of revenues, expenses, gains and losses and changes in participant accumulations and fund balances for the years then ended.

***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to GuideStone's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of GuideStone's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of GuideStone Financial Resources of the Southern Baptist Convention and its subsidiaries as of December 31, 2019 and 2018, and the results of their revenues, expenses, gains and losses and changes in their participant accumulations and fund balances for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP  
Dallas, Texas  
June 4, 2020

**GuideStone Trust Services**  
**Financial Statements with Report of Independent Auditors**  
**For the Year Ending December 31, 2019**

**Statement of Financial Position**  
**December 31, 2019**

<b>Assets</b>	<b>2019</b>
Cash and Cash Equivalents	\$ 6,000,000
<b>Total assets</b>	<b>\$ 6,000,000</b>
<b>Liabilities and Reserves</b>	
Unrestricted reserves	\$ 6,000,000
<b>Total Liabilities and Reserves</b>	<b>\$ 6,000,000</b>

The accompanying notes are an integral part of the financial statements.

**Statement of Activities and Changes in Net Assets**  
**For the Year Ending December 31, 2019**

<b>Expenses</b>	<b>2019</b>
Audit Fees	\$ 8,000
<b>Decrease in unrestricted net assets</b>	<b>8,000</b>
<b>Net assets at beginning of year</b>	\$ 1,192,000
Capital contribution from GuideStone Financial Resources	4,816,000
Change in unrestricted net assets	<u>(8,000)</u>
<b>Net assets at end of year</b>	<b>\$ 6,000,000</b>

The accompanying notes are an integral part of the financial statements.

**Statement of Cash Flows**  
**For the Year Ended December 31, 2019**

<b>Cash flow from operating activities</b>	<b>2019</b>
Change in unrestricted net assets	\$ (8,000)
<b>Net cash used in operating activities</b>	<b>(8,000)</b>
<b>Cash flow from financing activities</b>	
Capital contribution from GuideStone Financial Resources	<u>4,816,000</u>
<b>Net cash provided by financing activities</b>	<b>4,816,000</b>
<b>Net increase in cash</b>	<b>4,808,000</b>
<b>Cash and cash equivalents at beginning of year</b>	<u>1,192,000</u>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 6,000,000</b>

The accompanying notes are an integral part of the financial statements.

**Notes to Financial Statements**

**1. Nature of Operations**

GuideStone Trust Services, Inc. (formerly GuideStone Financial Services, Inc.) (the "Company") is a tax-exempt, not-for-profit corporation organized under Section 501C(3) of the Internal Revenue Service Code. It is a non-stock company with a sole member, GuideStone Financial Resources of the Southern Baptist Convention ("GuideStone") that elects the directors of the Company.

GuideStone Trust Services serves as the custodian of all 403(b)(7) retirement plan assets.

**2. Basis of Accounting**

The accounts of GuideStone Trust Services are maintained on the accrual basis of accounting.

Unrestricted reserves are not subject to restrictions. Unrestricted reserves may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

GuideStone Trust Services has no temporarily or permanently restricted reserves.

**3. Cash and Cash Equivalents**

Cash and cash equivalents are highly liquid investments with original maturities of three months or less when purchased.

#### 4. Related Party Transactions

The Company's legal expenses are borne by GuideStone in accordance with an internal management agreement. GuideStone also contributed nominal general and administrative services to the company.

GuideStone contributed \$4,816,000 to the Company's net assets during 2019 to maintain a net worth of 2% of assets held in its fiduciary accounts as required for a custodian of 403(b)(7) retirement plan assets.

#### 5. Subsequent Events

Subsequent events have been evaluated through June 4, 2020, the date that the financial statements were available to be issued. All subsequent events determined to be relevant and material to the financial statements have been appropriately recorded or disclosed.

The recent outbreak of the novel coronavirus rapidly became a pandemic and has resulted in disruptions to the economies of individual companies and the markets in general, the impact of which cannot be foreseen at the present time. This pandemic could result in continued volatility in the financial markets. However, at this time, the Company has not experienced a significant impact on the 403(b)(7) retirement plan assets.

#### Report of Independent Auditors

To the Management of GuideStone Trust Services

We have audited the accompanying financial statements of GuideStone Trust Services, which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and changes in net assets and of cash flows for the year then ended.

##### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

##### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GuideStone Trust Services as of December 31, 2019, and the results of its activities and changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

Dallas, Texas

June 4, 2020

**GUIDESTONE FINANCIAL SERVICES**  
**Statement of Financial Condition**  
**September 30, 2019**

**ASSETS**

Cash	\$ 250,000
Prepaid expenses	12,999
Total assets	<u>\$ 262,999</u>

**LIABILITIES AND MEMBER'S EQUITY**

Liabilities	
Accrued liabilities and deferred revenue	\$ 12,999
Total liabilities	<u>12,999</u>
Member's equity	250,000
Total Liabilities and Member's Equity	<u>\$ 262,999</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Operations**  
**For the Year Ended September 30, 2019**

Revenues	
Fee revenue	\$ 427,276
Total revenue	<u>427,276</u>
Expenses	
Salary and benefits	336,929
Regulatory fees and expenses	34,730
Other operating expense	<u>55,617</u>
Total expenses	<u>427,276</u>
Net Income	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Changes in Member's Equity**  
**For the Year Ended September 30, 2019**

Total member's equity as of September 30, 2018	\$ 250,000
Net income	-
Total member's equity as of September 30, 2019	<u>\$ 250,000</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Cash Flows**  
**For the Year Ended September 30, 2019**

<b>Cash flows from operating activities</b>	
Net Income	\$ -
Adjustments to reconcile net income to net cash flows from operating activities:	
Change in assets and liabilities:	
Decrease in prepaid assets	3,505
Decrease in accrued liabilities and deferred revenue	<u>(3,505)</u>
Net cash flows from operating activities	-
Net cash flows from investing activities	-
Net cash flows from financing activities	-
Cash at beginning of fiscal year	<u>250,000</u>
Cash at end of fiscal year	<u>\$ 250,000</u>

The accompanying notes are an integral part of these financial statements.

**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2019**

**Note 1 - Organization and Nature of Operations**

GuideStone Financial Services (the "Company") is registered with the Securities and Exchange Commission ("SEC") as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company is a tax exempt, Texas not-for-profit corporation organized under Section 501(c)(3) of the

Internal Revenue Service Code. It is a non-stock company with a sole member, GuideStone Financial Resources of the Southern Baptist Convention (“GuideStone”) that elects the directors of the Company.

The Company operates as a fully disclosed, introducing broker-dealer. The Company solely engages in the sale of mutual fund securities, on a subscription-basis only. As a result, the Company is exempt from Rule 15c3-3 of the Securities and Exchange Act of 1934, under paragraph (k)(1) of that Rule.

The investment company securities offered by the Company consist exclusively of shares of the GuideStone Funds family of registered mutual funds (the “Funds”). The Company offers the Funds’ shares to eligible investors through retail and institutional accounts.

#### Note 2 - Basis of Accounting

The accounts of the Company are maintained on the accrual basis of accounting.

#### Note 3 - Income Taxes

The Company is a not-for-profit corporation organized under Section 501(c)(3) of the Internal Revenue Code (“Code”) and is exempt from federal income taxes under Section 501(a) of the Code. Accordingly, no federal income taxes are recorded in the accompanying financial statements. Unrelated business income, if any, is insignificant and no tax provision has been made in the accompanying financial statements.

The Company follows Financial Accounting Standards Board Accounting Standards of Codification (“FASB ASC”) No. 740-10, relating to accounting for uncertain tax positions. FASB ASC 740-10 prescribes a recognition threshold and measurement process for accounting for uncertain tax positions and also provides guidance on various related matters such as derecognition, interest and penalties and disclosure requirements. The Company does not have any entity level uncertain tax positions in connection with these financial statements.

#### Note 4 - Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Note 5 - Related Party Transactions

**Common Control** - The Company and GuideStone are related parties under common control and the existence of that control could create operating results and financial positions different had the Company been autonomous.

**Shared Expense Agreement** - All operating costs and expenses of the Company are incurred by GuideStone. The Company’s expenses, in accordance with an executed Expense Sharing Agreement, are borne by or reimbursed by GuideStone. Also, as part of this Expense Sharing Agreement, GuideStone provides certain offices and personnel.

**Fee Revenue** - All of the Company’s fee revenue is derived from GuideStone in accordance with an Internal Fee Arrangement. In accordance with the agreement, the Company provides services to GuideStone through its operation as a broker-dealer. Revenue is recognized when earned. Deferred revenue is recorded for amounts paid by GuideStone on behalf of the Company, which benefit future periods (i.e. prepaid expenses).

#### Note 6 - Net Capital Requirements

The Company is a member of FINRA and is subject to the SEC’s Uniform Net Capital Rule (“Rule 15c3-1”), which requires the maintenance of minimum net capital. The Company is required to maintain a minimum net capital, as defined, equal to the greater of \$5,000 or a ratio of 15 to 1 of aggregate indebtedness. As of September 30, 2019, the Company had net capital of \$237,001 which exceeded the minimum requirement of \$5,000 by \$232,001. At September 30, 2019, the Company had aggregate indebtedness of \$12,999. The Company’s ratio of aggregate indebtedness to net capital was .05 to 1 at September 30, 2019.

#### Note 7 - Possession or Control Requirements

The Company does not have any possession or control of customer funds or securities. There were no material inadequacies in the procedures followed in adhering to the exemptive provisions of (SEC) Rule 15c3-3(k)(1) by promptly transmitting all customer funds to the mutual fund company.

#### Note 8 - Concentration Risk

Cash is comprised solely of cash on deposit in accounts with depository institutions. The Federal Deposit Insurance Corporation (“FDIC”) insures accounts up to \$250,000. At September 30, 2019, the cash balances did not exceed the federally insured limit. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk. The Company is engaged in subscription-basis only sales of mutual fund securities.

Note 9 - Commitments and Contingencies

The Company is not aware of any pending legal matters.

The Company has no financial commitments such as a lease or any other type of financial commitment as of the balance sheet date.

Note 10 - Revenue Recognition

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Codification (“ASC”) 606, “Revenue from Contracts with Customers”. This standard updated the revenue recognition requirements and is effective for periods beginning after December 15, 2017. The Company has elected the modified retrospective method, which did not result in a cumulative-effect adjustment at the date of adoption. The implementation of this new standard had no material impact on the Company’s financial statements for the year ended September 30, 2019.

The new revenue recognition guidance requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance requires an entity to follow a five step model to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction prices, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Member  
GuideStone Financial Services

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of GuideStone Financial Services (the Company) as of September 30, 2019, the related statements of operations, changes in member’s equity, and cash flows for the year then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2019, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

***Opinion on the Information***

The information in Schedule I has been subjected to audit procedures performed in conjunction with the audit of the Company’s financial statements. The information in Schedule I is the responsibility of the Company’s management. Our audit procedures include determining whether the information in Schedule I reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in Schedule I. In forming our opinion on the information in Schedule I, we evaluated whether the information in Schedule I, including its form and content is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the information in Schedule I is fairly stated in all material respects in relation to the financial statements as a whole.

Moss Adams LLP  
Dallas, Texas  
November 14, 2019

*The final paragraph of this opinion contains information regarding Supplementary Information. This information can be found in the original audit; it is not included here as it was not required for publication in the 2020 Annual.*

# INTERNATIONAL MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION

## Statement of Financial Position September 30, 2019, with Comparative Totals for 2018 (Dollars in Thousands)

	2019			2018 <u>Total</u>
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>ASSETS</b>				
Cash	\$ 6,100	\$ -	\$ 6,100	\$ 4,191
Investments (note 3):				
Unrestricted	109,544	-	109,544	108,556
Designated by Board (note 4):				
Contingency reserve	123,000	-	123,000	121,000
Postretirement and postemployment fund	33,000	-	33,000	32,000
Global capital fund	45,549	-	45,549	49,149
Catastrophic medical fund	4,000	-	4,000	4,000
Designated by donors:				
With donors restrictions (note 9)	-	10,604	10,604	10,465
Endowments (notes 3,9 and 10)	-	26,017	26,017	25,403
Total investments	315,093	36,621	351,714	350,573
Prepaid expenses and other assets	4,170	-	4,170	1,830
Property and equipment, net (note 5)	18,097	-	18,097	19,283
Contributions receivable from trusts (notes 3 and 7)	-	6,412	6,412	6,306
Beneficial interests in perpetual trusts (notes 3,7 and 9)	-	146,096	146,096	142,026
Total assets	<u>\$ 343,460</u>	<u>\$ 189,129</u>	<u>\$ 532,589</u>	<u>\$ 524,209</u>
<b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 11,249	\$ -	\$ 11,249	\$ 10,712
Amounts appropriated to missions	44,816	-	44,816	47,716
Accrued postretirement and postemployment benefit obligations (note 8)	118,395	-	118,395	105,762
Total liabilities	<u>174,460</u>	<u>-</u>	<u>174,460</u>	<u>164,190</u>
Net assets:				
Without donor restrictions (note 4)	169,000	-	169,000	175,819
With donor restrictions (note 9)	-	189,129	189,129	184,200
Total net assets	<u>169,000</u>	<u>189,129</u>	<u>358,129</u>	<u>360,019</u>
Total liabilities and net assets	<u>\$ 343,460</u>	<u>\$ 189,129</u>	<u>\$ 532,589</u>	<u>\$ 524,209</u>

See accompanying notes.

**Statement of Activities**  
**Year Ended September 30, 2019, with Comparative Totals for 2018**  
(Dollars in Thousands)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Contributions:</b>				
Cooperative Program	\$ 99,254	\$ -	\$ 99,254	\$ 99,348
Lottie Moon Christmas Offering®	157,307	-	157,307	158,865
Hunger and relief	-	3,863	3,863	4,287
Endowments	-	235	235	72
Other contributions	<u>45</u>	<u>16,759</u>	<u>16,804</u>	<u>16,838</u>
Total contributions	<u>256,606</u>	<u>20,857</u>	<u>277,463</u>	<u>279,410</u>
<b>Other income:</b>				
Investments income, net	12,057	561	12,618	13,950
Change in value of split interest agreements (note 7)	-	25	25	5,148
Income from overseas, foundations and other (note 11)	<u>14,707</u>	<u>32</u>	<u>14,739</u>	<u>15,147</u>
Total other income	<u>26,764</u>	<u>618</u>	<u>27,382</u>	<u>34,245</u>
Total contributions and other income	283,370	21,475	304,845	313,655
Net assets released from restrictions (note 9)	<u>16,546</u>	<u>(16,546)</u>	-	-
Total contributions, other income and net assets released from restrictions	<u>299,916</u>	<u>4,929</u>	<u>304,845</u>	<u>313,655</u>
<b>Expenses:</b>				
<b>Overseas programs:</b>				
Global engagement	171,325	-	171,325	168,078
Field support and other activities	44,263	-	44,263	47,588
Hunger and relief ministries	3,353	-	3,353	6,748
Special gifts	<u>12,475</u>	<u>-</u>	<u>12,475</u>	<u>7,405</u>
Total overseas programs expenses	<u>231,416</u>	<u>-</u>	<u>231,416</u>	<u>229,819</u>
<b>Stateside supporting:</b>				
Administrative	46,568	-	46,568	37,885
Promotional	<u>9,422</u>	<u>-</u>	<u>9,422</u>	<u>9,289</u>
Total stateside supporting expenses	<u>55,990</u>	<u>-</u>	<u>55,990</u>	<u>47,174</u>
Total overseas programs and stateside supporting expenses	<u>287,406</u>	<u>-</u>	<u>287,406</u>	<u>276,993</u>
Change in net assets before other changes	<u>12,510</u>	<u>4,929</u>	<u>17,439</u>	<u>36,662</u>
<b>Other changes:</b>				
Changes in postretirement benefit liability other than net periodic postretirement benefit costs	<u>19,329</u>	<u>-</u>	<u>19,329</u>	<u>(13,174)</u>
Change in net assets	<u>(6,819)</u>	<u>4,929</u>	<u>(1,890)</u>	<u>49,836</u>
Net assets, beginning of year	<u>175,819</u>	<u>184,200</u>	<u>360,019</u>	<u>310,183</u>
Net assets, end of year	<u>\$ 169,000</u>	<u>\$ 189,129</u>	<u>\$ 358,129</u>	<u>\$ 360,019</u>

See accompanying notes.

**Statement of Functional Expenses**  
**Year Ended September 30, 2019, with Comparative Totals for 2018**  
**(Dollars in Thousands)**

	Overseas Programs				
	Global <u>Engagement</u>	Field Support and Other <u>Activities</u>	Hunger and Relief <u>Ministries</u>	Special <u>Gifts</u>	Total Overseas <u>Expenses</u>
Salaries and wages	\$ 62,719	\$ 9,268	\$ 55	\$ 55	\$ 72,097
Employee benefits	44,171	8,732	-	-	52,903
Travel	18,525	3,905	-	115	22,545
Real property management	16,075	3,402	-	-	19,477
Ministry	1,121	135	3,298	11,481	16,035
Contract services	3,448	3,310	-	-	6,758
Children's education	8,325	1,248	-	-	9,573
Technology	59	4,937	-	-	4,996
Creative access	2,435	2,495	-	650	5,580
Residency	4,542	821	-	-	5,363
Vehicles	1,790	3,217	-	-	5,007
Relocation	3,303	1,139	-	-	4,442
Office	526	1,528	-	26	2,080
Training	3,118	39	-	135	3,292
Media	214	81	-	13	308
National partners	954	6	-	-	960
Total expenses	<u>\$ 171,325</u>	<u>\$ 44,263</u>	<u>\$ 3,353</u>	<u>\$ 12,475</u>	<u>\$ 231,416</u>
	Stateside Supporting				
	<u>Administrative</u>	<u>Promotional</u>	Total Stateside <u>Supporting</u>	Total	
<u>Expenses</u>				2019 <u>Expenses</u>	2018 <u>Expenses</u>
Salaries and wages	\$ 18,352	\$ 4,898	\$ 23,250	\$ 95,347	\$ 90,886
Employee benefits	3,334	1,351	4,685	57,588	60,137
Travel	2,403	770	3,173	25,718	20,739
Real property management	3,789	15	3,804	23,281	23,447
Ministry	1,520	864	2,384	18,419	22,385
Contract services	10,579	310	10,889	17,647	13,462
Children's education	42	4	46	9,619	8,942
Technology	3,298	18	3,316	8,312	3,293
Creative access	100	-	100	5,680	3,344
Residency	2	-	2	5,365	6,086
Vehicles	11	-	11	5,018	6,357
Relocation	177	15	192	4,634	4,076
Office	2,412	88	2,500	4,580	7,971
Training	291	27	318	3,610	3,159
Media	122	1,062	1,184	1,492	1,650
National partners	136	-	136	1,096	1,059
Total expenses	<u>\$ 46,568</u>	<u>\$ 9,422</u>	<u>\$ 55,990</u>	<u>\$ 287,406</u>	<u>\$ 276,993</u>

See accompanying notes.

**Statement of Cash Flows**  
**Year Ended September 30, 2019, with Comparative Totals for 2018**  
**(Dollars in Thousands)**

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Cash received from contributions	\$ 273,312	\$ 276,225
Interest and dividends, net of investment expense	7,701	4,945
Other receipts	14,739	15,147
Contributions for restricted endowments	(235)	(72)
Overseas expenses	(242,473)	(238,945)
Stateside expenses	<u>(54,793)</u>	<u>(50,056)</u>
Net cash provided by (used in) operating activities	<u>(1,749)</u>	<u>7,244</u>
Cash flows from investing activities:		
Purchases of property and equipment	(353)	(302)
Proceeds from sales of investments	407,213	535,743
Purchases of investments	<u>(403,437)</u>	<u>(544,234)</u>
Net cash provided by (used in) investing activities	<u>3,423</u>	<u>(8,793)</u>
Cash flows from financing activities:		
Contributions for restricted endowments	<u>235</u>	<u>72</u>
Net cash provided by financing activities	<u>235</u>	<u>72</u>
Net increase (decrease) in cash	1,909	(1,477)
Cash, beginning of year	<u>4,191</u>	<u>5,668</u>
Cash, end of year	<u>\$ 6,100</u>	<u>\$ 4,191</u>
Reconciliation of changes in net assets to net cash provided by (used in) operating activities:		
Change in net assets	\$ (1,890)	\$ 49,836
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,539	1,587
Unrealized and realized gains on investments, net	(4,917)	(9,004)
Assets contributed to trusts	(4,151)	(3,186)
Change in value of split interest agreements	(25)	(5,148)
Contributions for restricted endowments	(235)	(72)
Effects of changes in operating assets and liabilities:		
Prepaid expenses and other assets	(2,339)	(27)
Accounts payable and accrued liabilities	537	(7,252)
Amounts appropriated to missions	(2,901)	868
Accrued postretirement and postemployment benefit obligations	<u>12,633</u>	<u>(20,358)</u>
Net cash provided by (used in) operating activities	<u>\$ (1,749)</u>	<u>\$ 7,244</u>
Supplemental schedule of noncash financing activities:		
Contributions to perpetual trusts and split interest agreements	<u>\$ 4,151</u>	<u>\$ 3,186</u>

See accompanying notes.

**Notes to Financial Statements**  
**(Dollars in thousands)**

**1. Nature of Organization and Significant Accounting Policies**

The International Mission Board of the Southern Baptist Convention (the Board) is a nonprofit organization, which began operations in 1845 and was incorporated on February 23, 1901, in the Commonwealth of Virginia. Its mission is to partner with churches to empower limitless missionary teams who are making disciples and multiplying churches among unreached peoples and places for the glory of God. The Board has nearly 3,500 field personnel serving 847 people groups, and its outreach continues to grow with over 53,800 churches and over 439,700 members worldwide. The Board also conducts hunger and relief ministries.

The Board is an agency of the Southern Baptist Convention (SBC) and receives most of its financial support from gifts received through the Executive Committee of the SBC, mainly through the Cooperative Program and the annual Lottie Moon Christmas Offering®. The Cooperative Program is Southern Baptists' method of supporting missions and ministry efforts of state conventions, associations and the SBC. The revenues are received ratably over the course of the year based on the annual budget allocation of the SBC. The Lottie Moon Christmas Offering® honors the life and work of Charlotte Digges "Lottie" Moon and is given to the Board to enable field personnel to share the good news of Jesus Christ overseas. Other primary revenue sources include investment income and distributions from foundations.

A summary of the Board's significant accounting policies follows:

#### ***Basis of accounting***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are stated in United States dollars.

#### ***Basis of financial reporting***

The accompanying financial statements were prepared from the accounts maintained by the Board. They do not include the accounts of the finance centers in international countries through which the major portion of field appropriations (overseas program expenses) is disbursed and whose accounts are reported upon separately. The intention of management is to utilize foreign field property and equipment and other assets for the benefit of the local ministries. In many cases, title to this property is transferred to the local ministries; accordingly, the accompanying statement of financial position does not reflect the substantial amount of property and equipment and other assets used in international countries.

Revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

#### ***Net assets without donor restrictions***

Net assets that are not subject to donor-imposed stipulations, representing investment of property and equipment and the portion of expendable resources that are available without limitation for support of Board operations and certain future retirement and insurance benefits for home office and field personnel and retirees.

#### ***Net assets with donor restrictions***

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Board and/or the passage of time. These net assets result from contributions and other income whose use by the Board is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the board pursuant to their stipulations. Also included are net assets that are subject to donor-imposed stipulations that the principal be invested permanently and the income be used either for a designated purpose or for general operations of the Board. The donors of these assets permit the Board to use all of, or part of, the income earned on the related investments.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Investment income and gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation and/or by law.

Contributions restricted by the donor are reported as an increase in net assets without donor restrictions if the time or purpose restriction is met in the reporting period in which the contribution is recognized.

#### ***Other contributions***

Other contributions are recognized as revenue upon notification of the existence of the contribution. Contributions of assets other than cash are recorded at their estimated fair value on date of gift.

#### ***Investments***

Investments are carried at fair value based upon quoted market prices or net asset value (NAV) provided by external investment managers or other independent sources, which are reviewed by management. If such inputs are not available, investments are valued based on management's best estimate of fair value.

Ordinary income and net gains (losses) on investments are reported as follows:

As increases or decreases in net assets with donor restrictions if the terms of the gift (in conjunction with the Board's gift policy) or the Board's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund.

- As increases or decreases in net assets with donor restrictions if the terms of the gift impose restrictions on the use of the income. If the restriction is met in the same reporting period such income and net gains are reported as net assets without donor restrictions.
- As increases or decreases in net assets without donor restrictions in all other cases.

#### ***Use of estimates***

Management of the Board has made a number of estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities to prepare these financial statements in conformity with U.S. GAAP. Actual results could differ from those estimates.

#### ***Property and equipment***

Property and equipment is recorded at cost. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis (generally 15 to 40 years for buildings, 3 to 7 years for equipment and 15 years for land improvements).

Expenditures for repairs and maintenance are charged to expense as incurred. The costs of major renewals and betterments in excess of \$10 are capitalized. The cost and related accumulated depreciation of property and equipment are removed from the books upon retirement or other disposition; any resulting gain or loss is reflected in the statement of activities.

**Long-lived assets**

Long-lived assets, such as property and equipment, are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through the estimated undiscounted future cash flows from the use of these assets. When any such impairment exists, the related assets will be reduced to fair value. No impairment losses have been recorded for the years ended September 30, 2019 and 2018.

**Amounts appropriated to missions**

The Board provides grants to missions throughout the world. Amounts appropriated to missions are recognized as liabilities upon notification of the grant to the mission.

**Self-insurance**

The Board self-insures its employee medical, dental, life and disability benefits provided to field personnel and home office employees. The Board recognizes a liability for incurred but not reported (IBNR) claims of the benefits program based on an analysis of actuarial standard factors applied to historical claims data. The IBNR report is prepared by the Board's independent third-party benefits processing company and reflects estimated claims at \$3,833 and \$3,566 for 2019 and 2018, respectively. This liability is funded from current operations and is presented on the statement of financial position under the caption accounts payable and accrued liabilities.

**Postretirement and postemployment benefit plans**

The Board provides health care and other benefits to substantially all retired home office employees and their eligible spouses and all retired field personnel and their eligible family members. Home office employees and field personnel who have a combined age and service with the Board that totals 80 years and providing their age is at least 55 years, are eligible for these benefits. Certain benefit plans are contributory; other benefit plans are noncontributory. The Board measures the costs of its obligations based on its best estimates as calculated by actuarial specialists. The net periodic postretirement benefit costs are recognized as employees render the services necessary to earn the postretirement benefits.

The Board follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 715, *Compensation – Retirement Benefits*. FASB ASC 715 requires organizations to recognize the over-funded or underfunded status of a postretirement benefit plan as an asset or liability in the statement of financial position. The Board utilizes a measurement date of September 30, 2019 and 2018.

**Home office expense allocations**

The Board expenses salaries to functional categories directly. Benefits are allocated to functional categories for overseas programs based on field personnel headcounts. Benefits are allocated to functional categories for stateside supporting based on a percentage of salaries expense.

**Tax-exempt status**

SBC received a favorable determination letter from the Internal Revenue Service (IRS) dated April 27, 1977, stating that it is exempt from income taxes as defined by Section 501(c)(3) of the Internal Revenue Code (IRC). The Board is covered by the group exemption held by SBC. As a nonprofit organization, the Board is subject to unrelated business income tax (UBIT), if applicable. The Board had no unrelated business taxable income for years ended September 30, 2019 and 2018.

**Accounting for uncertainty in income taxes**

The Board adheres to the guidance for *Accounting for the Uncertainty in Income Taxes*, which establishes thresholds as they relate to accounting for uncertain income tax positions. Management has evaluated the Board's tax positions and concluded that the Board has taken no uncertain tax positions that require adjustment to the financial statements to comply with the accounting standard on accounting for uncertainty in income taxes.

**Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**Prior year summarized information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Board's financial statements for the year ended September 30, 2018, from which the summarized information was derived.

**Recent accounting pronouncements**

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP, including industry-specific guidance, when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14, which defers the effective date of ASU 2014-09 one year, making it effective for annual reporting periods beginning after December 15, 2018. The Board has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on its financial statements.

In February 2016, the FASB issue ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2020. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. Management is currently evaluating the impact of our pending adoption of the new standard on its financial statements.

## 2. Liquidity and Availability of Financial Assets

The Board's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2019</u>	<u>2018</u>
Cash	\$ 6,100	\$ 4,191
Investments, unrestricted	<u>109,544</u>	<u>108,556</u>
	<u>\$ 115,644</u>	<u>\$ 112,747</u>

The Board manages liquidity by monitoring contribution receipts weekly and projecting general expenditures monthly. The Board's contribution receipts are higher in January through May due to the Lottie Moon Christmas Offering® giving cycle. During other months, the Board utilizes short-term investments for general expenditures as they come due.

In addition, as of September 30, 2019 and 2018, the Board had \$205,459 and \$206,149, respectively, in amounts designated by the Board that, with the Trustees' and management's approval, could be made available for operations.

## 3. Fair Value Measurements

The Board utilizes guidance contained within the provisions of FASB ASC 820, Fair Value Measurement, for fair value measurements of assets and liabilities that are recognized or disclosed at fair value in the financial statements.

FASB ASC 820 establishes a three-tier hierarchy to distinguish between: (1) inputs based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability, which are developed based on the best information available in the circumstances (unobservable inputs).

The inputs are summarized in the three broad levels listed below:

- Level 1** Unadjusted quoted prices in active markets that are accessible at the measurement date for identical and unrestricted investments
- Level 2** Quoted prices in markets that are not active or based on quoted prices for similar assets or liabilities, or for which all significant inputs are observable, directly or indirectly
- Level 3** Valuations based on inputs that are both unobservable and significant, inclusive of the assumptions of the fund's management about market participants, would use in determining the fair value of investments

The hierarchy established under ASC 820 gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Board's investments are classified within the fair value hierarchy based on the lowest level that is significant to the fair value measurement. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Following is a description of the valuation methodologies used for financial instruments measured at fair value and their classification in the valuation hierarchy. These methodologies are consistent from year to year.

Cash and cash equivalents include all highly-liquid investments with original maturities of three months or less.

Equity securities listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the mean of the last bid and asked prices on such exchange. Such securities are classified within Level 1 of the valuation hierarchy.

Debt securities consisting of corporate bonds and government bonds are generally valued at the most recent price of the equivalent quoted yield for such securities, or those of comparable maturity, quality and type. Such debt securities are generally classified within Level 1 of the valuation hierarchy.

Real estate consists of real estate holdings. Real estate is valued based on independent appraisal or management's best estimate of fair value and is classified within Level 3 of the valuation hierarchy.

Alternative investments include investments in the following: equity long/short hedge funds, commodity futures and contract futures, multi-strategy hedge funds and real estate hedge funds, private equity funds and distress credit hedge funds. These amounts are measured at the NAV using the practical expedient in ASC 820 and are no longer required to be categorized in the fair value measurement hierarchy.

Investments held by foundations are measured at NAV using the practical expedient in ASC 820 and are no longer required to be categorized in the fair value measurement hierarchy. Underlying investments consist of marketable securities. There are no redemption restrictions or notification periods related to investments held by foundations.

Amounts held for life insurance are invested in mutual funds and money market funds, and are classified within Level 1 of the valuation hierarchy.

Beneficial interests in perpetual trusts are permanent, irrevocable trusts held primarily at state Baptist foundations and public banking institutions. The valuation techniques are characterized in Level 3. The availability of valuation techniques and observable inputs can vary from security, trust, foundation and banking institution and is affected by a wide variety of factors. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment.

The Board utilizes the beginning of reporting period method for determining transfers between levels. There were no transfers between levels for years ended September 30, 2019 and 2018.

The following tables provide the fair value measurements of applicable Board assets by level within the fair value hierarchy as of September 30, 2019 and 2018. These assets are measured on a recurring basis.

	2019			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	\$ 19,743	\$ -	\$ -	\$ 19,743
Equity securities	144,884	-	-	144,884
Corporate bonds	86,563	-	-	86,563
Government bonds	30,274	-	-	30,274
Real estate	-	-	3,510	3,510
Amounts held for life insurance – mutual funds and money market funds	11,564	-	-	11,564
	<u>\$ 293,028</u>	<u>\$ -</u>	<u>\$ 3,510</u>	<u>296,538</u>
Alternative investments – at net asset value (a)				54,140
Investments held by foundations – at net asset value (a)				<u>1,036</u>
				<u>\$ 351,714</u>
Contributions receivable from trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,412</u>	<u>\$ 6,412</u>
Beneficial interests in perpetual trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,096</u>	<u>\$ 146,096</u>
	2018			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	\$ 30,879	\$ -	\$ -	\$ 30,879
Equity securities	126,269	-	-	126,269
Corporate bonds	105,499	-	-	105,499
Government bonds	32,921	-	-	32,921
Real estate	-	-	3,031	3,031
Amounts held for life insurance – mutual funds and money market funds	12,436	-	-	12,436
	<u>\$ 308,004</u>	<u>\$ -</u>	<u>\$ 3,031</u>	<u>311,035</u>
Alternative investments – at net asset value (a)				38,481
Investments held by foundations – at net asset value (a)				<u>1,057</u>
				<u>\$ 350,573</u>
Contributions receivable from trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,306</u>	<u>\$ 6,306</u>
Beneficial interests in perpetual trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,026</u>	<u>\$ 142,026</u>

- (a) In accordance with FASB ASC 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amount presented in this table is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

The following is a reconciliation of the beginning and ending balances of assets measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended September 30, 2019 and 2018:

	2019		
	Beneficial Interests in Perpetual Trusts	Contributions Receivable From Trusts	Real Estate
Balance, October 1, 2018	\$ 142,026	\$ 6,306	\$ 3,031
Contributions	3,994	157	-
Change in value	76	(51)	479
Balance, September 30, 2019	<u>\$ 146,096</u>	<u>\$ 6,412</u>	<u>\$ 3,510</u>

	2018		
	Beneficial Interests in Perpetual Trusts	Contributions Receivable From Trusts	Real Estate
Balance, October 1, 2017	\$ 134,962	\$ 5,036	\$ 3,031
Contributions	1,913	1,273	-
Change in value	5,151	(3)	-
Balance, September 30, 2018	<u>\$ 142,026</u>	<u>\$ 6,306</u>	<u>\$ 3,031</u>

The following tables present information about investments measured at NAV as of September 30, 2019 and 2018:

	2019			
	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Equity long/short hedge funds (a)	\$ 13,449	\$ -	Monthly & Quarterly	20-65 days
Managed futures (b)	7,457	-	Monthly Quarterly & Semiannually	1 day
Multi-strategy hedge funds (c)	4,607	-	Quarterly	65-95 days
Private equity funds (d)	26,261	8,678	Quarterly	N/A
Distressed credit hedge fund (e)	2,366	845	Quarterly	0-60 days
Real property (f)	1,036	-	N/A	N/A
	<u>\$ 55,176</u>	<u>\$ 9,523</u>		

	2018			
	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Equity long/short hedge funds (a)	\$ 14,183	\$ -	Quarterly	20-65 days
Managed futures (b)	5,747	-	Monthly Quarterly & Semiannually	3 days
Multi-strategy hedge funds (c)	10,404	-	Quarterly	65-95 days
Private equity funds (d)	6,536	10,941	N/A	N/A
Distressed credit hedge fund (e)	1,611	-	Quarterly	60 days
Real property (f)	1,057	-	N/A	N/A
	<u>\$ 39,538</u>	<u>\$ 10,941</u>		

- (a) This class includes investments in hedge funds that invest both long and short primarily in U.S. common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stocks and from a net long position to a net short position. The fair values of the investments in this class have been estimated using the NAV per share of the investments. The investments in this category have a one-year lock-up period. All assets for the Board have surpassed the lock-up period.
- (b) This class includes investments that seek to achieve capital appreciation through speculative trading, directly or indirectly, in commodity interests generally including, commodity futures and commodity option contracts on U.S. exchanges and certain foreign exchanges and swaps. There are no lock-up periods.
- (c) This class includes investments in hedge funds that pursue multiple strategies and seeks to provide investors with low volatility and low beta to equity and fixed income indices. The fund makes allocations to specialized relative-value and event-driven managers that are identified through a disciplined, research-driven investment process. This investment vehicle is intended for U.S. non-taxable entities for non-U.S. investors. There are no lock-up periods.

- (d) This class includes investments in private equity that typically invests globally in non-public entities and companies with a value-add approach, acquiring undervalued or underperforming companies or companies with significant growth potential. This investment vehicle offers attractive long-term risk-adjusted return characteristics that may provide performance in excess of the public markets. Asset classes within the sector include: buyout, venture capital and mezzanine debt, with structures including single manager portfolios or fund of funds. As these are closed-end investment vehicles, redemptions are not permitted.
- (e) This class includes investments in senior and super-senior United States or non-United States residential mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, corporate credit default indices and structured products backed by or referencing credits. One-year initial lock-up period; after one year, quarterly lock-up periods.
- (f) This class consists of an investment in real property held by the Foundation for the benefit of the Board.

#### 4. Amounts Designated by Board and Net Assets Without Donor Restrictions

Board-designated assets represent amounts designated by management and the Board of Trustees as reserve funds but are available for use by the Board for other purposes. The contingency reserve has been set up at the instruction of the SBC to provide for deficits that may result from decreased receipts or emergencies. The contingency reserve may not exceed the operating budget requirements for six months. The Board of Trustees has set the balance in the contingency reserve sufficient to cover five and a half months of the current operating budget needs.

Additionally, the Board established the following funds to provide for other specified purposes. These funds are the postretirement/postemployment fund, global capital fund and catastrophic medical fund. The postretirement/postemployment fund is to allow for three years of expected future benefit payments based on the prior year's actuary report. The global capital fund is to provide mainly for overseas vehicles, housing and office purchases for field personnel support. The catastrophic medical fund is to meet the needs of unexpected and large medical situations for home office and field personnel.

Net assets without donor restrictions for the years ended September 30, 2019 and 2018, consist of the following:

	<u>2019</u>	<u>2018</u>
Undesignated	\$ (36,459)	\$ (30,330)
Contingency reserve	123,000	121,000
Global capital fund	45,459	49,149
Postretirement and postemployment fund	33,000	32,000
Catastrophic medical fund	4,000	4,000
	<u>\$ 169,000</u>	<u>\$ 175,819</u>

#### 5. Property and Equipment

Property and equipment at September 30, 2019 and 2018, consist of the following:

	<u>2019</u>	<u>2018</u>
Land and improvements	\$ 2,847	\$ 2,818
Buildings	50,511	50,397
Equipment	1,795	1,585
	55,153	54,800
Accumulated depreciation	37,056	35,517
Property and equipment, net	<u>\$ 18,097</u>	<u>\$ 19,283</u>

Depreciation expense was \$1,539 and \$1,587 for the years ended September 30, 2019 and 2018, respectively.

#### 6. Concentrations of Credit Risk

The Board maintains a significant amount of its cash in a commercial bank in Richmond, Virginia. As of September 30, 2019, and 2018, balances in the Board's deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250 per depositor per bank. As of September 30, 2019, and 2018, the Board had cash balances in excess of the FDIC insured limit in the amount of \$2,465 and \$6,754, respectively.

#### 7. Beneficial Interests in Perpetual Trusts and Contributions Receivable From Trusts

The Board is the beneficiary of certain irrevocable perpetual trusts held and administered by independent trustees. Under the terms of the trusts, the Board has the irrevocable right to receive the income earned on the trust assets in perpetuity. The fair value is recognized as an asset and as a contribution with donor restrictions at the date the trust is established.

The Board is also the beneficiary of certain irrevocable charitable remainder unitrusts and charitable remainder annuity trusts held and administered by independent trustees. Under the terms of these trusts, the Board has the irrevocable right to receive the underlying assets of the trust. The fair value is recognized as an asset and as a contribution with donor restrictions at the date the trust is established. The Board's estimate of fair value is based on the fair value information received from trustees.

The assets in trusts are not subject to the control or direction by the Board. Gains and losses, which are not distributed by the trusts, are reflected as change in value of split interest agreements in the statement of activities.

### 8. Pension Plans and Postemployment/Postretirement Benefits

The Board has pension plans covering substantially all employees as follows:

#### *Field personnel pension plans*

Beginning in 1981, the Board established a noncontributory defined benefit pension plan for field personnel. Effective December 31, 1995, the Annuity Board of the Southern Baptist Convention (Annuity Board, currently known as GuideStone) assumed responsibility for this plan. All plan assets, liabilities and administrative responsibilities were transferred to the Annuity Board on that date. At the time of transfer to the Annuity Board, plan assets were substantially equal to plan liabilities.

The Field Personnel Pension Plan is a defined contribution plan administered by GuideStone. Under this plan, the Board annually contributed approximately 5% of field personnel pay plus a 100% match up to approximately 5% of the field personnel's individual contributions to the field personnel's individual account. In July 2018, the Board changed this plan to contribute a non-matched, fixed-dollar amount based on four longevity-years-of-service ranges. In addition, the Board changed this plan to contribute a matched, fixed-dollar amount based on four longevity-years-of-service ranges. The matched amount is 100% of the field personnel's individual contributions limited to a maximum employer match dollar amount. Total contributions charged to pension expense for this defined contribution plan for the years ended September 30, 2019 and 2018, were \$7,076 and \$6,284, respectively.

#### *Home office pension plan*

The Home Office Pension Plan is a defined contribution plan administered by GuideStone. Under this plan, the Board annually contributes 5% of employee pay plus a 100% match up to 3% of the employee's individual contributions to the employee's individual account. Total contributions charged to pension expense for this defined contribution plan for the years ended September 30, 2019 and 2018, were \$3,628 and \$1,676, respectively.

### Postemployment and Postretirement Benefits Other Than Pensions

#### *Postemployment benefits*

The Board provides certain postemployment benefits to eligible employees following employment but before retirement. These benefits include tuition assistance for field personnel children, and certain disability benefits for field personnel and home office personnel. The Board's postemployment plan is currently not funded.

The following tables set forth information related to the plan as of and for the years ended September 30, 2019 and 2018:

	2019	2018
Accumulated postemployment benefit obligations	\$ (6,109)	\$ (5,363)
Plans assets at fair value	-	-
Funded status at fair value	(6,109)	(5,363)
Unrecognized prior service costs	2	8
Accrued postemployment benefit cost	<u>\$ (6,107)</u>	<u>\$ (5,355)</u>
Benefit obligation at beginning of period	\$ 5,363	\$ 6,727
Service cost	47	38
Interest cost	190	175
Change in discount rate assumption	401	(340)
Change in health care cost trend rate assumption	(121)	(142)
Change in other assumptions	(70)	(2)
Actuarial loss	1,466	419
Benefits paid	(1,167)	(1,512)
Benefit obligation at end of period	<u>\$ 6,109</u>	<u>\$ 5,363</u>
	2019	2018
Change in plan assets:		
Plan assets at fair value, beginning	\$ -	\$ -
Contributions	1,167	1,512
Benefits paid	(1,167)	(1,512)
Plan assets at fair value, ending	<u>\$ -</u>	<u>\$ -</u>
Service cost	\$ 47	\$ 38
Interest cost	190	175
Amortization of unrecognized prior service costs	6	6
Loss on the extent recognized	1,676	(64)
Net periodic postemployment benefit cost	<u>\$ 1,919</u>	<u>\$ 155</u>
Benefits paid	<u>\$ 1,167</u>	<u>\$ 1,512</u>

The actuarial assumptions used in the determination of the postemployment benefit obligation and net periodic postemployment benefit cost consisted of the following as of and for the years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Discount rate	2.53%	4.07%
Expected long-term health care cost increases:		
Initial rate:		
Pre-65 (Medical/Rx)	6.80%/7.10%	7.10%/7.50%
Post-65 (Medical/Rx)	3.80%/5.90%	3.20%/6.90%
Ultimate rate:		
Pre-65 (Medical/Rx)	4.75%/5.25%	4.75%/5.25%
Post-65 (Medical/Rx)	3.80%/5.25%	3.20%/5.25%
Time to ultimate rate	8 years	8 years
Expected long-term dental care cost increases:		
Initial rate and ultimate rate	3.80%	3.70%
Expected long-term eye care cost increases:		
Initial rate and ultimate rate	2.00%	3.00%
Salary scale	3.00%	3.00%

The Board expects to contribute \$842 to its postemployment benefit plan in 2020.

The Board's expected future postemployment benefit payments as presented in the actuary's report for the next ten years are expected as follows:

2020	\$ 842
2021	793
2022	762
2023	709
2024	534
2025-2029	<u>2,209</u>
	<u>\$ 5,849</u>

#### ***Postretirement benefits***

The Board provides certain postretirement benefits to eligible retired employees. These benefits include health care, life insurance and tuition assistance for field personnel children, and health care and life insurance for home office personnel. The Board's postretirement plan is currently not funded.

The following tables set forth information related to the plan as of and for the years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Accumulated postemployment benefit obligations	\$ (112,288)	\$ (100,407)
Plan assets at fair value	<u>-</u>	<u>-</u>
Funded status at fair value	(112,288)	(100,407)
Unrecognized prior service costs	(17,547)	(20,528)
Unrecognized net gain	<u>5,208</u>	<u>(11,141)</u>
Accrued postemployment benefit cost	(124,627)	(132,076)
Accumulated changes in post-retirement benefit liability other than net periodic post-retirement benefit costs	<u>12,339</u>	<u>31,669</u>
Net recognized cost	<u>\$ (112,288)</u>	<u>\$ (100,407)</u>
Benefit obligation at beginning of period	\$ 100,407	\$ 119,329
Service cost	1,712	2,013
Interest cost	3,908	3,867
Change in discount rate assumption	10,858	(6,410)
Change in health care costs trend rate assumption	(1,417)	(1,896)
Change in other assumptions	(1,617)	(67)
Actuarial loss (gain)	8,305	(7,781)
Benefits paid	<u>(9,868)</u>	<u>(8,648)</u>
Benefit obligation at end of period	<u>\$ 112,288</u>	<u>\$ 100,407</u>
Change in plan assets:		
Plan assets at fair value, beginning	\$ -	\$ -
Contributions	9,868	8,648
Benefits paid	<u>(9,868)</u>	<u>(8,648)</u>
Plan assets at fair value, ending	<u>\$ -</u>	<u>\$ -</u>

Service cost	\$ 1,712	\$ 2,013
Interest cost	3,908	3,867
Amortization of unrecognized prior service cost	(2,981)	(2,980)
Gain to the extent recognized	(220)	-
Net periodic postretirement benefit cost	<u>\$ 2,419</u>	<u>\$ 2,900</u>
Changes in post-retirement benefit liability other than net periodic post-retirement benefit costs	<u>\$ 19,329</u>	<u>\$ (13,174)</u>

Accumulated postretirement benefit obligation included the following components that have not yet been recognized as a component of net periodic postretirement benefit costs at September 30, 2019, but which has been reflected in net assets without donor restrictions; apart from expenses, on the accompanying statement of activities for the years ended September 30, 2019 and 2018.

	<u>2019</u>	<u>2018</u>
Unrecognized prior service costs	\$ 17,547	\$ 20,528
Unrecognized net gains (losses)	(5,208)	11,141
Accumulated changes in postretirement benefit liability other than net periodic postretirement benefit costs	<u>\$ 12,339</u>	<u>\$ 31,669</u>

The following amounts included in accumulated postretirement benefit obligation at September 30, 2019 and 2018, that have not yet been recognized as components of net periodic postretirement benefit costs are expected to be recognized as components of periodic postretirement benefit costs in 2020 and 2019, respectively:

	<u>2020</u>	<u>2019</u>
Net experience gains	\$ -	\$ (220)
Amortization of prior service costs	\$ (2,980)	\$ (2,980)

The actuarial accrued postretirement benefit obligation for the years ended September 30, 2019 and 2018, as presented in the actuary's report was:

	<u>2019</u>	<u>2018</u>
Retirees and inactive participants	\$ 71,569	\$ 68,877
Active fully eligible plan participants	10,021	7,573
Other active plan participants	30,698	23,957
Accrued postretirement benefit obligation	<u>\$ 112,288</u>	<u>\$ 100,407</u>

The Board expects to contribute \$12,504 to its postretirement benefit plan in 2020.

The Board's expected future postretirement benefit payments as presented in the actuary's report for the next ten years are expected as follows:

2020	\$ 12,504
2021	9,324
2022	8,948
2023	8,888
2024	7,903
2025-2029	<u>36,680</u>
	<u>\$ 84,247</u>

The actuarial assumptions used in the determination of the postretirement benefit obligation and net periodic postretirement benefit cost consisted of the following as of and for the years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Discount rate	2.91%	4.07%
Expected long-term health care cost increases:		
Initial rate:		
Pre-65 (Medical/Rx)	6.80%/7.10%	7.10%/7.50%
Post-65 (Medical/Rx)	3.80%/5.90%	3.20%/6.90%
Ultimate rate:		
Pre-65 (Medical/Rx)	4.75%/5.25%	4.75%/5.25%
Post-65 (Medical/Rx)	3.80%/5.25%	3.20%/5.25%
Time to ultimate rate	8 years	8 years
Expected long-term dental care cost increases:		
Initial rate and ultimate rate	3.80%	3.70%
Expected long-term eye care cost increases:		
Initial rate and ultimate rate	2.00%	3.00%
Salary scale	3.00%	3.00%

### 9. Net Assets with Donor Restrictions

Net assets with donor restrictions for the years ended September 30, 2019 and 2018, consisted of the following:

	2019	2018
Hunger and relief ministries	\$ 4,488	\$ 3,960
Split interest agreements, time	6,412	6,306
Special gifts for field personnel and related projects	4,040	4,306
Other mission projects	2,076	2,199
Endowments	26,017	25,403
Beneficial interests in perpetual trusts	<u>146,096</u>	<u>142,026</u>
Total with donor restrictions	<u>\$ 189,129</u>	<u>\$ 184,200</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows:

	2019	2018
Special gifts	\$ 12,465	\$ 7,430
Hunger and relief ministries	3,343	6,748
Global engagement	685	4,537
Field support and other activities	<u>53</u>	<u>351</u>
Total with donor restrictions	<u>\$ 16,546</u>	<u>\$ 19,066</u>

### 10. Endowments

The Board's endowment consists of 318 individual donor-restricted funds established for a variety of purposes. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

#### *Interpretation of relevant law*

The Board's Trustees have interpreted the Commonwealth of Virginia enacted version of the Uniform Prudent Management of Institutional Fund Act of 2006 (VAUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Board classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with VAUPMIFA, the Board considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the application of investments
6. The investment policies of the organization

#### *Return objectives and risk parameters*

The Board has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Board must hold in perpetuity. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Board expects its endowment funds, over time, to provide an average rate of return of approximately 5.5% annually. Actual returns in any given year may vary from this amount.

#### *Strategies employed for achieving objectives*

To satisfy its long-term rate of return objectives, the Board relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Board targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to achieve its long-term return objectives within prudent risk constraints.

#### *Spending policy and how the investment objectives relate to spending policy*

In 2019 and 2018, the Board had a policy of appropriating for distribution 3% of its year-end endowment fund's balances from 2018 and 2017, respectively. In establishing a policy, the Board considers the long-term expected return on its endowment while balancing the need for annual cash distributions. Accordingly, over the long term, the Board expects the current spending policy to allow its endowment to grow an average of 2.5% annually. This is consistent with the Board's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return. The Board has a policy that permits spending

from underwater endowment funds unless otherwise precluded by donor intent or relevant laws and regulations. The Board appropriated for expenditures \$744 and \$729 from underwater endowments for the years then ended September 30, 2019 and 2018, respectively.

#### *Underwater endowment funds with deficiencies*

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or VAUPMIFA requires the Board to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations and continued appropriation for certain programs that was deemed prudent by the Board.

Changes in endowment net assets for the year ended September 30, 2019 and 2018:

	<u>With Donor Restrictions</u>	
Endowment net assets, October 1, 2017	\$	25,137
Net investment income (including realized and unrealized)		923
Contributions		72
Appropriation of endowment assets for expenditures		<u>(729)</u>
Endowment net assets, September 30, 2018		25,403
Net investment income (including realized and unrealized)		1,123
Contributions		235
Appropriation of endowment assets for expenditures		<u>(744)</u>
Endowment net assets, September 30, 2019		<u>\$ 26,017</u>
	<u>2019</u>	<u>2018</u>
Underwater endowment funds with deficiencies:		
Original endowment gift value	\$ 27,471	\$ 27,237
Current fair value	<u>26,017</u>	<u>25,403</u>
Endowment funds with deficiencies	<u>\$ 1,454</u>	<u>\$ 1,834</u>

#### **11. Overseas Real Estate Sales**

Annually, as part of its normal activities, the Board grants money for the purchase of buildings and land related to its overseas operations. These amounts are expensed when granted to the financial support teams. When overseas real estate is sold and the proceeds are returned, the Board records income from overseas, foundations and other income in the statement of activities. These amounts are added to investments designated by Board on the statement of financial position. The amount of these proceeds returned and recorded in income from overseas, foundations and other income for the years ended September 30, 2019 and 2018, was \$9,093 and \$9,881, respectively.

#### **12. Subsequent Events**

Management evaluated subsequent events through January 2, 2020, the date the financial statements were available to be issued. Events or transactions occurring after September 30, 2019, but prior to January 2, 2020, that provided additional evidence about conditions that existed at September 30, 2019, have been recognized in the financial statements for the years ended September 30, 2019. Events or transactions that provided evidence about conditions that did not exist at September 30, 2019, but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended September 30, 2019.

**Revenue by States**  
**For the Twelve Months Ending September 30, 2019**

	<b>Total</b>	<b>Cooperative Program</b>	<b>Lottie Moon</b>	<b>Special Gifts Not Budgeted</b>	<b>World Relief</b>
Alabama	\$ 25,326,982	\$ 9,493,219	\$ 14,462,081	\$ 935,357	\$ 436,325
Alaska	236,006	78,791	151,953	3,204	2,059
Arizona	1,813,668	583,176	1,135,143	84,489	10,859
Arkansas	11,387,677	4,786,157	6,158,445	307,921	135,155
California	4,755,125	1,129,755	3,017,825	579,371	28,174
Colorado	1,112,476	328,210	681,404	95,124	7,739
Dakota	168,896	47,726	111,938	9,232	-
District of Columbia	184,727	-	180,025	4,702	-
Florida	15,300,432	7,550,982	7,141,056	508,857	99,537
Georgia	21,553,516	8,160,432	12,469,075	631,443	292,566
Hawaii Pacific	324,501	123,601	187,998	3,201	9,701
Illinois	2,567,470	1,166,942	1,341,053	2,054	57,421
Indiana	1,105,693	409,923	637,498	45,170	13,102
Iowa	349,188	162,079	181,812	3,458	1,839
Kansas-Nebraska	1,439,619	405,534	734,226	289,587	10,272
Kentucky	11,091,225	4,977,339	5,631,447	375,375	107,064
Louisiana	8,408,406	3,449,907	4,722,923	172,651	62,925
Maryland-Delaware	2,096,448	850,945	1,086,158	123,520	35,825
Michigan	585,441	173,450	242,159	160,514	9,318
Minnesota-Wisconsin	360,145	117,602	191,004	45,664	5,875
Mississippi	16,172,239	6,214,920	9,551,447	323,169	82,703
Missouri	8,422,382	2,958,513	5,057,744	208,688	197,437
Montana	246,258	99,662	137,544	5,549	3,503
Nevada	558,401	314,525	224,612	16,297	2,967
New England	777,363	106,150	517,338	150,331	3,543
New Mexico	1,633,426	406,919	1,149,316	57,227	19,964
New York	472,727	112,884	314,399	43,733	1,711
North Carolina	21,873,296	5,863,085	14,919,443	885,216	205,552
Northwest	1,042,217	328,435	601,586	98,814	13,382
Ohio	3,729,909	1,049,301	2,416,578	231,643	32,387
Oklahoma	13,400,395	5,012,017	6,908,496	1,378,884	100,998
Pennsylvania-South Jersey	472,417	171,291	200,138	94,629	6,359
Puerto Rico/U.S. Virgin Islands	34,314	3,577	30,416	-	321
South Carolina	16,967,798	5,559,029	10,901,852	354,439	152,478
Tennessee	23,979,738	8,073,383	12,524,689	1,323,288	2,058,378
Texas – BGCT	18,323,988	5,150,302	11,817,115	1,196,530	160,041
Texas – SBTC	20,066,711	7,754,250	11,131,150	1,135,442	45,869
Utah-Idaho	315,600	106,794	195,808	7,965	5,033
Virginia – BGAV	3,619,961	415,250	2,788,315	373,150	43,246
Virginia – SBCV	7,095,304	2,331,242	4,570,828	98,592	94,642
West Virginia	637,541	263,700	328,749	32,624	12,468
Wyoming	155,488	54,952	91,071	6,876	2,589
Overseas	71,900	-	26,475	45,425	-
Churches and Individuals	7,562,968	2,908,177	61,499	4,590,070	3,222
Adjustments/Other Receipts	(336,996)	-	374,967	-	(711,963)
<b>Total</b>	<b>\$ 277,462,984</b>	<b>\$ 99,254,130</b>	<b>\$ 157,306,798</b>	<b>\$ 17,039,476</b>	<b>\$ 3,862,580</b>
Received through the Executive Committee:	\$ 231,912,937	\$ 99,254,130	\$ 130,282,121	\$ 446,232	\$ 1,930,454
Received directly:	45,550,047	-	27,024,677	16,593,244	1,932,126
<b>Total</b>	<b>\$ 277,462,984</b>	<b>\$ 99,254,130</b>	<b>\$ 157,306,798</b>	<b>\$ 17,039,476</b>	<b>\$ 3,862,580</b>

**Independent Auditors' Report**

## Trustees

International Mission Board of the Southern Baptist Convention  
Richmond, Virginia

We have audited the accompanying financial statements of International Mission Board of the Southern Baptist Convention (a nonprofit organization), which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Mission Board of the Southern Baptist Convention as of September 30, 2019, and the changes in its net assets, its functional expenses and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Prior Period Financial Statements***

The summarized, comparative information presented herein as of and for the year ended September 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Dixon Hughes Goodman LLP  
Richmond, Virginia  
January 2, 2020

## THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.

### Consolidated Statements of Financial Position

September 30	2019	2018
<b>Assets</b>		
Cash and cash equivalents	\$ 7,054,430	\$ 1,789,428
Investments	213,161,690	230,921,835
Investments restricted for long-term purposes	5,481,214	5,480,987
Church loans, net	70,342,482	65,275,262
Beneficial interest in trusts and endowments held by others	52,972,385	48,938,372
Property and equipment, net	78,417,208	78,552,497
Other assets, net	<u>6,919,132</u>	<u>6,079,924</u>
<b>Total assets</b>	<b><u>\$ 434,348,541</u></b>	<b><u>\$ 437,038,305</u></b>
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 7,810,803	\$ 7,230,875
Accrued postretirement benefit obligation	<u>52,332,353</u>	<u>49,559,529</u>
<b>Total liabilities</b>	<b><u>60,143,156</u></b>	<b><u>56,790,404</u></b>
<b>Net assets</b>		
Without donor restrictions	308,698,461	317,099,918
With donor restrictions	65,506,924	63,147,983
<b>Total net assets</b>	<b><u>374,205,385</u></b>	<b><u>380,247,901</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 434,348,541</u></b>	<b><u>\$ 437,038,305</u></b>

*The Accompanying Notes are an Integral Part of These Consolidated Financial Statements*

### Consolidated Statements of Activities

For the Years Ended September 30,	2019	2018
<b>Change in net assets without donor restrictions</b>		
Public support and revenue:		
Annie Armstrong Easter Offering™	\$ 61,600,104	\$ 61,185,206
Cooperative Program	44,835,155	44,849,541
Investment income	1,301,650	15,478,714
Contributions	15,136,333	17,545,851
Interest on church loans	3,370,629	3,187,276
Other	<u>1,760,261</u>	<u>1,553,999</u>
Total public support and revenue	128,004,132	143,800,587
Net assets released from restrictions:		
Satisfaction of time and use restrictions	<u>3,712,066</u>	<u>6,980,242</u>
Total public support and revenue and net assets released from restrictions	<u>131,716,198</u>	<u>150,780,829</u>
Expenses:		
Program activities:		
Church planting	66,985,421	68,270,217
Evangelism and relief	25,326,155	24,211,156
Mission education and opportunities	10,751,581	11,298,431
Sending and leadership	<u>9,558,335</u>	<u>8,985,558</u>
Total program activities	<u>112,621,492</u>	<u>112,765,362</u>
Supporting activities:		
Administration	<u>18,035,299</u>	<u>18,230,215</u>
Total supporting activities	<u>18,035,299</u>	<u>18,230,215</u>
Total expenses	<u>130,656,791</u>	<u>130,995,577</u>
<b>Change in net assets without donor restrictions before other change - postretirement benefit plan</b>	1,059,407	19,785,252
Postretirement benefit change other than periodic postretirement benefit cost	<u>(9,460,864)</u>	<u>(1,782,035)</u>
<b>Change in net assets without donor restrictions</b>	<b><u>(8,401,457)</u></b>	<b><u>18,003,217</u></b>
<b>Change in net assets with donor restrictions</b>		
Change in beneficial interest in trusts and endowments held by others	4,034,013	3,155,231
Contributions	1,883,529	4,549,886
Investment income	153,465	893,187
Net assets released from restrictions	<u>(3,712,066)</u>	<u>(6,980,242)</u>
<b>Change in net assets with donor restrictions</b>	<b><u>2,358,941</u></b>	<b><u>1,618,062</u></b>

<b>For the Years Ended September 30,</b>	<b>2019</b>	<b>2018</b>
<b>Change in net assets</b>	(6,042,516)	19,621,279
<b>Net assets - Beginning of year</b>	<u>380,247,901</u>	<u>360,626,622</u>
<b>Net assets - End of year</b>	<u>\$ 374,205,385</u>	<u>\$ 380,247,901</u>

*The Accompanying Notes are an Integral Part of These Consolidated Financial Statements*

### Consolidated Statements of Cash Flows

<b>For the Years Ended September 30,</b>	<b>2019</b>	<b>2018</b>
<b>Operating cash flows</b>		
Cash received from Annie Armstrong Easter Offering™	\$ 61,600,104	\$ 61,185,206
Cash received from Cooperative Program	45,900,103	45,115,263
Cash received from contributions	17,019,635	20,872,538
Interest received on church loans	3,370,629	3,187,276
Dividend and interest income	2,833,953	3,553,209
Cash received from other activities	1,257,163	1,477,836
Cash paid for operating activities and costs	<u>(128,025,560)</u>	<u>(135,009,589)</u>
<b>Net operating cash flows</b>	<u>3,956,027</u>	<u>381,739</u>
<b>Investing cash flows</b>		
Purchases of investments	(61,833,106)	(115,226,290)
Proceeds from sales of investments	78,214,412	73,917,315
Net investment in assets restricted for long-term purposes	(227)	(1,792)
Loans made to churches	(12,432,093)	(13,342,976)
Principal payments received on church loans	7,364,873	5,250,762
Proceeds from sales of church loans	-	40,391,223
Proceeds from sales of property and equipment	3,114,406	2,624,752
Purchases of and improvements to property and equipment	<u>(13,119,517)</u>	<u>(22,048,278)</u>
<b>Net investing cash flows</b>	<u>1,308,748</u>	<u>(28,435,284)</u>
<b>Financing cash flows</b>		
Proceeds from contributions restricted for long-term investment	227	1,792
Proceeds from draws on line of credit	37,099,000	1,919,000
Repayments of amounts drawn on line of credit	<u>(37,099,000)</u>	<u>(1,919,000)</u>
<b>Net financing cash flows</b>	<u>227</u>	<u>1,792</u>
<b>Net change in cash and cash equivalents</b>	5,265,002	(28,051,753)
<b>Cash and cash equivalents - Beginning of year</b>	<u>1,789,428</u>	<u>29,841,181</u>
<b>Cash and cash equivalents - End of year</b>	<u>\$ 7,054,430</u>	<u>\$ 1,789,428</u>

*The Accompanying Notes are an Integral Part of These Consolidated Financial Statements*

### Notes to Consolidated Financial Statements

#### NOTE 1. DESCRIPTION OF THE ORGANIZATION

The North American Mission Board of the Southern Baptist Convention, Inc. (“the Board”) is a Georgia not-for-profit corporation. The Board aids and shares in the support of Southern Baptist churches, media, missions, and missionary efforts in the United States, Canada, and their territories by providing direct programs and activities and by sharing in the funding of state convention programs and activities. For the years ended September 30, 2019 and 2018, the Board provided approximately \$27,030,000 and \$27,009,000, in funding to state conventions and associations of the Southern Baptist Convention (“the SBC”) for these activities. The Board is also active in assisting churches and individuals with the resources, training, and tools necessary to plant new churches through its Send North America program. The Board is a cooperating ministry of the SBC and receives most of its regular financial support from gifts received through the Executive Committee of the SBC (“the Executive Committee”), mainly through the Cooperative Program (“the CP”) and the annual Annie Armstrong Easter Offering™ (“the AAEO”). The SBC also funds other programs of the Board (e.g., disaster relief and hunger relief). Total support received from the Executive Committee for the years ended September 30, 2019 and 2018 was approximately \$103,000,000 and \$104,000,000, respectively.

In conformity with accounting principles generally accepted in the United States (“U.S. GAAP”), the consolidated financial statements of the Board also include the accounts of the following organizations, which are separate legal entities:

- **Send Relief, Inc. (“Send Relief”)** is a Texas not-for-profit corporation whose purpose is to support and assist the Board in its activities, including relief and compassion ministries. The Board elects Send Relief’s board of directors. Send Relief, Inc.’s financial transactions are included in the accompanying consolidated financial statements, and all significant inter-organizational balances and transactions have been eliminated.
- **NAMB Canada** is a not-for-profit Canadian corporation whose purposes include planting Southern Baptist churches and supporting Southern Baptist missionaries in order to spread the Gospel of Jesus Christ in Canada. The Board and NAMB Canada share common management. The Board also has certain representation rights with respect to

NAMB Canada's governing body. However, the Board does not control NAMB Canada, as that term is defined by U.S. GAAP. For readability, and because NAMB Canada's financial activity is not material to the Board's overall consolidated financial statements, the accompanying financial statements are referred to as "consolidated" instead of "consolidated and combined." All significant inter-organizational balances and transactions have been eliminated.

## **NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

### **REVENUE AND SUPPORT**

The Board recognizes cash contributions as revenue when the contributions are received by the Board. Contributions are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as "net assets released from restrictions."

### **REVENUE CLASSIFICATIONS**

The Board's primary revenue sources included in the accompanying consolidated statements of activities are further described as follows:

*Annie Armstrong Easter Offering™*: The AAEO honors the life and work of Annie Walker Armstrong. The purpose of the AAEO is to enable missionary personnel to share the good news of Jesus Christ. The Board works in partnership with state conventions to distribute monies given through the offering to missionaries and their efforts.

*Cooperative Program*: The CP is Southern Baptists' method of supporting missions and ministry efforts of state conventions, associations, and the SBC. The Board received revenues ratably over the course of the year based on the annual budget allocation of the SBC.

### **PROGRAM ACTIVITIES**

The Board's program activities include the following:

*Church planting*: assisting churches in planting healthy, multiplying, evangelistic Southern Baptist churches in the United States and Canada;

*Evangelism and relief*: assisting churches in the ministries of evangelism, making disciples, and relief ministries to victims of disaster and other people in need;

*Mission education and opportunities*: assisting churches by providing mission education and coordinating volunteer missions opportunities for church members; and

*Sending and leadership*: assisting churches with leadership development and with appointing, supporting, and assuring accountability for missionaries serving in the United States and Canada.

### **CASH AND CASH EQUIVALENTS**

The Board considers investments purchased or donated with original maturities of three months or less to be cash equivalents.

### **INVESTMENTS**

Investments are carried at estimated fair value.

### **INVESTMENTS RESTRICTED FOR LONG-TERM PURPOSES**

Investments restricted for long-term purposes relate to donor-restricted endowment net assets and unexpended endowment earnings.

### **CHURCH LOANS**

Church loans are stated at their unpaid principal amounts outstanding, reduced by an allowance for loan losses, and are generally collateralized by church real estate. Interest income is accrued based on the outstanding principal amount and contractual terms of each individual loan. Church loans generally have original terms from 20 to 30 years, but interest rates generally adjust at three-year to five-year intervals. The carrying value of loan balances approximates fair value.

The Board typically charges a loan processing fee for construction loans and recognizes such fees as revenue in the period in which the loan is originated. Loan origination fees are recognized as revenue in the period in which the loan is originated. Loan fees are intended to offset the direct costs related to issuing the loans. Late payment fees are recognized as revenue when assessed. Interest rates generally range from 3% to 6% per annum.

The Board classifies loans as impaired when it is probable that it will be unable to collect all amounts due according to contractual terms of the loan agreements. Loans are classified as delinquent when payments are 90 days past due. Payments for delinquent loans are applied to interest first, and then to principal, for each past due month starting with the oldest such past due payment. Accrual of interest income is discontinued when, in management's judgment, it is determined that the collectability of interest is doubtful.

### **ALLOWANCE FOR LOAN LOSSES**

Management determines an appropriate allowance for loan losses based upon historical loan loss experience, the amount of past due and nonperforming loans, specific known risks, the value of collateral securing the loans, and current and

anticipated economic and interest rate conditions. Evaluation of these factors involves subjective estimates and judgments that may change over time. Additions to the allowance are recognized as expenses and are described as a “provision” for loan losses in Note 7.

#### **BENEFICIAL INTERESTS IN TRUSTS AND ENDOWMENTS HELD BY OTHERS**

The Board is the beneficiary of certain perpetual irrevocable trusts and endowments held and administered by other parties. The Board generally has the irrevocable right to receive the income earned on the underlying assets in perpetuity. The estimated fair value of such amounts is recognized as an asset and as revenue with donor restrictions at the date the Board becomes aware of the agreement. The Board’s estimate of fair value is based on fair value information received from the other parties. The underlying assets are not subject to the Board’s discretion or control. Gains and losses, which are not distributed, are reflected within “change in beneficial interest in trusts and endowments held by others” in the consolidated statements of activities.

#### **PROPERTY AND EQUIPMENT**

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. The Board uses the straight-line method of depreciating property and equipment over the estimated useful lives of the related assets.

#### **POSTRETIREMENT BENEFIT PLANS**

The Board provides postretirement healthcare and other benefits for retired employees. The Board accounts for the plans following guidance prescribed under U.S. GAAP.

#### **NET ASSETS**

Net assets without donor restrictions are available for use at the discretion of the Board of Trustees. Board designated net assets consist of amounts designated by the Board of Trustees for various purposes as further described in Note 11. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

#### **INCOME TAXES**

The Board and Send Relief are exempt from federal income tax as organizations described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to state law. These entities are further classified as public charities and not private foundations for federal tax purposes. NAMB Canada is classified as a charity under Canadian law. None of the organizations have incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying consolidated financial statements.

#### **USE OF ESTIMATES**

Management uses estimates and assumptions in preparing the consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these consolidated financial statements include those related to the estimated fair values of investments, the useful lives of property and equipment, the collectability of church loans, and the calculation of the accrued postretirement benefits liability. Actual results could differ from the estimates.

#### **RECLASSIFICATIONS**

Certain amounts included in the consolidated financial statements for the year ended September 30, 2018 have been reclassified to conform to classifications adopted during the year ended September 30, 2019. The reclassifications had no material effect on the accompanying consolidated financial statements.

#### **NEW ACCOUNTING PRONOUNCEMENT**

Financial Accounting Standards Board Accounting Standards Update (“ASU”) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities is effective for the Board’s consolidated financial statements for the year ended September 30, 2019. The ASU requires various changes to the presentation of financial statements of not-for-profit entities, the most significant of which relate to the classifications of net assets, a requirement to report expenses by natural classification as well as by functional classification, and new required disclosures related to an entity’s liquidity and availability of resources. The adoption of the ASU had no effect on the Board’s consolidated net assets as of October 1, 2017 or the consolidated change in net assets for the year ended September 30, 2018. As allowed by applicable guidance, the Board has chosen not to retrospectively apply provisions not required to be applied to the consolidated financial statements as of and for the year ended September 30, 2018.

#### **SUBSEQUENT EVENTS**

The Board has evaluated for possible financial reporting and disclosure subsequent events through January 22, 2020, the date as of which the consolidated financial statements were available to be issued.

**NOTE 3. LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available within one year of the date of the September 30, 2019 consolidated statement of financial position for general expenditure are as follows:

Cash and cash equivalents	\$ 7,054,430
Investments available for general purposes	213,161,690
Investments held for long-term purposes	5,481,214
Accounts receivable, net (included in other assets)	<u>3,244,477</u>
Total financial assets available within one year	228,941,811

Less:

Amounts unavailable due to:	
Board-designated financial assets	(159,939,000)
Donor-restricted endowment funds	<u>(5,481,214)</u>
<b>Net financial assets available within one year</b>	<b><u>\$ 63,521,597</u></b>

The Board is primarily supported by contributions. As part of the Board's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board of Trustees has designated certain financial assets for various ministry needs. Because of the nature of the designations, these amounts are not available for general expenditure within the next year; however, the Board of Trustees could make them available, if necessary. Certain net assets with donor restrictions (related to time and/or purpose restrictions) are available for general expenditure within one year, because the restrictions on net assets are expected to be met by conducting the normal activities of the Board in the coming year. Management believes the Board has sufficient financial assets available for general operations that may be drawn upon in the event of unanticipated financial distress or immediate liquidity need. Additionally, the Board has two revolving lines of credit (one for \$5,000,000 and another for \$10,000,000) as described in Note 14 as additional sources of liquidity.

**NOTE 4. CONCENTRATIONS**

The Board maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Board has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

During the years ended September 30, 2019 and 2018, the Board received approximately 77% and 68% of its revenue from the Executive Committee.

**NOTE 5. INVESTMENTS**

Investments consisted of the following:

<u>September 30,</u> <u>Category</u>	<u>2019</u>	<u>2018</u>
Money market and similar funds	\$ 5,165,818	\$ 12,555,161
Common and preferred stocks	112,636,679	125,746,457
Mutual funds	69,401,772	71,896,552
Corporate debt securities	815,404	5,534,773
Government obligations	1,024,284	4,822,633
Church debt obligations	-	490,044
Nontraditional investments:		
Infrastructure	8,704,397	-
Direct lending	8,273,504	5,818,447
Limited partnership interest	6,240,170	8,219,876
Long/short equity hedge fund	5,000,000	-
Pooled funds held by others	<u>1,380,876</u>	<u>1,318,879</u>
<b>Total investments</b>	<b><u>\$ 218,642,904</u></b>	<b><u>\$ 236,402,822</u></b>

Investments were held for the following purposes:

<u>September 30,</u>	<u>2019</u>	<u>2018</u>
Investments available for general operations	\$ 213,161,690	\$ 230,921,835
Investments restricted for long-term purposes	5,481,214	5,480,987
<b>Total investments</b>	<b><u>\$ 218,642,904</u></b>	<b><u>\$ 236,402,822</u></b>

**NOTE 6. FAIR VALUE OF FINANCIAL INSTRUMENTS**

U.S. GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its

market or markets. Accordingly, U.S. GAAP recognizes a hierarchy of “inputs” an organization may use in determining or estimating fair value. The inputs are categorized into “levels” that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of each of the three levels of input within the fair value hierarchy:

Level 1 – unadjusted quoted market prices in active markets for identical items

Level 2 – other significant observable inputs (such as quoted prices for similar items)

Level 3 – significant unobservable inputs

The estimated fair value of the Board’s investments using Level 1 inputs is based on unadjusted quoted market prices within active markets. The estimated fair value of nontraditional investments using Level 3 inputs consist of the following:

- The infrastructure investment consists of pooled funds which invest in a broad range of infrastructure-related assets including, but not limited to, toll roads, electricity and power generation assets, and airports. The estimated fair value is based on amounts provided by the investee.
- Direct lending investments consist of pooled funds which invest primarily in loans to various businesses and the estimated fair value based on amounts provided by the investees.
- The Board’s limited partnership interest consists of a pooled fund which invests primarily in short-term deposits of various financial institutions and the estimated fair value is based on amounts provided by the investee.
- The estimated fair value of the long/short equity hedge fund consists of pooled funds which invest in long and short positions in securities within the technology sector and the estimated fair value is based on amounts provided by the investee.
- Investments in pooled funds held by others consist primarily of investments held by state Baptist foundations and the estimated fair value is based on information provided by state Baptist foundations.
- The estimated fair value of church debt obligations is based on information provided by a certain Baptist foundation.

The Board’s nontraditional investments can be liquidated at an amount approximating carrying value in the near-term with proper notice.

Beneficial interest in trusts and endowments held by others are administered primarily by state Baptist foundations. The estimated fair value of the Board’s beneficial interest in trusts and endowments held by others using Level 3 inputs is based on amounts provided by the Baptist foundations, and in some cases, banks or other financial institutions. The estimated fair value of beneficial interest in trusts and endowments held by others is measured as of June 30. There were no significant changes to the estimated fair value between July 1 and September 30 of each fiscal year-end.

Because the fair value estimates for assets made using Level 2 or Level 3 inputs involve a greater element of subjectivity than do determinations made using Level 1 inputs, it is possible that the actual value of such assets may differ significantly from the estimated amounts.

Estimated fair value of certain assets measured on a recurring basis at September 30, 2019 are as follows:

<u>Category</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common and preferred stocks	\$ 112,636,679	\$ 112,636,679	\$ -	\$ -
Mutual funds	69,401,772	69,401,772	-	-
Corporate debt securities	815,404	815,404	-	-
Government obligations	1,024,284	1,024,284	-	-
Nontraditional investments:				
Infrastructure	8,704,397	-	-	8,704,397
Direct lending	8,273,504	-	-	8,273,504
Limited partnership interest	6,240,170	-	-	6,240,170
Long/short equity hedge fund	5,000,000	-	-	5,000,000
Pooled funds held by others	1,380,876	-	-	1,380,876
Beneficial interest in trusts and endowments held by others	<u>52,972,385</u>	-	-	<u>52,972,385</u>
<b>Total</b>	<u>\$ 266,449,471</u>	<u>\$ 183,878,139</u>	<u>\$ -</u>	<u>\$ 82,571,332</u>

The following is a reconciliation of certain assets in which significant unobservable inputs (Level 3) were used in estimating fair value for the year ended September 30, 2019:

Balance, October 1, 2018	\$ 64,785,618
Net unrealized gains	5,584,592
Net purchases	<u>12,201,122</u>
Balance, September 30, 2019	<u>\$ 82,571,332</u>

Estimated fair value of certain assets measured on a recurring basis at September 30, 2018 are as follows:

<u>Category</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common and preferred stocks	\$ 125,746,457	\$ 125,746,457	\$ -	\$ -
Mutual funds	71,896,552	71,896,552	-	-
Corporate debt securities	5,534,773	5,534,773	-	-
Government obligations	4,822,633	4,822,633	-	-
Church debt obligations	490,044	-	-	490,044
Nontraditional investments:				
Limited partnership interest	8,219,876	-	-	8,219,876
Direct lending	5,818,447	-	-	5,818,447
Pooled funds held by others	1,318,879	-	-	1,318,879
Beneficial interest in trusts and endowments held by others	<u>48,938,372</u>	<u>-</u>	<u>-</u>	<u>48,938,372</u>
<b>Total</b>	<b><u>\$ 272,786,033</u></b>	<b><u>\$ 208,000,415</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 64,785,618</u></b>

The following is a reconciliation of certain assets in which significant unobservable inputs (Level 3) were used in estimating fair value for the year ended September 30, 2018:

Balance, October 1, 2017	\$ 57,369,162
Net unrealized gains	3,325,112
Net purchases	<u>4,091,344</u>
Balance, September 30, 2018	<u>\$ 64,785,618</u>

#### NOTE 7. CHURCH LOANS, NET

##### *Loan Balances Stratified by Principal Amount*

As of September 30, 2019, the Board had 158 loans with balances as follows:

<u>Loan Balance</u>	<u>Number of Loans</u>	<u>Principal Outstanding</u>	<u>Percent of Loan Portfolio</u>
Less than \$250,000	87	\$ 7,981,829	11%
\$250,000 - \$499,999	30	10,114,561	14%
\$500,000 - \$999,999	23	15,779,130	22%
\$1,000,000 - \$1,999,999	11	15,408,074	21%
\$2,000,000 or more	<u>7</u>	<u>23,653,888</u>	<u>32%</u>
	<u>158</u>	<u>\$ 72,937,482</u>	<u>100%</u>

As of September 30, 2018, the Board had 161 loans with balances as follows:

<u>Loan Balance</u>	<u>Number of Loans</u>	<u>Principal Outstanding</u>	<u>Percent of Loan Portfolio</u>
Less than \$250,000	91	\$ 7,905,226	12%
\$250,000 - \$499,999	31	10,503,375	16%
\$500,000 - \$999,999	22	15,913,008	23%
\$1,000,000 - \$1,999,999	10	13,504,797	20%
\$2,000,000 or more	<u>7</u>	<u>19,963,298</u>	<u>29%</u>
	<u>161</u>	<u>\$ 67,789,704</u>	<u>100%</u>

##### *Geographic Concentrations of Loans*

As of September 30, 2019, aggregate loans of at least five percent of total balances are due from churches based in the following states:

<u>State</u>	<u>Number of Loans</u>	<u>Principal Outstanding</u>	<u>Percent of Loan Portfolio</u>
Colorado	6	\$ 13,644,603	19%
California	25	12,850,523	18%
Arizona	8	7,065,755	10%
Ohio	17	5,005,995	7%
Missouri	8	4,477,707	6%
Georgia	8	4,055,271	6%
Massachusetts	<u>9</u>	<u>3,860,714</u>	<u>5%</u>
	<u>81</u>	<u>\$ 50,960,568</u>	<u>71%</u>

As of September 30, 2018, aggregate loans of at least five percent of total balances are due from churches based in the following states:

State	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
California	27	\$ 14,560,787	21%
Colorado	5	8,938,274	13%
Arizona	8	7,401,328	11%
Ohio	19	5,270,373	8%
Missouri	8	4,578,864	7%
	<u>67</u>	<u>\$ 40,749,626</u>	<u>60%</u>

During the year ended September 30, 2018, the Board sold church loans with an outstanding principal balance of approximately \$40,400,000 to an unrelated third party. The amount of the proceeds received approximated the net carrying value of the underlying loans at the date of the sale.

**Delinquent Loans**

As of September 30, 2019 and 2018, loans with outstanding principal balances of \$421,384 and \$602,091 were classified as delinquent.

**Impaired Loans**

As of September 30, 2019 and 2018, the Board held no outstanding loans that were considered impaired.

**Allowance for Loan Losses**

Allowance for credit losses and recorded investment in church loans during the year ended September 30, 2019 was approximately as follows:

	Year Ended September 30, 2019
<b>Allowance for credit losses</b>	
Beginning Balance	\$ 2,514,000
Charge-offs	-
Recoveries	-
Provision (reduction)	81,000
Ending Balance	<u>2,595,000</u>
Ending Balance individually evaluated for impairment	<u>1,503,000</u>
Ending Balance collectively evaluated for impairment	<u>\$ 1,092,000</u>

Allowance for credit losses and recorded investment in church loans during the year ended September 30, 2018 was approximately as follows:

	Year Ended September 30, 2018
<b>Allowance for credit losses</b>	
Beginning Balance	\$ 2,834,000
Charge-offs	-
Recoveries	-
Provision (reduction)	(320,000)
Ending Balance	<u>2,514,000</u>
Ending Balance individually evaluated for impairment	<u>1,423,000</u>
Ending Balance collectively evaluated for impairment	<u>\$ 1,091,000</u>

**Loan Performance**

Credit risk profile based on payment activity as of September 30, 2019:

	Principal Balance
Performing loans	\$ 72,516,098
Non-performing loans *	421,384
<b>Total</b>	<u>\$ 72,937,482</u>

\* Loans 90 days past due or more, last evaluated as of September 30, 2019

Credit risk profile based on payment activity as of September 30, 2018:

	Principal Balance
Performing loans	\$ 67,187,613
Non-performing loans *	602,091
<b>Total</b>	<u>\$ 67,789,704</u>

\* Loans 90 days past due or more, last evaluated as of September 30, 2018

**Age of Delinquent Loans**

Age analysis of delinquent loan balances as of September 30, 2019:

	90-179 Days Past Due	180-365 Days Past Due	More than 365 Days Past Due	Total Delinquent
Principal Balance	\$ -	\$ -	\$ 421,384	\$ 421,384

Age analysis of delinquent loan balances as of September 30, 2018:

	90-179 Days Past Due	180-365 Days Past Due	More than 365 Days Past Due	Total Delinquent
Principal Balance	\$ 158,008	\$ -	\$ 444,083	\$ 602,091

As of September 30, 2019, loans with principal balances of \$3,072,639 were past due 30-89 days. As of September 30, 2018, loans with principal balances of \$2,805,813 were past due 30-89 days.

**Troubled Debt Restructuring**

During the years ended September 30, 2019 and 2018, the Board restructured troubled debts with aggregate principal amounts of approximately \$5,327,000 and \$2,926,000, respectively, reducing the contractual monthly payments for periods ranging from 3 to 12 months. This modification had a minimal impact in the loan portfolio yield.

**NOTE 8. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

<u>September 30,</u> <u>Category</u>	<u>2019</u>	<u>2018</u>
Land	\$ 9,770,085	\$ 9,262,445
Buildings and building improvements	75,773,907	74,715,237
Equipment, furniture and fixtures, and vehicles	10,750,187	10,254,539
Computer equipment and software	13,786,844	12,238,717
Construction in progress	1,907,396	1,413,877
Total	111,988,419	107,884,815
Less: Accumulated depreciation	(33,571,211)	(29,332,318)
<b>Net property and equipment</b>	<b>\$ 78,417,208</b>	<b>\$ 78,552,497</b>

During the year ended September 30, 2019, the Board donated certain real property with an approximate net book value of \$5,363,000 to a church in Sutherland Springs, Texas for use as its new church location. This transaction is recognized in the accompanying consolidated statement of activities as program activities expense.

Depreciation expense amounted to approximately \$5,971,000 and \$5,084,000 during the years ended September 30, 2019 and 2018, respectively.

**NOTE 9. OTHER ASSETS**

Other assets consisted of the following:

<u>September 30,</u> <u>Category</u>	<u>2019</u>	<u>2018</u>
Accounts receivable, net	\$ 3,244,477	\$ 4,190,086
Inventories	2,174,338	745,342
Prepaid expenses	1,172,449	814,626
Real estate held for sale	150,000	150,000
Contributions receivable from remainder interest trusts	177,868	179,870
<b>Total</b>	<b>\$ 6,919,132</b>	<b>\$ 6,079,924</b>

**NOTE 10. POSTRETIREMENT BENEFIT PLAN**

The Board provides health care and other benefits to substantially all retired employees, all retired missionaries, and their eligible dependents. The Board accrues the costs of such benefits during the periods employees provide service to the Board. The Board uses census data as of June 30 to measure the year-end liability and to determine the related footnote disclosures. There were no material changes in the census data from the period July 1 through September 30. There are no plan assets for the Board's postretirement benefit plans, as postretirement benefits are funded by the Board when claims are made.

A summary of changes to the accumulated postretirement benefit obligation is as follows:

<b>For the year ended September 30,</b>	<b>2019</b>	<b>2018</b>
Accumulated benefit obligations, beginning of year	\$ 49,559,529	\$ 54,648,793
Service cost	222,861	260,353
Interest cost	1,931,684	1,769,260
Actuarial (gain) loss	(736,931)	406,418
Change in discount rate assumption	5,320,370	(3,410,279)
Benefits paid	<u>(3,965,160)</u>	<u>(4,115,016)</u>
<b>Accumulated benefit obligation, end of year</b>	<b><u>\$ 52,332,353</u></b>	<b><u>\$ 49,559,529</u></b>

Components of the accumulated postretirement benefit obligation that have not been recognized as periodic benefit cost include the following:

<b>September 30,</b>	<b>2019</b>	<b>2018</b>
Unrecognized actuarial loss/net loss	\$ 17,374,364	\$ 13,730,566
Unrecognized 2004 plan amendment	-	(1,185,114)
Unrecognized 2013 plan amendment/prior service cost	<u>(19,315,237)</u>	<u>(23,947,189)</u>
	<b><u>\$ (1,940,873)</u></b>	<b><u>\$ (11,401,737)</u></b>

Components of net periodic postretirement benefit cost are as follows:

<b>For the year ended September 30,</b>	<b>2019</b>	<b>2018</b>
Service cost	\$ 222,861	\$ 260,353
Interest cost	1,931,684	1,769,260
Amortization of actuarial loss	939,641	1,385,168
Amortization of 2004 plan amendment	-	(1,539,112)
Amortization of 2013 plan amendment	<u>(5,817,066)</u>	<u>(4,631,952)</u>
	<b><u>\$ (2,722,880)</u></b>	<b><u>\$ (2,756,283)</u></b>

Postretirement benefit-related changes other than net periodic postretirement benefit cost recognized in the consolidated statements of activities consist of the following:

<b>For the year ended September 30,</b>	<b>2019</b>	<b>2018</b>
<b>Amounts recognized during the period:</b>		
Actuarial (gain) loss	\$ (736,931)	\$ 406,418
Change in actuarial assumptions	5,320,370	(3,410,279)
<b>Amounts reclassified to net periodic benefit cost:</b>		
Amortization of actuarial loss	(939,641)	(1,385,168)
Amortization of plan amendments	<u>5,817,066</u>	<u>6,171,064</u>
	<b><u>\$ 9,460,864</u></b>	<b><u>\$ 1,782,035</u></b>

Estimated amounts that will be amortized in the year ending September 30, 2020 from unrecognized plan amendment gain and unrecognized actuarial loss and recognized as components of net periodic benefit cost are as follows:

<b>Amortized Amounts</b>	<b>2020</b>
2013 plan amendment	\$ (4,631,952)
Actuarial loss	\$ 1,147,310

The discount rate used to determine the accumulated postretirement benefit and the net periodic postretirement benefit cost as of and for the years ended September 30, 2019 and 2018 related to the postretirement healthcare and other benefits plan was 2.91% and 4.07%, respectively.

The Board assumed a 7.10% and 7.50% cost trend rate for pre-Medicare retirees for the medical and prescription drug components, respectively, decreasing to 4.75% and 5.25%, respectively, by the year ended September 30, 2026 and thereafter, to determine the accumulated postretirement benefit obligation. Additionally, the Board assumed a constant 3.20% cost rate for post-Medicare retirees for the medical component and a 6.90% cost trend rate decreasing to 5.25% for the prescription drug component, by the year ended September 30, 2026 and thereafter, to determine the accumulated postretirement benefit obligation.

A one percentage point increase or decrease in the assumed healthcare cost trend rates for each future year would have an immaterial impact on the accumulated postretirement benefit obligation at September 30, 2019 and 2018 and the estimated service and interest components of the postretirement benefit costs for the years ended September 30, 2019 and 2018.

The postretirement health care and other benefits estimated to be paid over the next 10 years are approximately as follows:

<u>Year</u>	
2020	\$ 4,425,000
2021	\$ 4,188,000
2022	\$ 4,023,000
2023	\$ 3,870,000
2024	\$ 3,714,000
2025-2029	\$ 16,048,000

The expected benefits are based on the same assumptions used to measure the benefit obligation and include estimated future employee service. Because the plans are funded as claims are made, the expected employer contribution for the year ending September 30, 2020 is \$4,425,000.

#### NOTE 11. NET ASSETS

Net assets without donor restrictions were designated in the approximate following amounts:

<u>September 30,</u>	<u>2019</u>	<u>2018</u>
Property and equipment	\$ 78,417,000	\$ 78,552,000
Church planting building and loans	72,388,000	83,005,000
Church loans	70,342,000	65,275,000
Operating contingency	62,100,000	62,098,000
Board-approved projects	15,100,000	16,600,000
Healthcare	8,680,000	9,500,000
Send North America	<u>1,671,000</u>	<u>2,070,000</u>
<b>Total</b>	<b>\$ 308,698,000</b>	<b>\$ 317,100,000</b>

Activity for net assets with donor restrictions during the year ended September 30, 2019 is as follows:

	<u>Balance</u> <u>October 1, 2018</u>	<u>Contributions,</u> <u>investment income,</u> <u>and other changes</u>	<u>Releases</u>	<u>Balance</u> <u>September 30, 2019</u>
Scholarships and other	\$ 4,158,268	\$ 578,577	\$ (526,008)	\$ 4,210,837
Crisis response	4,151,221	1,026,712	(2,948,507)	2,229,426
Hunger relief	239,265	433,480	(237,551)	435,194
Contributions receivable from remainder interest trusts	<u>179,870</u>	<u>(2,002)</u>	<u>-</u>	<u>177,868</u>
Total net assets with donor restrictions - time and/or purpose restrictions	<u>8,728,624</u>	<u>2,036,767</u>	<u>(3,712,066)</u>	<u>7,053,325</u>
Beneficial interest in trusts and endowments held by others	48,938,372	4,034,013	-	52,972,385
Endowments	<u>5,480,987</u>	<u>227</u>	<u>-</u>	<u>5,481,214</u>
Total net assets with donor restrictions - perpetual restrictions	<u>54,419,359</u>	<u>4,034,240</u>	<u>-</u>	<u>58,453,599</u>
<b>Total net assets with donor restrictions</b>	<b>\$ 63,147,983</b>	<b>\$ 6,071,007</b>	<b>\$ (3,712,066)</b>	<b>\$ 65,506,924</b>

Activity for net assets with donor restrictions during the year ended September 30, 2018 is as follows:

	<u>Balance</u> <u>October 1, 2017</u>	<u>Contributions,</u> <u>investment income,</u> <u>and other changes</u>	<u>Releases</u>	<u>Balance</u> <u>September 30, 2018</u>
Scholarships and other	\$ 3,361,777	\$ 1,303,301	\$ (506,810)	\$ 4,158,268
Crisis response	6,609,213	3,911,863	(6,369,855)	4,151,221
Hunger relief	103,577	239,265	(103,577)	239,265
Contributions receivable from remainder interest trusts	<u>193,018</u>	<u>(13,148)</u>	<u>-</u>	<u>179,870</u>
Total net assets with donor restrictions - time and/or purpose restrictions	<u>10,267,585</u>	<u>5,441,281</u>	<u>(6,980,242)</u>	<u>8,728,624</u>
Beneficial interest in trusts and endowments held by others	45,783,141	3,155,231	-	48,938,372
Endowments	<u>5,479,195</u>	<u>1,792</u>	<u>-</u>	<u>5,480,987</u>
Total net assets with donor restrictions - perpetual restrictions	<u>51,262,336</u>	<u>3,157,023</u>	<u>-</u>	<u>54,419,359</u>
Total net assets with donor restrictions	<b>\$ 61,529,921</b>	<b>\$ 8,598,304</b>	<b>\$ (6,980,242)</b>	<b>\$ 63,147,983</b>

Earnings from net assets with perpetual donor restrictions are primarily available to support the general purposes of the Board. The Board preserves the estimated fair value of all original endowment gifts as of the gift date, which management deems is in compliance with state law. Accordingly, the Board classifies as "endowments" (a) the original value of gifts

donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The Board has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to supported programs while seeking to maintain the purchasing power of the endowment assets and to preserve the invested capital. The Board seeks the advice of investment counsel, as well as management and certain committees of the Board, when determining amounts to be spent on supported programs. The Board periodically makes distributions (in accordance with its spending policies) for use in furthering its exempt purpose.

#### NOTE 12. EMPLOYEE BENEFIT PLANS

##### HEALTH BENEFIT PLAN

The Board provides medical benefits under a partially self-funded plan and a reinsurance contract with an insurance company for stop-loss coverage. Medical benefits are provided to all eligible participants (including employees and missionaries) and their dependents. Total medical claims incurred during the years ended September 30, 2019 and 2018 were approximately \$4,828,000 and \$6,616,000. Claims incurred but not reported or paid at year end were estimated to be approximately \$768,000 and \$1,004,000 as of September 30, 2019 and 2018 and are included within "accounts payable and accrued expenses" on the consolidated statements of financial position.

##### RETIREMENT PLAN

The Board maintains a 403(b) retirement plan ("the Plan") through GuideStone Financial Resources of the Southern Baptist Convention. Employees are eligible to participate upon meeting the eligibility requirements described in the Plan document. Eligible employees may make tax-deferred contributions to the Plan. The Plan requires the employer to make contributions of 10% of the base compensation of participating employees. The Plan also allows for employer discretionary matching contributions. Employees are 100% vested in employer contributions. The Board contributed approximately \$3,196,000 and \$3,253,000 to the Plan during the years ended September 30, 2019 and 2018, respectively.

#### NOTE 13. FUNCTIONAL ALLOCATION OF EXPENSES

The Board's expenses reported on a natural and functional classification are as follows:

##### For the year ended September 30, 2019

	Program activities					Total expenses
	Church planting	Evangelism and relief	Mission education and opportunities	Sending and leadership	Administration	
Personnel	\$ 16,330,340	\$ 2,803,466	\$ 3,897,547	\$ 3,822,025	\$ 5,592,482	\$ 32,445,860
Ministry assistance	19,436,720	12,307,399	133,460	301,311	83,631	32,262,521
Church planting	17,081,946	-	-	-	-	17,081,946
Contract services	2,202,496	2,071,772	2,932,323	578,084	4,681,346	12,466,021
Operations	4,117,561	1,328,847	1,103,989	915,603	2,661,108	10,127,108
Benefits	3,395,963	691,900	1,020,320	886,439	1,477,330	7,471,952
Ministry partners	2,449,915	1,014,817	319,166	1,570,594	705,472	6,059,964
Depreciation	1,427,307	425,899	-	1,372,759	2,745,518	5,971,483
Convention evangelism strategies	-	3,499,769	-	-	-	3,499,769
Media	543,173	1,182,286	1,344,776	111,520	88,412	3,270,167
<b>Total expenses</b>	<b>\$ 66,985,421</b>	<b>\$ 25,326,155</b>	<b>\$ 10,751,581</b>	<b>\$ 9,558,335</b>	<b>\$ 18,035,299</b>	<b>\$ 130,656,791</b>

Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

#### NOTE 14. COMMITMENTS

The Board has two revolving lines of credit with two financial institutions, one for \$5,000,000 and the other for \$10,000,000. Outstanding amounts under the lines of credit, if any, are secured by certain assets held by the financial institutions. With respect to the \$5,000,000 line of credit, interest on the outstanding principal balance is payable monthly at the one-month LIBOR plus 1.25% per annum. With respect to the \$10,000,000 line of credit, interest on the outstanding principal balance is payable monthly at a corresponding index (as further defined in the line of credit agreement) plus 2.25% per annum. As of September 30, 2019 and 2018, there were no amounts outstanding under these lines of credit.

As of September 30, 2019, the Board has committed to loan approximately \$7,602,000 to four churches. In addition, the Board has construction loans and holdbacks with seven churches with approximately \$1,441,000 in undistributed funds. Such commitments are made to accommodate the needs of the qualified churches. The credit risk associated with these commitments is essentially the same as that involved in extending loans to churches and is subject to the Board's normal credit policies and terms. Collateral for the loans does or will consist of church real estate.

Furthermore, as of September 30, 2019, Send Relief executed a contract totaling approximately \$5,043,000 in connection with building improvements related to its Puerto Rico Ministry Center. Approximately \$4,257,000 remained unpaid in connection with this contract as of September 30, 2019, and will be paid as work on the project is completed.

**SUPPLEMENTAL SCHEDULE OF REVENUE ANALYSIS BY REGION (Unaudited)**  
**For The Year Ended September 30, 2019**

	<u>Cooperative Program</u>	<u>Annie Armstrong Easter Offering<sup>TM</sup></u>	<u>Undesignated</u>	<u>Hunger Designated</u>	<u>Disaster Relief Designated</u>	<u>Other Designated</u>
Alabama	\$ 4,288,285	\$ 7,071,189	\$ 126,000	\$ 80,833	\$ 46,727	\$ 696,757
Alaska	35,592	77,700	-	515	-	63,176
Arizona	263,433	462,215	68,211	2,378	69,678	181,571
Arkansas	2,162,007	2,194,128	191,525	4,774	9,384	186,011
California	510,334	846,746	49,100	5,362	74,100	810,525
Colorado	148,259	277,806	3,237	6,344	10,526	478,494
Dakotas	21,559	49,083	450	50	2,085	3,150
District of Columbia	-	280	11,890	22,714	73	2,800
Florida	3,410,936	2,839,130	137,899	18,607	73,881	466,340
Georgia	3,686,237	5,417,962	948,286	55,957	169,029	890,842
Hawaii Pacific	55,833	148,029	900	2,351	550	11,177
Illinois	527,132	733,233	4,279	14,874	16,652	145,270
Indiana	185,171	352,013	13,659	3,110	9,308	213,374
Iowa	73,215	92,967	2,600	460	6,500	12,657
Kansas-Nebraska	183,188	376,326	47,618	4,035	2,569	122,026
Kentucky	2,248,368	2,402,426	116,882	31,221	24,298	217,216
Louisiana	1,558,395	1,998,627	114,151	20,790	14,515	189,247
Maryland-Delaware	384,390	524,856	31,649	-	19,368	214,267
Michigan	78,351	142,005	11,411	2,329	685	69,540
Minnesota-Wisconsin	53,123	94,236	925	1,169	40	68,477
Mississippi	2,807,409	3,982,153	219,063	-	10,150	-
Missouri	1,336,422	2,337,018	85,032	1,907	25,930	505,534
Montana	45,019	75,735	-	1,513	62	40,711
Nevada	142,077	137,116	3,800	810	2,360	34,086
New England	47,950	178,585	22,761	899	64,127	241,570
New Mexico	183,814	241,516	27,957	2,332	21,320	47,307
New York	50,992	146,174	8,454	428	100	118,740
North Carolina	2,648,477	6,923,593	95,616	48,897	16,272	805,392
Northwest	148,361	286,102	16,012	6,501	8,402	124,195
Ohio	473,991	625,832	44,888	4,243	45,805	210,704
Oklahoma	2,264,032	1,959,265	297,893	22,281	11,832	621,592
Pennsylvania-South Jersey	77,376	132,019	8,005	1,355	11,518	245,923
South Carolina	2,511,129	3,760,132	83,498	73,213	20,425	338,621
Tennessee	3,646,915	5,300,892	314,609	24,522	437,729	612,064
Texas – BGCT	2,326,499	3,333,524	67,434	1,835	25,000	-
Texas – SBTC	3,502,756	3,545,545	675,152	5,163	123,797	1,323,452
Utah-Idaho	48,241	133,580	970	1,473	6,780	37,127
Virginia – BGAV	187,577	1,043,077	7,250	434	2,600	-
Virginia – SBCV	1,053,071	1,039,965	124,647	19,970	25,428	191,193
West Virginia	119,119	207,149	-	2,824	450	28,180
Wyoming	24,823	37,435	245	639	3,080	16,643
Canada	-	47,940	-	-	-	21,993
Caribbean	1,616	23,448	100	809	-	5,434
Miscellaneous	<u>1,313,681</u>	<u>1,352</u>	<u>41,074</u>	<u>600</u>	<u>445,415</u>	<u>961,171</u>
<b>Total revenue</b>	<b><u>\$ 44,835,155</u></b>	<b><u>\$ 61,600,104</u></b>	<b><u>\$ 4,025,132</u></b>	<b><u>\$ 500,521</u></b>	<b><u>\$ 1,858,550</u></b>	<b><u>\$ 11,574,549</u></b>
Received through						
Executive Committee	\$ 44,835,155	\$ 56,457,702	\$ 1,089,648	\$ 469,839	\$ 19,631	\$ 1,635
Received directly	-	<u>5,142,402</u>	<u>2,935,484</u>	<u>30,682</u>	<u>1,838,919</u>	<u>11,572,914</u>
<b>Total revenue</b>	<b><u>\$ 44,835,155</u></b>	<b><u>\$ 61,600,104</u></b>	<b><u>\$ 4,025,132</u></b>	<b><u>\$ 500,521</u></b>	<b><u>\$ 1,858,550</u></b>	<b><u>\$ 11,574,549</u></b>

See the Accompanying Report of Independent Auditor

## REPORT OF INDEPENDENT AUDITOR

*The Board of Trustees**The North American Mission Board of the Southern Baptist Convention, Inc.**Alpharetta, Georgia*

We have audited the accompanying consolidated financial statements of **The North American Mission Board of the Southern Baptist Convention, Inc.** ("the Board"), which consist of the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The North American Mission Board of the Southern Baptist Convention, Inc. as of September 30, 2019 and 2018, the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying Supplemental Schedule of Revenue Analysis by Region (Unaudited) for the years ended September 30, 2019 and 2018 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and has not been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements, and accordingly, we express no opinion on it.

Batts Morrison Wales & Lee, P.A.

Orlando, Florida

January 22, 2020

## LIFEWAY CHRISTIAN RESOURCES OF THE SOUTHERN BAPTIST CONVENTION AND SUBSIDIARY

### Consolidated Statements of Financial Position September 30, 2019 and 2018

	<u>Assets</u>	
	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and cash equivalents	\$ 82,074,000	\$ 7,116,000
Cash - restricted	313,000	213,000
Reserve funds, at fair value	-	70,199,000
Accounts receivable, less allowance for doubtful accounts of \$448,000 and \$311,000 in 2019 and 2018, respectively	37,366,000	37,299,000
Inventories, net	45,273,000	43,463,000
Prepaid expenses and other current assets	11,710,000	14,555,000
Current assets held for sale (Note 16)	<u>9,244,000</u>	<u>50,751,000</u>
Total current assets	185,980,000	223,596,000
Reserve funds, at fair value	122,000	4,028,000
Fixed assets, net of accumulated depreciation and amortization	157,959,000	175,981,000
Goodwill, net	3,524,000	5,099,000
Intangible assets, net	3,622,000	6,681,000
Other long-term assets	<u>14,702,000</u>	<u>2,969,000</u>
Total assets	<u>\$ 365,909,000</u>	<u>\$ 418,354,000</u>
	<u>Liabilities and Net Assets</u>	
Current liabilities:		
Accounts payable	\$ 16,603,000	\$ 34,817,000
Accrued liabilities	29,072,000	11,383,000
Deferred income	8,960,000	9,015,000
Current portion of liabilities for pension and postretirement benefits other than pension	246,000	406,000
Lines of credit	<u>-</u>	<u>29,788,000</u>
Total current liabilities	54,881,000	85,409,000
Liabilities for pension and postretirement benefits other than pension	233,689,000	178,919,000
Deferred gain on sale of building	8,769,000	-
Other long-term liabilities	<u>708,000</u>	<u>3,507,000</u>
Total liabilities	<u>298,047,000</u>	<u>267,835,000</u>
Net assets:		
Without donor restrictions	67,549,000	150,306,000
With donor restrictions	<u>313,000</u>	<u>213,000</u>
Total net assets	<u>67,862,000</u>	<u>150,519,000</u>
	<u>\$ 365,909,000</u>	<u>\$ 418,354,000</u>

See accompanying notes to the consolidated financial statements.

### Consolidated Statements of Activities Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Changes in net assets without donor restrictions:		
Revenue	<u>\$ 266,483,000</u>	<u>\$ 251,800,000</u>
Operating expenses:		
Variable	60,446,000	54,945,000
Fixed direct production	19,297,000	18,381,000
Fixed direct operating	196,329,000	214,846,000
Cooperative work with state boards	2,485,000	2,539,000
Southern Baptist Convention support	<u>190,000</u>	<u>224,000</u>
Total operating expenses	<u>278,747,000</u>	<u>290,935,000</u>
Decrease in net assets without donor restrictions from continuing operations	(12,264,000)	(39,135,000)
Change in pension and postretirement benefits other than pension prior service costs and net gains (losses)	(42,572,000)	78,658,000
Other income (loss), net	<u>(5,780,000)</u>	<u>9,923,000</u>
Increase (decrease) in net assets without donor restrictions from continuing operations	(60,616,000)	49,446,000

	2019	2018
Changes in net assets with donor restrictions:		
Net assets released from restriction	(43,000)	(5,000)
Net loss of the mission program	(76,000)	(49,000)
Net income from capital development	<u>219,000</u>	<u>42,000</u>
Increase (decrease) in net assets with donor restrictions from continuing operations	<u>100,000</u>	<u>(12,000)</u>
Increase (decrease) in net assets from continuing operations	(60,516,000)	49,434,000
Loss from discontinued operation (Note 16)	<u>(22,141,000)</u>	<u>(28,142,000)</u>
Increase (decrease) in net assets	(82,657,000)	21,292,000
Net assets at beginning of year, as originally reported	150,519,000	131,831,000
Cumulative-effect adjustment for change in accounting principle (Note 18)	<u>-</u>	<u>(2,604,000)</u>
Net assets at end of year, as adjusted	<u>\$ 67,862,000</u>	<u>\$ 150,519,000</u>

See accompanying notes to the consolidated financial statements.

**Consolidated Statements of Cash Flows**  
**Years ended September 30, 2019 and 2018**

	2019	2018
Cash flows from operating activities:		
Increase (decrease) in net assets	<u>\$ (82,657,000)</u>	<u>\$ 21,292,000</u>
Adjustments to reconcile increase (decrease) in net assets to cash flows provided by operating activities:		
Depreciation and amortization	16,000,000	16,600,000
Net realized gains from reserve funds	(4,033,000)	(7,009,000)
Net unrealized (gain) loss on reserve funds	8,787,000	(1,251,000)
Loss on disposal of fixed assets, net	1,701,000	351,000
Impairment loss on assets held for sale	-	22,200,000
Impairment loss on intangible assets, including goodwill	4,428,000	25,000
Bad debt expense	195,000	418,000
Reserve for obsolete inventory and shrinkage	2,854,000	(2,222,000)
(Increase) decrease in operating assets:		
Cash - restricted	(100,000)	12,000
Accounts receivable, net	(366,000)	4,164,000
Inventories, net	32,949,000	11,041,000
Prepaid expenses and other current assets	2,845,000	415,000
Other long-term assets	(11,733,000)	1,059,000
Increase (decrease) in operating liabilities:		
Accounts payable	(18,214,000)	(11,079,000)
Retainage payable	-	(3,235,000)
Accrued liabilities	17,689,000	(1,945,000)
Deferred income	(55,000)	(366,000)
Liabilities for pension and postretirement benefits other than pension	54,610,000	(62,396,000)
Other long-term liabilities	<u>(2,799,000)</u>	<u>(57,000)</u>
Total adjustments	<u>104,758,000</u>	<u>(33,275,000)</u>
Net cash provided (used) by operating activities	<u>22,101,000</u>	<u>(11,983,000)</u>
Cash flows from investing activities:		
Proceeds from disposal of fixed assets	19,445,000	-
Purchases of fixed assets	(6,151,000)	(26,087,000)
Proceeds from sale of reserve funds, net of expenses	68,338,000	60,655,000
Purchases of reserve fund investments	-	(48,448,000)
Proceeds from sale of investments held for capital projects	-	3,058,000
Dividend and interest income from reserve funds	<u>1,013,000</u>	<u>1,881,000</u>
Net cash provided (used) by investing activities	<u>82,645,000</u>	<u>(8,941,000)</u>
Cash flows from financing activities:		
Net borrowings (payments) under lines of credit	<u>(29,788,000)</u>	<u>26,890,000</u>
Increase in cash and cash equivalents	74,958,000	5,966,000
Cash and cash equivalents at beginning of year	<u>7,116,000</u>	<u>1,150,000</u>
Cash and cash equivalents at end of year	<u>\$ 82,074,000</u>	<u>\$ 7,116,000</u>

See accompanying notes to the consolidated financial statements.

**Notes to the Consolidated Financial Statements**  
**September 30, 2019 and 2018**

**(1) Nature of operations**

LifeWay Christian Resources of the Southern Baptist Convention ("LifeWay") is a publisher, distributor and retailer of Christian books, literature, and music and is also a provider of church supplies and other Christian products. LifeWay's corporate office headquarters are in Nashville, Tennessee. Products are sold throughout the United States as well as directly to churches, third-party stores and distributors. Revenues are used to support achievement of LifeWay's mission statement.

In January 2019, LifeWay committed to a plan to close its retail store chain and conduct sales exclusively through direct online and third-party channels. See Note 16 for additional information on LifeWay's discontinued operation.

Through LifeWay's wholly-owned subsidiary LifeWay Global, Inc., a for-profit Tennessee corporation, LifeWay publishes and sells Christian content and conducts training events. LifeWay Global, Inc. is the sole owner of LifeWay Publishing India Pvt. Ltd. and majority-owner of Life Connection, LLC, a Tennessee limited liability company.

A large portion of the business activity of LifeWay is with churches and individuals affiliated with the Southern Baptist Convention.

**(2) Summary of significant accounting policies**

**(a) Newly adopted accounting pronouncement**

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This standard changes certain presentation and disclosure requirements of not-for-profit entities. The primary changes are a reduction in the number of net asset classes from three to two (with donor restrictions and without donor restrictions) and enhanced disclosures about how a not-for-profit entity manages its liquidity and requires reporting of expenses by functional and natural classification, as well as enhanced endowment disclosures. This standard was adopted effective October 1, 2018 and has been retrospectively applied to the 2018 consolidated financial statements.

**(b) Principles of consolidation**

These consolidated financial statements include the accounts of LifeWay and LifeWay Global, Inc. (collectively, "LifeWay"). All significant intercompany accounts and transactions have been eliminated. The consolidated financial statements of LifeWay are presented on the accrual basis of accounting.

**(c) Cash and cash equivalents**

LifeWay considers all highly liquid debt instruments, including instruments such as money market funds held in reserve funds, with an original maturity when purchased of three months or less to be cash equivalents. Cash received from contributors, which has been designated by the contributor for a specific purpose, is included in the accompanying consolidated statements of financial position as restricted.

Accounting overdrafts of cash balances in situations when a right of offset does not exist are presented as current liabilities and are included in accounts payable in the consolidated statements of financial position. As of September 30, 2018, bank overdrafts of \$2,215,000 were included in accounts payable. There were no such balances as of September 30, 2019.

**(d) Fair value measurements**

Accounting Standards Codification ("ASC") 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that LifeWay has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. LifeWay's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2019 and 2018.

- (i) *Money market funds*: These investments are public investment vehicles valued using \$1 for the net asset value ("NAV"). The NAV is a quoted price in an active market and classified within Level 1 of the valuation hierarchy.
- (ii) *Common stock*: These investments are valued at the closing price reported on the active market on which the individual securities are traded and are classified within Level 1 of the valuation hierarchy. This category also includes exchange traded funds as they are typically used by equity managers as a stock substitute.
- (iii) *Mutual funds*: These investments are public investment vehicles valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within Level 1 of the valuation hierarchy.
- (iv) *Hedge funds*: These investments undertake a wider range of investment and trading activities in order to hedge some of the risks inherent in the investment market using a variety of methods including short selling and derivatives. LifeWay's investments in hedge funds do not have any unfunded capital commitments. Further, LifeWay has the ability to redeem shares at the measurement date as long as appropriate advance notice is given (which generally ranges from 30-90 days).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management of LifeWay believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Refer to Note 6 for fair value measurement disclosures for LifeWay's reserve funds. Refer to Notes 12 and 13 for fair value measurement disclosures for the plan assets associated with LifeWay's retirement and postretirement benefit plans.

(e) Accounts receivable and allowance for doubtful accounts

LifeWay does not require collateral or other security in connection with its trade accounts receivable, and thus evaluates the collectibility of accounts receivable based on a combination of factors. In circumstances in which management is aware of a specific customer's likely inability to meet its financial obligations to LifeWay, a specific allowance is established for the amount considered to be uncollectible. For all other amounts, LifeWay recognizes the allowance for bad debts based on historical account write-off experience. If circumstances change, the estimates of recoverability of amounts due LifeWay could change by a material amount. Accounts receivable and the allowance are written-off, when in management's opinion, all collection efforts have been exhausted.

(f) Inventories

Inventories are valued at the lower of cost or market. Cost is determined using direct costing on an average costing method. LifeWay's reserve for excess and obsolete inventory is based on historical revenues and use of the inventory over a period of time. LifeWay records a separate reserve for shrinkage of inventory at its retail stores. At September 30, 2019, the reserve for retail store inventory shrinkage was based on management's estimated losses at stores in liquidation. In prior years, the inventory shrinkage was based on historical experience of its retail stores.

(g) Vendor rebates

LifeWay records vendor rebates when earned. The rebates are recorded as a reduction to inventory purchases, at cost, which has the effect of reducing cost of goods sold when such products are sold.

(h) Reserve funds

Reserve funds are reported at fair value in the consolidated statements of financial position, with related gains and losses included in the consolidated statements of activities.

The cost of these investments is determined using the average cost method. LifeWay's investments do not have a significant concentration of credit risk within any industry or specific institution.

(i) Fixed assets

Fixed assets are recorded at cost and are depreciated and amortized by the straight-line method over the following useful lives:

Land improvements	5 years
Buildings and improvements	5-50 years
Furniture, fixtures, and equipment	3-10 years
Roadways, sidewalks, utility systems, etc.	5-50 years
Automobiles and trucks	3-6 years
Leasehold improvements	5-10 years
Capitalized computer software development costs	3-8 years

Fixed assets include capitalized computer software development costs, which are comprised of both internal and external costs directly related to the development of the computer software.

The costs of assets and the related accumulated depreciation or amortization are removed from the accounts when such assets have been disposed.

LifeWay evaluates recoverability of fixed assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable, such as when historical operating losses are experienced, plans are made to close store locations, or disposal or selling of long-lived assets before the end of their previously estimated useful lives are planned. If management's evaluation indicates that the carrying amount of an asset may not be recoverable, the potential impairment is measured as the excess of the carrying value over the estimated salvage value of the impaired asset. The impairment assessment requires management to apply estimates of future cash flows and use judgments for qualitative factors such as local market conditions, operating environment, divisional performance, and other trends.

LifeWay recognizes impairment losses in the earliest period that it is determined a loss has occurred. The carrying value is adjusted to the new carrying value and any subsequent increases in fair value are not recorded. If it is determined that the estimated remaining useful life of the asset should be decreased, the periodic depreciation expense is adjusted based on the new carrying value of the asset.

Interest costs incurred in the construction or acquisition of fixed assets are capitalized.

Expenditures for maintenance and repairs are charged to expense when incurred. Expenditures for renewals and betterments are capitalized.

(j) Intangible assets, including goodwill

Intangible assets with definite lives are amortized on a straight-line basis over their estimated useful lives. Intangible assets with indefinite lives are subjected to an annual impairment assessment. Goodwill represents the excess of cost over the fair value of net assets acquired. Goodwill is not amortized, but instead is reviewed for impairment on an annual basis, or more frequently, as impairment indicators are identified.

(k) Deferred income

Amounts received for gift cards, publication subscriptions, conference center reservations or other program activities are recorded as deferred income and recognized as income when earned.

LifeWay has determined that sufficient historical gift card activity exists to estimate the amount of gift card breakage, or unredeemed gift cards. Breakage of \$205,000 and \$250,000 was recorded in fiscal years 2019 and 2018, respectively.

(l) Income taxes

LifeWay is recognized as an organization exempt from Federal income tax under Section 501(a) of the Internal Revenue Code (the "Code") as an organization described in Section 501(c)(3) whereby only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to federal income tax. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements.

LifeWay has a small amount of unrelated business income for which it files a Form 990-T with the Internal Revenue Service on an annual basis.

LifeWay evaluates potential uncertain tax positions in accordance with generally accepted accounting principles for income taxes. LifeWay currently has not identified any uncertain tax positions requiring accrual in its consolidated financial statements.

(m) Classification of net assets

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of LifeWay and changes therein are classified and reported as follows:

Net assets without donor restriction - Expendable amounts utilized primarily for operations, which are not subject to donor-imposed restrictions.

Net assets with donor restrictions - Net assets subject to donor or other external restrictions that can be satisfied either by the passage of time or by donor specified actions. Net assets with donor restrictions at September 30, 2019 and 2018 are comprised of funds contributed for specific LifeWay sponsored programs and activities.

(n) Revenue recognition

Revenue from publishing sales is recognized upon shipment to the customer and revenue from retail sales is recognized at the point of sale. Provision is made for the estimated effect of sales returns where return privileges exist. Returns of products from customers are accepted in accordance with standard industry practice. Revenue for seminars, conferences and other event-based activities is recognized as the activities take place. Revenue from contributions of funds to LifeWay is recognized at the time the funds are received, as commitments received are considered intentions to give.

LifeWay is required to collect certain taxes from customers on behalf of government agencies and remit these back to the applicable governmental entity on a periodic basis. These taxes are collected from customers at the time of

purchase, but are not included in revenue. LifeWay records a liability upon collection from the customer and relieves the liability when payments are remitted to the applicable government agency.

(o) Advertising costs

LifeWay expenses all advertising costs as incurred. Advertising expense for the fiscal years ended September 30, 2019 and 2018, was \$20,162,000 and \$25,731,000, respectively.

(p) Shipping and processing

Shipping and processing fees billed to customers in the aggregate amounts of \$13,814,000 and \$13,942,000 have been included in revenues from continuing and discontinued operations in the accompanying consolidated statements of activities for the fiscal years 2019 and 2018, respectively.

LifeWay incurred shipping and processing fees and costs in the aggregate amounts of \$26,447,000 and \$27,716,000 during fiscal years 2019 and 2018, respectively, which are included in variable operating expenses and discontinued operations in the accompanying consolidated statements of activities.

(q) Functional allocation of expenses

The costs of program and supporting services have been summarized on a functional basis in the notes to the consolidated financial statements. The tables in Note 4 present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting service benefited. Costs related to employee compensation and benefits and information technology are allocated on the basis of estimates of time and effort or headcounts. Costs related to the operation and maintenance of fixed assets, including depreciation and amortization of fixed assets and occupancy related expenses are allocated to the program and supporting service using square footage and other similar estimates made by management.

(r) Exit activities

Costs associated with exit activities are recorded at their fair values when a liability has been incurred. Reserves for operating leases are established at the time of closure for the present value of any remaining operating lease obligations ("PVOL"), net of estimated sublease income. Severance is recorded over the service period required to be rendered in order to receive the termination benefits or, if employees will not be retained to render future service, a reserve is established when communication has occurred to the affected employees. Other exit costs are accrued when incurred. See Note 16 for more information on these costs and associated accruals.

(s) Change in accounting estimate

During fiscal year 2018, management elected to change the basis of estimating the discount rates used to measure the settlement of LifeWay's future pension and postretirement benefits other than pension obligations.

LifeWay's objective in selecting a discount rate is to select the best estimate of the rate at which the benefit obligations of the pension and postretirement and other benefits could be effectively settled on the measurement date, taking into account the nature and duration of the benefit obligations of the plans. In making this estimate, LifeWay historically used the Citigroup Pension Discount Curve, which used all AA rated bonds in the development of the curve. For 2018, management determined that the use of above median high-quality bonds expected to be available during the period to maturity of the benefits were a better indicator of the interest rates inherent in the price at which the pension and postretirement benefits other than pension obligations would ultimately be settled. Accordingly, the Findley Pension Discount Above Median AA-Curve, which uses only AA rated higher yielding bonds, was selected as the new basis to estimate the discount rates as of the September 30, 2018 measurement date. The effect of the change was a decrease to LifeWay's pension and postretirement benefits other than pension obligations as of September 30, 2018, and a corresponding increase in net assets without donor restrictions in the amount of approximately \$10,635,000 for the year ended September 30, 2018. See Notes 12 and 13 for additional information on LifeWay's pension and postretirement benefits other than pension plans.

(t) Use of estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(u) Future accounting pronouncements, not yet adopted

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), which is effective for LifeWay for the fiscal year beginning on October 1, 2019 (fiscal year 2020). This guidance is based on the principle that revenue is recognized in an amount that reflects the consideration to which an entity expects to be entitled in exchange for the transfer of goods or services to customers. The guidance also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The FASB also subsequently issued several amendments to the standard, including clarification on principal versus agent considerations, performance obligations and licensing, and certain scope improvements and practical expedients. Entities may use either a full retrospective or a modified retrospective approach at the adoption date.

The FASB's new lease accounting standard, ASU No. 2016-02, *Leases*, which was issued in February 2016, will generally require on-balance sheet (statement of financial position) recognition for all leases with terms that exceed twelve months. The new lease accounting model will continue to reflect two types of leases. Under the new rules, a lessee would account for most existing capital leases as finance leases (that is, recognizing amortization of the right-of-use ("ROU") asset, as well as separately recognizing interest on the lease liability in the statement of operations). Most existing operating leases will remain as operating leases (that is, recognizing a single total lease expense). Both finance leases and operating leases will result in the lessee recognizing a ROU asset and a lease liability. The guidance is effective for LifeWay in the 2022 fiscal year.

Management of LifeWay is reviewing these new pronouncements in order to determine what impact these standards will have on its consolidated financial statements and disclosures.

(v) Reclassification

Certain reclassifications have been made to the fiscal year 2018 consolidated financial statements in order for them to conform to the fiscal year 2019 presentation. These reclassifications have no effect on net assets or changes in net assets as previously reported.

(w) Events occurring after reporting date

Management of LifeWay has evaluated the events and transactions that occurred between September 30, 2019 and January 24, 2020 which is the date that the consolidated financial statements were available to be issued, for possible recognition or disclosure in the consolidated financial statements.

(3) Liquidity and availability

LifeWay regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. LifeWay has various sources of liquidity as its disposal, including cash and cash equivalents, accounts receivable, inventory, marketable securities, and lines of credit.

LifeWay's ongoing operations are typically budgeted so that revenues cover each year's expenditures and there is minimal expectation or need for donations. When cash needs surface that are in excess of what can be funded from ongoing operating cash flows, LifeWay will access long term investments or will draw funds from lines of credit with a combined maximum borrowing capacity of \$50,000,000 and \$32,000,000 at September 30, 2019 and 2018, respectively. LifeWay also can invest cash in excess of daily requirements in an interest-bearing money market account.

The following table reflects LifeWay's financial assets as of September 30, 2019 and 2018, available within one year of the consolidated statements of financial position date.

	2019	2018
Cash and cash equivalents	\$ 82,074,000	\$ 7,116,000
Cash - restricted	313,000	213,000
Reserve funds, at fair value	-	70,199,000
Accounts receivable, net	37,366,000	37,299,000
Inventories, net	<u>45,273,000</u>	<u>43,463,000</u>
Financial assets at end of year	<u>165,026,000</u>	<u>158,290,000</u>
Less: assets unavailable for general expenditure within one year:		
Cash - restricted by donor with purpose designations	<u>313,000</u>	<u>213,000</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 164,713,000</u>	<u>\$ 158,077,000</u>

(4) Functional reporting

LifeWay was established by the Southern Baptist Convention for providing Church Enrichment Ministries. As such, LifeWay's sole program is to assist churches through its ministries. LifeWay delineates expenses by reflecting natural expense categories on a functional basis among its Church Enrichment Ministries program and management and general activities ("MGA"). MGA represents costs associated with providing corporate level support including executive oversight, financial reporting, human resources, legal services, and certain other costs from time to time that benefit the overall organization.

The following tables reflect LifeWay's functional view of operating expenses from continuing operations for the years ended September 30, 2019 and 2018:

	2019		
	Church Enrichment Ministries	Management and General Activities	Total
Product costs	\$ 79,743,000	\$ -	\$ 79,743,000
Employee compensation	65,816,000	7,667,000	73,483,000
Employee benefits	25,242,000	3,066,000	28,308,000
Communications	2,425,000	219,000	2,644,000
Information technology	9,170,000	872,000	10,042,000
Office administration	4,207,000	201,000	4,408,000

	2019		
	Church Enrichment Ministries	Management and General Activities	Total
Facilities	3,776,000	216,000	3,992,000
Vehicle management	430,000	1,000	431,000
Advertising and promotion	14,106,000	118,000	14,224,000
Travel	7,454,000	283,000	7,737,000
Outside services	19,176,000	1,282,000	20,458,000
Postage/freight	12,791,000	-	12,791,000
Depreciation and amortization	13,637,000	445,000	14,082,000
Credit management	1,395,000	-	1,395,000
Convention support	2,675,000	-	2,675,000
Other	<u>2,334,000</u>	-	<u>2,334,000</u>
Total	<u>\$ 264,377,000</u>	<u>\$ 14,370,000</u>	<u>\$278,747,000</u>

	2018		
	Church Enrichment Ministries	Management and General Activities	Total
Product costs	\$ 73,326,000	\$ -	\$ 73,326,000
Employee compensation	71,902,000	7,800,000	79,702,000
Employee benefits	39,925,000	4,452,000	44,377,000
Communications	2,559,000	96,000	2,655,000
Information technology	9,090,000	1,149,000	10,239,000
Facilities	6,084,000	106,000	6,190,000
Vehicle management	403,000	-	403,000
Advertising and promotion	15,983,000	364,000	16,347,000
Travel	8,110,000	309,000	8,419,000
Outside services	18,843,000	1,367,000	20,210,000
Postage/freight	12,341,000	-	12,341,000
Depreciation and amortization	11,613,000	91,000	11,704,000
Credit management	399,000	-	399,000
Convention support	2,763,000	-	2,763,000
Other	<u>1,727,000</u>	<u>133,000</u>	<u>1,860,000</u>
Total	<u>\$ 275,068,000</u>	<u>\$ 15,867,000</u>	<u>\$290,935,000</u>

**(5) Inventories**

Inventories are reported net of a reserve for obsolescence and shrinkage. At September 30, 2019 and 2018, inventories, net consisted of the following:

	2019	2018
Publishing	\$ 44,892,000	\$ 43,133,000
Conference center merchandise and supplies	178,000	126,000
LifeWay Global Inc.	<u>203,000</u>	<u>204,000</u>
	<u>\$ 45,273,000</u>	<u>\$ 43,463,000</u>

**(6) Reserve funds**

LifeWay's reserve funds consist of investments internally restricted by LifeWay's investment policies. The maximum amount of short-term borrowings for operations, as provided by the Trustees, from LifeWay's reserve funds or outside sources is calculated as ten percent of LifeWay's net assets without donor restrictions, excluding any pension liability, for the preceding fiscal year.

In 2019, LifeWay positioned the majority of its reserve funds in money market instruments providing access to cash needed to fund costs associated with closing its retail store chain (see Note 16). Additionally, management amended LifeWay's cash and cash equivalents policy to include reserve funds previously excluded from the policy. Accordingly, the balance of reserve funds in money market instruments at September 30, 2019 and 2018 of \$44,389,000 and \$5,968,000, respectively, are reported as cash and cash equivalents on the accompanying consolidated statements of financial position. Further, the investments held in reserve funds, with the exception of hedge funds, classified as long-term assets in the prior period have been reclassified as current assets at September 30, 2018 on the accompanying consolidated statements of financial position to reflect management's intention to use those funds within one year.

Marketable securities, excluding those considered cash equivalents, held in reserve funds at September 30, 2019 and 2018, are summarized as follows:

	2019		2018	
	Market Value	Cost	Market Value	Cost
Common stock	\$ -	\$ -	\$ 49,002,000	\$ 40,516,000
Mutual funds	-	-	21,197,000	21,225,000
Hedge funds	122,000	122,000	4,028,000	3,700,000
	<u>\$ 122,000</u>	<u>\$ 122,000</u>	<u>\$ 74,227,000</u>	<u>\$ 65,441,000</u>

Hedge funds are measured at NAV as a practical expedient to estimate fair value, and, therefore, are not classified in the fair value hierarchy.

The following table summarizes LifeWay's reserve funds measured at fair value on a recurring basis as of September 30, 2018, aggregated by the level in the fair value hierarchy within which those measurements fall:

	Assets at fair value			
	Level 1	Level 2	Level 3	Total
Common stocks	\$ 49,002,000	\$ -	\$ -	\$ 49,002,000
Mutual funds	21,197,000	-	-	21,197,000
Total asset values in the fair value hierarchy	<u>\$ 70,199,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>70,199,000</u>
Hedge funds measured at NAV as a practical expedient <sup>1</sup>				<u>4,028,000</u>
Investments at fair value				<u>\$ 74,227,000</u>

<sup>1</sup> The fair value amount presented in this table is intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2019 and 2018, respectively.

Description	Fair Value 9/30/19	Fair Value 9/30/18	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds	\$ 122,000	\$ 4,028,000	n/a	Daily to Qrtly	30-90 days

The total return on reserve fund investments is retained and reinvested within the reserve funds and is included in other increases in net assets without donor restrictions, net, in the accompanying consolidated statements of activities (see Note 14). The following schedule summarizes the total return on investments.

	2019	2018
Change in unrealized gain (loss), net	\$ (8,787,000)	\$ 1,251,000
Realized gain, net	4,033,000	7,009,000
Dividend and interest income	1,013,000	1,881,000
Total return on investments	<u>\$ (3,741,000)</u>	<u>\$ 10,141,000</u>

Investment related expenses, which are included within realized gain, net above, were \$204,000 and \$477,000, for the years ended September 30, 2019 and 2018, respectively.

A detail of LifeWay's reserve funds at September 30, 2019 and 2018 is as follows:

	2019	2018
Contingency	\$ 44,511,000	\$ 79,695,000
Casualty insurance	-	500,000
	<u>\$ 44,511,000</u>	<u>\$ 80,195,000</u>

Reserve funds held in cash equivalents at September 30, 2019 and 2018 are \$44,389,000 and \$5,968,000, respectively.

## (7) Fixed assets

A summary of fixed assets at September 30, 2019 and 2018, is as follows:

	2019	2018
Land and land improvements	\$ 11,420,000	\$ 13,370,000
Building and improvements	153,789,000	162,005,000
Furniture, fixtures and equipment	47,972,000	56,249,000
Roadways, sidewalks, utility systems, etc.	2,155,000	1,882,000
Automobiles and trucks	1,106,000	1,159,000
Leasehold improvements	-	195,000
Capitalized computer software development costs	41,744,000	44,910,000
Construction in progress	248,000	811,000
	<u>258,434,000</u>	<u>280,581,000</u>
Less accumulated depreciation and amortization	<u>(100,475,000)</u>	<u>(104,600,000)</u>
	<u>\$ 157,959,000</u>	<u>\$ 175,981,000</u>

Depreciation and amortization expense on fixed assets for fiscal years 2019 and 2018, which is included in fixed direct operating expenses and discontinued operations in the accompanying consolidated statements of activities, was \$15,794,000 and \$16,250,000, respectively.

On August 29, 2019, LifeWay sold its distribution center ("DC") for cash in the amount of \$20,100,000. On that same day, LifeWay entered into an agreement with the buyer to lease the DC back. The sale-leaseback transaction resulted in a deferred gain of \$8,830,000, which will be recognized over the 12 year term of the building lease. As of September 30, 2019, the deferred gain on the sale of the building was \$8,769,000. Future minimum payments under the operating lease agreement associated with the sale-leaseback transaction are included in Note 15 to the consolidated financial statements.

**(8) Intangible assets, including goodwill**

As of September 30, 2019 and 2018, the balances of intangible assets were as follows:

	2019			
	Gross Carrying Amount	Accumulated Impairment	Accumulated Amortization	Net
Definite-lived intangible assets subject to amortization:				
Customer relationships	\$ 2,658,000	\$ 886,000	\$ 1,772,000	\$ -
Digital content	2,402,000	1,854,000	548,000	-
Other	<u>264,000</u>	<u>-</u>	<u>264,000</u>	<u>-</u>
	<u>5,324,000</u>	<u>2,740,000</u>	<u>2,584,000</u>	<u>-</u>
Indefinite-lived intangible assets not subject to amortization:				
Trade names and trademarks	<u>3,735,000</u>	<u>113,000</u>	<u>-</u>	<u>3,622,000</u>
	<u>\$ 9,059,000</u>	<u>\$ 2,853,000</u>	<u>\$ 2,584,000</u>	<u>\$ 3,622,000</u>
	2018			
	Gross Carrying Amount	Accumulated Impairment	Accumulated Amortization	Net
Definite-lived intangible assets subject to amortization:				
Customer relationships	\$ 2,658,000	\$ -	\$ 1,617,000	\$ 1,041,000
Digital content	2,402,000	-	499,000	1,903,000
Other	<u>832,000</u>	<u>25,000</u>	<u>805,000</u>	<u>2,000</u>
	<u>5,892,000</u>	<u>25,000</u>	<u>2,921,000</u>	<u>2,946,000</u>
Indefinite-lived intangible assets not subject to amortization:				
Trade names and trademarks	<u>3,735,000</u>	<u>-</u>	<u>-</u>	<u>3,735,000</u>
	<u>\$ 9,627,000</u>	<u>\$ 25,000</u>	<u>\$ 2,921,000</u>	<u>\$ 6,681,000</u>

During the years ended September 30, 2019 and 2018, respectively, LifeWay recognized \$206,000 and \$350,000 of amortization expense related primarily to customer relationships, digital content, non-compete agreements, and below market value license agreements. Additionally, impairment losses on intangible assets were recognized during 2019 and 2018 to reduce the carrying value of the assets to their fair value of \$2,853,000 and \$25,000, respectively. Amortization and impairment charges are included in fixed direct operating expenses and discontinued operations in the accompanying consolidated statements of activities.

The carrying amount of goodwill for the years ended September 30, 2019 and 2018 are as follows:

	2019	2018
Goodwill - gross	\$ 5,746,000	\$ 16,257,000
Less: accumulated impairment	<u>(2,222,000)</u>	<u>(11,158,000)</u>
	<u>\$ 3,524,000</u>	<u>\$ 5,099,000</u>

An impairment loss on goodwill of \$1,575,000 was recognized in continuing operations for the year ended September 30, 2019. Additionally, fully impaired goodwill of \$10,511,000 (net carrying value of \$0) directly associated with retail stores closed as of September 30, 2019 was written off as of that date.

**(9) Other long-term assets**

A summary of other long-term assets at September 30, 2019 and 2018, is as follows:

	<u>2019</u>	<u>2018</u>
Bible project	\$ 692,000	\$ 895,000
Prepaid technology costs	143,000	424,000
SERP trust fund	1,113,000	1,280,000
Postretirement benefit plan (Note 13)	12,418,000	-
Other	<u>336,000</u>	<u>370,000</u>
	<u>\$ 14,702,000</u>	<u>\$ 2,969,000</u>

**(10) Accrued liabilities**

A summary of accrued liabilities as of September 30, 2019 and 2018, is as follows:

	<u>2019</u>	<u>2018</u>
Accrued payroll, benefits, and related taxes	\$ 3,658,000	\$ 6,165,000
Sales taxes	951,000	1,186,000
Reserve for sales returns	1,265,000	1,798,000
Postretirement benefits	1,235,000	263,000
Workers' compensation	803,000	902,000
Contract termination costs (Note 16)	14,666,000	-
Termination benefits (Note 16)	6,003,000	-
Other accrued liabilities	<u>491,000</u>	<u>1,069,000</u>
	<u>\$ 29,072,000</u>	<u>\$ 11,383,000</u>

**(11) Lines of credit**

LifeWay maintains a secured revolving line of credit agreement with The Northern Trust Company. The line bears interest at a rate selected by LifeWay at the time of each draw and includes options of overnight or one-month LIBOR Floating Rate plus 0.85%. Alternately, management of LifeWay may select a Prime based rate at the time of a draw or it may convert previously drawn funds at a LIBOR based rate to the Prime rate. There are no fees for any portion of the line of credit that is not used. The agreement is secured by various assets owned by LifeWay and held at The Northern Trust Company. LifeWay has a total borrowing capacity of \$20,000,000 (\$32,000,000 at September 30, 2018), including up to \$4,000,000 (\$3,000,000 at September 30, 2018) for use as letters of credit. The agreement with The Northern Trust Company is through July 22, 2020, and is expected to be renewed annually. Outstanding balances on the line were \$0 and \$29,288,000 as of September 30, 2019 and 2018, respectively. Letters of credit outstanding were \$3,478,000 and \$2,212,000 as of September 30, 2019 and 2018, respectively.

LifeWay also maintains a second line of credit with a bank effective April 10, 2019 to assist the company with restructuring costs, as needed (see Note 16). The line bears interest at a rate of LIBOR plus 3.5% and is secured by the LifeWay corporate headquarters building. There are no fees for any portion of the line of credit that is not used. LifeWay has a total original borrowing capacity of \$30,000,000 and the capacity decreases by \$500,000 on each annual anniversary. LifeWay must draw on this line by the end of the first anniversary of the agreement. There was no balance outstanding on this line as of September 30, 2019.

The provisions of these agreements place certain financial ratio and restriction requirements upon LifeWay. At September 30, 2019, management determined LifeWay was in compliance with these covenants.

**(12) Pension plan**

LifeWay has a defined benefit pension plan covering eligible employees. The plan was closed to new participants effective September 1, 2010. In 2019, LifeWay management approved an amendment to freeze benefit accruals as of January 1, 2020. Normal retirement age is 65 for employees who have attained age 40 as of September 30, 1993. For all others, normal retirement age is social security retirement age. Participants desiring to draw benefits at a reduced rate before their normal retirement age must have ten years of credited service, attained the age of 55, and left the employment of LifeWay. Benefits are based on years of service and average salary, as defined prior to retirement. The projected unit credit actuarial cost method is used to determine net periodic pension cost and to estimate pension benefit obligations.

Plan assets are stated at fair value and consist primarily of corporate equity and debt securities, U.S. government bonds and other collective investments.

GuideStone Financial Resources of the Southern Baptist Convention ("GuideStone"), a related-party, prepares the actuarial reports for LifeWay. The valuation of the plan as of September 30, 2019 incorporates the impact of the plan freeze effective January 1, 2020.

A reconciliation of the unfunded status of the plan at September 30, 2019 and 2018 (measurement date of September 30, 2019 and 2018, respectively), along with other significant plan information, is as follows:

	2019	2018
Projected benefit obligation	\$ 546,812,000	\$ 495,090,000
Fair value of plan assets	<u>314,648,000</u>	<u>340,486,000</u>
Unfunded status	<u>\$ 232,164,000</u>	<u>\$ 154,604,000</u>
Accumulated benefit obligation	<u>\$ 546,005,000</u>	<u>\$ 485,968,000</u>
Pension liability recognized in the consolidated statements of financial position (all noncurrent)	<u>\$ 232,164,000</u>	<u>\$ 154,604,000</u>
Employer contribution	<u>\$ -</u>	<u>\$ 10,000,000</u>
Benefits paid	<u>\$ 28,497,000</u>	<u>\$ 27,713,000</u>

The actuarial assumptions used to determine benefit obligations for the plan were as follows:

	2019	2018
Discount rate	3.05%	4.20%
Base pay salary scale	2.75%	2.75%
Weighted average remaining service - active participants	7.5 years	7.8 years

Based on the above discount rate, the pension plan was 57.5% funded at September 30, 2019, and 68.8% on September 30, 2018. In contrast, using the expected long-term rate of return ("ROR") on the plan's assets of 6.50%, the pension plan would be 83.5% funded at September 30, 2019 (6.75% ROR and 90.3% funded at September 30, 2018).

At September 30, 2019 and 2018, LifeWay had actuarial losses of \$201,491,000 and \$119,675,000, respectively, that had not yet been recognized in the net periodic pension cost and reflected as a reduction to net assets without donor restrictions.

Net periodic pension (income) expense is included as a component of fixed direct operating expenses in the accompanying consolidated statements of activities. During fiscal years 2019 and 2018, net periodic pension (income) expense was as follows:

	2019	2018
Service cost	\$ 5,436,000	\$ 5,963,000
Interest cost	20,437,000	19,146,000
Expected return on plan assets	(21,453,000)	(21,276,000)
Loss to the extent recognized	11,097,000	21,482,000
Amortization of unrecognized prior service cost	(1,475,000)	(1,475,000)
Special curtailment recognition <sup>1</sup>	<u>(18,299,000)</u>	<u>-</u>
	<u>\$ (4,257,000)</u>	<u>\$ 23,840,000</u>

The actuarial assumptions used to calculate net periodic pension (income) expense for the plan were as follows:

	2019	2018
Discount rate	4.20%	3.59%
Base pay salary scale	2.75%	2.75%
Expected return on assets	6.75%	6.75%
Weighted average remaining service - active participants	7.8 years	6.8 years

Changes in the plan's obligations and assets caused the following changes in net assets without donor restrictions during the year:

Amortization of loss	\$ 11,097,000
Unrecognized prior service cost	1,475,000
Net actuarial loss during the year	85,242,000
2020 plan freeze	12,103,000
Curtailment impact <sup>1</sup>	18,299,000

<sup>1</sup> The plan freeze effective January 1, 2020, triggered a curtailment that caused an immediate recognition of both the 2016 and 2019 prior service cost bases.

The unrecognized loss included in net assets without donor restrictions and expected to be recognized in net periodic pension cost during fiscal 2020 is \$18,907,000. The allocation of each major category of plan assets as of September 30, 2019 and 2018, along with the target percentages and approved ranges, is as follows:

Asset Class	2019	2018	Target	Approved Range
Domestic equity	42.0%	43.9%	40%	30-50%
International equity	14.5	14.3	15	5-25
Fixed income	30.7	28.0	30	20-40
Alternatives	7.0	7.5	10	0-20
Cash	<u>5.8</u>	<u>6.3</u>	<u>5</u>	0-10
	<u>100.0%</u>	<u>100.0%</u>	<u>100%</u>	

The plan assets are managed under the direction of a Trustee investment committee. This committee has established an investment policy which is used as a guide in the implementation of investment strategies, risk management, performance expectations, and operational guidelines. The operational guidelines of the investment policy address specifically such items as quality standards, maturity standards, diversification standards, liquidity standards, proxy voting, prohibited categories, special permitted categories, portfolio turnover, manager reporting, and notifications. Any deviation from these guidelines must be approved by the investment committee as an exception.

The overall expected long-term rate-of-return-on-assets assumption is determined through an analysis of actual historical returns, future market expectations, and targeted asset allocation.

In order to determine an appropriate discount rate to use for the pension liability, LifeWay's actuaries projected the expected liability cash flows for each year in the future based on the current plan population and applied the spot rates from the Findley Pension Discount Above Median AA-Curve to determine the single equivalent discount rate. In 2018, LifeWay changed the basis for estimating the discount rate from the Citigroup Pension Discount Curve to the Findley Pension Discount Above Median AA-Curve resulting in a \$9,380,000 reduction to LifeWay's projected benefit obligation as of September 30, 2018.

Estimated employer contributions to the plan for the 2020 fiscal year are \$1,068,000.

The estimated future benefits payable for the next five years and for the following five years in aggregate are as follows at September 30:

2020	\$ 28,701,000
2021	29,240,000
2022	29,703,000
2023	30,204,000
2024	30,383,000
2025 - 2029	155,150,000

The following table summarizes the plan assets measured at fair value on a recurring basis as of September 30, 2019, aggregated by the level in the fair value hierarchy within which those measurements fall:

	Assets at fair value			Total
	Level 1	Level 2	Level 3	
Common stocks	\$ 91,206,000	\$ -	\$ -	\$ 91,206,000
Mutual funds	47,728,000	-	-	47,728,000
Debt securities	-	109,000	-	109,000
Total asset values in the fair value hierarchy	<u>\$138,934,000</u>	<u>\$ 109,000</u>	<u>\$ -</u>	139,043,000
Investments measured at NAV as a practical expedient <sup>2</sup>				<u>175,435,000</u>
Investments at fair value				314,478,000
Non-invested cash				63,000
Interest and dividend income receivable				255,000
Administrative expenses payable				(368,000)
Pending investment trades receivable, net				<u>220,000</u>
Fair value of plan assets				<u>\$ 314,648,000</u>

The following table summarizes the plan assets measured at fair value on a recurring basis as of September 30, 2018, aggregated by the level in the fair value hierarchy within which those measurements fall:

	Assets at fair value			Total
	Level 1	Level 2	Level 3	
Common stocks	\$144,946,000	\$ -	\$ -	\$ 144,946,000
Mutual funds	43,305,000	-	-	43,305,000
Cash and temporary/short-term investments	-	17,257,000	-	17,257,000
Debt securities	-	3,264,000	-	3,264,000
Total asset values in the fair value hierarchy	<u>\$188,251,000</u>	<u>\$ 20,521,000</u>	<u>\$ -</u>	208,772,000
Investments measured at NAV as a practical expedient <sup>2</sup>				<u>133,195,000</u>
Investments at fair value				341,967,000
Non-invested cash				41,000
Interest and dividend income receivable				266,000
Administrative expenses payable				(408,000)
Pending investment trades payable, net				<u>(1,380,000)</u>
Fair value of plan assets				<u>\$ 340,486,000</u>

<sup>2</sup> Certain investments are measured at NAV as a practical expedient to estimate fair value and, therefore, has not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the plan's separately issued statements of net assets available for benefits.

The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2019 and 2018, respectively.

Description	Fair Value 9/30/19	Fair Value 9/30/18	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Commingled funds	\$ 66,030,000	\$ 28,317,000	n/a	Daily	10-15 days
Collective trust funds	\$ 87,432,000	\$ 79,473,000	n/a	Daily	10-15 days
Hedge funds	\$ 21,973,000	\$ 25,405,000	n/a	Mthly/Qtly	30-90 days

### (13) Postretirement and other benefits

LifeWay provides certain health care and life insurance benefits for retired employees. The Defined Postretirement Medical Plan, Life Insurance Benefits Plan and Medicare Supplemental Benefits Plan specify the plan provisions, benefits and eligibility. LifeWay employees may become eligible for those benefits if they reach normal retirement age while working for LifeWay. LifeWay established a separate legal trust in the form of a Voluntary Employee Beneficiary Association ("VEBA") to administer the assets and liabilities related to these postretirement benefits. Any income earned on the assets of the trust is retained in the trust to reduce LifeWay contributions.

Effective January 1, 2011, benefits provided to those older than 65 years old were fixed.

In 2019, LifeWay approved amendments to its postretirement benefits effective January 1, 2020. The amendments include the elimination of pre-65 medical benefits for all participants, reduction of life insurance coverage to a maximum of \$5,000 for all participants who retired before January 1, 2020, and elimination of life insurance coverage for those who retire on or after January 1, 2020. These amendments have been incorporated into the valuation of the postretirement benefit plan as of September 30, 2019.

GuideStone, a related party, prepares the actuarial reports for LifeWay.

A reconciliation of the combined unfunded status of the plans as of September 30, 2019 and 2018 (measurement date of September 30, 2019 and 2018, respectively), along with other significant plan information, is as follows:

	2019	2018
Benefit obligation	\$ 22,302,000	\$ 64,336,000
Fair value of plan assets	<u>34,720,000</u>	<u>41,758,000</u>
Unfunded status	\$ <u>(12,418,000)</u>	\$ <u>22,578,000</u>
Postretirement benefit (asset) liability recognized in the consolidated statements of financial position (all non-current)	\$ <u>(12,418,000)</u>	\$ <u>22,578,000</u>
Employer contribution	\$ -	\$ -
Gross benefits paid	\$ 8,009,000	\$ 1,997,000
Subsidy receipts	-	-
Net benefits paid	\$ <u>8,009,000</u>	\$ <u>1,997,000</u>

The actuarial assumptions used to determine benefit obligations for the plan were as follows:

	2019	2018
Discount rate	2.99%	4.18%
Expected return on assets	4.50%	6.75%
Weighted average remaining service - active participants	6.3 years	11.1 years

Based on the actuarial assumptions, the postretirement plans were 155.6% funded at September 30, 2019, and 64.9% on September 30, 2018.

At September 30, 2018, an initial blended health care cost trend rate of 7.18% was assumed based on allocated parameters of 80% medical (7.70% initial rate) and 20% prescription drug costs (10.30% initial rate). Additionally, health care cost trend rates were assumed to decrease linearly over a period of eight years reaching an ultimate blended trend rate of 4.85% at September 30, 2018.

Health care cost trend rate assumptions were not updated in the September 30, 2019 valuation because the plan changes effective January 1, 2020 eliminate the need for that contingency. A variation in the health care cost trend rates assumed would create no impact in those costs since the health care benefits will be of the defined dollar benefit variety.

The following amounts have not yet been recognized in the net periodic cost, and are recognized as an increase or reduction to net assets without donor restrictions:

	2019	2018
Actuarial (gains) losses	\$ <u>(377,000)</u>	\$ <u>20,759,000</u>

Net periodic postretirement benefits cost is included as a component of fixed direct operating expenses in the accompanying consolidated statements of activities. During fiscal years 2019 and 2018, net periodic postretirement benefit cost was as follows:

	2019	2018
Service cost	\$ 1,842,000	\$ 1,904,000
Interest cost	2,690,000	2,427,000
Expected return on plan assets	(2,678,000)	(2,652,000)
Amortization of unrecognized prior service cost	-	(1,070,000)
Gain or loss to the extent recognized	1,315,000	2,087,000
Special curtailment recognitions <sup>1</sup>	<u>(17,030,000)</u>	<u>-</u>
	<u>\$ (13,861,000)</u>	<u>\$ 2,696,000</u>

Changes in the plan's obligations and assets caused the following changes in net assets without donor restrictions during the year:

Amortization of loss	\$ 1,315,000
Net actuarial loss during the year	(8,963,000)
2020 plan changes	45,053,000
Curtailment impact (prorata recognition of prior service cost) <sup>1</sup>	(17,030,000)
Curtailment impact (recognition of previously unrecognized loss) <sup>1</sup>	760,000

<sup>1</sup> The restructuring of the Retail Division, specifically, the closing of retail stores in 2019 (Note 16), triggered a curtailment. This caused a prorata recognition of the prior service cost base set up for the plan changes effective January 1, 2020, plus an immediate offsetting recognition of the resulting gain against the prior outstanding loss.

The amortization of unrecognized prior service cost expected to be recognized in net periodic postretirement benefit cost (income) during fiscal year 2019 is \$(5,495,000).

The allocation of each major category of plan assets as of September 30, 2019 and 2018, along with the target percentages and allowable ranges, as amended in 2019, is as follows:

Asset Class	2019	2018	Target	Approved Range
Domestic equity	0.0%	47.0%	0%	0%
International equity	0.0	14.1	0	0
Fixed income	93.3	24.5	100	80-100
Alternatives	0.0	8.6	0	0
Cash	<u>6.7</u>	<u>5.8</u>	<u>0</u>	0-20
	<u>100.0%</u>	<u>100.0%</u>	<u>100%</u>	

The plan assets are managed under the direction of a Trustee investment committee. The investment policies and strategies and the basis for determining the long-term rate of return on assets and the discount rate are the same as those used for the pension plan. The prior year change in the basis for estimating the discount rate from the Citigroup Pension Discount Curve to the Findley Pension Discount Above Median AA-Curve resulted in a \$1,224,000 reduction to LifeWay's projected postretirement benefits obligation as of September 30, 2018.

There are no estimated employer contributions to the plans for the 2020 fiscal year.

The estimated future benefits payable for the next five years and for the following five years in aggregate are as follows at September 30:

2020	\$ 2,145,000
2021	1,508,000
2022	1,423,000
2023	1,375,000
2024	1,338,000
2025 - 2029	6,216,000

The following table summarizes the plan assets measured at fair value on a recurring basis as of September 30, 2019, aggregated by the level in the fair value hierarchy within which those measurements fall:

	Assets at fair value			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 2,394,000	\$ -	\$ -	\$ 2,394,000
Debt Securities	1,923,000	28,719,000	-	30,642,000
U.S. Gov. & Agency Obligations	-	2,806,000	-	2,806,000
Total asset values in the fair value hierarchy	<u>\$ 4,317,000</u>	<u>\$ 31,525,000</u>	<u>\$ -</u>	35,842,000
Interest receivable				357,000
Postretirement benefits payable, net				(862,000)
Administrative expenses payable				(33,000)
Pending investment trades receivable				<u>(584,000)</u>
Fair value of plan assets				<u>\$ 34,720,000</u>

The following table summarizes the plan assets measured at fair value on a recurring basis as of September 30, 2018, aggregated by the level in the fair value hierarchy within which those measurements fall:

	Assets at fair value			Total
	Level 1	Level 2	Level 3	
Common stocks	\$ 12,474,000	\$ -	\$ -	\$ 12,474,000
Mutual funds	20,712,000	-	-	20,712,000
Cash and temporary/short-term investments	-	499,000	-	499,000
Total asset values in the fair value hierarchy	<u>\$ 33,186,000</u>	<u>\$ 499,000</u>	<u>\$ -</u>	33,685,000
Investments measured at NAV as a practical expedient <sup>2</sup>				7,999,000
Investments at fair value				41,684,000
Interest receivable				48,000
Postretirement benefits payable, net				60,000
Administrative expenses payable				(79,000)
Pending investment trades payable				45,000
Fair value of plan assets				<u>\$ 41,758,000</u>

<sup>2</sup> Certain investments are measured at NAV as a practical expedient to estimate fair value and, therefore, has not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the plan's separately issued statements of net assets available for benefits.

The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2019 and 2018, respectively.

Description	Fair Value 9/30/19	Fair Value 9/30/18	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Collective trust funds	\$ 0	\$ 6,656,000	n/a	Daily	10-15 days
Hedge fund	\$ 0	\$ 1,343,000	n/a	Mthly/Qtly	30-90 days

In addition to the postretirement benefits discussed above, LifeWay also provides supplemental retirement benefits to certain current and former executives of LifeWay, whose benefits were limited under LifeWay's pension plan. Effective January 1, 2009, LifeWay amended its original Supplemental Executive Retirement Plan ("SERP") to eliminate all current and future active participants from the plan. Simultaneously, LifeWay established a replacement supplemental plan, the 457(f) Make-Whole Retirement Plan ("MWRP"), to provide benefits to a limited group of LifeWay executives whose benefits are capped under LifeWay's pension. Both plans are restoration only plans.

In conjunction with the approved freezing of the LifeWay pension plan (Note 12), LifeWay approved the termination of the MWRP effective as of January 1, 2020.

A reconciliation of the combined unfunded status of the SERP and MWRP as of September 30, 2019 and 2018 (measurement dates of September 30, 2019 and 2018, respectively), along with other significant plan information, is as follows:

	2019	2018
Projected benefit obligation of SERP	\$ 1,700,000	\$ 1,712,000
Projected benefit obligation of MWRP	72,000	431,000
Unfunded status	<u>\$ 1,772,000</u>	<u>\$ 2,143,000</u>
Accumulated benefit obligation	<u>\$ 1,772,000</u>	<u>\$ 2,115,000</u>
Pension liability recognized in the Statements of Financial Position (current)	<u>\$ 246,000</u>	<u>\$ 406,000</u>
Pension liability recognized in the Statements of Financial Position (non-current)	<u>\$ 1,525,000</u>	<u>\$ 1,737,000</u>
Employer contribution	\$ -	\$ -
Benefits paid	<u>\$ 418,000</u>	<u>\$ 424,000</u>

The actuarial assumptions used to determine benefit obligations for the SERP and MWRP were as follows:

	2019	2018
SERP discount rate	2.73%	4.05%
MWRP discount rate	1.84%	3.28%
Base salary scale	N/A	2.75%

The MWRP discount rate was relevant from December 2019, when the final payments from the MWRP were made, back to the valuation date. The prior year change in the basis for estimating the discount rates from the Citigroup Pension Discount Curve to the Findley Pension Discount Above Median AA-Curve as of September 30, 2018, resulted in a \$31,000 reduction to LifeWay's projected SERP and MWRP benefit obligations as of September 30, 2018.

The following amounts have not yet been recognized in the net periodic cost, and are recognized as a reduction to net assets without donor restrictions:

	<u>2019</u>	<u>2018</u>
Actuarial losses	\$ 1,076,000	\$ 696,000
Prior service credit	-	88,000
Total	<u>\$ 1,076,000</u>	<u>\$ 784,000</u>

During fiscal 2019 and 2018, net periodic benefit (income) costs were as follows:

	<u>2019</u>	<u>2018</u>
Service cost	\$ 60,000	\$ 68,000
Interest cost	78,000	70,000
Amortization of unrecognized prior service cost	88,000	250,000
Actuarial (gain) loss to the extent recognized	(13,000)	(51,000)
Special curtailment recognition <sup>1</sup>	<u>(458,000)</u>	<u>-</u>
	<u>\$ (245,000)</u>	<u>\$ 337,000</u>

Changes in the plan's obligations and assets caused the following changes in net assets without donor restrictions during the year:

Amortization of prior service credit	\$ 88,000
Amortization of gain	(13,000)
Net actuarial gain during the year	91,000
Curtailment impact (outstanding gain recognition) <sup>1</sup>	(458,000)

<sup>1</sup> The plan freeze effective January 1, 2020, triggered a curtailment due to the elimination of future service causing an immediate recognition of the total outstanding gain.

The unrecognized loss included in net assets without donor restrictions and expected to be recognized in net periodic pension cost during 2020 is \$75,000. No prior service cost is expected to be recognized during 2020.

The estimated future benefits payable for the next five years and for the following five years in aggregate are as follows at September 30:

2020	\$ 271,000
2021	169,000
2022	162,000
2023	155,000
2024	147,000
2025 - 2029	593,000

During fiscal year 2005, LifeWay established a Rabbi Trust and transferred assets to the Rabbi Trust that LifeWay has designated to fund payments to participants in the SERP. The Rabbi Trust held assets totaling \$1,113,000 and \$1,280,000 as of September 30, 2019 and 2018, respectively. These assets are included in other assets in the consolidated statements of financial position.

The following table summarizes the Rabbi Trust assets measured at fair value on a recurring basis as of September 30, 2019, aggregated by the level in the fair value hierarchy within which those measurements fall:

	<u>Assets at fair value</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 45,000	\$ -	\$ -	\$ 45,000
Mutual funds	<u>1,068,000</u>	<u>-</u>	<u>-</u>	<u>1,068,000</u>
Total investments at fair value	<u>\$ 1,113,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,113,000</u>

The following table summarizes the Rabbi Trust assets measured at fair value on a recurring basis as of September 30, 2018, aggregated by the level in the fair value hierarchy within which those measurements fall:

	<u>Assets at fair value</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 53,000	\$ -	\$ -	\$ 53,000
Mutual funds	<u>1,227,000</u>	<u>-</u>	<u>-</u>	<u>1,227,000</u>
Total investments at fair value	<u>\$ 1,280,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,280,000</u>

LifeWay has a voluntary contribution 401(k) savings plan for all eligible employees, as defined under the plan. Participating employees can contribute up to 100% of their annual earnings subject to certain limitations as defined in the plan and by law, with LifeWay matching a portion of employee contributions not in excess of 6% of the employees' annual earnings. For 2019 and 2018, LifeWay's expense related to the plan and attributable to both continuing and discontinued operations was, in the aggregate, \$2,679,000 and \$2,782,000, respectively.

**(14) Other income (loss)**

Other income (loss), net for the years ended September 30, 2019 and 2018, was comprised of the following:

	<u>2019</u>	<u>2018</u>
Return on investments (Note 6)	\$ (3,741,000)	\$ 10,141,000
Interest income, interest expense and bank fees, net	(79,000)	(426,000)
Loss on disposal of fixed assets	(1,690,000)	(131,000)
Other, net	<u>(270,000)</u>	<u>339,000</u>
	<u>\$ (5,780,000)</u>	<u>\$ 9,923,000</u>

**(15) Rental expense and lease commitments**

LifeWay rents certain buildings and computer equipment under operating lease arrangements. Total rent and related charges from continuing and discontinued operations for fiscal years 2019 and 2018 was \$25,906,000 and \$31,033,000, respectively. Total contingent rent expense for fiscal years 2019 and 2018 was insignificant.

Following is a summary of future minimum payments under operating leases that have initial or remaining non-cancelable lease terms in excess of one year at September 30:

	<u>Amount</u>
2020	\$ 21,027,000
2021	7,182,000
2022	5,059,000
2023	3,802,000
2024	2,580,000
2025 and later years	<u>13,060,000</u>
Total	<u>\$ 52,710,000</u>

Of the \$21,027,000 of minimum payments in 2020 above, \$13,020,000 is the estimated amount of remaining lease obligations associated with retail stores closed as of September 30, 2019.

**(16) Discontinued operation**

In January 2019, LifeWay committed to a plan to close its retail store chain (170 stores) following a strategic decision to focus on the continued strength and growth of its retail sales through direct online and third-party channels. Management's decision to materially reduce the retail division operations was made after experiencing continued financial losses, along with negative sales and growth trends in its brick-and-mortar bookstores. As of September 30, 2019, 127 of 170 stores had been closed and vacated. The closure of the remaining 43 stores was completed between October 1, 2019 and November 30, 2019.

The retail store locations that have been closed constitute discontinued operations for financial reporting purposes. Accordingly, the comparative consolidated statements of financial position, after reclassification of previously reported amounts for September 30, 2018, separately present the assets and liabilities of the discontinued operation. Similarly, the comparative consolidated statements of activities, after reclassification of previously reported amounts for the year ended September 30, 2018, separately present the results of operations, including related gains and losses of the discontinued operation.

Assets and liabilities held for sale as of September 30, 2019 and 2018, are as follows:

	<u>2019</u>	<u>2018</u>
Carrying amounts of the major classes of assets included as part of discontinued operation		
Cash	\$ 396,000	\$ 620,000
Accounts receivable	1,902,000	4,266,000
Inventories	7,318,000	44,829,000
Prepaid expenses and other current assets	1,659,000	3,150,000
Fixed assets	<u>1,926,000</u>	<u>5,922,000</u>
Total major classes of assets of the discontinued operation	13,201,000	58,787,000
Assets included in discontinued operation not classified as held for sale	<u>(3,957,000)</u>	<u>(8,036,000)</u>
Total assets of the disposal group classified as held for sale	<u>\$ 9,244,000</u>	<u>\$ 50,751,000</u>
Carrying amounts of the major classes of liabilities included as part of discontinued operation		
Accounts payable	\$ 2,185,000	\$ 14,758,000
Accrued liabilities		
Contract termination costs	14,666,000	-
Termination benefits	6,003,000	-
Other accrued liabilities	<u>148,000</u>	<u>3,384,000</u>
Total major classes of liabilities of the discontinued operation	23,002,000	18,142,000

	<u>2019</u>	<u>2018</u>
Liabilities included in discontinued operation not classified as held for sale	(23,002,000)	(18,142,000)
Total liabilities of the disposal group classified as held for sale	<u>\$ -</u>	<u>\$ -</u>

Results of the discontinued operation for the years ended September 30, 2019 and 2018, are as follows:

	<u>2019</u>	<u>2018</u>
Major classes of line items constituting loss from discontinued operation		
Revenue	\$ 172,280,000	\$ 210,808,000
Variable expenses	(83,348,000)	(94,716,000)
Fixed direct operating expenses	(127,414,000)	(121,353,000)
Interest expense	(390,000)	(426,000)
Loss on disposal of fixed assets	(299,000)	(255,000)
Impairment loss	-	(22,200,000)
Curtailment gain	<u>17,030,000</u>	<u>-</u>
Total loss from discontinued operation	<u>\$ (22,141,000)</u>	<u>\$ (28,142,000)</u>

Operating and investing cash flows of the discontinued operation for the years ended September 30, 2019 and 2018, are as follows:

	<u>2019</u>	<u>2018</u>
Net cash provided by operating activities	\$ 9,270,000	\$ 7,250,000
Net cash provided (used) by investing activities	<u>1,780,000</u>	<u>(10,412,000)</u>
Net cash flows for the year	<u>\$ 11,050,000</u>	<u>\$ (3,162,000)</u>

**(17) Commitments and contingencies**

LifeWay is subject to various claims and lawsuits arising in the normal course of business. LifeWay maintains various insurance coverages in order to minimize financial risk associated with certain claims. In the opinion of management after consultation with legal counsel, additional uninsured losses, if any, resulting from the ultimate resolution of these other matters will not be material to LifeWay's financial position, results of activities, or cash flows.

**(18) Change in accounting principle**

During 2019, LifeWay made a change in inventory cost components related to the method by which certain distribution costs are included in inventory. The cumulative effect of this change in accounting principle was a \$3,000,000 decrease to inventory (a component of current assets classified as held for sale) at September 30, 2018, an increase to the loss from discontinued operation in 2018 of \$396,000 (overall decrease to the increase in net assets for 2018), and a decrease to net assets without donor restrictions as of October 1, 2017 of \$2,604,000.

**(19) Supplemental disclosures of cash flow statement information**

	<u>2019</u>	<u>2018</u>
Interest paid	<u>\$ 390,000</u>	<u>\$ 426,000</u>

In September 2019, LifeWay sold and leased back a distribution center resulting in a deferred gain on the sale-leaseback of \$8,830,000.

## INDEPENDENT AUDITORS' REPORT

The Board of Trustees of  
LifeWay Christian Resources of the Southern Baptist Convention and Subsidiary

We have audited the accompanying consolidated financial statements of LifeWay Christian Resources of the Southern Baptist Convention and Subsidiary, which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

***Management's Responsibility for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of LifeWay Christian Resources of the Southern Baptist Convention and Subsidiary as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 2(s) to the consolidated financial statements, in 2018 management elected to change the basis of estimating discount rates used to measure the settlement of future pension and postretirement benefits other than pension obligations. Our opinion is not modified with respect to this matter.

LBMC, PC  
Brentwood, Tennessee  
January 24, 2020

## GATEWAY SEMINARY OF THE SOUTHERN BAPTIST CONVENTION

### Statement of Financial Position

July 31, 2019

**ASSETS:**

Cash and cash equivalents	\$ 2,422,434
Accounts receivable - net	79,232
Prepaid expenses	185,915
Real estate held for sale - net	1,847,517
Assets held in trust	527,665
Notes receivable	1,782,500
Investments held for long-term purposes	50,974,577
Land, buildings, and equipment - net	55,729,796
Beneficial interest in split interest agreements	<u>6,420,103</u>

Total Assets \$ 119,969,739

**LIABILITIES AND NET ASSETS:**
**Liabilities:**

Accounts payable	\$ 225,381
Accrued liabilities	257,638
Deferred income	328,572
Trust liabilities	216,765
Post retirement benefit obligation	<u>5,643,952</u>
	<u>6,672,308</u>

**Net assets:**

Without donor restrictions	
Undesignated	52,243,117
Quasi-endowment	<u>32,421,479</u>
	84,664,596
With donor restrictions	<u>28,632,835</u>
	<u>113,297,431</u>

Total Liabilities and Net Assets \$ 119,969,739

See notes to financial statements

### Statements of Activities

Year Ended July 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE, SUPPORT, AND RECLASSIFICATIONS:</b>			
Tuition and fees - net	\$ 2,996,482	\$ -	\$ 2,996,482
Contributions	194,820	1,061,677	1,256,497
Southern Baptist Cooperative program	3,991,950	-	3,991,950
Interest and dividends	267,847	753,665	1,021,512
Land sale quasi endowment appropriations	1,281,840	-	1,281,840
Auxiliary enterprises	515,517	-	515,517
Other revenue and income	175,244	-	175,244
Net assets released from restrictions	<u>2,240,502</u>	<u>(2,240,502)</u>	<u>-</u>
	<u>11,664,202</u>	<u>(425,160)</u>	<u>11,239,042</u>
<b>OPERATING EXPENSES:</b>			
Instructional	5,470,586	-	5,470,586
Academic support	1,467,094	-	1,467,094
Institutional support	3,368,743	-	3,368,743
Student services	1,042,343	-	1,042,343
Auxiliary enterprises	<u>347,283</u>	<u>-</u>	<u>347,283</u>
	<u>11,696,049</u>	<u>-</u>	<u>11,696,049</u>
Change in Net Assets from Operations	<u>(31,847)</u>	<u>(425,160)</u>	<u>(457,007)</u>

	Without Donor Restrictions	With Donor Restrictions	Total
NON-OPERATING:			
Realized and unrealized gains on marketable securities	1,043,487	(380,984)	662,503
Land sale quasi endowment interest	342,727	-	342,727
Land sale quasi endowment appropriations	(1,281,173)	-	(1,281,173)
Change in post retirement benefit obligation	(272,212)	-	(272,212)
Loss on write-off of receivables	(19,733)	-	(19,733)
Loss on sale of land, buildings, and improvements	(1,246)	-	(1,246)
Loss on value of beneficial interest	-	(86,637)	(86,637)
Gain on value of split-interest agreements	-	5,389	5,389
Depreciation expense	<u>(2,003,327)</u>	<u>-</u>	<u>(2,003,327)</u>
Total Non-Operating	<u>(2,191,477)</u>	<u>(462,232)</u>	<u>(2,653,709)</u>
Change in Net Assets	(2,223,324)	(887,392)	(3,110,716)
Net Assets, Beginning of Year	<u>86,887,920</u>	<u>29,520,227</u>	<u>116,408,147</u>
Net Assets, End of Year	<u>\$ 84,664,596</u>	<u>\$ 28,632,835</u>	<u>\$113,297,431</u>

See notes to financial statements

**Statements of Cash Flows**

July 31, 2019

## CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ (3,110,716)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	2,003,327
Contributions received for endowment purposes	(51,230)
Realized and unrealized gain on investments	(662,503)
Loss on write-off of receivables	19,733
Loss on disposal land, buildings, and improvements	1,246
Change in beneficial interest in split interest agreements	51,847
Gifts of beneficial interest in split interest agreements	(220,469)
Change in value of trusts	29,402
Changes in operating assets and liabilities:	
Accounts receivable	(50,876)
Prepaid expenses	(58,981)
Accounts payable	(82,173)
Accrued liabilities	(34,780)
Deferred income	(26,256)
Post retirement benefit obligation	272,212
Net Cash Used in Operating Activities	<u>(1,920,217)</u>

## CASH FLOWS FROM INVESTING ACTIVITIES:

Capital expenditures	(237,645)
Issuance of notes receivable	(80,000)
Collections on notes receivable	180,000
Purchases of investments	(1,488,908)
Proceeds from sale of investments	2,922,221
Sale of trust investments for distributions to beneficiaries	<u>(81,573)</u>
Net Cash Provided by Investing Activities	<u>1,214,095</u>

## CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions to trust beneficiaries	81,573
Contributions received for endowment purposes	<u>51,230</u>
Net Cash Provided by Financing Activities	<u>132,803</u>
Change in Cash and Cash Equivalents	(573,319)
Cash and Cash Equivalents, Beginning of Year	<u>2,995,753</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,422,434</u>

## SUPPLEMENTAL DISCLOSURE:

Write off of fully depreciated fixed assets	<u>\$ 205,578</u>
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See notes to financial statements

**Notes to Financial Statements**  
**July 31, 2019**

**1 - NATURE OF ORGANIZATION:**

Gateway Seminary of the Southern Baptist Convention (the Seminary), a nonprofit California corporation, provides graduate level religious education in the western United States of America. The Seminary is accredited by two accrediting bodies: 1) The Association of Theological Schools (ATS) in the United States and Canada; and 2) The Western Association of Schools and Colleges (WASC). Currently, the Seminary offers two diploma programs, nine masters level degrees, and two doctoral degrees.

The Seminary's main campus relocated from Mill Valley, California to Ontario, California during the summer of 2016. The Seminary also has the following campuses: the Brea Campus in Brea, California, which was transferred to real estate held for sale as of July 31, 2018 (see Note 2); the Bay Area Campus which is located in Fremont, California; the Pacific Northwest Campus in Vancouver, Washington; the Arizona Campus in Phoenix, Arizona; and the Rocky Mountain Campus in Centennial, Colorado. The Seminary changed it's name from Golden Gate Baptist Theological Seminary after the year ended July 31, 2016.

The Seminary is governed by a Board of Trustees elected by the Southern Baptist Convention (the Convention). The Seminary is listed as an organization under the Convention's Group Exemption No. 1674. The Seminary is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Seminary's federal tax identification number is 94-1294918. However, the Seminary is subject to federal income tax on any unrelated business taxable income. Contributions by the public are deductible for income tax purposes.

It is also exempt from state income taxes and is designated as a Church by the State of California Franchise Tax Board. The Seminary's corporate identification number for the State of California is #C0232285. In addition, the Seminary maintains corporate status in the following states: 1) Arizona - #F07504884, 2) Colorado - #19961093746 and 3) Washington - UBI #601793525.

The Seminary has been classified as a publicly supported organization, which is not a private foundation under Section 509(a) of the Code. Income for the Seminary primarily consists of contributions, tuition, and fees.

On April 30, 2018, the Seminary closed the Golden Gate Baptist Theological Seminary Foundation Incorporated. At the time of its closing, the Foundation had no assets. The Seminary owns one additional corporation; the Golden Gate Housing and Development Corporation. This corporation had no activity in the year ended July 31, 2019.

The Seminary also has reserved the following names for doing business: 1) Gateway Seminary and 2) Golden Gate Baptist Theological Seminary.

**2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of the Seminary have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). A summary of significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

**CASH AND CASH EQUIVALENTS**

The Seminary considers cash on hand, and cash on deposit to be cash equivalents. The Seminary maintains its cash accounts with various financial institutions. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. At July 31, 2019, the Seminary had cash balances that exceeded the balance insured by the FDIC by approximately \$2,117,000. The Seminary has not experienced any losses in these accounts.

**INVESTMENTS**

Investments consist of an invested interest in various pooled investment funds, as well as other equity, bond, and real estate funds. Investments in the pooled investment funds are carried at the fair market value of the underlying investments. Other investments are stated at fair value. Investment income, consisting of interest and dividends and realized and unrealized gains (losses), is allocated to net assets with restrictions if stipulated by the donor. Income from pooled investments is allocated on the basis of carrying values, adjusted for additions and withdrawals. Church bonds are reported at fair value, as determined by management's assessment of the net realizable value. Investment fees were approximately \$223,000 during the year ended July 31, 2019.

**ACCOUNTS RECEIVABLE**

The Seminary grants credit for tuition to certain students, with typical payment terms being due monthly within the semesters. Resulting accounts receivable are stated at the principal amount outstanding, net of an allowance for doubtful accounts. An allowance for doubtful accounts is established when losses are estimated to have occurred, through a charge to expense. Receivables are charged against the allowance for doubtful accounts when management believes that collectability is unlikely. The allowance was approximately \$41,000 for the year ended July 31, 2019.

**REAL ESTATE HELD FOR SALE**

The Seminary placed real estate in Brea, California, up for sale during the year ended July 31, 2018. The property was previously used in operations and transferred to assets held for sale during the year ended July 31, 2018. The real estate is held at the lower of cost or fair market value.

#### ASSETS HELD IN TRUST AND TRUST LIABILITIES

As trustee, the Seminary administers trusts that provide for the payment of lifetime distributions to the grantor or other designated beneficiaries. The associated trust liabilities are revalued annually using the federal mortality and discount factors used at inception. Included in the trust liability is the actuarially determined present value of future payments to beneficiaries.

#### LAND, BUILDINGS, AND EQUIPMENT

Expenditures for land, buildings, and equipment in excess of \$500 are recorded at cost. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to activities over their estimated service lives, ranging from 3 to 50 years, using the straight-line method.

#### BENEFICIAL INTEREST IN SPLIT INTEREST AGREEMENTS

Beneficial interest in split interest agreements reflect amounts held by third party trustees in which the Seminary has been named a beneficiary. These amounts are the expected future benefit to be received as a result of the trust agreements as well as amounts that are held in perpetuity by the third party trustees.

#### DEFERRED INCOME

Deferred income are deposits received in advance for the following school year. Revenue from these deposits are recognized in the year when earned.

#### NET ASSETS

The financial statements report amounts by class of net assets:

*Net assets without donor restrictions* are those currently available at the discretion of the board for use in the Seminary's operations or designated for specific purposes.

*Net assets with donor restrictions* are those which are stipulated by donors for specific operating purposes, for capital projects or are time restricted. Additionally, net assets with donor restrictions includes investments restricted in perpetuity. The income from these assets is available for either general operations or specific programs as specified by the donor.

Contributions are recorded as with donor restrictions if they are received with stipulations that limit their use through purpose and/or time restrictions. When donor restrictions expire, that is when the purpose restriction is fulfilled or the time restrictions expires, the net assets are reclassified from with donor restrictions to without donor restrictions and reported in the statements of activities as net assets released from restrictions.

For contributions restricted by donors for the acquisition of property or other long-lived assets, the restriction is considered to be met when the property or other long-lived asset is placed in service.

#### SUPPORT, REVENUE, AND EXPENSES

Contributions are recorded when cash or unconditional promises-to-give have been received, or ownership of donated assets is transferred to the Seminary. The Seminary receives non-cash gifts that are recorded as support at the estimated fair market value on the date of the gift. Goods given to the Seminary that do not have an objective basis for valuation are not recorded.

Revenue is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

#### TUITION AND FEE REVENUE

Tuition and fee revenue is recognized at the standard catalog rate when the amount has been earned.

#### OPERATING AND NON-OPERATING

Revenues, expenses, gains, and losses are allocated between operating and non-operating based on the underlying influence, control, and discretion of management. Accordingly, operating revenue includes tuition and fees, contributions, quasi endowment property appropriations, interest and dividends, Southern Baptist Convention allocations, and auxiliary enterprises, but does not include realized and unrealized gains (losses) on marketable securities. Operating expenses include salaries and wages, facility costs, supplies, and professional services, but do not include bad debts, loss on value of beneficial interest in split interest agreements, change in post retirement benefit obligation, and depreciation.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### REVENUE CONCENTRATION

During the year ended July 31, 2019, the Seminary received approximately 36% of its operating revenue from the denomination.

#### RECENTLY ISSUED ACCOUNTING STANDARDS

In 2016, FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Gateway Seminary of the Southern Baptist Convention adopted the provisions of this new standard during the year ended July 31, 2019. In addition to changes in terminology used to describe categories of net assets throughout the financial statements, new disclosures were added regarding liquidity and the availability of resources (Note 15).

**3 - ASSETS HELD IN TRUST:**

Assets held in trust consist of:

Money markets	\$ 30,422
Equity funds	350,254
Bond funds	120,738
Emerging markets	<u>26,251</u>
	<u>\$ 527,665</u>

Assets held in trust have been included in the fair value hierarchy table at Note 6.

**4 - NOTES RECEIVABLE:**

Notes issued under the Home Purchase Assistance Program (HPA) help faculty and certain staff purchase or refinance a home in the area. With the assistance of the Southern Baptist Convention, the Seminary has established a cost-of-living endowment for this purpose. Eligible employees are full-time trustee-elected faculty and administration. The president approves eligible employees for participation in the HPA.

The HPA program is a combination loan and equity share agreement, with the borrower retaining full title to the property. During the first five years, the note carries a fixed interest rate and principal can be repaid. At the end of five years, the borrower may pay off the note. The note converts to a shared equity agreement after five years, at which time the Seminary shares in either the gain or loss from the disposition of the property based on the percentage the original note was to the purchase price. Interest at the rate of 2% is payable annually. The notes are secured by trust deeds and payable upon maturity, ranging from December 2022 to November 2048. The Seminary may exercise the option to accelerate the maturity date as a result of the following events: 1) termination of employment or, 2) the death of the borrower. At the time of sale or disposition of the home, additional interest computed on the increase in the value of the property, not to exceed 10% per annum is due. There were no notes in default as of July 31, 2019.

Equity participation notes receivable are carried at face value net of any anticipated losses due to uncollectible amounts or settlement of notes. Allowances for impaired notes receivable are determined based on collateral values or the present value of estimated cash flows. As of July 31, 2019, there was no allowance for doubtful accounts due to the high collectability experienced by the Seminary.

**5 - INVESTMENTS:**

Investments consist of:

Investment in pooled funds held by:	
Commonfund	\$ 37,565,921
Baptist Foundation of California	2,453,755
Equity funds	8,284,958
Bond funds	2,609,939
Short-term funds (money market)	409,183
Other	<u>178,486</u>
	<u>\$ 51,502,242</u>

Included in the multi-strategy funds and bond funds held by Commonfund (CF) are limited amounts of non-readily marketable investments including limited partnerships. Because these investments are part of the entire portfolio, there are no specific amounts identified. Investments with no readily determinable market value are reported at fair value using estimated market value when no ready market exists. Estimated market value is based on reasonable valuation methodologies including items such as appraisals and recent offering prices. There were no capital call commitments to Commonfund as of July 31, 2019.

**6 - FAIR VALUE MEASUREMENTS:**

Fair value is defined under the Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification for Fair Value Measurement as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market between market participants on the measurement date.

The fair values of investments are based on the framework established in the topic which establishes a three-level hierarchy for determining fair value. The valuations for each of these levels are determined as follows:

Level 1 - Quoted prices for identical instruments traded in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets or model-based valuations where significant assumptions are observable.

Level 3 - Model-based techniques using significant assumptions that are not observable. These unobservable assumptions reflect estimates of assumptions that market participants would use.

The table below presents the level within the fair value hierarchy at which investments held for long term purposes, assets held in trust, and beneficial interest in split interest agreements are measured at July 31, 2019:

	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Equity funds:				
Small cap	\$ 1,266,897	\$ 1,266,897	-	-
Mid cap	454,978	454,978	-	-
Large cap	3,532,395	3,532,395	-	-
International equity	3,030,689	3,030,689	-	-
Bond funds:				
Corporate bonds	637,052	637,052	-	-
Government bonds	317,802	317,802	-	-
Global bonds	1,655,086	1,655,086	-	-
Other	178,486	147,233	31,252	-
Beneficial interest in split interest agreements	<u>6,420,103</u>	<u>-</u>	<u>-</u>	<u>6,420,103</u>
	\$ 17,493,486	\$ 11,042,131	\$ 31,252	\$ 6,420,103
Investments held at net asset value				
Investment in pooled funds held by:				
Commonfund	37,565,921			
Baptist Foundation of California	<u>2,453,755</u>			
	57,513,162			
Money market funds	<u>409,183</u>			

Total investments held for long term purposes, assets held in trust, and beneficial interest in split interest agreements \$ 57,922,345

*Investment in pooled funds held by Commonfund and the Baptist Foundation of California* - The fair value of these financial instruments is based upon the Seminary's per share interest in the pooled funds as reported by Commonfund and the Baptist Foundation of California. The Seminary is able to redeem its investment in the pool at the reporting date.

*Assets held in trust* - The fair value of assets held in trust is based on the value of the underlying investments held by the Seminary.

*Beneficial interest in split interest agreements* - The fair value of beneficial interest in split interest agreements is based on the value of the Seminary's proportional share of the overall assets held by other organizations.

#### **7 - LAND, BUILDINGS, AND EQUIPMENT - NET:**

Land, buildings, and equipment - net consist of:

Buildings and improvements	\$ 50,436,438
Furniture, fixtures, and equipment	6,182,059
Library books and films	<u>1,755,517</u>
	58,374,014
Less accumulated depreciation	<u>(9,128,247)</u>
	49,245,767
Land	6,446,606
Construction in progress	<u>37,423</u>
	<u>\$ 55,729,796</u>

#### **8 - PENSION PLAN:**

All full-time employees are eligible to participate in a defined contribution retirement plan (the Plan), under Code Section 403(b). The Plan is administered by GuideStone and operates as a multiemployer plan. The Plan is noncontributory for employees, and employer contributions are 10% of each participant's annual earnings after three years of continuous service with either the Seminary or another entity operating under the oversight of the Southern Baptist Convention. Pension expense for the year ended July 31, 2019 was approximately \$430,000.

#### **9 - POST RETIREMENT BENEFIT OBLIGATION:**

Substantially all Seminary employees are eligible for certain post retirement health and supplemental benefits at normal retirement age if working for the Seminary at such date. It is required that employees have served at least seven years prior to retirement at social security retirement age or beyond. There are no plan assets because the Seminary has not funded a trust in conjunction with such benefits, and pays such post retirement benefit costs on a pay-as-you-go basis. At July 31, 2019, the Seminary had recorded a benefit obligation of \$5,643,952 in the statements of financial position. During the year, the Seminary decided to change the requirements for the retirement benefit. The plan is no longer available to new

employees or employees currently under the age of 55. Additionally, the amount of time it takes to qualify for the retirement benefit has increased from seven to ten years. The plan change resulted in a gain of approximately \$248,000.

The following major assumptions were used to determine the benefit obligation at July 31, 2019:

Discount rate	3.31%
Rate of compensation increase	2.00%
Initial rate of health care cost increase	
Pre-65 (Medical/Rx)	7.1%/7.5%
Post-65 (Medical/Rx)	3.2%/6.9%
Ultimate rate (time to ultimate rate of 9 years)	
Pre-65 (Medical/Rx)	4.75%/5.25%
Post-65 (Medical/Rx)	3.2%/5.25%
Dental care trend rate	3.70%

During the year ended July 31, 2019, the Seminary had a net periodic postretirement benefit cost of approximately \$511,000, and contributions made to pay benefits were approximately \$297,000.

Amounts recognized in unrestricted net assets consist of:

Service cost	\$	347,858
Interest cost		228,129
Benefits paid		(297,573)
Plan change		(247,807)
Change in discount rate assumption		505,130
Change in other economic assumptions		(102,051)
Change in demographic assumptions		(73,054)
Actuarial gain		(88,420)
	\$	<u>272,212</u>

The following are expected contributions to pay anticipated benefits, which reflect expected future services, over the next 10 years:

<u>Year ended July 31,</u>		
2020	\$	283,492
2021		275,189
2022		275,816
2023		321,479
2024		355,968
Years 2025-2029		<u>1,984,999</u>
	\$	<u>3,496,943</u>

#### **10 - TUITION:**

Tuition is reflected net of student scholarships and tuition discounts for Seminary employees and their dependents. Student scholarships were approximately \$607,000 and tuition discounts were approximately \$44,000 for the year ended July 31, 2019.

#### **11 - NET ASSETS WITH DONOR RESTRICTIONS:**

Net assets consist of:

Donor restricted net assets are available for:

Instruction	\$	13,591,552
Student aid and services		7,550,441
Institutional support		7,026,294
Charitable trusts - time restricted		274,394
Regional campuses		101,740
Other		<u>88,415</u>
		<u>28,632,835</u>

Net assets released from purpose restrictions were:

Instruction	\$	600,970
Regional campuses		609,230
Student aid and services		592,352
Institutional support		437,850
Other		<u>100</u>
	\$	<u>2,240,502</u>

Donor restricted net assets held in perpetuity are:

	<u>Endowments</u>	<u>Beneficial Interest</u>	<u>Total</u>
Instruction	\$ 7,551,624	\$ 2,826,605	\$ 10,378,229
Institutional support	3,520,840	2,237,526	5,758,366
Student aid and services	<u>3,721,322</u>	<u>1,355,972</u>	<u>5,077,294</u>
	<u>\$ 14,793,786</u>	<u>\$ 6,420,103</u>	<u>\$ 21,213,889</u>

**12 - FUNCTIONAL CLASSIFICATION:**

The Seminary's program consists of a single activity, which is to provide education to students. Accordingly, certain costs have been allocated using activity based costing such as allocating facility costs on the basis of square feet. IT-related costs are allocated by service and effort estimate based on project tracking by the IT Director. The system maintenance costs are allocated based on module users with common module costs shared among users. Plant Operations are allocated by service effort for salaries and benefits then by square footage. The Seminary has student housing which takes approximately 34% of facility maintenance labor efforts. The remaining 66% and other costs are on the main campus allocated based on square footage. Building depreciation is allocated by square footage used to support each function within location (i.e. Main Campus, Apartments and Regional Campuses). Equipment depreciation is allocated based on the location where the equipment is being used.

The expenses of the Seminary are classified on a natural basis among its program services and supporting activities and are reflected below:

	Program Activities			Supporting Activities			Total		
	Instructional	Academic Support	Student Services	Auxiliary	General and Administration	Fundraising		Institutional Support - IT	Plant Operations
Salaries and Benefits	\$ 4,326,633	\$ 952,376	\$ 737,665	\$ 88,450	\$ 1,212,934	\$ 712,134	\$ 317,031	\$ 136,295	\$ 8,483,518
Utilities, maintenance, lease and insurance	64,046	49,113	967	114,042	95,563	3,850	162,275	937,264	1,427,120
Advertising, printing and supplies	109,408	150,843	39,749	2,642	54,699	170,601	3,270	20,330	551,542
Travel and campus activities	284,261	11,250	172,848	-	212,044	67,778	4,451	2,161	754,793
Dues, Professional & Others	128,981	87,907	18,076	15,813	148,451	71,510	6,547	1,791	479,076
	4,913,329	1,251,489	969,305	220,947	1,723,691	1,025,873	493,574	1,097,841	11,696,049
Total operating expenses	\$ 4,913,329	\$ 1,251,489	\$ 969,305	\$ 220,947	\$ 1,723,691	\$ 1,025,873	\$ 493,574	\$ 1,097,841	\$ 11,696,049

The allocated expenses of the Seminary are classified on a natural basis among its program services and supporting activities and are reflected below:

	Program Activities			General and Administration			Total
	Instructional	Academic Support	Student Services	Auxiliary	Fundraising	Fundraising	
Salaries and Benefits	\$ 4,503,846	\$ 973,991	\$ 741,148	\$ 134,790	\$ 1,414,740	\$ 715,008	\$ 8,483,523
Utilities, maintenance, lease and insurance	428,582	238,464	69,774	192,081	455,709	42,509	1,427,119
Advertising, printing and supplies	118,632	154,620	40,358	4,235	62,594	171,103	551,541
Travel and campus activities	286,955	11,721	172,924	199	215,152	67,840	754,792
Dues, Professional & Others	132,571	88,298	18,139	15,977	152,527	71,562	479,074
	5,470,586	1,467,094	1,042,343	347,283	2,300,721	1,068,022	11,696,049
Depreciation	593,740	378,939	49,988	348,223	591,184	41,253	2,003,327
Total operating expenses and depreciation	\$ 6,064,326	\$ 1,846,033	\$ 1,092,331	\$ 695,506	\$ 2,891,905	\$ 1,109,275	\$ 13,699,376

**13 - OPERATING LEASES:**

The Seminary leases office equipment under operating lease agreements with monthly payments totaling approximately \$2,000. The leases mature through April 2022. Lease expense for the year ended July 31, 2019 was approximately \$23,000.

Future minimum lease payments are:

<u>Year Ending July 31,</u>	
2020	\$ 23,201
2021	21,689
2022	<u>3,673</u>
	<u>\$ 48,563</u>

The Seminary leases office space to other organizations. The lease payments are \$5,970 per month and mature through October 2022. The future receipts are as follows:

<u>Year Ending July 31,</u>	
2020	\$ 71,640
2021	71,640
2022	35,640
2023	<u>8,910</u>
	<u>\$ 187,830</u>

**14 - ENDOWMENT FUNDS:**

The Seminary's endowment consists of approximately 80 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the board to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The board of trustees of the Seminary has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Seminary classifies as donor restricted endowments (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditures by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Seminary considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the endowment fund
2. The purposes of the institution and the endowment fund
3. General economic conditions
4. The possible effect of inflation or deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the institution
7. The investment policy of the institution

The Seminary has two quasi-endowment funds that are designated to help Seminary trustee elected faculty and administration. One, to purchase homes through the Seminary's home purchase assistance program, which consists of investments and notes receivable. Quasi-endowment funds may at times contain funds held in a money market cash account held for funding an anticipated HPA loan. As of July 31, 2019, approximately \$80,000 was held in the money market cash account. The second quasi-endowment to provide an annual bonus through the Individual Earnings Account program. The board also established a third quasi-endowment known as the land sale quasi endowment, to function as a normal investment fund for the Seminary.

Changes in endowment net assets for the year ended July 31, 2019:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, August 1, 2018	\$ 32,651,326	\$ 22,830,945	\$ 55,482,271
Investment return:			
Interest and dividend income	414,063	522,773	936,836
Net realized and unrealized gain (loss)	<u>1,042,776</u>	<u>(380,984)</u>	<u>661,792</u>
Total investment gains	1,456,839	141,789	1,598,628
Contributions	130,998	51,230	182,228
Expended endowment assets appropriations, and reclassification	<u>(1,817,684)</u>	<u>(2,755,590)</u>	<u>(4,573,274)</u>
Endowment net assets, July 31, 2019	<u>\$ 32,421,479</u>	<u>\$ 20,268,374</u>	<u>\$ 52,689,853</u>

**FUNDS WITH DEFICIENCIES**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Seminary to retain as a fund of perpetual duration. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new net assets with donor restrictions in perpetuity.

**RETURN OBJECTIVES AND RISK PARAMETERS**

The Seminary has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while maintaining the original fair market value of the original gift. Endowment assets included those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the board, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of a blended S&P 500 index and MSCI AC World Index while assuming a moderate level of investment risk. The Seminary expects its endowment funds, over time, to provide an average rate of return of approximately 8% annually. Actual returns in any given year may vary from this amount.

**STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES**

To satisfy its long-term rate-of-return objectives, the Seminary relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Seminary targets a diversified asset allocation that places a balanced emphasis on equity-based investments (40%-70%), bond-based investments (20%-30%), and alternatives (less than 40%) to achieve its long-term return objectives within prudent risk constraints.

**SPENDING POLICIES AND HOW THE INVESTMENT OBJECTIVES RELATE TO SPENDING POLICY**

The Seminary has a policy of appropriating for distribution each year no more than 5.0% of its endowment fund's average fair value over the prior 12 quarters through the end of the current fiscal year. In establishing this policy, the Seminary considered the long-term expected return on its endowment. Accordingly, over the long term, the Seminary expects the current spending policy to allow its endowment to grow at an average of 3% annually. This is consistent with the Seminary's expectation to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

**15 - LIQUIDITY:**

The Seminary's working capital and cash flows have some seasonal variations during the year due to the academic term tuition and fee receipts which are concentrated in August and January. The Seminary has adopted investment and spending policies for the Board designated reserves and endowment assets to provide a predictable stream of funding to support general expenditures. The Seminary is supported by the Cooperative Program of the Southern Baptist Convention with distributions made on a weekly basis to the Seminary. The Cooperative Program receipts account for about one third of the Seminary's annual revenue. In addition, there are regular contributions from churches and individuals throughout the year.

The following table reflects the Seminary's financial assets as of July 31, 2019, reduced by funds that are not available for general use within one year because of donor or contractual restrictions or internal designations. Amounts not available include amounts set aside for long-term investments that could be drawn upon with Board approval. The Board has approved a one million reserve fund to be available for seasonal variation typically during the Summer months. Funds that are appropriated for the coming year and become available for general expenditure are added back and are included in the Seminary's financial assets available within one year. This includes amounts expected to be appropriated from endowment funds within one year.

Financial assets:	
Cash and cash equivalents	\$ 2,422,434
Accounts receivable - net	79,232
Notes receivable	1,782,500
Investments held for long term purposes	<u>50,974,577</u>
Financial assets, at year end	55,258,743
Less those unavailable for general expenditure within one year due to:	
Restricted by donor with purpose restrictions	(7,418,947)
Endowment funds restricted by donors	(13,677,762)
Board designated - quasi endowment	<u>(31,073,141)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,088,893</u>

**16 - RELATED PARTY TRANSACTIONS:**

The Seminary has no related party transactions with organizations outside of the denomination. Transactions related to the denomination include certain benefit administration by GuideStone, SBC Cooperative amounts shown in the statements of activities, and beneficial interest in trusts held by other SBC foundations.

**17 - SUBSEQUENT EVENTS:**

Subsequent events were evaluated through October 23, 2019, which is the date the financial statements were available to be issued.

## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Gateway Seminary of the Southern Baptist Convention  
Ontario, California

We have audited the accompanying financial statements of Gateway Seminary of the Southern Baptist Convention, which comprise the statement of financial position as of July 31, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gateway Seminary of the Southern Baptist Convention as of July 31, 2019, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

Gateway Seminary of the Southern Baptist Convention has adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, as described in Note 2. This has had a material effect on the presentation of the July 31, 2019 financial statements. Our opinion is not modified with respect to this matter.

CapinCrouse LLP  
Brea, California  
October 23, 2019

## AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Trustees  
Gateway Seminary of the Southern Baptist Convention  
Ontario, California

We have audited the financial statements of Gateway Seminary of the Southern Baptist Convention as of, and for the year ended, July 31, 2019, and our report thereon dated October 23, 2019, which expresses an unmodified opinion on those financial statements, appears on page 1 [*of original audit*]. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The distribution by states of cooperative program receipts are presented for purposes of additional analysis of the financial statements rather than to present the financial position and results of operations of the individual organizations, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CapinCrouse LLP  
Brea, California  
October 23, 2019

**Distribution by States of Cooperative Program Receipts**

Report of Executive Committee Southern Baptist Convention  
Year Ended July 31, 2019

Churches	\$ 117,242
Alabama	384,037
Alaska	3,563
Arizona	22,799
Arkansas	189,434
California	44,584
Colorado	14,115
Dakota	1,973
District of Columbia	-
Florida	301,250
Georgia	314,388
Hawaii/Pacific	4,826
Illinois	47,594
Indiana	18,039
Iowa	6,978
Kansas-Nebraska	16,569
Kentucky	202,265
Louisiana	140,650
Maryland-Delaware	34,551
Michigan	6,428
Minnesota-Wisconsin	4,791
Mississippi	249,893
Missouri	118,574
Montana	3,979
Nevada	12,679
New England	4,371
New Mexico	16,992
New York	4,919
North Carolina	234,436
Northwest	13,958
Ohio	44,122
Oklahoma	203,586
Pennsylvania-South Jersey	6,989
Puerto Rico/US Virgin Islands	144
South Carolina	222,862
Tennessee	321,746
Texas - BGCT	210,181
Texas - SBTC	307,819
Utah-Idaho	4,363
Virginia - BGAV	15,968
Virginia - SBCV	93,137
West Virginia	11,205
Wyoming	2,217
Total Cooperative Program	<u>3,980,216</u>
Total Designations	<u>11,734</u>
Total Distribution	<u>\$ 3,991,950</u>

# MIDWESTERN BAPTIST THEOLOGICAL SEMINARY, INC.

## Statements of Financial Position July 31, 2019 and 2018

<b>Assets</b>	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 5,935,060	\$ 3,936,493
Student accounts receivable, net of allowance; 2019 - \$337,387 and 2018 - \$342,020	691,566	826,195
Contributions receivable	-	375,000
Prepaid expenses and bookstore inventory	372,982	227,960
Investments	8,843,135	8,062,837
Property and equipment, net of accumulated depreciation; 2019 - \$19,848,262 and 2018 - \$18,418,707	39,868,911	36,047,260
Beneficial interest in perpetual trusts	<u>379,241</u>	<u>377,624</u>
Total assets	<u>\$ 56,090,895</u>	<u>\$ 49,853,369</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 610,110	\$ 2,978,552
Accrued expenses	554,147	536,595
Deferred revenue	1,813,224	1,764,116
Notes payable	<u>3,630,252</u>	<u>1,201,319</u>
Total liabilities	<u>6,607,733</u>	<u>6,480,582</u>
<b>Net Assets</b>		
Without donor restrictions	42,207,454	36,381,268
With donor restrictions	<u>7,275,708</u>	<u>6,991,519</u>
Total net assets	<u>49,483,162</u>	<u>43,372,787</u>
Total liabilities and net assets	<u>\$ 56,090,895</u>	<u>\$ 49,853,369</u>

See Notes to Financial Statements

## Statement of Activities Year Ended July 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues, Gains and Other Support</b>			
Student tuition and fees	\$ 14,037,504	\$ -	\$ 14,037,504
Less institutional financial aid	<u>(721,502)</u>	<u>-</u>	<u>(721,502)</u>
Net student tuition and fees	13,316,002	-	13,316,002
Private gifts, grants and bequests	6,607,503	1,593,321	8,200,824
Auxiliary enterprises	1,815,981	-	1,815,981
Investment return	642,933	337,611	980,544
Change in beneficial interest in perpetual trusts	-	1,617	1,617
Other income	241,770	-	241,770
Net assets released from restrictions	<u>1,648,360</u>	<u>(1,648,360)</u>	<u>-</u>
Total revenues, gains and other support	<u>24,272,549</u>	<u>284,189</u>	<u>24,556,738</u>
<b>Expenses</b>			
Instruction	4,246,348	-	4,246,348
Academic support	3,926,671	-	3,926,671
Student services	1,544,998	-	1,544,998
Auxiliary enterprises	3,041,307	-	3,041,307
Institutional support	5,194,166	-	5,194,166
Fundraising	<u>492,873</u>	<u>-</u>	<u>492,873</u>
Total expenses	<u>18,446,363</u>	<u>-</u>	<u>18,446,363</u>
<b>Change in Net Assets</b>	5,826,186	284,189	6,110,375
<b>Net Assets, Beginning of Year</b>	<u>36,381,268</u>	<u>6,991,519</u>	<u>43,372,787</u>
<b>Net Assets, End of Year</b>	<u>\$ 42,207,454</u>	<u>\$ 7,275,708</u>	<u>\$ 49,483,162</u>

See Notes to Financial Statements

**Statement of Activities**  
**Year Ended July 31, 2018**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues, Gains and Other Support</b>			
Student tuition and fees	\$ 11,734,335	\$ -	\$ 11,734,335
Less institutional financial aid	<u>(573,550)</u>	<u>-</u>	<u>(573,550)</u>
Net student tuition and fees	11,160,785	-	11,160,785
Private gifts, grants and bequests	5,986,645	3,266,991	9,253,636
Auxiliary enterprises	1,612,399	-	1,612,399
Investment return	222,908	337,216	560,124
Change in beneficial interest in perpetual trusts	-	23,766	23,766
Other income	72,132	-	72,132
Net assets released from restrictions	<u>7,390,455</u>	<u>(7,390,455)</u>	<u>-</u>
Total revenues, gains and other support	<u>26,445,324</u>	<u>(3,762,482)</u>	<u>22,682,842</u>
<b>Expenses</b>			
Instruction	3,927,977	-	3,927,977
Academic support	3,075,944	-	3,075,944
Student services	1,390,166	-	1,390,166
Auxiliary enterprises	2,026,076	-	2,026,076
Institutional support	4,637,488	-	4,637,488
Fundraising	<u>438,904</u>	<u>-</u>	<u>438,904</u>
Total expenses	<u>15,496,555</u>	<u>-</u>	<u>15,496,555</u>
<b>Change in Net Assets</b>	10,948,769	(3,762,482)	7,186,287
<b>Net Assets, Beginning of Year</b>	<u>25,432,499</u>	<u>10,754,001</u>	<u>36,186,500</u>
<b>Net Assets, End of Year</b>	<u>\$ 36,381,268</u>	<u>\$ 6,991,519</u>	<u>\$ 43,372,787</u>

*See Notes to Financial Statements*

**Statement of Functional Expenses**  
**Year Ended July 31, 2019**

	Programs				Support		Total
	Instruction	Academic Support	Student Services	Auxiliary Enterprises	Institutional Support	Fundraising	
Salaries and wages	\$2,567,446	\$2,423,093	\$ 759,995	\$ 280,783	\$2,611,622	\$ 273,801	\$ 8,916,740
Employee benefits and taxes	571,817	542,905	226,930	42,344	786,649	84,568	2,255,213
Professional fees	-	-	12,210	161,253	175,763	-	349,226
Advertising and promotion	3,220	13,290	36,434	4,005	495,654	4,631	557,234
Office expenses	21,221	3,839	10,787	47,554	150,670	2,848	236,919
Insurance	22,718	17,980	1,165	99,998	9,786	388	152,035
Utilities and maintenance	227,125	179,760	11,647	999,739	97,839	3,882	1,519,992
Depreciation and amortization	361,627	183,718	7,272	895,211	175,167	2,424	1,625,419
Travel and hospitality	242,543	329,356	138,987	1,362	325,116	27,637	1,065,001
Conferences, conventions and meetings	2,219	682	230,690	-	71,289	65,292	370,172
Books and publication	345	100,891	-	-	6,602	-	107,838
Subscriptions and dues	6,405	1,506	5,468	12,996	58,423	4,916	89,714
Information technology	96,790	58,074	38,716	112,277	77,432	3,872	387,161
Interest	-	-	-	211,360	11,124	-	222,484
Bad debt expense	-	-	-	-	3,701	-	3,701
Training and development	63,842	1,240	1,822	50	27,946	8,144	103,044
Other	<u>59,030</u>	<u>70,337</u>	<u>62,875</u>	<u>172,375</u>	<u>109,383</u>	<u>10,470</u>	<u>484,470</u>
Total expenses	<u>\$4,246,348</u>	<u>\$3,926,671</u>	<u>\$1,544,998</u>	<u>\$3,041,307</u>	<u>\$5,194,166</u>	<u>\$ 492,873</u>	<u>\$18,446,363</u>

*See Notes to Financial Statements*

**Statement of Functional Expenses  
Year Ended July 31, 2018**

	Programs				Support		Total
	Instruction	Academic Support	Student Services	Auxiliary Enterprises	Institutional Support	Fundraising	
Salaries and wages	\$2,295,493	\$1,944,449	\$ 649,493	\$ 200,682	\$2,242,430	\$ 231,007	\$ 7,563,554
Employee benefits and taxes	504,812	454,351	226,190	51,092	648,534	75,245	1,960,224
Professional fees	-	-	450	185,708	239,622	-	425,780
Advertising and promotion	4,629	5,274	31,874	3,297	342,943	18,721	406,738
Office expenses	20,105	5,926	11,787	19,904	130,055	3,793	191,570
Insurance	17,910	14,175	918	67,139	7,715	306	108,163
Utilities and maintenance	207,161	163,958	10,624	776,589	89,239	3,541	1,251,112
Depreciation and amortization	330,861	159,368	5,694	416,235	161,914	1,898	1,075,970
Travel and hospitality	373,188	72,249	162,827	1,352	335,065	57,323	1,002,004
Conferences, conventions and meetings	10,644	5,156	135,935	-	62,325	31,090	245,150
Books and publication	2,806	149,305	-	-	20,337	-	172,448
Subscriptions and dues	15,381	17,756	4,373	1,321	44,601	1,898	85,330
Information technology	66,397	39,838	26,559	77,020	53,118	2,656	265,588
Interest	-	-	-	-	68,049	-	68,049
Bad debt expense	-	-	-	-	90,824	-	90,824
Training and development	54,807	554	1,438	-	9,584	4,570	70,953
Other	23,783	43,585	122,004	225,737	91,133	6,856	513,098
Total expenses	<u>\$3,927,977</u>	<u>\$3,075,944</u>	<u>\$1,390,166</u>	<u>\$2,026,076</u>	<u>\$4,637,488</u>	<u>\$ 438,904</u>	<u>\$15,496,555</u>

*See Notes to Financial Statements*

**Statements of Cash Flows  
Years Ended July 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b>Operating Activities</b>		
Change in net assets	\$ 6,110,375	\$ 7,186,287
Items not requiring (providing) cash		
Depreciation	1,625,419	1,075,970
Loss on disposition of property and equipment	-	19,153
Contributions received restricted for long-lived assets	(1,294,272)	(2,993,400)
Contributions received restricted for long-term investment	(2,065)	(34,781)
Net unrealized and realized gains on investments	(508,391)	(254,085)
Change in beneficial interest in perpetual trusts	(1,617)	(23,766)
Changes in		
Student accounts receivable	134,629	545,848
Contributions receivable	375,000	29,742
Prepaid expenses and bookstore inventory	(145,022)	68,219
Accounts payable	264,087	(266,729)
Accrued expenses	17,552	(42,096)
Deferred revenue	49,108	(331,446)
Net cash provided by operating activities	<u>6,624,803</u>	<u>4,978,916</u>
<b>Investing Activities</b>		
Purchase of investments	(334,289)	(813,305)
Proceeds from disposition of investments	62,382	233,151
Purchase of property and equipment	(8,079,599)	(11,341,405)
Payments received on note receivable	-	204,627
Net cash used in investing activities	<u>(8,351,506)</u>	<u>(11,716,932)</u>

<b>Financing Activities</b>	<b>2019</b>	<b>2018</b>
Proceeds from contributions restricted for long-lived assets	1,294,272	2,653,900
Proceeds from contributions restricted for long-term investment	2,065	34,781
Principal payments on notes payable	(1,247,397)	(764,642)
Proceeds from notes payable	<u>3,676,330</u>	<u>1,174,578</u>
Net cash provided by financing activities	<u>3,725,270</u>	<u>3,098,617</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	1,998,567	(3,639,399)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>3,936,493</u>	<u>7,575,892</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 5,935,060</u>	<u>\$ 3,936,493</u>
<b>Supplemental Cash Flows Information</b>		
Interest paid	\$ 11,124	\$ 68,049
Donated materials for construction projects	-	339,500
Property and equipment additions financed through accounts payable	194,197	2,826,726

*See Notes to Financial Statements*

**Notes to Financial Statements**  
**July 31, 2019 and 2018**

**Note 1: Nature of Operations and Summary of Significant Accounting Policies**

***Nature of Operations***

Midwestern Baptist Theological Seminary, Inc. (the "Seminary") is an agency of the Southern Baptist Convention (SBC) and is governed by a board of trustees elected by the SBC. The Seminary, with its primary campus located in Kansas City, Missouri, is accredited by the Higher Learning Commission and the Association of Theological Schools in the United States of America and Canada. Revenues are received from tuition, residential housing, gifts, endowments and other auxiliary services.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents***

The Seminary considers all liquid investments with original maturities of three months or less to be cash equivalents. At July 31, 2019 and 2018, cash equivalents consisted primarily of an overnight money market repurchase agreement.

At July 31, 2019, the Seminary's cash accounts exceeded federally insured limits by approximately \$5,750,000.

***Student Accounts Receivable***

Student accounts receivable are stated at the amounts billed to students less applied scholarships and federal aid. The Seminary provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Charges that are past due and have had no response to the due diligence process are assigned to third-party collection agencies. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the student.

***Investments and Net Investment Return***

The Seminary invests in equity securities, pooled funds held by two Baptist foundations and in interests of real estate limited liability companies. Investments in equity securities having a readily determinable fair value are carried at fair value. Investments in pooled funds are valued at the per unit value of the overall fund which estimates fair value. Investments in real estate limited liability companies are valued at fair value.

Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value, less external investment expenses. Investment earnings on the pooled funds are allocated monthly on a prorated basis representative of the Seminary's overall percentage of ownership in the applicable pooled funds. Investment return is reflected in the statements of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

***Property and Equipment***

Property and equipment are stated at cost or, if donated, at fair value at the date of donation, less accumulated depreciation. Depreciation is charged to expense using the straight-line method over the estimated useful life of each asset, which ranges from 5 to 40 years. Assets under capital lease obligations and leasehold improvements are depreciated over the lease term unless the lease has a bargain purchase option which allows for depreciation to be recognized over the respective estimated useful life of the asset.

***Long-lived Asset Impairment***

The Seminary evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended July 31, 2019 and 2018.

***Beneficial Interest in Perpetual Trusts***

The Seminary is the beneficiary under several perpetual trusts administered by third parties. Under the terms of the trusts, the Seminary has the irrevocable right to receive income earned on the trusts' assets in perpetuity, but never receives the assets held in trusts. Fair value is estimated based on the Seminary's beneficial interests in the trust assets which represent the present value of expected future cash flows. Changes in the fair value of the trusts are recorded in the statements of activities as with donor restrictions.

***Deferred Revenue***

The Seminary recognizes tuition revenue and related expenses over the term that the students are enrolled. Accordingly, certain revenues have been deferred at year-end, and will be recognized as the courses are completed.

***Net Assets***

Net assets, revenues, gains and losses are classified based on the existence or absence of donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment. The total board-designated endowment as of July 31, 2019 and 2018 was \$513,997 and \$497,144, respectively.

Net assets with donor restrictions are subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

***Tuition and Auxiliary Services Revenue***

Tuition revenue is recognized over the term of the semester as the Seminary provides services to students. Revenue from auxiliary enterprises is recognized when goods or services are provided. Revenue is reported at the amount of consideration which the Seminary expects to be entitled in exchange for providing tuition and auxiliary services. The Seminary determines the transaction price based on standard charges for goods and services provided, reduced by discounts provided for scholarships and other price concessions provided to students.

***Contributions***

Gifts of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenues and net assets with donor restrictions. When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue with donor restrictions and then released from restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, building, equipment and other long-lived assets are reported as revenue and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions to net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized and is reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

***Income Taxes***

The Seminary is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. The Seminary is included in a group exemption as an affiliate with the SBC and, therefore, does not file a Federal Form 990. However, the Seminary is subject to federal income tax and is required to file a Federal Form 990-T on any unrelated business taxable income.

The Seminary's management believes there are no significant uncertain tax positions taken by the Seminary as of July 31, 2019 and 2018 and, accordingly, no liabilities have been recorded.

**Functional Allocation of Expenses**

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the functional categories based on time expended, usage and other methods.

**Note 2: Change in Accounting Principle**

In 2019, the Seminary adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The ASU is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about an entity's liquidity and financial performance. The main provisions of the standard include: presentation of two classes of net assets versus the previously required three; presentation of expenses by both natural and functional classification; enhanced disclosures for composition of net assets without donor restrictions and liquidity and availability of financial assets. As a result of the ASU adoption, certain reclassifications have been made to the 2018 presentation of expenses by function in the statement of activities. These reclassifications had no effect on the change in net assets.

**Note 3: Disclosures About Fair Value of Financial Instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The following tables present the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at July 31, 2019 and 2018:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
<b>July 31, 2019</b>				
Investments with Southern Baptist Foundation				
Balanced Fund	\$ 2,264,552	\$ -	\$ 2,264,552	\$ -
Equity Fund	670,503	-	670,503	-
Flexible Income Fund	142,138	-	142,138	-
Income Fund	465,205	-	465,205	-
Short-term Investment Fund	50,887	-	50,887	-
Investments with Baptist Foundation of Oklahoma				
General Investment Pool Fund	1,642,159	-	1,642,159	-
Spending Policy Pool Fund	1,114,720	-	1,114,720	-
Internally Managed Investments				
Equity securities	167,971	167,971	-	-
Investments in Real Estate Funds				
BCG Bellmar, LLC	1,725,000	-	-	1,725,000
BCG Red Mountain, LLC	600,000	-	-	600,000
	8,843,135	167,971	6,350,164	2,325,000
Beneficial interest in perpetual trusts	379,241	-	-	379,241
	<u>\$ 9,222,376</u>	<u>\$ 167,971</u>	<u>\$ 6,350,164</u>	<u>\$ 2,704,241</u>

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
<b>July 31, 2018</b>				
Investments with Southern Baptist Foundation				
Balanced Fund	\$ 2,109,067	\$ -	\$ 2,109,067	\$ -
Equity Fund	624,826	-	624,826	-
Flexible Income Fund	133,214	-	133,214	-
Income Fund	447,182	-	447,182	-
Short-term Investment Fund	44,160	-	44,160	-

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
<b>July 31, 2018</b>				
Investments with Baptist Foundation of Oklahoma				
General Investment Pool Fund	1,588,571	-	1,588,571	-
Spending Policy Pool Fund	1,110,121	-	1,110,121	-
Cash Fund	5,696	-	5,696	-
Internally Managed Investments				
Investments in Real Estate Funds				
BCG Bellmar, LLC	1,500,000	-	-	1,500,000
BCG Red Mountain, LLC	500,000	-	-	500,000
	8,062,837	-	6,062,837	2,000,000
Beneficial interest in perpetual trusts	377,624	-	-	377,624
	<u>\$ 8,440,461</u>	<u>\$ -</u>	<u>\$ 6,062,837</u>	<u>\$ 2,377,624</u>

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended July 31, 2019.

#### ***Southern Baptist Foundation Investment Funds***

The Seminary invests in the Southern Baptist Foundation's SBF Balanced Fund, SBF Equity Fund, SBF Flexible Income Fund, SBF Income Fund and SBF Short-term Investment Fund. The Funds have been pooled with funds received from other Baptist institutions, and invest primarily in money market funds, domestic common stocks, domestic corporate bonds, U.S. government bonds and municipal bonds which are carried at fair value as provided by brokers.

Investments in the pooled funds are valued at the per unit value of the overall fund which estimates fair value. Pooled investments are classified within Level 2 of the hierarchy if the fair values of the underlying investments are determined through quoted market prices or other observable inputs and the Seminary has the ability to redeem the investments in the near term.

#### ***Baptist Foundation of Oklahoma Investment Funds***

The Seminary invests in the Baptist Foundation of Oklahoma's Cash Fund, General Investment Pool Fund and Spending Policy Pool Fund. The Funds have been pooled with funds received from other Baptist institutions, and invest primarily in domestic and international marketable equity securities, corporate and governmental debt securities, collateralized loans to churches and alternative investments.

The Funds' investment in equity and debt securities are carried at fair value as provided by brokers. Collateralized loans to Southern Baptist churches are carried at the fair value of the future payments due from the churches, minus allowances for any doubtful payments receivable.

Alternative investments, which include venture capital, private equity, real estate, real assets and hedge funds, are carried at the net asset value (NAV) of the fund as provided by the administrator or general partner. Foundation management evaluates the values provided based on a number of factors, including obtaining an understanding of the fund's underlying investments, strategy, positions and valuation methodologies, obtaining audited financial statements, obtaining verification of transactions at or near year end, and comparing information provided by the fund administrator or general partner to other available information such as sector data and indices. Because these funds are not readily marketable, their NAV is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed. Such a difference could be material.

Investments in the pooled funds are valued at the per unit value of the overall fund which estimates fair value. Pooled investments are classified within Level 2 of the hierarchy if the fair values of the underlying investments are determined through quoted market prices or other observable inputs and the Seminary has the ability to redeem the investments in the near term.

#### ***Investments in Equity Securities***

Investments in equity securities are valued using quoted market prices available in an active market and are therefore classified as Level 1 within the valuation hierarchy.

#### ***Investments in Real Estate Funds***

The Seminary owns a non-controlling interest in two for-profit real estate limited liability companies that invest primarily in preferred equity interests of apartment complexes. The interests are nontransferable and may not be redeemed until the underlying investments are liquidated. Distributions from the investments are paid quarterly, as funds are available. The Seminary accounts for its investments in the real estate limited liability companies at fair value.

Fair value for investments in real estate funds is estimated by management using the discounted cash flows of the underlying properties. As management's estimates involve significant unobservable inputs, these investments are classified

within Level 3 of the fair value hierarchy. Unobservable inputs used in the valuation include cap rates ranging from 4.50 percent to 5.50 percent and a minority interest discount rate of 10 percent. Level 3 real estate investments purchased during 2019 and 2018 were \$0 and \$500,000, respectively.

#### ***Beneficial Interest in Perpetual Trusts***

Fair value is estimated based on the Seminary's beneficial interests in the trust assets which represents the present value of the future distributions expected to be received over the term of the agreement. Beneficial interests in which the Seminary will never have the ability to redeem are classified within Level 3 of the hierarchy.

#### **Note 4: Property and Equipment**

Property and equipment at July 31, 2019 and 2018 consists of:

	<b>2019</b>	<b>2018</b>
Land and land improvements	\$ 1,197,054	\$ 1,197,054
Buildings and site improvements	48,857,668	30,233,711
Furniture, equipment, library books and other	9,339,408	7,624,714
Construction in progress	<u>323,043</u>	<u>15,410,488</u>
	59,717,173	54,465,967
Less accumulated depreciation	<u>19,848,262</u>	<u>18,418,707</u>
	<u>\$ 39,868,911</u>	<u>\$ 36,047,260</u>

#### **Note 5: Notes Receivable**

Notes payable at July 31, 2019 and 2018 consisted of the following:

	<b>2019</b>	<b>2018</b>
Construction loan	\$ 3,542,992	\$ 1,174,578
Other	<u>87,260</u>	<u>26,741</u>
	<u>\$ 3,630,252</u>	<u>\$ 1,201,319</u>

The construction loan provides for borrowings up to \$7,000,000 and is secured by all general intangibles including campaign pledges and receivables. Interest is payable monthly at the lender's prime rate which was 5.5 percent and 3.5 percent at July 31, 2019 and 2018, respectively.

On August 1, 2019, the Seminary refinanced the construction loan and entered into a term note due on August 1, 2022. Principal payments of \$98,416 are payable monthly plus interest at 4.04 percent. The minimum annual principal payments disclosed below have been updated to reflect the new loan agreement.

Minimum annual principal payments on notes payable at July 31, 2019 were:

2020	\$ 1,125,567
2021	1,223,983
2022	1,182,270
2023	<u>98,432</u>
	<u>\$ 3,630,252</u>

#### **Note 6: Net Assets With Donor Restrictions**

Net assets with donor restrictions at July 31, 2019 and 2018 are restricted for the following purposes or periods:

	<b>2019</b>	<b>2018</b>
Subject to expenditure for specified purpose		
Scholarships and student loans	\$ 232,725	\$ 227,861
Buildings and equipment	168,582	164,822
Ministry and general	<u>357,716</u>	<u>323,612</u>
	<u>759,023</u>	<u>716,295</u>
Beneficial interests in perpetual trusts, income from which is expendable to support		
Scholarships and student loans	210,935	207,173
Ministry and general	<u>168,306</u>	<u>170,451</u>
	<u>379,241</u>	<u>377,624</u>
Pooled endowment, subject to spending policy		
Scholarships and student loans	3,011,653	2,839,990
Ministry and general	2,851,277	2,804,511
Lectureships	<u>274,514</u>	<u>253,099</u>
	<u>6,137,444</u>	<u>5,897,600</u>
	<u>\$ 7,275,708</u>	<u>\$ 6,991,519</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. The amounts released during the years ended July 31, 2019 and 2018 were as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of purpose restrictions		
Scholarships and student loans	\$ 96,605	\$ 117,059
Buildings and equipment	1,290,512	7,187,675
Ministry and general	<u>170,026</u>	<u>19,784</u>
	<u>1,557,143</u>	<u>7,324,518</u>
Appropriations in accordance with spending policy		
Scholarships and student loans	3,325	556
Ministry and general	<u>87,892</u>	<u>65,381</u>
	<u>91,217</u>	<u>65,937</u>
	<u>\$ 1,648,360</u>	<u>\$ 7,390,455</u>

#### Note 7: Endowment

The Seminary's governing body is subject to the *State of Missouri Prudent Management of Institutional Funds Act* (SPMIFA). As a result, the Seminary classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the governing body appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before being reclassified as net assets without donor restrictions.

Additionally, in accordance with SPMIFA, the Seminary considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Seminary and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Seminary
7. Investment policies of the Seminary

The Seminary's endowment consists of approximately 200 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the governing body to function as endowments (board-designated endowment funds). As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The composition of net assets by type of endowment fund at July 31, 2019 and 2018, was:

	Without Donor Restrictions	With Donor Restrictions	Total
<b>July 31, 2019</b>			
Board-designated endowment funds	\$ 513,997	\$ -	\$ 513,997
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	2,837,497	2,837,497
Accumulated investment gains	<u>-</u>	<u>3,299,947</u>	<u>3,299,947</u>
Total endowment funds	<u>\$ 513,997</u>	<u>\$ 6,137,444</u>	<u>\$ 6,651,441</u>
<b>July 31, 2018</b>			
Board-designated endowment funds	\$ 497,144	\$ -	\$ 497,144
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	-	2,835,432	2,835,432
Accumulated investment gains	<u>-</u>	<u>3,062,168</u>	<u>3,062,168</u>
Total endowment funds	<u>\$ 497,144</u>	<u>\$ 5,897,600</u>	<u>\$ 6,394,744</u>

Changes in endowment net assets subject to the Seminary’s investment and spending policies for the years ended July 31, 2019 and 2018 were:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, July 31, 2017	\$ 1,393,528	\$ 5,603,287	\$ 6,996,815
Net investment return	55,632	325,469	381,101
Contributions	-	34,781	34,781
Appropriation of endowment assets for expenditure	<u>(952,016)</u>	<u>(65,937)</u>	<u>(1,017,953)</u>
Endowment net assets, July 31, 2018	<u>497,144</u>	<u>5,897,600</u>	<u>6,394,744</u>
Net investment return	20,715	328,996	349,711
Contributions	-	2,065	2,065
Appropriation of endowment assets for expenditure	<u>(3,862)</u>	<u>(91,217)</u>	<u>(95,079)</u>
Endowment net assets, July 31, 2019	<u>\$ 513,997</u>	<u>\$ 6,137,444</u>	<u>\$ 6,651,441</u>

**Investment and Spending Policies**

The Seminary has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Seminary must hold in perpetuity or for donor-specified periods. Under the Seminary’s policies, endowment assets are invested in a manner that is intended to produce results that provide a high stable rate of return with reasonable high current income and long term growth while assuming a moderate level of investment risk. Returns in any given year may vary based on market conditions.

To satisfy its long-term rate of return objectives, the Seminary relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The Seminary targets a diversified asset allocation that includes equity and debt securities, and is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual distributions.

The Seminary has a policy (the spending policy) based on the donor agreement which specifies a payout of interest and dividends. For board-designated endowments, the Seminary has a spending policy of appropriating for distribution each year the annual earnings of its board-designated endowments.

**Underwater Endowments**

The governing body of the Seminary has interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Seminary considers a fund to be underwater if the fair value of the fund is less than the sum of:

- a) the original value of initial and subsequent gift amounts donated to the fund and
- b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The Seminary has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. The Seminary has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor stipulations or laws and regulations. At July 31, 2019 and 2018, the Seminary did not have any underwater endowments.

**Note 8: Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of July 31, 2019 and 2018, comprise the following:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 4,874,708	\$ 2,886,672
Student accounts receivable	691,566	826,195
Investments	<u>167,971</u>	<u>-</u>
	<u>\$ 5,734,245</u>	<u>\$ 3,712,867</u>

The Seminary regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Seminary has cash and cash equivalents available for immediate use, as well as other sources of liquidity available over longer time frames.

The Seminary operates with a balanced budget and anticipates collecting revenue that is, at least, sufficient to cover general expenditures not funded by donor-restricted resources. This can be seen in the statements of cash flows, which show positive cash generated by operations for fiscal years 2019 and 2018.

For purposes of analyzing additional resources available to meet general expenditures over a 12-month period, the Seminary considers all expenditures related to its ongoing activities of teaching, research, general ministry, and public service, as well as all expenditures required to conduct services in support of those activities.

The Seminary's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowment of \$513,997 and \$497,144 at July 31, 2019 and 2018, respectively, is subject to the spending policy described in *Note 7*. Although the Seminary does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the board's annual budget approval and appropriation), these amounts could be made available if necessary.

#### Note 9: Pension Plan

The Seminary participates in the retirement program of the Annuity Board of the SBC. All administrative officers, directors, supervisory personnel and regular faculty are eligible for the plan, which is a defined contribution plan. Seminary contributions range from 6 percent to 10 percent of eligible compensation. The total pension expense for the years ended July 31, 2019 and 2018 were approximately \$467,000 and \$348,000, respectively.

#### Note 10: Post-Retirement Benefits

The Seminary provides certain health care and life insurance benefits to former employees or their spouses. Under this program, the expected cost of retiree health and life insurance benefits is charged to expense during the years that the employee renders service to the Seminary. The accumulated post-retirement benefit obligation was approximately \$165,000 and \$193,000 at July 31, 2019 and 2018, respectively, and is included in accrued expenses in the statements of financial position. The Seminary does not intend to pre-fund this obligation. The unfunded accumulated post-retirement benefit obligation was estimated over the remaining expected lives of the individuals and was discounted using a rate of 4 percent.

#### Note 11: Cooperative Program Apportionment

During the years ended July 31, 2019 and 2018, approximately 26 percent and 25 percent, respectively, of the Seminary's total revenues were received from the Cooperative Program of the SBC. The revenues are recorded ratably over the year based on the annual budget allocation of the SBC. The total funds by region for the years ended July 31, 2019 and 2018 as reported by the SBC are as follows:

	<u>2019</u>	<u>2018</u>
Alabama	\$ 601,631	\$ 523,952
Alaska	5,582	6,487
Arizona	35,716	38,018
Arkansas	296,766	267,735
California	69,846	64,184
Colorado	22,113	17,094
Dakota	3,090	4,382
District of Columbia	-	407
Florida	471,937	425,775
Georgia	492,520	482,330
Hawaii Pacific	7,561	9,117
Illinois	74,561	67,372
Indiana	28,259	28,388
Iowa	10,932	10,043
Kansas-Nebraska	25,957	22,467
Kentucky	316,868	296,616
Louisiana	220,342	200,250
Maryland-Delaware	54,127	45,376
Michigan	10,070	8,950
Minnesota-Wisconsin	7,506	5,865
Mississippi	391,482	336,920
Missouri	185,758	175,352
Montana	6,233	5,110
Nevada	19,863	16,900
New England	6,848	4,808
New Mexico	26,620	24,404
New York	7,706	7,006
North Carolina	367,266	338,634
Northwest	21,867	21,939
Ohio	69,121	59,392

	<u>2019</u>	<u>2018</u>
Oklahoma	318,937	283,401
Pennsylvania-South Jersey	10,949	8,116
Puerto Rico/U.S. Virgin Islands	225	102
South Carolina	349,135	319,772
Tennessee	504,047	447,533
Texas – BGCT	329,268	288,037
Texas – SBTC	482,228	438,344
Utah-Idaho	6,834	5,652
Virginia – BGAV	25,015	23,767
Virginia – SBCV	145,908	126,126
West Virginia	17,553	14,042
Wyoming	3,473	3,182
Churches and individuals	<u>169,128</u>	<u>167,092</u>
Total revenues received from the SBC	<u>\$ 6,220,848</u>	<u>\$ 5,640,439</u>

#### **Note 12: Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

##### ***Allowance for Doubtful Accounts***

Estimates related to the valuation of student accounts receivable are described in *Note 1*.

##### ***Investments***

The Seminary invests in various types of investments. Investments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such change could materially affect the amounts reported in the accompanying statements of financial position. Other estimates related to the valuation of investments are described in *Notes 1* and *3*.

##### ***Property and Equipment***

Estimates related to depreciable lives of property and equipment and fair value of donated historical collections are described in *Note 1*.

##### ***Revenues***

Approximately 13 percent of all contributions were received from one donor in 2019 and 22 percent of all contributions were received from two donors in 2018.

Significant revenue concentration relating to support received from the SBC is discussed in *Note 11*.

#### **Note 13: Subsequent Events**

Subsequent events have been evaluated through October 11, 2019, which is the date the financial statements were available to be issued.

#### **Independent Auditor's Report**

Board of Trustees  
Midwestern Baptist Theological Seminary, Inc.  
Kansas City, Missouri

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Midwestern Baptist Theological Seminary, Inc. (the Seminary), which comprise the statements of financial position as of July 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

##### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

##### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Seminary as of July 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

As describe in Note 2 to the financial statements, in 2019, the Seminary adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

#### **Supplementary Information\***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, including the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2019, on our consideration of the Seminary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Seminary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Seminary's internal control over financial reporting and compliance.

BKD, LLP  
Kansas City, Missouri  
October 11, 2019

\* This paragraph contains information regarding Supplementary Information. This information can be found in the original audit; it is not included here as it was not required for publication in the 2020 Annual.

## NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
FOR THE YEARS ENDED JULY 31, 2019 AND 2018

	2019	2018
Assets:		
Cash and cash equivalents	\$ 2,417,937	\$ 1,626,217
Accounts receivable, less allowance for doubtful accounts of \$60,000 in 2019 and 2018	2,869,595	2,806,396
Accounts receivable - related organizations	805,394	1,612,797
Prepaid expenses and other assets	1,484,116	1,467,300
Investments	80,670,024	78,858,736
Property and equipment, net	16,741,666	16,991,828
Funds held in trust by others	<u>2,836,514</u>	<u>2,779,506</u>
Total assets	<u>\$ 107,825,246</u>	<u>\$ 106,142,780</u>
Liabilities:		
Accounts payable and accrued expenses	\$ 1,221,012	\$ 1,124,748
Accounts payable - related organizations	-	777,352
Deposits and deferred revenue	<u>2,934,364</u>	<u>2,804,349</u>
Total liabilities	<u>4,155,376</u>	<u>4,706,449</u>
Net assets:		
Without donor restrictions	38,242,366	38,054,822
With donor restrictions	<u>65,427,504</u>	<u>63,381,509</u>
Total net assets	<u>103,669,870</u>	<u>101,436,331</u>
Total liabilities and net assets	<u>\$ 107,825,246</u>	<u>\$ 106,142,780</u>

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JULY 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Student tuition and fees	\$ 9,553,944	\$ -	\$ 9,553,944
Gifts:			
Southern Baptist Convention - Cooperative Program	7,141,231	-	7,141,231
Other	2,467,790	5,073,714	7,541,504
Endowment income	411,468	1,337,836	1,749,304
Investment and other income	936,068	1,366,411	2,302,479
Net appreciation in fair value of investments	556,636	67,099	623,735
Change in value of funds held in trust by others	-	44,508	44,508
Gifts to funds held in trust by others	-	12,500	12,500
Auxiliary enterprises:			
Student housing	2,003,988	-	2,003,988
Other	5,590	-	5,590
Supporting departments income	2,839,169	-	2,839,169
Other	<u>944,486</u>	<u>-</u>	<u>944,486</u>
Total revenues, gains, and other support	<u>26,860,370</u>	<u>7,902,068</u>	<u>34,762,438</u>
Net assets released from restrictions	<u>5,856,073</u>	<u>(5,856,073)</u>	<u>-</u>
Expenses:			
Programs:			
Division of Biblical Studies	719,325	-	719,325
Division of Theological and Historical Studies	812,765	-	812,765
Division of Pastoral Ministries	625,822	-	625,822
Division of Christian Education Ministries	493,610	-	493,610
Division of Church and Community Ministries	920,080	-	920,080
Division of Church and Music Ministries	442,578	-	442,578
Center of Evangelism and Church Growth	172,277	-	172,277
Leavell College	919,467	-	919,467
Non-Divisional Academic	5,719,289	-	5,719,289
Library	951,145	-	951,145

	Without Donor Restrictions	With Donor Restrictions	Total
Support services:			
Academic Dean's Office	376,314	-	376,314
Registry Office	318,310	-	318,310
Administrative and general	2,726,561	-	2,726,561
Maintenance	4,198,552	-	4,198,552
Supporting departments expenses	2,903,680	-	2,903,680
Student aid	4,072,931	-	4,072,931
Auxiliary enterprises:			
Student housing	2,579,640	-	2,579,640
Other	1,434,752	-	1,434,752
Total support services	18,610,740	-	18,610,740
Development	620,281	-	620,281
Capital projects	643,398	-	643,398
Depreciation	878,122	-	878,122
Total expenses	32,528,899	-	32,528,899
Changes in net assets	187,544	2,045,995	2,233,539
Net assets at beginning of year	38,054,822	63,381,509	101,436,331
Net assets at end of year	\$ 38,242,366	\$ 65,427,504	\$ 103,669,870

*The accompanying notes are an integral part of these financial statements.*

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JULY 31, 2018**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Student tuition and fees	\$ 8,681,160	\$ -	\$ 8,681,160
Gifts:			
Southern Baptist Convention - Cooperative Program	7,288,119	-	7,288,119
Other	2,256,756	4,097,466	6,354,222
Endowment income	407,091	1,249,065	1,656,156
Investment and other income	1,455,957	1,517,868	2,973,825
Net depreciation in fair value of investments	(824,526)	(167,225)	(991,751)
Change in value of funds held in trust by others	-	135,476	135,476
Gifts to funds held in trust by others	-	12,500	12,500
Auxiliary enterprises:			
Student housing	1,993,183	-	1,993,183
Other	5,120	-	5,120
Supporting departments income	2,844,276	-	2,844,276
Other	511,468	-	511,468
Total revenues, gains, and other support	24,618,604	6,845,150	31,463,754
Net assets released from restrictions	5,432,853	(5,432,853)	-
Expenses:			
Programs:			
Division of Biblical Studies	898,720	-	898,720
Division of Theological and Historical Studies	773,983	-	773,983
Division of Pastoral Ministries	685,263	-	685,263
Division of Christian Education Ministries	558,507	-	558,507
Division of Church and Community Ministries	901,803	-	901,803
Division of Church and Music Ministries	563,750	-	563,750
Center of Evangelism and Church Growth	168,399	-	168,399
Leavell College	871,815	-	871,815
Non-Divisional Academic	5,479,320	-	5,479,320
Library	956,999	-	956,999
Support services:			
Academic Dean's Office	379,625	-	379,625
Registry Office	311,755	-	311,755
Administrative and general	2,706,970	-	2,706,970
Maintenance	4,249,177	-	4,249,177

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total
Supporting departments expenses	2,885,785	-	2,885,785
Student aid	3,712,052	-	3,712,052
Auxiliary enterprises:			
Student housing	2,579,640	-	2,579,640
Other	<u>1,476,025</u>	<u>-</u>	<u>1,476,025</u>
Total support services	18,301,029	-	18,301,029
Development	805,741	-	805,741
Capital projects	347,634	-	347,634
Depreciation	<u>920,556</u>	<u>-</u>	<u>920,556</u>
Total expenses	<u>32,233,519</u>	<u>-</u>	<u>32,233,519</u>
Changes in net assets	(2,182,062)	1,412,297	(769,765)
Net assets at beginning of year	<u>40,236,884</u>	<u>61,969,212</u>	<u>102,206,096</u>
Net assets at end of year	<u>\$ 38,054,822</u>	<u>\$ 63,381,509</u>	<u>\$ 101,436,331</u>

The accompanying notes are an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JULY 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ 2,233,539	\$ (769,765)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	878,122	920,556
Net (appreciation) depreciation in fair value of investments	(623,735)	991,751
Change in value of funds held in trust by others	(44,508)	(135,476)
Gifts to funds held in trust by others	(12,500)	(12,500)
Increase in cash value of life insurance	(21,547)	(28,823)
Decrease (increase) in operating assets:		
Accounts receivable	(63,199)	(68,165)
Accounts receivable - related organizations	807,403	(766,320)
Prepaid expenses and other assets	(16,816)	80,996
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	96,264	151,544
Accounts payable - related organizations	(777,352)	(702,943)
Deposits and deferred revenue	130,015	306,163
Contributions restricted for long-term investment	<u>(2,543,043)</u>	<u>(1,890,497)</u>
Net cash provided (used) by operating activities	<u>42,643</u>	<u>(1,923,479)</u>
Cash flows from investing activities:		
Purchase of investments	(20,395,840)	(18,258,257)
Sale of investments	18,469,700	16,670,590
Payments on investment notes receivable	760,134	2,247,837
Purchase of property and equipment	<u>(627,960)</u>	<u>(408,642)</u>
Net cash provided (used) by investing activities	<u>(1,793,966)</u>	<u>251,528</u>
Cash flows from financing activities:		
Proceeds from contributions restricted for:		
Investment in endowment	<u>2,543,043</u>	<u>1,890,497</u>
Net cash provided by financing activities	<u>2,543,043</u>	<u>1,890,497</u>
Increase in cash and cash equivalents	791,720	218,546
Cash and cash equivalents - beginning of year	<u>1,626,217</u>	<u>1,407,671</u>
Cash and cash equivalents - end of year	<u>\$ 2,417,937</u>	<u>\$ 1,626,217</u>
Non-cash investing activities:		
Payments on investment note receivable through related party payables	<u>\$ -</u>	<u>\$ 900,000</u>
Net transfer of investments with related parties	<u>\$ -</u>	<u>\$ 116,288</u>

The accompanying notes are an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2019**

	Division of Biblical Studies	Division of Theological and Historical Studies	Division of Pastoral Ministries	Division of Christian Education Ministries	Division of Church and Community Ministries	Division of Church and Music Ministries	Center of Evangelism and Church Growth	Leavell College	Non-Divisional Academics	Library	Support Services	Development	Total
Salaries and benefits	\$ 529,308	\$ 620,079	\$ 465,117	\$ 308,373	\$ 710,403	\$ 314,874	\$ 148,498	\$ 642,975	\$ 1,839,139	\$ 514,870	\$ 6,302,191	\$ 8,373,550	\$ 12,769,377
Contract labor	155,981	137,596	127,609	140,120	46,202	55,547	-	159,243	749,900	-	494,336	5,200	2,071,734
Copies and postage	4,281	9,254	2,065	967	5,363	7,861	3,117	12,693	23,876	8,478	60,333	-	138,288
Repairs and maintenance	7,200	12,575	9,700	12,475	-	12,875	7,750	17,725	86,873	6,180	1,786,142	12,479	1,971,974
Supplies and equipment	5,943	6,283	4,972	9,303	7,914	5,610	3,173	11,494	88,887	398,594	1,071,305	66,798	1,680,276
Utilities	3,360	13,920	4,800	-	7,780	6,720	3,360	11,906	118,215	4,900	1,394,228	10,761	1,579,950
Unbudgeted non-divisional current fund	-	-	-	-	-	-	-	-	1,817,878	-	-	-	1,817,878
Other operating expenses	12,824	-	-	-	-	20,948	-	63,431	387,090	11,439	183,756	-	679,488
Student activities and recruitment	-	-	-	-	129,500	14,766	-	-	258,794	-	294,797	18,284	716,141
Scholarships	-	-	-	-	-	-	-	-	-	-	3,719,574	-	3,719,574
Training and travel	428	4,239	973	10,307	-	3,377	91	-	201,484	6,684	190,669	24,130	442,382
Publicity and promotion	-	-	-	518	-	-	-	-	60,713	-	104,532	109,079	274,842
Rent	-	-	-	-	-	-	-	-	86,440	-	3,008,877	-	3,095,317
Other	-	8,819	10,586	11,547	12,918	-	6,288	-	-	-	-	-	50,158
Total expenses before capital projects and depreciation	719,325	812,765	625,822	493,610	920,080	442,578	172,277	919,467	5,719,289	951,145	18,610,740	620,281	31,007,379
Capital projects	26,670	31,243	23,435	15,538	35,794	15,865	7,482	32,397	92,667	25,942	317,542	18,822	643,398
Depreciation	36,399	42,641	31,985	21,206	48,853	21,653	10,212	44,216	126,474	35,406	433,388	25,688	878,122
Total expenses	\$ 782,394	\$ 886,649	\$ 681,242	\$ 530,354	\$ 1,004,727	\$ 480,096	\$ 189,971	\$ 996,080	\$ 5,938,430	\$ 1,012,493	\$ 19,361,670	\$ 664,791	\$ 32,528,899

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2018

	Division of Biblical Studies	Division of Theological and Historical Studies	Division of Pastoral Ministries	Division of Christian Education Ministries	Division of Church and Community Ministries	Division of Church and Music Ministries	Center of Evangelism and Church Growth	Leavell College	Non-Divisional Academic	Library	Support Services	Development	Total
Salaries and benefits	\$ 739,658	\$ 598,271	\$ 538,047	\$ 397,887	\$ 654,887	\$ 450,591	\$ 145,301	\$ 580,534	\$ 1,892,965	\$ 530,135	\$ 6,102,724	\$ 428,974	\$ 13,059,974
Contract labor	130,182	124,917	110,360	118,213	105,952	43,893	-	305,291	824,181	-	548,396	-	2,311,385
Copies and postage	2,544	8,263	3,939	1,950	7,226	9,427	2,012	14,215	20,613	5,345	63,906	247,650	387,090
Repairs and maintenance	7,200	12,645	9,700	12,475	-	12,057	7,750	17,725	88,543	8,136	1,847,208	12,631	2,036,070
Supplies and equipment	2,999	3,733	3,411	8,501	4,296	5,076	2,694	9,725	105,634	392,953	990,938	49,700	1,579,660
Utilities	3,371	13,491	5,808	-	7,680	6,911	3,382	11,756	120,303	7,110	1,417,276	10,436	1,607,524
Unbudgeted non-divisional current fund	-	-	-	-	-	-	-	(120,745)	1,497,754	-	-	-	1,377,009
Other operating expenses	12,766	8,899	10,503	12,329	13,302	20,640	6,630	53,314	289,463	12,537	439,174	-	879,557
Student activities and recruitment	-	-	-	-	108,170	12,413	-	-	308,661	-	254,219	29,887	713,350
Scholarships	-	-	-	-	-	-	-	-	-	-	3,381,175	-	3,381,175
Training and travel	-	3,764	3,495	7,064	290	2,502	630	-	208,840	783	200,478	26,463	454,309
Publicity and promotion	-	-	-	88	-	240	-	-	37,695	-	115,895	-	153,918
Rent	-	-	-	-	-	-	-	-	84,668	-	2,939,640	-	3,024,308
Total expenses before capital projects and depreciation	898,720	773,983	685,263	558,507	901,803	563,750	168,399	871,815	5,479,320	956,999	18,301,029	805,741	30,965,329
Capital projects	19,688	15,925	14,322	10,591	17,432	11,994	3,868	15,453	50,387	14,111	162,444	11,419	347,634
Depreciation	52,136	42,170	37,925	28,046	46,161	31,761	10,242	40,920	133,429	37,368	430,162	30,237	920,556
Total expenses	970,544	832,078	737,510	597,144	965,396	607,505	182,509	928,188	5,663,136	1,008,478	18,893,635	847,397	32,233,519

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JULY 31, 2019 AND 2018**

**Note 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The consolidated financial statements include the accounts of the New Orleans Baptist Theological Seminary (Seminary) and the New Orleans Baptist Seminary Foundation (Foundation). The Seminary is an agency of the Southern Baptist Convention (SBC) and is governed by a Board of Trustees elected by the SBC. The Foundation is a nonprofit corporation organized under the laws of the State of Louisiana to provide financial support to the Seminary.

Because these entities (hereafter collectively termed the “Seminary”) are under common control and management and share the same facilities and other resources, the accompanying consolidated financial statements include these entities on a consolidated basis. All significant intercompany balances and transactions have been eliminated.

The Seminary is funded primarily by the SBC Cooperative Program, student tuition and fees, and gifts from others.

**Basis of Accounting**

The consolidated financial statements of the Seminary have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Basis of Presentation**

The financial statement presentation is presented as required by the *Not-For-Profit Entities Classification of Net Assets* Topic of the FASB Accounting Standards Codification. Under those provisions, net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

*Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Seminary’s management and the board of directors.

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Seminary or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the consolidated financial statements. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash equivalents include time deposits, sweep accounts, and all highly liquid debt instruments with original maturities of three months or less, except that such investments purchased with endowment assets or deposits with trustees are classified as long-term investments.

At times, the Seminary maintains deposits with high quality financial institutions in amounts that are in excess of federal insurance limits.

**Accounts Receivable**

Accounts receivable include student accounts receivable and other receivables. Student accounts receivable represent amounts due for tuition, fees, and room and board from currently enrolled and former students. The Seminary extends unsecured credit to students in connection with their studies. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

The Seminary’s policy is to allow students to register in advance during the summer preceding fall classes. Uncollected billings for student tuition and fees at July 31, 2019 and 2018 for the fall semester are included in accounts receivable. In addition, billings for tuition and fees at July 31, 2019 and 2018, in advance of the commencement of the fall semester, are recorded as deferred revenue. Tuition and fees are recognized as revenues in the period in which the related educational instruction occurs.

**Investments**

Investments in marketable and debt securities are stated at fair value. Real estate investments are stated at cost or fair value at the date of gift. Notes receivable are valued at their outstanding principal balance. Life insurance policies are stated at their stated cash values. Restricted gains and investment income whose restrictions are met in the period the gains or income are recognized are reported as unrestricted revenue and gains.

Property and Equipment

Property and equipment are stated primarily at cost or, if donated, at the approximate fair market value at the date of donation, less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets (which range from 5 to 67 years). Expenditures for new construction, major renewals and replacements, and equipment are capitalized.

Contributions of long-lived assets or contributions restricted for acquisition of long-lived assets are reported as increases in temporarily restricted net assets. Restrictions are considered met, and an appropriate amount reclassified to unrestricted net assets, over the useful life of the long-lived assets as calculated by the Seminary’s depreciation policy.

Contributions

The Seminary accounts for contributions in accordance with the related topics in the FASB Accounting Standards Codification. Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Restricted contributions whose restrictions are met in the period the contributions are received are reported without donor restrictions.

At July 31, 2019 and 2018, no conditional promises to give or contributions to be received after one year existed.

Tuition and Fee Revenue

Tuition and fee revenue is recognized at the standard catalog rate when the amount has been earned.

Functional Expense Allocation

Expenses by function have been allocated among program, supporting services, and development classifications by New Orleans Baptist Theological Seminary’s management on the basis of specific identification of costs or other reasonable allocation methods.

Change in Accounting Principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

Income Taxes

The Seminary is a nonprofit organization that is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). The Seminary’s management believes there are no significant uncertain tax positions taken by the Seminary as of July 31, 2019 and 2018 and, accordingly, no liabilities have been recorded.

Reclassifications

Certain prior year information has been reclassified to conform to current year presentation.

Date of Management Evaluation

Management has evaluated subsequent events through September 6, 2019, the date on which the consolidated financial statements were available to be issued.

**Note 2 - CONCENTRATION OF CREDIT**

The Seminary maintains its cash accounts generally with financial institutions located in the Greater New Orleans area. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At July 31, 2019 and 2018, the Seminary had cash balances that exceeded the balance insured by the FDIC by \$492,768 and \$275,589, respectively. The Seminary also maintains cash balances with investment management companies that are not insured.

**Note 3 - LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 2,182,462	\$ 1,618,131
Accounts receivable	2,831,240	2,806,396
Operating investments	<u>16,399,673</u>	<u>16,638,467</u>
Total financial assets available for general expenditure	<u>\$ 21,413,375</u>	<u>\$ 21,062,994</u>

**Note 4 - ACCOUNTS RECEIVABLE**

Accounts receivable at July 31, 2019 and 2018 are comprised of the following:

	<u>2019</u>	<u>2018</u>
Student accounts	\$ 2,819,511	\$ 2,782,574
Other accounts	<u>50,084</u>	<u>23,822</u>
Total	<u>\$ 2,869,595</u>	<u>\$ 2,806,396</u>

**Note 5 - INVESTMENTS**

Investments are stated at fair value at July 31, 2019 and 2018 and are summarized as follows:

At July 31, 2019

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Investments measured at fair value:			
Investments administered by Baptist Foundations (Pooled):			
Southern Baptist Foundation	\$ 21,544,493	\$ 21,104,426	\$ (440,067)
Baptist Foundation of Texas	831,253	921,887	90,634
Louisiana Baptist Foundation	656,832	658,318	1,486
Baptist Foundation of Alabama	332,507	336,267	3,760
Other private money managers:			
Summit Wealth Management, Inc.:			
Domestic equity securities	2,889,936	3,449,530	609,594
Government bonds	2,468,421	2,355,994	(112,427)
Corporate bonds	5,984,471	6,016,365	31,894
Certificates of deposit	154,000	154,265	265
Short-term cash investments	128,156	128,156	-
Greenwich Investment Management, Inc.:			
Domestic equity securities	13,815,964	11,494,838	(2,321,126)
Government bonds	5,749,691	5,832,688	82,998
Short-term cash investments	640,378	640,378	-
Other	<u>147,238</u>	<u>147,238</u>	<u>-</u>
Total investments measured at fair value	<u>\$ 55,343,340</u>	<u>\$ 53,290,350</u>	<u>\$ (2,052,990)</u>
Investments not measured at fair value:			
Notes receivable		\$ 25,621,417	
Real estate		980,036	
Cash value of life insurance policies		<u>778,221</u>	
Total investments not measured at fair value		<u>\$ 27,379,674</u>	
Total investments		<u>\$ 80,670,024</u>	

The following schedule summarizes investment return and its classification in the statement of activities:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Investment income and net realized gains	\$ 1,347,536	\$ 2,704,247	\$ 4,051,783
Net unrealized gains	<u>556,636</u>	<u>67,099</u>	<u>623,735</u>
Total investment return	<u>\$ 1,904,172</u>	<u>\$ 2,771,346</u>	<u>\$ 4,675,518</u>

At July 31, 2018

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Investments measured at fair value:			
Investments administered by Baptist Foundations (Pooled):			
Southern Baptist Foundation	\$ 21,291,231	\$ 20,570,938	\$ (720,294)
Baptist Foundation of Texas	831,253	890,196	58,944
Louisiana Baptist Foundation	642,578	660,213	17,635
Baptist Foundation of Alabama	333,392	328,917	(4,475)
Other private money managers:			
Summit Wealth Management, Inc.:			
Domestic equity securities	2,617,385	3,226,252	608,867
Government bonds	2,738,431	2,480,786	(257,645)
Corporate bonds	5,471,682	5,443,934	(27,748)
Short-term cash investments	59,553	59,553	-
Greenwich Investment Management, Inc.:			
Domestic equity securities	14,270,968	11,977,295	(2,293,673)
Government bonds	4,682,087	4,623,750	(58,337)
Corporate bonds	331,401	331,401	-
Short-term cash investments			

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Other	<u>147,238</u>	<u>147,238</u>	<u>-</u>
Total investments measured at fair value	<u>\$53,417,199</u>	<u>\$50,740,473</u>	<u>\$ (2,676,726)</u>
Investments not measured at fair value:			
Notes receivable		\$26,381,551	
Real estate		980,036	
Cash value of life insurance policies		<u>756,676</u>	
Total investments not measured at fair value		<u>\$28,118,263</u>	
Total investments		<u>\$78,858,736</u>	

The following schedule summarizes investment return and its classification in the consolidated statement of activities:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Investment income and net realized gains	\$ 1,863,048	\$ 2,766,933	\$ 4,629,981
Net unrealized gains (losses)	<u>(824,526)</u>	<u>(167,225)</u>	<u>(991,751)</u>
Total investment return	<u>\$ 1,038,522</u>	<u>\$ 2,599,708</u>	<u>\$ 3,638,230</u>

All investment income is available for current operations, except that portion attributable to donor-restricted investments which is required to be reinvested.

Notes receivable included in investments are summarized as follows:

	<u>2019</u>	<u>2018</u>
Notes receivable from related parties	\$ 21,821,417	\$ 22,581,551
Note receivable from sale of North Georgia property, interest accrues monthly at rates from 5.25% to 6.58%, all principal due February 28, 2030, secured by North Georgia Campus real estate	<u>3,800,000</u>	<u>3,800,000</u>
Total	<u>\$ 25,621,417</u>	<u>\$ 26,381,551</u>

#### **Note 6 - FAIR VALUE MEASUREMENT**

The fair value measurement topic of the FASB Accounting Standards Codification defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined under these standards as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

These standards establish a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the Seminary and unobservable inputs reflect the Seminary's own assumptions about how market participants would value an asset or liability based on the best information available. Valuation techniques used to measure fair value under these standards must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value.

The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used by the Seminary for financial instruments measured at fair value on a recurring basis. The three levels of inputs are as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following tables present the financial instruments carried at fair value as of July 31, 2019 and 2018, by the codification valuation hierarchy defined above and those investments carried at cost:

<u>July 31, 2019</u>	Quoted Prices In Active Markets <u>(Level 1)</u>	Significant Observable Inputs <u>(Level 2)</u>	Significant Unobservable Inputs <u>(Level 3)</u>	Total Fair Value
<b>Assets:</b>				
Investments administered by Baptist Foundations (Pooled):				
Southern Baptist Foundation	\$ 21,104,426	\$ -	\$ -	\$ 21,104,426
Baptist Foundation of Texas	921,887	-	-	921,887
Louisiana Baptist Foundation	658,318	-	-	658,318
Baptist Foundation of Alabama	336,267	-	-	336,267
Other private money managers:				
Summit Wealth Management, Inc.:				
Domestic equity securities	3,499,530	-	-	3,499,530
Government bonds	2,355,994	-	-	2,355,994
Corporate bonds	6,016,365	-	-	6,016,365
Certificates of Deposit	154,265	-	-	154,265
Short-term cash investments	128,156	-	-	128,156
Greenwich Investment Management, Inc.:				
Domestic equity securities	11,494,838	-	-	11,494,838
Government bonds	5,832,688	-	-	5,832,688
Short-term cash investments	640,378	-	-	640,378
Other	<u>132,909</u>	<u>-</u>	<u>14,329</u>	<u>147,238</u>
Total	<u>\$ 53,276,021</u>	<u>\$ -</u>	<u>\$ 14,329</u>	<u>\$ 53,290,350</u>
<b>July 31, 2018</b>				
	Quoted Prices In Active Markets <u>(Level 1)</u>	Significant Observable Inputs <u>(Level 2)</u>	Significant Unobservable Inputs <u>(Level 3)</u>	Total Fair Value
<b>Assets:</b>				
Investments administered by Baptist Foundations (Pooled):				
Southern Baptist Foundation	\$ 20,570,938	\$ -	\$ -	\$ 20,570,938
Baptist Foundation of Texas	890,196	-	-	890,196
Louisiana Baptist Foundation	660,213	-	-	660,213
Baptist Foundation of Alabama	328,917	-	-	328,917
Other private money managers:				
Summit Wealth Management, Inc.:				
Domestic equity securities	3,226,252	-	-	3,226,252
Government bonds	2,480,786	-	-	2,480,786
Corporate bonds	5,443,934	-	-	5,443,934
Short-term cash investments	59,553	-	-	59,553
Greenwich Investment Management, Inc.:				
Domestic equity securities	11,977,295	-	-	11,977,295
Government bonds	4,623,750	-	-	4,623,750
Short-term cash investments	331,401	-	-	331,401
Other	<u>132,909</u>	<u>-</u>	<u>14,329</u>	<u>147,238</u>
Total	<u>\$ 50,726,144</u>	<u>\$ -</u>	<u>\$ 14,329</u>	<u>\$ 50,740,473</u>

Investments included in Level 3 primarily consist of the Seminary's ownership in alternative investments.

The methods used to provide values for the above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Seminary believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

#### **Note 7 - PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Land and improvements	\$ 2,926,311	\$ 2,864,614
Leasehold improvements	934,085	934,085
Buildings, furniture, and equipment	36,342,847	35,875,457
Library books and microfilm	<u>2,014,620</u>	<u>2,014,620</u>
Total property and equipment	42,217,863	41,688,776

	<u>2019</u>	<u>2018</u>
Accumulated depreciation	<u>25,476,197</u>	<u>24,696,948</u>
Net property and equipment	<u>\$ 16,741,666</u>	<u>\$ 16,991,828</u>

Depreciation for the years ended July 31, 2019 and 2018 totaled \$878,122 and \$920,556, respectively.

**Note 8 - FUNDS HELD IN TRUST BY OTHERS**

Various Baptist foundations administer perpetual trusts for the benefit of the Seminary. These trusts are neither in the possession nor under the control of the Seminary, but are held and administered by the foundations with the Seminary deriving only income from such funds. Such investments are recorded in the statements of financial position at the fair market value of the principal amounts as of July 31, 2019 and 2018, respectively. The principal amounts are not subject to withdrawal by the Seminary. The total amounts distributed by the trusts to the Seminary for the years ended July 31, 2019 and 2018 were \$81,003 and \$83,718, respectively.

**Note 9 - DEPOSITS AND DEFERRED REVENUE**

Deposits and deferred revenues at July 31, 2019 and 2018 are comprised of the following:

	<u>2019</u>	<u>2018</u>
Deferred tuition and fees	\$ 2,906,774	\$ 2,778,639
Apartment/dorm deposits	<u>27,590</u>	<u>25,710</u>
Total	<u>\$ 2,934,364</u>	<u>\$ 2,804,349</u>

**Note 10 - NET ASSETS**

Net assets at July 31, 2019 and 2018 consist of the following:

At July 31, 2019

<u>Classification</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment	\$ 11,475,434	\$ 56,393,014	\$ 67,868,448
Investment in physical plant	21,888,256	-	21,888,256
Operating	4,878,676	502,152	5,380,828
Student aid	-	7,525,620	7,525,620
Student loan	-	<u>1,006,718</u>	<u>1,006,718</u>
Total	<u>\$ 38,242,366</u>	<u>\$ 65,427,504</u>	<u>\$ 103,669,870</u>

At July 31, 2018

<u>Classification</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment	\$ 10,466,328	\$ 53,564,246	\$ 64,030,574
Investment in physical plant	22,345,923	-	22,345,923
Operating	5,242,571	355,509	5,598,080
Student aid	-	8,500,642	8,500,642
Student loan	-	<u>961,112</u>	<u>961,112</u>
Total	<u>\$ 38,054,822</u>	<u>\$ 63,381,509</u>	<u>\$ 101,436,331</u>

Endowment consists of resources that have been restricted by the donor, trust, split interest agreements, or designated by the Board for investment to provide future resources to support the Seminary’s activities. Endowment funds with donor restrictions that are temporary in nature include unappropriated gains. Endowment operating funds without donor restrictions include funds that have been internally designated for use by various departments and programs throughout the Seminary.

Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

The Board of the Seminary has interpreted the “Uniform Prudent Management of Institutional Funds Act” (UPMIFA) as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Seminary classifies amounts required to be maintained in perpetuity as, (a) the original value of gifts donated to the endowment that is perpetual in nature, (b) the original value of the subsequent gifts to the endowment that is perpetual in nature, and (c) accumulations to the endowment that is perpetual in nature made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not required to be maintained in perpetuity is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

Changes in endowment net assets for the years ended July 31, 2019 and 2018 consists of the following:

July 31, 2019

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 10,466,328	\$ 10,424,853	\$ 64,030,574
Investment return:			
Endowment fund income	101,209	612,168	713,377
Other endowment income	391,858	1,153,196	1,545,054
Realized and unrealized gains and losses	522,651	-	522,651
Change in value of funds held in trust by others	-	44,508	44,508
Gifts to funds held in trust by others	-	12,500	12,500
Gifts	87,521	2,543,292	2,630,813
Transfers from other unrestricted funds	197,127	(204,527)	(7,400)
Appropriation of endowment assets for expenditures	<u>(291,260)</u>	<u>(1,332,369)</u>	<u>(1,623,629)</u>
Endowment fund assets, end of year	<u>\$ 11,475,434</u>	<u>\$ 56,393,014</u>	<u>\$ 67,868,448</u>

July 31, 2018

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 11,657,064	\$ 50,987,850	\$ 62,644,914
Investment return:			
Endowment fund income	91,505	595,469	686,974
Other endowment income	887,904	1,360,117	2,248,021
Realized and unrealized gains and losses	(816,632)	-	(816,632)
Change in value of funds held in trust by others	-	135,476	135,476
Gifts to funds held in trust by others	-	12,500	12,500
Gifts	72,128	1,891,097	1,963,225
Transfers from other unrestricted funds	(1,100,510)	28,586	(1,071,924)
Appropriation of endowment assets for expenditures	<u>(325,131)</u>	<u>(1,446,849)</u>	<u>(1,771,980)</u>
Endowment fund assets, end of year	<u>\$ 10,466,328</u>	<u>\$ 53,564,246</u>	<u>\$ 64,030,574</u>

Of the funds held with donor restrictions, \$45,326,387 and \$43,139,393, respectively, are perpetual in nature. During the years ended July 31, 2019 and 2018, the Seminary received gifts to be maintained in perpetuity for the endowment of \$2,543,043 and \$1,890,498, respectively

**Note 11 - RETIREMENT PROGRAM**

The Seminary participates in the retirement program of Guidestone Financial Resources under which the Seminary contributes an amount equal to a percentage of each employee's annual salary. The Seminary's policy is to fund all pension costs in the period earned by the employee. Total pension expenditures for the years ended July 31, 2019 and 2018 were \$300,958 and \$467,316, respectively.

**Note 12 - GIFTS**

The Seminary receives a large portion of its operating revenues from gifts. A substantial portion of the gifts are received from the Cooperative Program of the Southern Baptist Convention. Cooperative Program gifts are recorded ratably over the year based on the annual budget allocation of the Convention. Gifts are summarized as follows:

	<u>Total</u>	<u>Southern Baptist Convention</u>		
		<u>Cooperative Program</u>	<u>Designated</u>	<u>Other</u>
<b>New Orleans Baptist Theological Seminary</b>				
Alabama	\$ 952,262	\$ 689,033	\$ 25	\$ 263,204
Alaska	7,006	6,393	458	155
Arizona	51,465	40,905	-	10,560
Arkansas	386,402	339,878	-	46,524
California	97,442	79,992	-	17,450
Churches – miscellaneous	211,724	210,350	-	1,374
Colorado	29,175	25,325	-	3,850
Connecticut	6,250	-	-	6,250
Dakota Fellowship	4,089	3,539	-	550
District of Columbia	164	-	-	164

	<u>Southern Baptist Convention</u>			
	<u>Total</u>	<u>Cooperative Program</u>	<u>Designated</u>	<u>Other</u>
Florida	893,607	540,497	871	352,239
Georgia	957,877	564,070	6,057	387,750
Hawaii	15,661	8,659	-	7,002
Illinois	96,461	85,393	-	11,068
Indiana	32,665	32,365	-	300
International	1,050	-	-	1,050
Iowa	12,875	12,520	-	355
Kansas and Nebraska	57,577	29,728	564	27,285
Kentucky	388,674	362,900	-	25,774
Louisiana	3,707,908	252,353	465	3,455,090
Maryland and Delaware	62,040	61,990	-	50
Massachusetts	795	-	-	795
Maine	3,150	-	-	3,150
Michigan	20,499	11,534	-	8,965
Minnesota and Wisconsin	188,596	8,596	-	180,000
Misc/Individuals	100	-	-	100
Mississippi	2,199,015	488,354	-	1,750,661
Missouri	238,731	212,744	-	23,590
Montana	7,163	7,138	2,397	25
Nevada	22,923	22,748	-	175
New England	8,273	7,842	-	431
New Hampshire	175	-	-	175
New Jersey	19,500	-	-	19,500
New Mexico	41,761	30,487	-	11,274
New York	16,036	8,826	-	7,210
North Carolina	444,017	420,620	1,655	21,742
Northwest	25,045	25,045	-	-
Ohio	201,598	79,163	-	122,435
Oklahoma	400,514	365,270	-	35,244
Oregon	3,260	-	-	3,260
Pennsylvania and S. Jersey	13,541	12,540	-	1,001
Puerto Rico/Virgin Islands	358	258	-	100
Rhode Island	73,020	-	-	73,020
South Carolina	416,224	399,855	311	16,058
Tennessee	704,306	577,272	2,685	124,349
Texas – BGCT	723,886	377,103	1,382	345,401
Texas – SBTC	552,283	552,283	-	-
Utah and Idaho	7,977	7,827	-	150
Virginia – BGAV	98,369	28,650	-	69,719
Virginia – SBCV	167,105	167,105	-	-
Washington	240	-	-	240
West Virginia	20,153	20,103	-	50
Wyoming	3,978	3,978	-	-
<b>Total</b>	<b><u>\$ 14,594,965</u></b>	<b><u>\$ 7,141,231</u></b>	<b><u>\$ 16,870</u></b>	<b><u>\$ 7,436,864</u></b>
<b>New Orleans Baptist Seminary Foundation</b>				
Total	<u>\$ 87,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,770</u>
Consolidated Total	<u>\$ 14,682,735</u>	<u>\$ 7,141,231</u>	<u>\$ 16,870</u>	<u>\$ 7,524,634</u>

Gifts are summarized in the statement of activities as follows:

Southern Baptist Convention - Cooperative Program	\$ 7,141,231
Other	<u>7,541,504</u>
Total	<u>\$ 14,682,735</u>

**Note 13 - RELATED-PARTY TRANSACTIONS**

The Seminary's relationship with Providence Housing Corporation and Providence Educational Foundation is considered to be a related-party relationship. Both the Corporation and the Foundation have an economic interest in the Seminary in that the activities of the Corporation and the Foundation are solely for the benefit of the Seminary. However, the Seminary does not have a controlling financial interest in the two organizations. The organizations are self-sustaining with self-perpetuating Boards of Trustees. Consequently, neither the Corporation nor the Foundation has been consolidated with

the Seminary. The terms of the activities are equivalent to those that prevail in arm's-length transactions. The following summarizes financial information related to the Seminary, the Corporation, and the Foundation.

#### Accounts Receivable/Payable

The Seminary has various accounts receivable/payable with Providence Housing Corporation and Providence Educational Foundation, which are related parties. Both the Corporation and the Foundation are operated for the benefit of the Seminary. As of July 31, 2019 and 2018, the following accounts receivable/payable existed:

	<u>2019</u>	<u>2018</u>
Accounts receivable:		
Providence Housing Corporation	\$ 677,071	\$ 1,115,854
Providence Education Foundation	<u>128,323</u>	<u>496,943</u>
Total	<u>\$ 805,394</u>	<u>\$ 1,612,797</u>
Accounts payable		
Providence Housing Corporation	\$ -	\$ 20,344
Providence Education Foundation	<u>-</u>	<u>757,008</u>
Total	<u>\$ -</u>	<u>\$ 777,352</u>

#### Notes Receivable

Notes receivable from related parties as of July 31, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
<u>Providence Housing Corporation</u>		
New Orleans Baptist Theological Seminary 3.5% term note, due on demand, unsecured	\$ 382,000	\$ 382,000
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$11,643, due January 2044, unsecured	1,632,818	1,657,295
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$8,180, due February 2025, unsecured	452,585	516,613
New Orleans Baptist Seminary Foundation 7% note with monthly installments of \$26,987, due June 2034, unsecured	2,992,836	3,102,075
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$10,649, due January 2034, unsecured	1,161,473	1,206,229
New Orleans Baptist Seminary Foundation 7% note with monthly installments of \$22,769, due August 2028, unsecured	1,832,719	1,972,311
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$25,399, due February 2035, unsecured	2,885,270	2,984,253
New Orleans Baptist Seminary Foundation 7% note with monthly installments of \$33,265, due April 2036, unsecured	3,941,367	4,060,102
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$33,265, due July 2035, unsecured	3,835,884	3,961,735
New Orleans Baptist Seminary Foundation 6% note, with monthly installments of \$10,622, due July 2048, unsecured	1,749,893	1,771,648
New Orleans Baptist Theological Seminary 6% note with monthly installments of \$2,548, due August 1, 2040, unsecured	<u>365,330</u>	<u>373,712</u>
	<u>21,232,175</u>	<u>21,987,973</u>
<u>Providence Educational Foundation</u>		
New Orleans Baptist Theological Seminary 7% note, interest due monthly, principal due on or before December 2019, unsecured	300,000	300,000
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$2,062, due January 2044	<u>289,242</u>	<u>293,578</u>
	<u>589,242</u>	<u>593,578</u>
Total notes receivable	<u>\$21,821,417</u>	<u>\$22,581,551</u>

The above notes receivable from related parties are included in investments on the Seminary's consolidated statement of financial position.

#### Lease Agreements

##### Providence Housing Corporation

The Seminary leases all of the property of the Corporation, which consists of apartment and residential rental units, land and copiers. Under the terms of the lease, which is a year-to-year lease, the Seminary paid annual rentals of \$2,995,665 and \$2,547,466 for 2019 and 2018, respectively.

Providence Educational Foundation

The Seminary leases facilities from the Foundation to house the Nelson L. Price Center for Urban Ministries and the Florida Apartments. Rent paid in 2019 and 2018 by the Seminary to the Foundation for these facilities totaled \$30,000 and \$508,200, respectively.

Contracted Services

Providence Educational Foundation

The Foundation contracts with the Seminary to provide services for radio station and rental operations. These services include personnel costs, rent and other costs. The amount reimbursed to the Seminary for 2019 and 2018 totaled \$887,658 and \$769,102, respectively.

Other Support

The Seminary received \$264,000 and \$80,000 during the years ended July 31, 2019 and 2018, respectively, from Providence Educational Foundation for the general needs of the Seminary.

Summary of Financial Information

A summary of financial information at July 31, 2019 and 2018 for Providence Housing Corporation and Providence Educational Foundation is as follows:

	<u>2019</u>		<u>2018</u>	
	Providence Housing Corporation	Providence Educational Foundation	Providence Housing Corporation	Providence Educational Foundation
Total assets	<u>\$ 35,081,444</u>	<u>\$ 8,198,987</u>	<u>\$ 35,162,987</u>	<u>\$ 8,475,733</u>
Total liabilities	<u>\$ 26,555,222</u>	<u>\$ 762,564</u>	<u>\$ 27,842,870</u>	<u>\$ 1,090,522</u>
Net assets	<u>\$ 8,526,222</u>	<u>\$ 7,436,423</u>	<u>\$ 8,320,117</u>	<u>\$ 7,385,211</u>
Revenue	<u>\$ 3,016,662</u>	<u>\$ 1,373,416</u>	<u>\$ 2,552,399</u>	<u>\$ 1,518,512</u>
Expenses	<u>\$ 2,810,577</u>	<u>\$ 1,322,205</u>	<u>\$ 2,376,548</u>	<u>\$ 1,394,158</u>

**Note 14 - RISKS AND UNCERTAINTIES**

The Seminary invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect investment account balances included in the Seminary's consolidated financial statements.

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees

New Orleans Baptist Theological Seminary

We have audited the accompanying consolidated financial statements of New Orleans Baptist Theological Seminary, which comprise the statements of financial position as of July 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New Orleans Baptist Theological Seminary as of July 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental information listed in the table of contents are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

MWH GROUP, P.C.

Wichita Falls, Texas

September 17, 2019

**SOUTHEASTERN BAPTIST THEOLOGICAL SEMINARY, INC.****Consolidated Statements of Financial Position**  
**July 31, 2019 and 2018**

<b>Assets</b>	<u>2019</u>	<u>2018</u>
Cash	\$ 16,582,174	\$ 13,901,449
Accounts and notes receivable, less allowance for doubtful accounts (2019 – \$228,933; 2018 – \$230,627)	644,427	881,664
Prepaid expenses and other assets	763,114	1,098,004
Investments	29,925,495	28,738,009
Property and equipment, net	35,220,820	35,994,395
Beneficial interests in split-interest agreements	<u>6,049,754</u>	<u>5,865,464</u>
<b>Total assets</b>	<b><u>\$ 89,185,784</u></b>	<b><u>\$ 86,478,985</u></b>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and other accrued expenses	\$ 1,824,071	\$ 1,484,271
Student deposits	685,827	726,547
Deferred revenue	1,087,036	1,401,111
Postretirement benefit liability	9,388,025	9,768,820
Bonds payable, net of unamortized debt issuance costs	<u>3,883,947</u>	<u>4,490,643</u>
<b>Total liabilities</b>	<b><u>16,868,906</u></b>	<b><u>17,871,392</u></b>
Commitments and contingencies		
Net assets:		
Net assets without donor restrictions	34,268,888	33,530,758
Net assets with donor restrictions	<u>38,047,990</u>	<u>35,076,835</u>
Total net assets	<u>72,316,878</u>	<u>68,607,593</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 89,185,784</u></b>	<b><u>\$ 86,478,985</u></b>

*See notes to consolidated financial statements***Consolidated Statements of Activities**  
**Years Ended July 31, 2019 and 2018**

	<u>2019</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues, gains and other support:</b>			
Gross tuition and fees	\$ 16,031,323	\$ -	\$ 16,031,323
Less institutional grants	<u>2,211,893</u>	-	<u>2,211,893</u>
	13,819,430	-	13,819,430
Sales and services of auxiliary enterprises	5,293,181	-	5,293,181
SBC Cooperative Program	7,707,673	-	7,707,673
Private gifts and bequests	958,168	2,102,828	3,060,996
Investment return designated for current operations	251,245	1,081,108	1,332,353
Distributions received from beneficial interests in split-interest agreements	-	85,140	85,140
Other income	428,984	57,229	486,213
Net assets released from program restrictions	<u>2,718,340</u>	<u>(2,718,340)</u>	-
<b>Total revenues, gains and other support</b>	<b><u>31,177,021</u></b>	<b><u>607,965</u></b>	<b><u>31,784,986</u></b>
<b>Expenses:</b>			
Educational and general:			
Instruction	12,786,011	-	12,786,011
Administrative and general	9,645,369	-	9,645,369
Operation and maintenance of plant	<u>3,106,042</u>	-	<u>3,106,042</u>
<b>Total educational and general</b>	<b>25,537,422</b>	<b>-</b>	<b>25,537,422</b>
Auxiliary enterprises	<u>5,653,148</u>	-	<u>5,653,148</u>
<b>Total expenses</b>	<b><u>31,190,570</u></b>	<b><u>-</u></b>	<b><u>31,190,570</u></b>
<b>Change in net assets from operations</b>	<b>(13,549)</b>	<b>607,965</b>	<b>594,416</b>

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Other changes:			
Private gifts and bequests	-	1,425,435	1,425,435
Investment return in excess of (less than) amounts designated for current operations	(130,717)	810,867	680,150
Gifts of beneficial interests in split-interest agreements	-	450	450
Change in value of beneficial interests in split-interest agreements	-	184,290	184,290
Net assets released from restrictions	57,852	(57,852)	-
Changes in postretirement benefit liability other than net periodic postretirement benefit costs	824,544	-	824,544
<b>Change in net assets</b>	<b>738,130</b>	<b>2,971,155</b>	<b>3,709,285</b>
Net assets:			
Beginning	33,530,758	35,076,835	68,607,593
Ending	<u>\$ 34,268,888</u>	<u>\$ 38,047,990</u>	<u>\$ 72,316,878</u>
	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains and other support:			
Gross tuition and fees	\$ 14,929,162	\$ -	\$ 14,309,502
Less institutional grants	2,871,892	-	2,871,892
	12,057,270	-	12,057,270
Sales and services of auxiliary enterprises	5,094,273	-	5,094,273
SBC Cooperative Program	7,962,862	-	7,962,862
Private gifts and bequests	1,305,663	2,567,847	3,873,510
Investment return designated for current operations	233,039	1,048,282	1,281,321
Distributions received from beneficial interests in split-interest agreements	-	120,894	120,894
Other income	367,731	21,987	389,718
Net assets released from program restrictions	3,402,865	(3,402,865)	-
<b>Total revenues, gains and other support</b>	<b>30,423,703</b>	<b>356,145</b>	<b>30,779,848</b>
Expenses:			
Educational and general:			
Instruction	12,371,040	-	12,371,040
Administrative and general	9,304,638	-	9,304,638
Operation and maintenance of plant	3,108,816	-	3,108,816
<b>Total educational and general</b>	<b>24,694,494</b>	<b>-</b>	<b>24,694,494</b>
Auxiliary enterprises	5,568,850	-	5,568,850
<b>Total expenses</b>	<b>30,263,344</b>	<b>-</b>	<b>30,263,344</b>
<b>Change in net assets from operations</b>	<b>160,359</b>	<b>356,145</b>	<b>516,504</b>
Other changes:			
Private gifts and bequests	-	603,996	603,996
Investment return in excess of (less than) amounts designated for current operations	89,288	516,604	605,892
Gifts of beneficial interests in split-interest agreements	-	-	-
Change in value of beneficial interests in split-interest agreements	-	(136,307)	(136,307)
Net assets released from restrictions	183,179	(183,179)	-
Changes in postretirement benefit liability other than net periodic postretirement benefit costs	1,233,091	-	1,233,091
<b>Change in net assets</b>	<b>1,665,917</b>	<b>1,157,259</b>	<b>2,823,176</b>
Net assets:			
Beginning	31,864,841	33,919,576	65,784,417
Ending	<u>\$ 33,530,758</u>	<u>\$ 35,076,835</u>	<u>\$ 68,607,593</u>

See notes to consolidated financial statements

**Consolidated Statements of Cash Flows**  
**Years Ended July 31, 2019 and 2018**

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ 3,709,285	\$ 2,823,176
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization expense	1,935,229	1,897,490
Change in value of beneficial interests in split-interest agreements	(183,840)	136,307
Gift of beneficial interests in split-interest agreements	(450)	-
Bad debt expense	106,448	31,423
Realized and unrealized gains on investments	(1,411,437)	(1,015,160)
Contributions restricted for long-term purposes	(668,367)	(248,383)
Contributions restricted for property and equipment	(740,107)	(355,613)
(Increase) decrease in:		
Accounts and notes receivable	130,789	(242,775)
Prepaid expenses and other assets	334,890	(138,488)
Increase (decrease) in:		
Accounts payable and other accrued expenses	339,800	267,507
Student deposits	(40,720)	9,550
Deferred revenue	(314,075)	430,710
Postretirement benefit liability	(380,795)	(786,808)
<b>Net cash provided by operating activities</b>	<b>2,816,650</b>	<b>2,808,936</b>
Cash flows from investing activities:		
Proceeds from sale of investments	9,415,664	32,796,476
Purchase of investments	(9,191,713)	(32,428,787)
Purchases of property and equipment	(1,152,350)	(1,451,207)
<b>Net cash used in investing activities</b>	<b>(928,399)</b>	<b>(1,083,518)</b>
Cash flows from financing activities:		
Proceeds from contributions restricted for:		
Long-term purposes	\$ 668,367	\$ 248,383
Property and equipment	740,107	355,613
Other financing activities:		
Payments on bonds payable	(616,000)	(594,336)
<b>Net cash provided by financing activities</b>	<b>792,474</b>	<b>9,660</b>
<b>Net change in cash</b>	<b>2,680,725</b>	<b>1,735,078</b>
Cash:		
Beginning	13,901,449	12,166,371
Ending	<b>\$ 16,582,174</b>	<b>\$ 13,901,449</b>
Supplemental disclosures of cash flow information:		
Cash payments for interest and bond fees	\$ 140,989	\$ 125,451

*See notes to consolidated financial statements*

**Consolidated Statement of Functional Expenses  
Year Ended July 31, 2019**

	Program Activities		Supporting Services			Total
	<u>Instruction</u>	<u>Administrative and General</u>	<u>Operation and Maintenance of Plant</u>	<u>Auxiliary Enterprises</u>	<u>Total Supporting Services</u>	
Academic salaries	\$ 5,428,851	\$ 31,013	\$ -	\$ -	\$ 31,013	\$ 5,459,864
Staff salaries	3,743,840	4,490,172	1,388,448	730,845	6,609,465	10,353,305
Benefits	1,868,265	1,608,802	415,483	184,381	2,208,666	4,076,931
Utilities, alterations and repairs	56,046	163,500	928,709	1,013,695	2,105,904	2,161,950
Insurance	-	590,263	-	-	590,263	590,263
Employee development and travel	200,176	634,110	227	2,859	637,196	837,372
Supplies and services	1,043,608	1,959,864	291,145	2,348,901	4,599,910	5,643,518
Depreciation	445,225	167,645	62,991	1,250,064	1,480,700	1,925,925
Interest	-	-	19,039	122,403	141,442	141,442
<b>Total</b>	<b><u>\$12,786,011</u></b>	<b><u>\$ 9,645,369</u></b>	<b><u>\$ 3,106,042</u></b>	<b><u>\$ 5,653,148</u></b>	<b><u>\$18,404,559</u></b>	<b><u>\$31,190,570</u></b>

*See notes to consolidated financial statements*

**Consolidated Statement of Functional Expenses  
Year Ended July 31, 2018**

	Program Activities		Supporting Services			Total
	<u>Instruction</u>	<u>Administrative and General</u>	<u>Operation and Maintenance of Plant</u>	<u>Auxiliary Enterprises</u>	<u>Total Supporting Services</u>	
Academic salaries	\$ 5,268,555	\$ 25,508	\$ -	\$ -	\$ 25,508	\$ 5,294,063
Staff salaries	3,809,278	4,311,292	1,449,240	727,581	6,488,113	10,297,391
Benefits	1,411,846	1,368,891	283,098	139,696	1,791,685	3,203,531
Utilities, alterations and repairs	48,559	240,186	901,172	937,268	2,078,626	2,127,185
Insurance	-	571,275	-	-	571,275	571,275
Employee development and travel	229,221	601,652	381	3,475	605,508	834,729
Supplies and services	1,221,216	1,967,346	305,772	2,423,126	4,696,244	5,917,460
Depreciation	382,365	218,488	61,757	1,225,576	1,505,821	1,888,186
Interest	-	-	17,396	112,128	129,524	129,524
<b>Total</b>	<b><u>\$12,371,040</u></b>	<b><u>\$ 9,304,638</u></b>	<b><u>\$ 3,018,816</u></b>	<b><u>\$ 5,568,850</u></b>	<b><u>\$17,892,304</u></b>	<b><u>\$30,263,344</u></b>

*See notes to consolidated financial statements*

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**Note 1 - Nature of Organization and Significant Accounting Policies**

**Nature of organization:** Southeastern Baptist Theological Seminary, Inc. and Subsidiary (the Seminary) prepares men and women by means of academic studies and practical preparation for leadership roles in Baptist churches and in other Christian ministries. The Seminary is an institution of higher learning established and supported through the Cooperative Program by the Southern Baptist Convention (SBC). It is governed by the Board of Trustees who are elected by the SBC.

A summary of the Seminary's significant accounting policies follows:

**Principles of consolidation:** The consolidated financial statements include the accounts of Southeastern Baptist Theological Seminary, Inc. and its wholly owned subsidiary, Southeastern Baptist Theological Seminary Foundation, Inc. (the Foundation). The Foundation had no financial transactions during either fiscal year and carries no assets or liabilities at July 31, 2019 and 2018. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Basis of presentation:** In preparing its consolidated financial statements, the Seminary's net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Seminary and changes therein are classified and reported as follows:

**Net assets with donor restrictions:** Net assets that carry donor stipulated restrictions regarding use or are time restricted. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term (i.e., endowed funds), with such endowment fund balances being made available for expenditure through spending rate policies adopted by the Seminary. See Note 13 for further information on the Seminary's endowments.

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties, such as governmental grant agreements. Expenses are reported as decreases to net assets without donor restrictions.

**Use of estimates:** The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, gains and other support and expenses during the reporting period. Actual results could differ from those estimates.

**Cash:** The Seminary maintains deposits with certain financial institutions in amounts that are at times in excess of federal insurance limits. Cash designated or restricted for long-term purposes is included with investments.

**Accounts and notes receivable:** Student accounts receivable are carried at the original invoice amounts, less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Notes receivable are carried at the original note amount, plus any accrued interest, less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines these allowances for doubtful accounts by identifying troubled accounts and using historical experience applied to an aging of accounts. Student accounts receivable and notes receivable are written off when deemed uncollectible. Recoveries of student accounts receivable and notes receivable previously written off are recorded when received.

A student accounts receivable is considered past due if any portion of the receivable balance is outstanding beyond the published deadline. Interest is not charged on student accounts receivable. Monthly late fees are assessed at 3% of the outstanding balance capped at \$25. A note receivable is considered past due if the note balance and unpaid interest is outstanding past the note maturity date.

**Valuation of investments:** Investments are reported at fair value based upon measurements described in Note 6 determined at the financial statement date. Donated investments are initially recorded at fair value at the date of gift. Unless specifically directed by the donor, endowment contributions received by the Seminary are pooled and investments are then purchased with the funds available. In the case of certain less marketable investments, fair value is established by using the net asset value (NAV) of each investment fund as provided by the investment fund manager.

**Debt issuance costs:** Costs incurred in issuing outstanding bonds payable are deferred and amortized to income over the term of the bonds using a method that approximates the effective interest method. Unamortized debt issuance costs are presented as a deduction to the bonds payable on the consolidated statements of financial position.

**Long-lived assets:** Cash or other assets whose purpose is to acquire long-lived assets are recorded as net assets without donor restrictions if the Seminary has internally designated such assets or as net assets with donor restrictions if such assets represent gifts received with donor-imposed restrictions. Once acquired and placed into service, all long-lived assets, primarily property and equipment, are considered net assets without donor restrictions.

**Property and equipment:** Property and equipment is stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	40-50
Buildings	40 (plus actual life prior to 1993)
Equipment	5-10

Property and equipment is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The Seminary evaluates, on an ongoing basis, the carrying value of property and equipment based on estimated future undiscounted cash flows. In the event such cash flows are not expected to be sufficient to recover the carrying value of the assets, the assets are written down to their estimated fair value.

**Postretirement benefits:** The Seminary provides certain postretirement benefits, including healthcare benefits, for all retired employees that meet certain eligibility requirements. The Seminary follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 715 to account for the costs of those benefits. Under that Topic, the Seminary recognizes the overfunded or underfunded status of defined benefit postretirement plans as an asset or liability, respectively, in the consolidated statements of financial position.

**Tuition and fees:** Tuition and fees revenue is reported in the fiscal year in which educational programs are primarily conducted. Scholarships and fellowships awarded to students for tuition, fees and room and board are based upon need and merit.

**Deferred revenue:** Deferred revenue represents the tuition and fees revenue billed and received for the upcoming school year.

**Operating and non-operating activities:** The consolidated statements of activities report the change in net assets from operating and non-operating activities. Operating activities consist of all the activities of the Seminary except for certain items specifically considered to be non-operating activities. Non-operating activities include donor-restricted endowed private gifts and bequests; gifts restricted for the acquisition of capital assets; investment income on donor-restricted funds not available to support current operations; change in value of split-interest agreements; releases of donor-restricted funds for capital acquisitions placed into service; and significant items of an unusual or non-recurring nature.

**Functional allocation of expenses:** Expenses are primarily reported in the consolidated statements of activities in categories recommended by the National Association of College and University Business Officers. The Seminary's primary program service is instruction. Expenses reported as administrative and general, operation and maintenance of plant and auxiliary enterprises are incurred in support of the primary program service.

The consolidated statement of functional expenses reports certain natural expense classifications that are attributable to one or more functional expense categories. Depreciation of property and equipment, interest expense and maintenance and certain other expenses are allocated to program and supporting activities based on periodic inventories of facilities. Costs of certain other expenses were allocated based on estimates of time and effort.

**Fundraising expenses:** Fundraising expenses totaled approximately \$740,000 and \$550,000 for the years ended July 31, 2019 and 2018, respectively.

**Contributions and beneficial interests:** Contributions and beneficial interests received, including those from the SBC Cooperative Program, are recognized as revenues at their fair values when they become unconditional. Contributions of cash and other assets are recorded as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statements of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions are reported as net assets without donor restrictions when the donor-imposed restrictions are satisfied in the same reporting period as the receipt of the contribution. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Gifts of land, buildings and equipment are reported as contributions without donor restrictions unless explicit donor stipulations specify how the donated assets must be used or disposed. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as contributions with donor restrictions. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Seminary reports expirations of donor restrictions as net assets without donor restrictions when the donated assets are received or when acquired or constructed assets, funded by donor contributions, are placed into service.

**Income taxes:** The Seminary is exempt from federal and state income taxes. The federal exemption is under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3).

Management evaluated the Seminary's tax positions and concluded that the Seminary had taken no uncertain tax positions that require adjustment to the consolidated financial statements to comply with the provisions of the Income Taxes Topic of the FASB ASC.

**Reclassifications:** In certain instances, amounts reported previously in the 2018 financial statements have been reclassified to conform to the 2019 presentation. Such reclassifications had no effect on the net assets or change in net assets as previously reported.

**Subsequent events:** The Seminary has evaluated its subsequent events (events occurring after July 31, 2019) through November 7, 2019, which represents the date the consolidated financial statements were available to be issued.

**Recent accounting pronouncements:** In March 2017, the FASB issued Accounting Standards update (ASU) 2017-07, *Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The new guidance improves the presentation of net periodic pension cost and net periodic postretirement benefit cost. The guidance will require an employer to report the service cost component of net benefit cost in the same line item as other compensation costs arising from services rendered, present the other components of net benefit cost in the statement of activities separately from the service cost component and outside a subtotal of income from operations and allow only the service cost component to be eligible for capitalization when applicable. The guidance in this update will be effective for the Seminary's 2020 fiscal year. Management has not yet evaluated the impact of this update on the consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for Profit Entities*. The guidance in this ASU requires a change in the presentation and disclosure requirements for not-for-profit entities to provide more relevant information about their resources, and the changes in those resources, to donors, grantors, creditors and other users. These changes include qualitative and quantitative requirements in the areas of net asset classes, investment return, expenses, liquidity and availability of resources and presentation of operating cash flows. The Seminary adopted this standard in fiscal 2019 and retrospectively applied the presentation to the 2018 financial statements. The impact of adoption of this standard on the previously presented 2018 financial statements was an increase in net assets without donor restrictions and a decrease in net assets with donor restrictions, beginning of period, of \$85,777 and a decrease in change in net assets without donor restrictions and an increase in change in net assets with donor restrictions of \$7,098 for fiscal 2018. In addition to changes in terminology used to describe net asset categories throughout the financial statements, new disclosures were added regarding liquidity and the availability of resources, see Note 2, and a statement of functional expenses, which shows how natural expense categories fit into functional expense categories, along with additional disclosures regarding any natural expenses which must be allocated into functional expense categories.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating with classification affecting the pattern of expense recognition in the statement of activities. The guidance in this update will be effective for the Seminary's 2021 fiscal year. Management has not yet evaluated the impact of this update on the consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. The amendments in this update create Topic 606, *Revenue from Contracts with Customers*, and supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, including most industry-specific revenue recognition guidance throughout the Industry Topics of the Codification. The core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The amendments in this update, as amended by subsequently issued ASUs, will be effective for the Seminary's 2020 fiscal year with early adoption permitted with certain restrictions. Management has not evaluated the impact of this update on the consolidated financial statements.

#### **Note 2 - Liquidity and Availability of Financial Assets**

The following table reflects the Seminary's financial assets as of July 31, 2019 and 2018, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The approved appropriated amount from endowment funds for the following year is considered to be available for expenditure. Board designated amounts could be drawn upon board action.

Financial assets:	2019	2018
Cash	\$ 16,582,174	\$ 13,901,449
Accounts and notes receivable, net	644,427	881,664
Investments	29,925,495	28,738,009
Beneficial interests in split-interest agreements	<u>6,049,754</u>	<u>5,865,464</u>
Financial assets, at year-end	53,201,850	49,386,586
Less those unavailable for general expenditure within one year, due to:		
Beneficial interests in split-interest agreements	(6,049,754)	(5,865,464)
Perpetual and term endowments and accumulated earnings*	(22,651,844)	(22,585,645)
Board designated endowments*	<u>(5,134,747)</u>	<u>(5,246,375)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 19,365,505</u>	<u>\$ 15,689,102</u>

\* Excludes amounts that have been appropriated for the upcoming fiscal year.

The Seminary has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To achieve this, the Seminary monitors its liquidity on a monthly basis. As discussed in Note 9, the Seminary has a \$1,500,000 line of credit available to meet immediate liquidity needs, with no amounts drawn on the line as of July 31, 2019 or 2018.

### **Note 3 - Investments**

Investments at July 31, 2019 and 2018, consist of the following:

	<u>2019</u>	<u>2018</u>
Short-term cash investments	\$ 4,522,125	\$ 7,130,103
Privately held common stock	1,853,800	659,000
Equities	5,748,281	4,880,715
Mutual funds and exchange-traded funds	10,821,423	11,868,191
Alternative investments	<u>6,979,866</u>	<u>4,200,000</u>
	<u>\$ 29,925,495</u>	<u>\$ 28,738,009</u>

The Seminary invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with investment securities, any significant changes in risks in the near term could materially affect the Seminary's investment balance reported in the consolidated statements of financial position.

The following schedules summarize the investment return and its classification in the consolidated statements of activities for the years ended July 31, 2019 and 2018:

	<u>2019</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Dividends and interest, net of expenses	\$ 80,512	\$ 520,554	\$ 601,066
Net realized and unrealized gains	<u>40,016</u>	<u>1,371,421</u>	<u>1,411,437</u>
Total return on investments	120,528	1,891,975	2,012,503
Investment return designated for current operations	<u>251,245</u>	<u>1,081,108</u>	<u>1,332,353</u>
Investment return in excess of (less than) amounts designated for current operations	<u>\$ (130,717)</u>	<u>\$ 810,867</u>	<u>\$ 680,150</u>
	<u>2018</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Dividends and interest, net of expenses	\$ 131,836	\$ 740,217	\$ 872,053
Net realized and unrealized gains	<u>190,491</u>	<u>824,669</u>	<u>1,015,160</u>
Total return on investments	322,327	1,564,886	1,887,213
Investment return designated for current operations	<u>233,039</u>	<u>1,048,282</u>	<u>1,281,321</u>
Investment return in excess of amounts designated for current operations	<u>\$ 89,288</u>	<u>\$ 516,604</u>	<u>\$ 605,892</u>

The total investment return designated for current operations is the draw that the Seminary takes from its endowment in accordance with its approved endowment spending policy as disclosed in Note 13.

Investment expenses for the years ended July 31, 2019 and 2018, were \$168,651 and \$197,822, respectively.

### **Note 4 - Property and Equipment**

Property and equipment at July 31, 2019 and 2018, consisted of the following:

	<u>2019</u>	<u>2018</u>
Land	\$ 1,674,247	\$ 1,674,247
Land improvements	2,279,418	2,279,418
Buildings	53,649,926	53,131,962
Equipment	11,697,780	11,697,507
Construction in progress	<u>421,216</u>	<u>138,518</u>
	69,722,587	68,921,652
Less accumulated depreciation	<u>34,501,767</u>	<u>32,927,257</u>
	<u>\$ 35,220,820</u>	<u>\$ 35,994,395</u>

Depreciation expense of property and equipment amounted to \$1,925,925 and \$1,888,186 for the years ended July 31, 2019 and 2018, respectively.

### **Note 5 - Beneficial Interests in Split-Interest Agreements**

The North Carolina Baptist Foundation administers certain deferred trust assets held for the benefit of the Seminary. These trust assets are restricted to provide that all trust income accrues to the donor for life after which all earnings have been designated to benefit the Seminary. Such assets are not recorded on the Seminary's books because either the trust

is revocable or the donor maintains the right to change beneficiaries. The North Carolina Baptist Foundation and several others also administer certain perpetual trusts for the benefit of the Seminary and distribute the earnings from such trusts annually to the Seminary. The assets in these perpetual trusts are recorded by the Seminary as beneficial interests in split-interest agreements.

#### Note 6 - Fair Value Measurements

ASC 820 establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

The fair value hierarchy is as follows:

- Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2:** Inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, discount values, volatilities, prepayment spreads, credit risks, etc.) or inputs that are derived principally from or corroborated by market data correlation or other means.
- Level 3:** Unobservable inputs for determining the fair values of assets or liabilities that would reflect an entity's own determination about the assumptions that market participants would use in pricing the assets or liabilities.

In determining fair value, the Seminary uses various valuation approaches within the ASC 820 fair value measurement framework. The following is a description of the valuation methodologies used for instruments measured at fair value and their classification within the hierarchy:

#### Investments

**Short-term cash investments:** Cash equivalents and money market funds traded in active markets are classified within Level 1 of the valuation hierarchy. Cash equivalents and money market funds traded in inactive markets are classified within Level 2 of the valuation hierarchy.

**Equities and mutual funds:** Equity securities and mutual funds listed on national markets or exchanges are valued at the last sales price, or if there is no sale and the market is considered active, at the mean of the last bid and asked prices on such exchange. Such securities are classified within Level 1 of the valuation hierarchy. The Seminary also holds shares of stock in a privately held company which are valued by comparing Earnings Before Interest, Taxes, Depreciation and Amortization multiples and actual transactions of the stock. These shares are classified within Level 3 of the valuation hierarchy.

**Exchange-traded funds:** Investments in exchange-traded funds are investment funds that hold assets, such as stocks, commodities and bonds, that are traded on stock exchanges. These funds are valued at the same price as the underlying assets. Such securities are classified within Level 1 of the valuation hierarchy.

**Beneficial interests in split-interest agreements:** The Seminary has been named as a beneficiary in split-interest agreements for which the Seminary is not the trustee. The fair value was determined primarily based on the fair value of the assets held in trusts as provided by the trustees. Under the guidelines set forth in the FASB ASC 820 fair value hierarchy, the trust assets are classified as Level 3 inputs.

The following tables summarize financial assets measured at fair value on a recurring basis by classification within the fair value hierarchy as of July 31, 2019 and 2018:

	2019			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Short-term cash investments	\$ 4,471,811	\$ 50,314	\$ -	\$ 4,522,125
Privately held common stock	-	-	1,853,800	1,853,800
Equities:				
U.S. mid cap	3,312,660	-	-	3,312,660
U.S. small cap	<u>2,435,621</u>	<u>-</u>	<u>-</u>	<u>2,435,621</u>
Total equities	5,748,281	-	-	5,748,281
Mutual funds and exchange-traded funds:				
Domestic bond funds	4,055,809	-	-	4,055,809
International stock funds	5,341,610	-	-	5,341,610
Domestic stock funds	<u>1,424,004</u>	<u>-</u>	<u>-</u>	<u>1,424,004</u>
Total mutual funds and exchange-traded funds	10,821,423	-	-	10,821,423

	2019			
	Level 1	Level 2	Level 3	Total
Alternative investments*				<u>6,979,866</u>
Total investments	21,041,515	50,314	1,853,800	29,925,495
Beneficial interests in split-interest agreements	-	-	<u>6,049,754</u>	<u>6,049,754</u>
Total financial assets	<u>\$ 21,041,515</u>	<u>\$ 50,314</u>	<u>\$ 7,903,554</u>	<u>\$ 35,975,249</u>

\* In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Assets:	2018			
	Level 1	Level 2	Level 3	Total
Investments:				
Short-term cash investments	\$ 7,058,946	\$ 71,157	\$ -	\$ 7,130,103
Privately held common stock	-	-	659,000	659,000
Equities:				
U.S. mid cap	1,988,891	-	-	1,988,891
U.S. small cap	893,659	-	-	893,659
Developed markets	<u>1,998,165</u>	-	-	<u>1,998,165</u>
Total equities	4,880,715	-	-	4,880,715
Mutual funds and exchange-traded funds:				
Domestic bond funds	3,904,329	-	-	3,904,329
International stock funds	5,325,497	-	-	5,325,497
Domestic stock funds	<u>2,638,365</u>	-	-	<u>2,638,365</u>
Total mutual funds and exchange-traded funds	11,868,191	-	-	11,868,191
Alternative investments*				<u>4,200,000</u>
Total investments	23,807,852	71,157	659,000	28,738,009
Beneficial interests in split-interest agreements	-	-	<u>5,865,464</u>	<u>5,865,464</u>
Total financial assets	<u>\$ 23,807,852</u>	<u>\$ 71,157</u>	<u>\$ 6,524,464</u>	<u>\$ 34,603,473</u>

\* In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

The following table reconciles the beginning and ending balances of financial assets measured at fair value on a recurring basis using significant unobservable (Level 3) inputs during the years ended July 31, 2019 and 2018:

	Privately Held Common Stock	Beneficial in Split-Interest Agreements
Ending balance, July 31, 2017	\$ 659,000	\$ 6,001,771
Distributions from split-interest agreements	-	(120,894)
Change in value before distributions	-	<u>(15,413)</u>
Ending balance, July 31, 2018	659,000	5,865,464
Distributions from split-interest agreements	-	(85,140)
Gifts of beneficial interest in split-interest agreements	-	450
Change in value before distributions	<u>1,194,800</u>	<u>268,980</u>
Ending balance, July 31, 2019	<u>\$ 1,853,800</u>	<u>\$ 6,049,754</u>

Any unrealized gains (losses) on the privately held common stock are included in the investment return in excess of (less than) amounts designated for current operations.

The following table sets forth a summary of the Seminary's investments with a reported NAV or equivalent:

Investment	July 31, 2019	July 31, 2018	July 31, 2019 Unfunded Commitment	Redemption Frequency and Notice Period	Other Redemption Restrictions
Alternative investments:					
Undiscovered Value Fund, Ltd. (a)	\$ 4,404,525	\$ 4,200,000	\$ -	Not predetermined, 30-day notice is required	12-month lock-up period
Courage-Credit Opps IV, L.P. (b)	579,082	-	2,400,000	N/A	Distributions made as underlying investments mature
Private Advisors - Real Assets Fund II. (c)	<u>1,996,259</u>	<u>-</u>	<u>2,178,198</u>	N/A	Distributions made as underlying investments mature
Total	<u>\$ 6,979,866</u>	<u>\$ 4,200,000</u>	<u>\$ 4,578,198</u>		

(a) Seeks long-term capital appreciation while investing in various stocks, corporate bonds, convertible bonds, warrants and other equity-based securities.

(b) Seeks to achieve investment returns by investing in stressed and distressed investments in troubled companies.

(c) Seeks to achieve investment returns by investing in private equity funds focused on natural resources excluding real estate.

#### **Note 7 - Retirement Plan**

Permanent employees of the Seminary who normally work at least half time are participants in a defined contribution plan, which is administered by Guidestone Financial Resources of the SBC. The Seminary contributes 10% of each eligible participant's compensation to the plan and will match an employee's contribution up to 5%. Retirement fund investments are self-directed by the plan participants and the Seminary has no further funding obligation once the contribution has been made. The Seminary's contribution to the plan for the years ended July 31, 2019 and 2018, was \$1,054,447 and \$999,137, respectively.

During 2013, the Seminary established a nonqualified deferred compensation plan for the benefit of the President of the Seminary. The primary purpose of the plan is to provide additional compensation to the President upon termination of employment with the Seminary. The Seminary does not match employee contributions to the plan and has recorded no asset or liability on the consolidated statements of financial position. Contributions to the plan are held by a third-party trustee, Guidestone Financial Resources.

#### **Note 8 - Postretirement Benefits**

The Seminary sponsors a postretirement benefit plan for all employees that meet the eligibility requirements. The plan provides healthcare and life insurance benefits and is noncontributory and unfunded.

Net periodic postretirement benefit costs recognized as expenses included the following components for the years ended July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Service cost-benefits attributable to service during the year	\$ 360,271	\$ 384,740
Interest on accumulated postretirement benefit obligation	<u>321,259</u>	<u>410,683</u>
	<u>\$ 681,530</u>	<u>\$ 795,423</u>

The accumulated postretirement benefit obligation recognized on the accompanying consolidated statements of financial position includes the following components and activity as of and for the years ended July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Benefit obligation at beginning of year	\$ 9,768,820	\$ 10,555,628
Service cost-benefits attributable to service during the year	360,271	384,740
Interest on accumulated postretirement benefit obligation	321,259	410,683
Benefits paid by the Seminary	(351,674)	(335,106)
Actuarial loss (gain)	1,004,039	(46,682)
Effect of change in economic assumptions	(1,413,669)	(84,108)
Effect of change in discount rate assumption	(97,094)	(703,743)
Effect of change in mortality, withdrawal and trend assumptions	<u>(203,927)</u>	<u>(412,592)</u>
Benefit obligation at end of year	<u>\$ 9,388,025</u>	<u>\$ 9,768,820</u>

Accumulated postretirement benefit obligation included the following component that has not yet been recognized as a component of net periodic postretirement benefit costs at July 31, 2019 and 2018, but which has been reflected as a

reduction to net assets without donor restrictions, apart from expenses, on the accompanying consolidated statements of activities for the years ended July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Net experience (gains)	\$ (885,156)	\$ (60,612)

None of the net experience gains included in accumulated postretirement benefit obligation at July 31, 2019, that have not yet been recognized as components of net periodic postretirement benefit costs, are expected to be recognized as components of periodic postretirement benefit costs in 2020.

For measurement purposes, a 7.50% weighted average annual rate of increase in per capita medical and prescription drug costs of covered benefits was assumed for 2019 with such annual rate of increase gradually declining to 5.25% by 2027. If assumed healthcare cost trend rates were increased by one percentage point in each year, the accumulated postretirement benefit obligation at July 31, 2019 and 2018, would be increased by approximately \$1,217,000 (12.97%) and \$1,395,000 (14.28%), respectively, and the aggregate of the service and interest cost components of net periodic postretirement benefit costs for the years ended July 31, 2019 and 2018, would be increased by approximately \$152,000 (22.31%) and \$141,000 (17.73%), respectively.

If assumed healthcare cost trend rates were decreased by one percentage point in each year, the accumulated postretirement benefit obligation at July 31, 2019 and 2018, would be decreased by approximately \$986,000 (10.51%) and \$1,120,000 (11.46%), respectively, and the aggregate of the service and interest cost components of net periodic postretirement benefit costs for the years ended July 31, 2019 and 2018, would be decreased by approximately \$118,000 (17.31%) and \$111,000 (13.91%), respectively.

The weighted average discount rate used in estimating the benefit obligation and net periodic benefit cost at July 31, 2019 and 2018, was 3.38% and 4.14%, respectively.

The benefits expected to be paid by the Seminary in each of the next five fiscal years and in the aggregate for the five fiscal years thereafter are as follows:

Years ending July 31,	<u>Amount</u>
2020	\$ 491,249
2021	480,687
2022	504,344
2023	496,259
2024	494,919
2024-2029	2,661,982

#### **Note 9 - Line of Credit**

At July 31, 2019 and 2018, the Seminary has an unsecured line of credit with a bank with available borrowings up to \$1,500,000. Borrowings under the line of credit are at the London Interbank Offered Rate (LIBOR), plus 1.85%, not to decrease below a minimum rate of 3% and require monthly interest payments. There were no outstanding borrowings under the line of credit agreement during the years ended July 31, 2019 and 2018. The outstanding balance and all accrued but unpaid interest will be due on February 12, 2020. The loan agreement associated with the line of credit contains various covenants, including the requirement to maintain minimum tangible net worth of \$40,000,000, total net assets without donor restrictions of \$25,000,000 and minimum liquidity of \$4,500,000.

#### **Note 10 - Bonds Payable and Bank Held Term Loan**

Bonds payable at July 31, 2019 and 2018, consisted of the following:

	<u>2019</u>	<u>2018</u>
Principal balance, bonds payable	\$ 3,938,992	\$ 4,554,992
Less unamortized debt issuance costs	<u>55,045</u>	<u>64,349</u>
Bonds payable, net of unamortized debt issuance costs	<u>\$ 3,883,947</u>	<u>\$ 4,490,643</u>

On July 2, 2013, the Seminary entered into a Bond Purchase and Loan Agreement, whereby the Public Finance Authority (the Public Authority) issued on behalf of the Seminary a \$7,500,000 aggregate principal amount of the Public Authority's Educational Facilities Revenue Refunding Bond, Series 2013 (the 2013 Bonds). The 2013 Bonds were then purchased from the Public Authority by the same bank which provides the line of credit, with the proceeds loaned to the Seminary by the Public Authority through a promissory note, which was assigned to the bank without recourse. In connection with these transactions, the Seminary entered into a guarantee agreement with the bank to guarantee payment of all obligations from the 2013 Bonds. The 2013 Bonds are subject to optional redemption, in whole or part, in the event the Seminary elects to prepay the term loan. Prepayment is allowed provided advance notice is provided by the Seminary. The 2013 Bonds are also subject to mandatory redemption within 45 days of the occurrence of any event, which has the effect of causing interest paid or payable on the 2013 Bonds to become taxable. The proceeds from the term loan were designated to be used to refinance previously outstanding debt, to pay certain issuance costs and to finance the acquisition and installation of a new energy-efficient boiler system. The boiler project was completed as of July 2015 and the remaining funds were released for unrestricted expenses. The Seminary also terminated the letter of credit, which collateralized the Bonds in connection with the refinancing.

Interest on the term loan accrues at a variable rate equal to the sum of 70% of the one-month LIBOR (2.22% at July 31, 2019), plus 1.25%, with monthly principal and interest payments beginning August 1, 2013. The loan matures on March 1, 2025. The term loan contains certain restrictive covenants, including a minimum liquidity and net assets without donor restrictions requirement, as well as a debt service coverage ratio requirement and certain reporting requirements. The loan is collateralized by a deed of trust to real property and assigned rents and leases of assigned property.

Total interest expense for the years ended July 31, 2019 and 2018, were \$141,442 and \$129,524, respectively.

Future required principal payments anticipated by the Seminary on the term loan are as follows:

Years ending July 31,	<u>Amount</u>
2020	\$ 637,332
2021	661,332
2022	687,004
2023	710,000
2024	737,996
Thereafter	<u>505,328</u>
	<u>\$ 3,938,992</u>

During 2013, the Seminary capitalized \$111,641 of debt issuance costs related to the issuance of the 2013 Bonds. Amortization expense recognized during 2019 and 2018 totaled approximately \$9,000 in each year. Expected amortization is approximately \$9,000 over each of the next six years.

**Note 11 - Net Assets**

Net assets without donor restrictions and with donor restrictions consist of the following as of July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Net assets without donor restrictions:		
Undesignated	\$ (2,464,676)	\$ (3,470,614)
Board designated endowment	5,396,691	5,497,620
Net investment in property, plant and equipment	<u>31,336,873</u>	<u>31,503,752</u>
Total net assets without donor restrictions	<u>34,268,888</u>	<u>33,530,758</u>
Net assets with donor restrictions:		
Subject to expenditure for specified purpose:		
Scholarships	5,424,335	4,218,047
Project renovations	2,209,652	1,321,419
Faculty	1,385,770	1,583,680
Institutional support	1,010,512	1,141,089
Lectures and awards	375,285	250,928
Library	92,934	120,254
Other	1,011,279	772,024
Accumulated gains	<u>(3,255,996)</u>	<u>(3,812,128)</u>
	<u>8,253,771</u>	<u>5,595,313</u>
Subject to spending policy and appropriation:		
Accumulated gains	3,255,996	3,812,128
Endowment funds restricted in perpetuity	<u>20,522,992</u>	<u>19,854,625</u>
	<u>23,778,988</u>	<u>23,666,753</u>
Subject to restriction in perpetuity:		
Beneficial interests in split-interest agreements	<u>6,015,231</u>	<u>5,814,769</u>
Total net assets with donor restrictions	<u>38,047,990</u>	<u>35,076,835</u>
Total net assets	<u>\$ 72,316,878</u>	<u>\$ 68,607,593</u>

**Note 12 - Net Assets Released From Donor Restrictions**

Net assets during the years ended July 31, 2019 and 2018, were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the donors as follows:

	<u>2019</u>	<u>2018</u>
Purpose restrictions accomplished:		
Scholarships	\$ 1,479,237	\$ 1,934,882
Faculty	524,297	570,053
Institutional support	557,978	497,818
Project renovations	57,852	183,179
Library	15,854	15,509
Lectures and awards	18,718	39,902
Other	<u>122,256</u>	<u>344,701</u>
	<u>\$ 2,776,192</u>	<u>\$ 3,586,044</u>

**Note 13 - Endowment Funds**

The Seminary's endowment funds consist of over 300 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Funds functioning as endowments are Seminary resources designated as endowments by the Board of Trustees and are invested in the endowment for long-term appreciation and current income. Such assets, however, remain available and may be spent at the Board of Trustee's discretion unless donor-imposed restrictions exist on their use. Funds functioning as endowments are recorded in net assets without donor restrictions, unless donor restrictions exist in which case they are recorded in net assets with donor restrictions.

The Seminary follows the provisions of FASB ASC 958-205-50 (formerly FASB Staff Position 117-1, Net Asset Classification of Funds) subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) (NCUPMIFA), and Enhanced Disclosures for all Endowment Funds. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Seminary considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor of the gift instrument. In accordance with NCUPMIFA, the Seminary considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the endowment fund
- The purposes of the Seminary and the endowment fund
- General economic conditions
- The possible effect of inflation or deflation
- The expected total return from income and appreciation of investments
- Other resources of the Seminary
- The investment policy of the Seminary

The Seminary's Board of Trustees has a standing Audit and Investment Committee comprised of six trustees. The Committee is charged with the oversight of the Seminary's investments and operates under a Board-approved Investment Policy Statement. The Statement defines the parameters within which investments may be made. The overall investment objective, as defined in the document, is to preserve, over time, the principal value of the assets as measured in real, inflation adjusted terms. The absolute goal is an annual real rate of return of 8%. Asset allocation ranges, benchmark indices, risk tolerances and rebalancing procedures are specified within the Investment Policy Statement.

The Board's current endowment spending policy is to distribute an amount equal to 5% of a rolling three-year average of the endowment investments. This spending policy is consistent with the average long-term return expectation, intended to provide support of donors' intent and additional growth of the endowment funds.

The Seminary's Board of Trustees authorizes endowment expenditures at the time it approves the annual fiscal year's operating budget based upon the endowment earnings available at that time, consistent with the Seminary's endowment spending policy. The actual expenditure of these appropriations occurs at various times during the fiscal year for which they are appropriated. From time to time, the fair value of assets associated with the donor-restricted endowment funds may fall below the level that the donor or NCUPMIFA requires the Seminary to retain as a fund of perpetual duration. As of July 31, 2019, deficiencies of this nature exist in 18 donor-restricted endowment funds, which together have an original gift value of \$1,029,975, a current fair value of \$936,428, and a deficiency of \$93,547. As of July 31, 2018, deficiencies of this nature exist in 13 donor-restricted endowment funds, which together have an original gift value of \$560,301, a current fair value of \$481,622, and a deficiency of \$78,679. These deficiencies are generally due to unfavorable market fluctuations that occurred within the Seminary's investment portfolio. During the years ended July 31, 2019 and 2018, appropriations of \$39,638 and \$17,223, respectively, were made on funds with deficiencies.

The following table summarizes changes in endowment net assets for the years ended July 31, 2019 and 2018:

	Without Donor Restrictions	With Donor Restrictions		Total with Donor Restrictions	Total
		Original Gift Amount	Accumulated Earnings and Other		
Endowment net assets, July 31, 2017	\$ 5,414,045	\$ 19,606,242	\$ 3,464,349	\$ 23,070,591	\$ 28,484,636
Contributions	-	248,383	-	248,383	248,383
Interest, other investment income, net of expenses, realized and unrealized gains and other gains	316,614	-	1,396,061	1,396,061	1,712,675
Appropriations of endowment assets for expenditure	(233,039)	-	(1,048,282)	(1,048,282)	(1,281,321)

	Without Donor Restrictions	With Donor Restrictions		Total with Donor Restrictions	Total
		Original Gift Amount	Accumulated Earnings and Other		
Endowment net assets, July 31, 2018	5,497,620	19,854,625	3,812,128	23,666,753	29,164,373
Contributions	-	668,367	-	668,367	668,367
Interest, other investment income, net of expenses, realized and unrealized gains and other gains	150,316	-	524,976	524,976	675,292
Appropriations of endowment assets for expenditure	(251,245)	-	(1,081,108)	(1,081,108)	(1,332,353)
Endowment net assets, July 31, 2019	<u>\$ 5,396,691</u>	<u>\$ 20,522,992</u>	<u>\$ 3,255,996</u>	<u>\$ 23,778,988</u>	<u>\$ 29,175,679</u>

The following tables summarize the composition of endowment net assets by fund type as of July 31, 2019 and 2018:

	2019				
	Without Donor Restrictions	Original Gift Amount	Accumulated Earnings and Other	Total with Donor Restrictions	Total
Donor-restricted endowment funds:	\$ -	\$ 20,522,992	\$ 3,255,996	\$ 23,778,988	\$ 23,778,988
Board-designated endowment funds	<u>5,396,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,396,691</u>
Total endowment net assets	<u>\$ 5,396,691</u>	<u>\$ 20,522,992</u>	<u>\$ 3,255,996</u>	<u>\$ 23,778,988</u>	<u>\$ 29,175,679</u>

	2018				
	Without Donor Restrictions	Original Gift Amount	Accumulated Earnings and Other	Total with Donor Restrictions	Total
Donor-restricted endowment funds:	\$ -	\$ 19,854,625	\$ 3,812,128	\$ 23,666,753	\$ 23,666,753
Board-designated endowment funds	<u>5,497,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,497,620</u>
Total endowment net assets	<u>\$ 5,497,620</u>	<u>\$ 19,854,625</u>	<u>\$ 3,812,128</u>	<u>\$ 23,666,753</u>	<u>\$ 29,164,373</u>

**Note 14 - Lease Commitments**

The Seminary has various operating leases primarily for student housing that expire in 2030. Total rental expense under cancelable and non-cancelable operating leases was \$1,709,243 in each of 2019 and 2018.

At July 31, 2019, the future minimum lease payments under non-cancelable operating leases were as follows:

Years ending July 31,	Amount
2020	\$ 1,670,054
2021	1,670,054
2022	1,670,054
2023	1,670,054
2024	1,670,054
Thereafter	<u>10,329,814</u>
	<u>\$ 18,680,084</u>

**Note 15 - Contingencies**

In accordance with the Asset Retirement and Environmental Obligations Topic of the FASB ASC (ASC 410 20), the Seminary has identified several facilities that have conditional asset retirement obligations related to asbestos abatement. The Seminary has not recorded a liability for certain of these conditional asset retirement obligations due to the Seminary being unable to reasonably estimate the fair value of the liability. For those obligations for which no liability has been recorded, the fair value of such a liability could not be reasonably estimated as the Seminary has no specified plans that would require abatement of the asbestos and, therefore, settlement dates for these conditional asset retirement obligations are not known, nor can they be reasonably estimated.

**Statements of Activities Information  
Years Ended July 31, 2019 and 2018**

Cooperative Program, Southern Baptist Convention	2019	2018
Churches/individuals	\$ 226,035	\$ 233,474
Alabama	740,409	734,726
Alaska	6,870	9,096
Arizona	43,955	53,312
Arkansas	365,221	375,438
California	85,957	90,003
Colorado	27,214	23,970
Dakota	3,803	6,144
District of Columbia	-	571

Cooperative Program, Southern Baptist Convention	2019	2018
Florida	580,798	597,054
Georgia	606,129	676,360
Hawaii Pacific	9,305	12,785
Illinois	91,760	94,475
Indiana	34,778	39,808
Iowa	13,454	14,083
Kansas-Nebraska	31,945	31,505
Kentucky	389,960	415,938
Louisiana	271,168	280,806
Maryland-Delaware	66,612	63,629
Michigan	12,393	12,550
Minnesota-Wisconsin	9,237	8,224
Mississippi	481,784	472,456
Missouri	228,606	245,892
Montana	7,671	7,166
Nevada	24,445	23,698
New England	8,428	6,742
New Mexico	32,760	34,222
New York	9,484	9,825
North Carolina	451,983	474,859
Northwest	26,911	30,764
Ohio	85,065	83,284
Oklahoma	392,506	397,407
Pennsylvania-South Jersey	13,475	11,381
Puerto Rico/U.S. Virgin Islands	277	144
South Carolina	429,670	448,409
Tennessee	620,315	627,566
Texas - BGCT	405,221	403,908
Texas - SBTC	593,464	614,680
Utah-Idaho	8,411	7,926
Virginia, BGAV	30,786	33,328
Virginia, SBCV	179,565	176,863
West Virginia	21,602	19,690
Wyoming	4,274	4,461
Other	33,967	54,235
Total Cooperative Program	<u>\$ 7,707,673</u>	<u>\$ 7,962,862</u>

**Schedule of Expenditures of State Awards  
Year Ended July 31, 2019**

State Grantor/Pass-Through Grantor/Program Title	Expenditures
State Programs:	
Direct Programs:	
North Carolina State Education Assistance Authority:	
North Carolina Need-Based Scholarship Program	\$ 397,450
<b>Total state awards</b>	<u>\$ 397,450</u>

*See note to schedule of expenditures of state awards*

**Note to Schedule of Expenditures of State Awards**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of state awards includes state grant activity of the Seminary and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of North Carolina General Statute 143C-6-23. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

**Independent Auditor's Report**

To the Board of Trustees  
Southeastern Baptist Theological Seminary, Inc.

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Southeastern Baptist Theological Seminary, Inc. and Subsidiary, which comprise the consolidated statements of financial position as of July 31, 2019 and 2018, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southeastern Baptist Theological Seminary, Inc. and Subsidiary as of July 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1 to the accompanying financial statements, the Seminary adopted the Financial Accounting Standards Board Accounting Standards Update 2016-14, *Not-for-Profit-Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* during 2019. The adoption of the standard resulted in changes to the classification of net assets and additional footnote disclosures. The adoption was retrospectively applied to the prior year, and the effects of the adoption are disclosed in Note 1 of the consolidated financial statements.

**Other Matters****Supplementary Information and Schedule of Expenditures of State Awards**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of state awards as required by North Carolina General Statute 143C-6-23 and the North Carolina State Education Assistance Authority is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated November 7, 2019, on our consideration of Southeastern Baptist Theological Seminary, Inc. and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Seminary's internal control over financial reporting and compliance.

RSM US LLP  
Raleigh, North Carolina  
November 7, 2019

**THE SOUTHERN BAPTIST THEOLOGICAL SEMINARY**

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

July 31, 2019 and 2018

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 26,100,299	\$ 20,396,755
Accounts and notes receivable, less allowance for doubtful accounts of \$45,000 and \$51,000 in 2019 and 2018, respectively	1,234,976	1,665,460
Student loans receivable, less allowance for doubtful accounts of \$3,000 and \$3,000 in 2019 and 2018, respectively	70,314	37,670
Inventory, prepaid expenses and other	933,274	938,138
Land, buildings and equipment, net of accumulated depreciation (Note 7)	66,531,849	68,887,461
Long-term investments (Note 4)	78,719,458	79,006,298
Funds held in trust by others (Note 6)	19,306,489	19,146,834
Real estate held for sale and other	<u>533,178</u>	<u>540,097</u>
<b>Total assets</b>	<b><u>\$ 193,429,837</u></b>	<b><u>\$ 190,618,713</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 3,608,758	\$ 3,823,283
Deferred revenue, deposits and other liabilities	3,015,733	1,954,012
Annuity obligations	1,246,132	1,361,878
Capital leases payable (Note 14)	3,280	5,131
Notes payable (Note 8)	21,842,608	22,995,510
Accrued postretirement benefit cost (Note 12)	<u>4,319,512</u>	<u>3,933,346</u>
Total liabilities	<u>34,036,023</u>	<u>34,073,160</u>
<b>Net assets</b>		
Without donor restrictions		
Undesignated	56,754,579	56,514,477
Operating reserve	2,500,000	-
Board designated for endowment	<u>9,699,789</u>	<u>9,715,416</u>
Total net assets without donor restrictions	68,954,368	66,229,893
With donor restrictions (Note 9)		
Time restricted for future periods	46,068	52,071
Purpose restricted	33,645,885	34,182,096
Restricted in perpetuity	<u>56,747,493</u>	<u>56,081,493</u>
Total net assets with donor restrictions	<u>90,439,446</u>	<u>90,315,660</u>
Total net assets	<u>159,393,814</u>	<u>156,545,553</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 193,429,837</u></b>	<b><u>\$ 190,618,713</u></b>

See accompanying notes to consolidated financial statements.

**CONSOLIDATED STATEMENT OF ACTIVITIES**

Year ended July 31, 2019

(With comparative totals for 2018)

	-----2019-----				2018
	Without Donor	---With Donor Restrictions---		Total	
	Restrictions	Program	Restricted in		Total
		Restrictions	Perpetuity	Total	
<b>Operating revenues</b>					
Tuition and fees	\$ 26,566,668	\$ -	\$ -	\$ 26,566,668	\$ 25,088,953
Less: Scholarships and discounts	<u>764,061</u>	-	-	<u>764,061</u>	<u>924,555</u>
Net tuition and fees	25,802,607	-	-	25,802,607	24,164,398
Gifts and bequests					
Southern Baptist Convention					
Cooperative Program	10,279,637	-	-	10,279,637	10,068,515
Other	1,934,494	328,171	442,468	2,705,133	3,786,786
Investment return distributed for operations	992,377	2,510,863	-	3,503,240	3,998,498
Other	525,465	2,160	-	527,625	559,903

	-----2019-----				2018 Total
	Without Donor Restrictions	---With Donor Program Restrictions	Restricted in Perpetuity	Total	
Auxiliary enterprises					
Student housing	3,913,820	-	-	3,913,820	3,506,464
Other	2,775,240	-	-	2,775,240	2,811,514
Net assets released from restrictions	<u>2,975,055</u>	<u>(2,975,055)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>49,198,695</u>	<u>(133,861)</u>	<u>442,468</u>	<u>49,507,302</u>	<u>48,896,078</u>
<b>Operating expenses</b>					
Educational and general					
Instruction	13,863,153	-	-	13,863,153	13,449,222
Academic support	3,702,466	-	-	3,702,466	3,541,904
Institutional support	10,027,762	-	-	10,027,762	10,870,636
Student services	7,857,722	-	-	7,857,722	7,146,094
Auxiliary enterprises					
Student housing	6,517,004	-	-	6,517,004	5,710,864
Other	<u>4,032,228</u>	<u>-</u>	<u>-</u>	<u>4,032,228</u>	<u>4,027,848</u>
Total expenses	<u>46,000,335</u>	<u>-</u>	<u>-</u>	<u>46,000,335</u>	<u>44,746,568</u>
<b>Increase (decrease) in net assets from operating activities</b>	<u>3,198,360</u>	<u>(133,861)</u>	<u>442,468</u>	<u>3,506,967</u>	<u>4,149,510</u>
<b>Nonoperating</b>					
Investment return undistributed	659,532	(555,302)	178,830	283,060	1,219,375
Change in value of split-interest agreements	-	71,044	44,702	115,746	47,984
Unrestricted estate gifts board-designated as funds functioning as endowment	72,081	-	-	72,081	1,762,461
Gifts restricted by donors for capital purposes	-	88,953	-	88,953	166,501
Change in postretirement benefits obligation other than net periodic cost	(169,704)	-	-	(169,704)	533,275
Change in value of interest rate swap agreements	(1,048,842)	-	-	(1,048,842)	899,637
Net assets released from restrictions	<u>13,048</u>	<u>(13,048)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Increase (decrease) in net assets from nonoperating activities</b>	<u>(473,885)</u>	<u>(408,353)</u>	<u>223,532</u>	<u>(658,706)</u>	<u>4,629,233</u>
<b>Increase (decrease) in net assets</b>	<u>2,724,475</u>	<u>(542,214)</u>	<u>666,000</u>	<u>2,848,261</u>	<u>8,778,743</u>
Net assets at beginning of year	<u>66,229,893</u>	<u>34,234,167</u>	<u>56,081,493</u>	<u>156,545,553</u>	<u>147,766,810</u>
<b>Net assets at end of year</b>	<u>\$ 68,954,368</u>	<u>\$33,691,953</u>	<u>\$56,747,493</u>	<u>\$159,393,814</u>	<u>\$156,545,553</u>

See accompanying notes to consolidated financial statements.

**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**Year ended July 31, 2018**

	---With Donor Restrictions---			
	Without Donor Restrictions	Program Restrictions	Restricted in Perpetuity	Total
<b>Operating revenues</b>				
Tuition and fees	\$ 25,088,953	\$ -	\$ -	\$ 25,088,953
Less: Scholarships and discounts	<u>924,555</u>	<u>-</u>	<u>-</u>	<u>924,555</u>
Net tuition and fees	24,164,398	-	-	24,164,398
Gifts and bequests				
Southern Baptist Convention Cooperative Program	10,068,515	-	-	10,068,515
Other	2,070,859	1,090,371	625,556	3,786,786
Investment return distributed for operations	1,177,409	2,821,089	-	3,998,498
Other	553,023	6,880	-	559,903
Auxiliary enterprises				
Student housing	3,506,464	-	-	3,506,464
Other	2,811,514	-	-	2,811,514
Net assets released from restrictions	<u>3,030,197</u>	<u>(3,030,197)</u>	<u>-</u>	<u>-</u>
Total revenues	<u>47,382,379</u>	<u>888,143</u>	<u>625,556</u>	<u>48,896,078</u>

	---With Donor Restrictions---			Total
	Without Donor Restrictions	Program Restrictions	Restricted in Perpetuity	
<b>Operating expenses</b>				
Educational and general				
Instruction	13,449,222	-	-	13,449,222
Academic support	3,541,904	-	-	3,541,904
Institutional support	10,870,636	-	-	10,870,636
Student services	7,146,094	-	-	7,146,094
Auxiliary enterprises				
Student housing	5,710,864	-	-	5,710,864
Other	4,027,848	-	-	4,027,848
Total expenses	<u>44,746,568</u>	<u>-</u>	<u>-</u>	<u>44,746,568</u>
<b>Increase in net assets from operating activities</b>	<u>2,635,811</u>	<u>888,143</u>	<u>625,556</u>	<u>4,149,510</u>
<b>Nonoperating</b>				
Investment return undistributed	239,087	208,005	772,283	1,219,375
Change in value of split-interest agreements	-	3,396	44,588	47,984
Unrestricted estate gifts board-designated as funds functioning as endowment	1,762,461	-	-	1,762,461
Gifts restricted by donors for capital purposes	-	166,501	-	166,501
Change in postretirement benefits obligation other than net periodic cost	533,275	-	-	533,275
Change in value of interest rate swap agreements	899,637	-	-	899,637
Net assets released from restrictions	<u>117,935</u>	<u>(117,935)</u>	<u>-</u>	<u>-</u>
<b>Increase in net assets from nonoperating activities</b>	<u>3,552,395</u>	<u>259,967</u>	<u>816,871</u>	<u>4,629,233</u>
<b>Increase in net assets</b>	<u>6,188,206</u>	<u>1,148,110</u>	<u>1,442,427</u>	<u>8,778,743</u>
Net assets at beginning of year, as previously reported	<u>58,980,482</u>	<u>34,147,262</u>	<u>54,639,066</u>	<u>147,766,810</u>
Cumulative effect of change in accounting principle (Note 2)	1,061,205	(1,061,205)	-	-
Net assets at beginning of year, as adjusted	<u>60,041,687</u>	<u>33,086,057</u>	<u>54,639,066</u>	<u>147,766,810</u>
<b>Net assets at end of year</b>	<u>\$ 66,229,893</u>	<u>\$ 34,234,167</u>	<u>\$ 56,081,493</u>	<u>\$ 156,545,553</u>

See accompanying notes to consolidated financial statements.

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Years ended July 31, 2019 and 2018

	2019	2018
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 2,848,261	\$ 8,778,743
Adjustments to reconcile change in net assets to net cash from operating activities		
Net realized and unrealized (gains) losses on permanent investments	2,926,437	(2,156,163)
Net realized and unrealized gains on funds held in trust by others	(160,972)	(623,320)
Net realized and unrealized losses on annuity and life income funds	3,041	41,243
Pension-related changes other than net periodic pension cost	169,704	(533,275)
Depreciation	4,718,855	4,513,416
Amortization of debt issuance costs	6,919	6,920
Contributions restricted for long-term investment	(338,606)	(760,107)
Interest and dividends restricted for permanent investment	(42,900)	(44,916)
Increase (decrease) in cash resulting from changes in assets and liabilities		
Accounts and notes receivable	430,484	(227,385)
Inventory, prepaid expenses and other	4,864	(33,495)
Accounts payable and accrued expenses	68,445	(134,282)
Accrued postretirement benefit cost	216,462	279,381
Annuity obligations	(115,746)	(47,984)
Deferred revenue, deposits and other liabilities	<u>1,061,721</u>	<u>(588,214)</u>
Net cash from operating activities	<u>11,796,969</u>	<u>8,470,562</u>

	2019	2018
<b>Cash flows from investing activities</b>		
Purchases of land, buildings and equipment	(2,637,761)	(2,978,354)
Proceeds from sales of investments	24,474,258	419,336,762
Purchases of investments	(27,115,578)	(420,292,478)
(Increase) decrease in student loans receivable	<u>(32,644)</u>	<u>35,688</u>
Net cash used in investing activities	<u>(5,311,725)</u>	<u>(3,898,382)</u>
<b>Cash flows from financing activities</b>		
Proceeds from gifts restricted for long-term investment in endowment	249,653	593,606
Investment in land, buildings and equipment	<u>80,500</u>	<u>158,000</u>
	330,153	751,606
Other financing activities		
Principal repayments on bonds and notes payable	(1,152,902)	(1,115,521)
Payments on capital leases	(1,851)	(1,697)
Interest and dividends restricted for reinvestment	<u>42,900</u>	<u>44,916</u>
Net cash used in financing activities	<u>(781,700)</u>	<u>(320,696)</u>
<b>Net increase in cash and cash equivalents</b>	5,703,544	4,251,484
Cash and cash equivalents at beginning of year	<u>20,396,755</u>	<u>16,145,271</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 26,100,299</u>	<u>\$ 20,396,755</u>
<b>Supplemental disclosure of cash flow information</b>		
Interest paid	\$ 735,867	\$ 773,654
Purchases of land, buildings and equipment in accounts payable	197,110	514,896

See accompanying notes to consolidated financial statements.

#### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

July 31, 2019 and 2018

#### **NOTE 1 – ORGANIZATION AND MISSION**

The Southern Baptist Theological Seminary (the “Seminary”), a Kentucky not-for-profit organization, conducts comprehensive programs of theological education. Following is the Seminary’s mission statement:

“Under the lordship of Jesus Christ, the mission of The Southern Baptist Theological Seminary is to be totally committed to the Bible as the Word of God, to the Great Commission as our mandate, and to be a servant of the churches of the Southern Baptist Convention by training, educating, and preparing ministers of the gospel for more faithful service.”

The programs of the Seminary focus on the development of ministerial competencies at the baccalaureate, basic professional post-baccalaureate, advanced professional and advanced research levels. The Seminary provides services to persons, churches and denominational entities through its programs of continuing education for ministry.

The Seminary is an agency of the Southern Baptist Convention (the “Convention”). In addition to providing substantial financial support to the Seminary, the Convention elects the Board of Trustees of the Seminary.

**Basis of Consolidation:** The Seminary is also affiliated with the Southern Seminary Foundation (the “Foundation”), a Kentucky not-for-profit corporation. The Foundation was formed, among other purposes, as a fundraising organization and administrator of certain funds to be used for the benefit of the Seminary. The Foundation is affiliated with the Seminary through common management. The Foundation does not reimburse the Seminary for use of facilities and other resources or common employees. The accounts of the Foundation have been included in the Seminary’s consolidated financial statements.

In addition, the Seminary has a wholly-owned subsidiary corporation, Village Manor, Inc. The accounts of Village Manor, Inc. are included in the consolidated financial statements of the Seminary. All intercompany transactions with Village Manor, Inc. are eliminated in the consolidation of the financial statements.

The Seminary has another wholly-owned subsidiary, Seminary Properties, LLC (“Seminary Properties”) that was established to provide student and multi-family housing. In pursuing this objective, Seminary Properties entered into a limited liability company as a 90% owner with LHD Grinstead South, LLC, a 10% owner, to form Grinstead Housing South, LLC (“Grinstead Housing”). Seminary Properties and Grinstead Housing are included in the consolidated financial statements of the Seminary and all intercompany transactions are eliminated in the consolidation of the financial statements. The 10% noncontrolling interest in Grinstead Housing is considered immaterial for presentation.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation:** The consolidated financial statements of the Seminary have been prepared on the accrual basis of accounting.

Resources are classified for accounting purposes into separate categories of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying consolidated financial statements, net assets have been grouped into the following categories:

**Net Assets Without Donor Restrictions** – Net assets without donor restrictions are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees.

**Net Assets With Donor Restrictions** – Net assets whose use by the Seminary is subject to donor-imposed stipulations. Some restrictions are temporary in nature and can be fulfilled by actions of the Seminary pursuant to those stipulations or that expire with the passage of time. Other net assets with donor restrictions are perpetual in nature in that they neither expire with the passage of time nor can be fulfilled or otherwise removed by the Seminary.

The Seminary follows the policy of reporting donor restricted contributions and restricted endowment income in the consolidated statements of activities as increases in net assets with donor restrictions in the period received. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations that simultaneously increase one category of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

**Income Taxes:** The Internal Revenue Service has determined that the Seminary is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, the Seminary is subject to federal income tax on any unrelated business taxable income.

Accounting principles generally accepted in the United States of America prescribe recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits or liabilities will be recognized only if the tax position would “more-likely-than-not” be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit or liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax benefit or liability will be recorded. Management has concluded that they are unaware of any tax benefits or liabilities to be recognized at July 31, 2019 and 2018 and does not expect this to change in the next 12 months.

The Seminary would recognize interest and penalties related to uncertain tax positions in interest and income tax expense, respectively. The Seminary has no amounts accrued for interest or penalties as of July 31, 2019 and 2018.

Seminary Properties is a single member limited liability company, wholly owned by the Seminary. Seminary Properties is a disregarded entity treated as part of the Seminary for federal income tax purposes although it is treated under state law as a separate legal entity.

Grinstead Housing is a for-profit organization which is treated as a partnership for income tax purposes. The income that is passed through to Seminary Properties is related business income and is not taxable to the Seminary.

**Statement of Cash Flows:** The Seminary considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Periodically throughout the year, the Seminary’s cash balance exceeds the amount insured by the Federal Deposit Insurance Corporation. Cash and cash equivalents representing assets of endowment and similar funds and annuity and life income funds are included in long-term investments.

Gifts-in-kind of \$97,096 and \$128,144 were received in 2019 and 2018, respectively.

The Seminary received total gifts of split-interest agreements of \$6,255 and \$31,950 in 2019 and 2018, respectively.

Fundraising expenses totaled \$1,096,906 and \$1,101,772 in 2019 and 2018, respectively.

Cash paid for interest was \$735,867 and \$773,654 for the years ended July 31, 2019 and 2018, respectively, including interest capitalized of \$2,477 and \$28,862 in 2019 and 2018, respectively.

**Accounts, Notes and Student Loans Receivable:** Accounts and notes receivable primarily consists of student charges, employee advances and amounts due from vendors. Student loans receivable consists of long-term loans that bear interest at various rates and are repayable over various terms. Payment of student charges is due upon registration unless the student has been set up on a specific payment plan. Past due accounts for current students are charged interest at a rate of 18% per annum. There is no interest charged for past due rent or on accounts of former students. An allowance for doubtful accounts is established for the estimated portion that will ultimately be uncollectible. When collection is considered unlikely, accounts are charged off to the allowance. Any subsequent recoveries are added to the allowance. The allowances are based on prior experience and management’s analysis of specific receivables.

**Contributions Receivable:** Unconditional promises to give are recognized at fair value as receivables and revenue in the appropriate net asset category in the year in which the pledge is communicated by the donor. Contributions to be received

within one year are recorded at their fair value, net of allowances. Contributions to be received in more than one year have been recorded at the net present value of the expected future cash flows, net of allowances. Contributions receivable are reviewed annually to determine if an allowance for uncollectible contributions receivable is needed.

**Investments:** Investments in marketable securities are stated at fair value (based upon quoted market prices), and real estate investments from gifts are stated at fair value (based upon appraisals). Investments in alternative investments, other than private equities, a commercial real estate fund and preferred note, are stated at fair value based upon amounts provided by the investment managers. Private equities, commercial real estate fund and preferred note are recorded at cost in accordance with accounting principles generally accepted in the United States of America. Net unrealized and realized gains or losses are reflected in the consolidated statements of activities as a component of investment return.

The investment in key man life insurance policies is stated at its cash surrender value provided by the insurance companies.

Investment income is reported net of investment expenses as a component of investment return. These expenses totaled \$203,426 and \$129,972 in 2019 and 2018, respectively.

As noted in Note 5, net appreciation on endowment fund investments, whose income is otherwise unrestricted as to use, is reported as net assets with donor restrictions until appropriated for expenditure by the Seminary. In cases where the donor has placed restrictions on the use of the income from endowed gifts, related net appreciation is subject to those restrictions and is reported as a part of net assets with donor restrictions until the restriction has been met.

**Funds Held in Trust by Others:** Certain income producing funds are held in trust by others. These funds represent resources neither in the possession nor under the control of the Seminary, but held and administered by outside trustees, with the Seminary deriving only income from such funds. These funds include various types of split-interest agreements including perpetual trusts, charitable gift annuities, charitable lead trusts, charitable remainder trusts, and pooled life income funds. The Seminary's percentage interest in the assets of each trust fund is recorded at fair value in the consolidated statements of financial position.

**Inventories:** Inventories are stated at cost using the first-in, first-out ("FIFO") method.

**Land, Buildings and Equipment:** Land, buildings and equipment are recorded at cost or, if donated, at fair value at the date of donation. Expenditures for land, buildings or equipment with a unit cost of \$5,000 or more and having a useful life greater than one year are capitalized. The Seminary capitalizes interest in connection with the construction of buildings. Actual costs related to the building qualify for interest capitalization. Interest capitalization ceases when the construction is complete and the building is available for use. The Seminary lifts the restrictions on contributions of cash or other assets received for the acquisition of long-lived assets when the long-lived assets are acquired. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings and building improvements	25-100 years
Land improvements	20 years
Equipment, furniture and library books	3-15 years

Amortization of assets recorded under capital leases is included in depreciation expense. Upon disposition, buildings and equipment are removed from the records and any gain or loss is recognized.

Depreciation expense totaled \$4,718,855 and \$4,513,416 in 2019 and 2018, respectively.

**Impairment of Long-Lived Assets:** On an ongoing basis, the Seminary reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying amounts may be overstated. The Seminary recognizes impairment losses if the undiscounted cash flows expected to be generated by the asset are less than the carrying value of the related asset. The impairment loss adjusts the assets to fair value. As of July 31, 2019 and 2018, management believes that no impairments existed, except for the impairment discussed in Note 4.

**Revenue and Deferred Revenue:** Revenue from tuition and fees is recognized during the semester in which the student attends class. Deferred revenue includes amounts received from students for tuition and fees and housing rent prior to the end of the fiscal year but related to the subsequent reporting period. Deferred revenue of \$1,350,000 and \$1,258,000 as of July 31, 2019 and 2018, respectively, is included with deferred revenue, deposits and other liabilities in the consolidated statements of financial position.

**Cost allocations:** The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Seminary. These expenses include depreciation and amortization, interest, accounting, campus police, information technology, human resources, internal event management, mailing services, media production, and facilities operations and maintenance. Depreciation, campus police, and facilities operations and maintenance are allocated based on square footage, and interest is allocated based on usage of space. Costs of other categories are allocated based upon estimates of time and effort. See Note 17 for the schedule of functional expenses.

**Derivative Instruments:** All derivative instruments are recognized in the consolidated statements of financial position at their fair value. Interest received from, interest paid pursuant to, and changes in the fair value of interest rate swaps are recognized in the consolidated statements of activities.

**Fair Value of Financial Instruments:** The fair values of financial instruments other than investments and interest rate swap agreements, which include cash and cash equivalents, accounts receivable, accounts payable and deposits, and notes payable, are based on a variety of factors. In some cases, fair values represent quoted market prices for identical or comparable instruments. In other cases, fair values have been estimated based on assumptions about the amount and timing of estimated future cash flows and assumed discount rates reflecting varying degrees of risk. Accordingly, the fair values may not represent actual values that could have been realized at year-end or that will be realized in the future. All other financial instruments' carrying values approximate fair values as of July 31, 2019 and 2018.

**Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The more significant estimates included in the financial statements are the fair value of investment securities, the estimated lives of depreciable buildings and equipment, and post-retirement benefit obligations.

**Adoption of New Accounting Standard:** In August 2016, FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities* (ASU). The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses, and investment return. The Seminary has adopted the ASU and has adjusted the presentation of these consolidated financial statements accordingly. The ASU has been applied retrospectively to all periods presented, except for the liquidity and functional expense disclosures, as permitted. The implementation resulted in a transfer due to the reclassification of underwater investment balances from net assets without donor restriction to net assets with donor restriction. This transfer increased August 1, 2017 net assets without donor restrictions by \$1,061,205 and decreased net assets with donor restrictions by the same amount.

**Reclassifications:** Certain amounts in the accompanying consolidated financial statements for the prior year have been reclassified to conform to current year presentation with no effect on net assets, change in net assets or net change in cash and cash equivalents.

**Subsequent Events:** Management has performed an analysis of the activities and transactions subsequent July 31, 2019 to determine the need for any adjustments to and/or disclosures within the financial statements for the year ended July 31, 2019. Management has performed their analysis through November 18, 2019, the date these financial statements were available to be issued.

### **NOTE 3 – FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States of America ("U.S. GAAP") define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Seminary's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date and establish a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are described below:

Level 1: Quoted prices for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The carrying amounts for cash and cash equivalents included in investments and as reported in the consolidated statements of financial position approximate their fair value.

The fair values of mutual fund equities, fixed income, and multi-asset securities are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs - market).

Asset-backed securities are issued by financial institutions and are valued using matrix pricing, which is a mathematical technique widely used in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on the securities' relationship to other benchmark quoted securities (Level 2 inputs - market).

Alternative assets consist of hedge funds, commercial real estate funds, private equities, and a preferred note, all of which are held in partnership form. The hedge funds and Private equities where impairment has been taken (see Note 4) are recorded at the net asset value ("NAV") or fair value (Level 3 - market and income). The following is a description of this alternative asset type:

**Hedge Funds** – The Seminary's hedge fund investment in an open-ended fund that employs various investment strategies, including long/short and fund-of-funds. The fund's objective is to seek capital appreciation in excess of applicable broad market indices. The NAV of the hedge fund is determined by the investment manager, utilizing

standard valuation procedures to assess the fair value of the underlying investment holdings. For holdings in marketable securities listed on national security exchanges, the values represent the publicly traded values, and holdings in private securities are generally valued using the mark-to-market method, which attempts to apply a fair value standard by referring to meaningful third-party transactions, comparable public market valuations, appraisals and/or the income approach. Each fund is subject to an annual audit. The Seminary's management has determined that NAV is a reasonable and prudent estimate of valuations reported by each hedge fund investment manager. However, the hedge fund investment is not readily marketable and its estimated value is subject to uncertainty. Therefore, there may be a material difference between the fund's estimated value and the value that would have been used had a readily determinable fair value for such an investment existed. The Seminary may generally redeem substantially all or a portion of its investment in the hedge fund at the NAV after accrual of all fees no later than as of the last day of a calendar quarter upon prior written notice of at least 45 days. Payment of redemption proceeds will generally be made within 60 days of the redemption date; provided, however, that payment may be deferred to the extent there is a delay in the fund's receipt of proceeds from the portfolio funds.

**Private equities** – The fair value of private equities with an impairment charge are generally based on discounted cash flows. These are considered non-recurring fair value measurements, resulting in a Level 3 fair value classification.

The fair value of the funds held in trust by others (or any type of beneficial interest) is based on a valuation model that calculates the present value of estimated distributed income. The valuation model incorporates the fair value of investment holdings, which are readily marketable securities, valued at quoted prices and incorporates assumptions that market participants would use in estimating future distributed income. The Seminary does not have the ability to redeem the investment within 90 days (Level 3 inputs - market). The Seminary is able to compare the valuation model inputs and results to widely available published industry data for reasonableness.

The Seminary's only derivative financial instruments are three interest rate swap agreements. Interest rate swaps do not have observable market quotes. For these financial instruments, the Seminary's swap counterparty (a financial institution) provides an annual valuation using the difference between the fixed rate paid by the Seminary and the counterparty's LIBOR interest rate forecast discounted at the swap yield curve. The model is based on observable inputs for forward interest rates and discount rates. As such, this derivative instrument is classified within (Level 2 – market) of the fair value hierarchy.

The Seminary's investments measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at July 31, 2019 Using:				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Total
<b>Assets</b>					
Long-term investments					
Cash and cash equivalents	\$ 1,624,733	\$ -	\$ -	\$ -	\$ 1,624,733
Mutual funds					
Equities	28,668,009	-	-	-	28,668,009
Fixed income	16,821,681	-	-	-	16,821,681
Multi-asset	7,099,356	-	-	-	7,099,356
Asset-backed securities	-	3,246,074	-	-	3,246,074
Alternative investments					
Hedge funds	-	-	-	2,733,896	2,733,896
Total long-term investments	54,213,779	3,246,074	-	2,733,896	60,193,749
Funds held in trust by others	-	-	19,306,489	-	19,306,489
Interest rate swap agreements	-	18,258	-	-	18,258
	<u>\$54,213,779</u>	<u>\$ 3,264,332</u>	<u>\$19,306,489</u>	<u>\$ 2,733,896</u>	<u>\$79,518,496</u>
<b>Liabilities</b>					
Interest rate swap agreements	\$ -	\$ (863,878)	\$ -	\$ -	\$ (863,678)

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements at July 31, 2018 Using:			
		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Total
<b>Assets</b>					
Long-term investments					
Cash and cash equivalents	\$ 4,164,199	\$ -	\$ -	\$ -	\$ 4,164,199
Mutual funds					
Equities	29,823,692	-	-	-	29,823,692
Fixed income	18,974,743	-	-	-	18,974,743
Asset-backed securities	-	4,000,715	-	-	4,000,715
Alternative investments					
Hedge funds	-	-	-	2,724,113	2,724,113
Total long-term investments	52,962,634	4,000,715	-	2,724,113	59,687,462
Funds held in trust by others	-	-	19,146,834	-	19,146,834
Interest rate swap agreements	-	203,222	-	-	203,222
	<u>\$52,962,634</u>	<u>\$ 4,203,937</u>	<u>\$19,146,834</u>	<u>\$ 2,724,113</u>	<u>\$79,037,518</u>

The table below sets forth a summary of the changes in fair value of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended July 31, 2019:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Balance at Beginning of Year	Realized and Unrealized Gains, Net	Additions	Distributions	Balance at End of Year
Funds held in trust by others	<u>\$ 19,146,834</u>	<u>\$ 157,930</u>	<u>\$ 192,815</u>	<u>\$ (191,090)</u>	<u>\$ 19,306,489</u>

The amount of total gains or losses for the year ended July 31, 2019 included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at July 31, 2019 were as follows:

Funds held in trust by others \$ 35,965

The table below sets forth a summary of the changes in fair value of assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended July 31, 2018:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Balance at Beginning of Year	Realized and Unrealized Gains, Net	Additions	Distributions	Balance at End of Year
Funds held in trust by others	<u>\$ 18,539,446</u>	<u>\$ 582,078</u>	<u>\$ 31,950</u>	<u>\$ (6,640)</u>	<u>\$ 19,146,834</u>

The amount of total gains or losses for the year ended July 31, 2018 included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at July 31, 2018 were as follows:

Funds held in trust by others \$ 582,078

Total assets measured on a non-recurring basis using Level 3 inputs were \$1,126,838 and \$1,475,684 at July 31, 2019 and 2018, respectively. The following table presents quantitative information about Level 3 fair value measurements for financial instruments measured at fair value on a non-recurring basis:

July 31, 2019	Fair Value	Valuation	Unobservable Inputs	Range (Weighted Average)
Private equities	\$ 1,126,838	Income approach	Adjustments for differences in net operating income expectations	10%
July 31, 2018	Fair Value	Valuation	Unobservable Inputs	Range (Weighted Average)
Private equities	\$ 1,475,684	Income approach	Adjustments for differences in net operating income expectations	10%

**NOTE 4 – LONG-TERM INVESTMENTS**

A summary of investments by asset type at July 31, 2019 and 2018 is as follows:

	2019 <u>Fair Value</u>	2018 <u>Fair Value</u>
Investment pool		
Cash and cash equivalents	\$ 929,853	\$ 3,903,065
Mutual Funds		
Equities	28,668,009	29,529,021
Fixed income	16,821,681	18,974,743
Multi-asset	7,099,356	-
Asset-backed securities	3,246,074	3,901,289
Alternative assets		
Hedge funds	<u>2,733,896</u>	<u>2,724,113</u>
Total investment pool	<u>59,498,869</u>	<u>59,032,231</u>
Other investments		
Cash and cash equivalents	694,880	261,134
Public securities		
Equities	-	294,671
Asset-backed securities	<u>-</u>	<u>99,426</u>
Total other investments	<u>694,880</u>	<u>655,231</u>
Total investments at fair value	<u>\$ 60,193,749</u>	<u>\$ 59,687,462</u>
	2019	2018
	<u>Cost</u>	<u>Cost</u>
Investment pool		
Alternative assets		
Commercial real estate funds	\$ 3,592,669	\$ 4,102,699
Private equities	9,928,715	10,278,564
Key man life insurance policies	<u>4,662,447</u>	<u>4,582,920</u>
Total investment pool	<u>18,183,831</u>	<u>18,964,183</u>
Other investments		
Alternative assets		
Commercial real estate fund	-	12,775
Private equities	191,853	191,853
Preferred note	<u>150,025</u>	<u>150,025</u>
Total other investments	<u>341,878</u>	<u>354,653</u>
Total investments at cost	<u>\$ 18,525,709</u>	<u>\$ 19,318,836</u>
	2019	2018
Investments at fair value	\$ 60,193,749	\$ 59,687,462
Investments at cost	<u>18,525,709</u>	<u>19,318,836</u>
Total long-term investments	<u>\$ 78,719,458</u>	<u>\$ 79,006,298</u>

Certain alternative investments of the Seminary are carried at cost. Following is a description of each of these alternative asset types:

**Commercial Real Estate Funds** – As of July 31, 2019, the Seminary’s Commercial Real Estate Fund Investments included three funds that employ an opportunistic hybrid investment strategy that focuses on short-term debt and equity investments in commercial real estate within the United States. The funds will focus on property types that the manager believes are undervalued or poised for recovery. Distributions may be made by the funds from its interest, dividends and other income, and upon a disposition of underlying assets, but as a limited partner, the Seminary will not generally have any influence over the timing of such distributions. The Seminary’s investment in two of the funds may not be redeemed prior to the specified termination date of the fund, which may or may not occur in 2019. After a 12 month lock-up period, the Seminary’s investment in the third fund, which is a perpetual fund, may be redeemed on the last day of a calendar quarter upon an approved written notice provided sixty (60) days before the end of the calendar quarter.

**Private Equities** – As of July 31, 2019, the Seminary’s private equities were direct investments in eight companies, including one which owns and leases a hospital and two medical office buildings, a second company that operates the hospital leased from the first company, one that owns the assets of an operating company in a niche of the aviation industry, one that owns certain assets of a company operating in a niche of the agricultural industry, one that owns and operates a teak timber plantation, two that are involved in acquiring and drilling oil and gas wells, and one that was created to acquire and renovate new facilities for a company involved in a niche of the aviation industry. At the discretion of the manager of each of these companies, distributions may be made to investors from the net cash flows; but as a member, the Seminary will not generally have any influence over the timing of such distributions. The Seminary will also participate

in liquidating distributions, but specific dates for liquidation of each company are not provided for in the partnership agreements.

**Preferred Note** – In its other investments, the Seminary also had an alternative equity investment in a limited liability company format which invests in residential real estate to be rehabilitated and made available for sale as of July 31, 2019. This investment functions like a preferred note, which targets 10% minimum cash distributions as a rate of return, with the potential for an additional return depending on the profitability of the company’s operations. The Seminary’s exposure to share in any losses of the company is limited to its investment in the company. This alternative investment does not allow for redemption withdrawals until the LLC is dissolved, unless special approval is awarded by the general partner.

Unless there are identified events or changes in circumstances that would have a significant adverse effect on the fair value of these investments, the fair value of the cost-method investments is not estimated. The Seminary believed that changes in the circumstances of three of its private equity investments indicated that the investments had experienced a more than temporary impairment that has significantly impacted the fair value of those investments. The impairment charge of approximately \$839,000 for those investments is reflected in the carrying value of investments in the consolidated statement of financial position and the investment return undistributed in the consolidated statement of activities as of July 31, 2019. The impairment charges recognized for the year ending July 31, 2018 were approximately \$783,000.

The Seminary has established an investment pool and allocates units of ownership interest based on the fair value per unit at the end of the month preceding the month in which a transaction occurs. The following table summarizes the relationship between carrying values of investment assets in the investment pool and the carrying value per unit at July 31, 2019 and 2018:

	-----2019-----		-----2018-----	
	Carrying Value	Carrying Value Per Unit	Carrying Value	Carrying Value Per Unit
Balance at end of year	\$ 77,682,699	\$ 6.10	\$ 77,996,414	\$ 6.15
Balance at beginning of year	<u>77,996,414</u>	<u>6.15</u>	<u>74,967,566</u>	<u>6.14</u>
Increase (decrease)	<u>\$ (313,715)</u>	<u>\$ (0.05)</u>	<u>\$ 3,028,848</u>	<u>\$ 0.01</u>

**NOTE 5 – ENDOWMENT FUNDS**

Effective July 2010, the *Uniform Prudent Management of Institutional Funds Act* (“UPMIFA”) was adopted by the Commonwealth of Kentucky. The Seminary interprets UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Seminary classifies as net assets with donor restrictions held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions held in perpetuity is classified as net assets with donor restrictions restricted by purpose or passage of time until those amounts are appropriated for expenditure by the Seminary in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Seminary considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Seminary
- (7) The investment policies of the Seminary

The Financial Board of the Board of Trustees of the Seminary is charged with the responsibility of managing the endowment assets in the Seminary’s investment pool. The Financial Board believes its role is one of setting and reviewing investment policy and retaining, monitoring, and evaluating advisors and investment managers, and to invest these funds in accordance with the ethical and moral witness principles of the Seminary. The Financial Board reviews the investment policy at least annually.

The primary objective of the investment pool is to earn a real total return, net of all fees incurred, sufficient to provide sustainable distributions to support the Seminary’s mission and protect, and where prudent, increase, the purchasing power of the assets in the investment pool. The Trustees adhere to modern portfolio theory, which has, as its basis, risk reduction through diversification. Diversification is obtained through the use of multiple asset classes as well as multiple investments within these asset classes. Asset classes that may be used include (but are not limited to) domestic and international stocks and bonds, alternative investments (hedge funds, private equity, venture capital and absolute return funds) and real property (real estate, commodities and natural resources). It is expected that this objective will be achieved with the minimum possible risk to the investment pool. The funds are to be invested to maximize return within appropriate risk tolerances, with the expectation that over a long time horizon there is a reasonable expectation that the funds will be able to achieve

both distribution and purchasing power goals. The investment strategy is implemented through the selection of external advisors and managers with expertise and successful histories in the management of specific asset classes.

The spending rule within the Seminary's investment policy further provides for an annual payout of up to 5% of the trailing 12-quarter rolling average of the market value of the investment pool. The specific percentage to be paid out is determined annually in conjunction with budget authorization. In 2019 and 2018, distributions made from the investment pool to support the Seminary's mission amounted to 4.25% and 4.72% based on the 12-quarter rolling average fair value of the investment pool for the periods ended July 31, 2019 and 2018, respectively.

Endowment net assets, a component of the Seminary's investment pool, at fair value by type of fund as of July 31, 2019 and 2018 were as follows:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets:			
Donor-restricted endowment funds	\$ (105,629)	\$ 64,670,608	\$ 64,564,979
Board-designated funds	<u>9,805,418</u>	<u>-</u>	<u>9,805,418</u>
Total endowment net assets	<u>\$ 9,699,789</u>	<u>\$ 64,670,608</u>	<u>\$ 74,370,397</u>
	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets:			
Donor-restricted endowment funds	\$ (99,190)	\$ 64,940,236	\$ 64,841,046
Board-designated funds	<u>9,814,606</u>	<u>-</u>	<u>9,814,606</u>
Total endowment net assets	<u>\$ 9,715,416</u>	<u>\$ 64,940,236</u>	<u>\$ 74,655,652</u>

Changes in endowment net assets by type of fund for the years ended July 31, 2019 and 2018 were as follows:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 9,715,416	\$ 64,940,236	\$ 74,655,652
Additions	72,082	261,017	333,099
Interest and dividends	1,443,698	3,723,320	5,167,018
Realized/unrealized losses	(685,661)	(2,111,038)	(2,796,699)
Appropriation of endowment assets for expenditure	<u>(845,746)</u>	<u>(2,142,927)</u>	<u>(2,988,673)</u>
Endowment net assets at end of year	<u>\$ 9,699,789</u>	<u>\$ 64,670,608</u>	<u>\$ 74,370,397</u>
	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 7,593,675	\$ 64,041,268	\$ 71,634,943
Additions	2,119,451	760,992	2,880,443
Interest and dividends	393,787	1,045,105	1,438,892
Realized/unrealized gains	535,207	1,494,554	2,029,761
Appropriation of endowment Assets for expenditure	<u>(926,704)</u>	<u>(2,401,683)</u>	<u>(3,328,387)</u>
Endowment net assets at end of year	<u>\$ 9,715,416</u>	<u>\$ 64,940,236</u>	<u>\$ 74,655,652</u>

A board-designated or donor-restricted endowment fund is considered to be underwater if the fair value of the fund is less than either the original gift amount or the amount required to be maintained by the donor or by law. At times, the Seminary may have individual board-designated or donor-restricted endowment funds that are underwater. The Seminary has a policy that permits spending from underwater funds depending on the degree to which the fund is underwater, unless specifically prohibited by the donor or relevant laws and regulations. At July 31, 2019 and 2018, the amount by which board-designated and donor-restricted funds were underwater, is calculated as follows:

	2019	2018
Aggregate original gift value	\$ 13,590,399	\$ 13,544,198
Aggregate fair value	<u>12,324,862</u>	<u>12,395,450</u>
Aggregate deficiency	<u>\$ 1,265,537</u>	<u>\$ 1,148,748</u>

#### NOTE 6 – FUNDS HELD IN TRUST BY OTHERS

At July 31, 2019 and 2018, the funds held in trust by others were comprised of the following:

	2019	2018
Amounts subject to withdrawal by the Seminary	\$ 1,986,141	\$ 1,986,839
Amounts not subject to withdrawal by the Seminary	<u>17,320,348</u>	<u>17,159,995</u>
Total funds held in trust by others	<u>\$ 19,306,489</u>	<u>\$ 19,146,834</u>

**NOTE 7 – LAND, BUILDINGS AND EQUIPMENT**

Land, buildings and equipment consisted of the following at July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Land and improvements	\$ 6,669,894	\$ 6,571,332
Buildings and building improvements	101,103,170	100,068,023
Furniture, equipment and books	27,326,818	26,483,700
Construction in progress	<u>735,144</u>	<u>348,727</u>
	135,835,026	133,471,782
Accumulated depreciation	<u>(69,303,177)</u>	<u>(64,584,321)</u>
Land, buildings and equipment, net	<u>\$ 66,531,849</u>	<u>\$ 68,887,461</u>

Outstanding commitments for construction of facilities were \$31,794 as of July 31, 2019. There were no outstanding commitments for 2018.

The Seminary has identified several of its buildings that have a conditional asset retirement obligation related to asbestos abatement. The Seminary has adopted a plan to renovate one of those buildings and the fair value of the asset retirement obligation was estimated. The liability was \$234,111 as of both July 31, 2019 and 2018.

**NOTE 8 – NOTES PAYABLE**

Notes payable at July 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Bank term loan dated January 2, 2013, in the original amount of \$3,850,000. The proceeds of this Seminary loan were used to repay the balances upon maturity of (i) the loan assumed January 25, 2005, from Village Manor Partners, Ltd., (ii) the bank term loan dated June 30, 2004, and (iii) the bank term loan dated October 20, 2003. The terms of the loan require monthly principal and interest payments. The loan’s variable interest rate is based on one-month LIBOR plus 1.90% and was 4.16% and 3.97% at July 31, 2019 and 2018, respectively. The monthly principal payments are based on a 20-year amortization. The loan matures in January 2023, and is collateralized by the Seminary’s campus real estate and a pledge of gross revenues. (A)	\$ 2,907,099	\$ 3,068,009

Bank term loan dated October 26, 2013 in the amount of \$10,000,000 with up to a twenty-four (24) month draw period. The proceeds of this loan (along with the term loan dated October 10, 2013) were used to finance the cost of phase 1 of the Seminary’s campus master plan, the primary components of which are the rehabilitation of existing administrative offices and dormitories, and the construction of a new road to loop around the campus. The terms of the loan require monthly principal and interest payments. The loan’s variable interest rate is based on one-month LIBOR plus 1.90% multiplied by 65% and was 2.70% and 2.58% at July 31, 2019 and 2018, respectively. The monthly principal payments are based on a 20-year amortization. The loan matures in October 2024, and is collateralized by the Seminary’s campus real estate and a pledge of gross revenues. (B)	\$ 8,160,277	\$ 8,570,756
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Bank term loan dated October 10, 2013 in the amount of \$10,000,000 with up to a twenty-four (24) month draw period. The proceeds of this loan (along with the term loan dated October 26, 2013) were used to finance the cost of phase 1 of the Seminary’s campus master plan, the primary components of which are the rehabilitation of existing administrative offices and dormitories, and the construction of a new road to loop around the campus. The terms of the loan require monthly principal and interest payments. The loan’s variable interest rate is based on one-month LIBOR plus 1.90% multiplied by 65% and was 2.70% and 2.58% at July 31, 2019 and 2018, respectively. The monthly principal payments are based on a 20-year amortization. The loan matures in October 2024 and is collateralized by the Seminary’s campus real estate and a pledge of gross revenues. (B)	8,160,278	8,570,755
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2019

2018

Bank term loan dated March 2, 2016, with Grinstead Housing as borrower, and the Seminary as guarantor. The entire proceeds of \$3,175,533 were used to pay off the bank term loan due to mature on August 1, 2016. The terms of the loan require monthly principal and interest payments based on a 20-year amortization. The loan matures in March 2021. The variable interest rate on the loan was based on one-month LIBOR plus 2.00% was 4.33% and 4.07% at July 31, 2019 and 2018, respectively. The loan was collateralized by the Seminary's campus real estate. (C)

	<u>2,614,954</u>	<u>2,785,990</u>
Total notes payable	<u>\$21,842,608</u>	<u>\$22,995,510</u>

- (A) The Seminary entered into an interest rate swap on November 2, 2012, which became effective on January 2, 2013, with an initial notional amount of \$3,850,000. Throughout its 10-year term, the scheduled notional amount of the swap agreement is equal to the scheduled outstanding principal balance of the related bank term loan described above. The swap agreement provides that the Seminary will receive a variable interest amount based upon one-month LIBOR plus 1.90% and will pay a fixed interest rate of 3.82%.

In 2019 and 2018, the excess of the amounts paid over the amounts received under the swap agreement amounted to \$(15,083) and \$8,210, respectively, which is included in interest expense. The fair value of the swap agreement was \$(14,700) and \$108,583 at July 31, 2019 and 2018, respectively, and is included in deferred revenue, deposits, and other liabilities in the consolidated statements of financial position as of July 31, 2019 and 2018. The decrease in fair value in 2019 decreased net assets by \$123,283 and the increase in fair value in 2018 increased net assets by \$117,129 in the consolidated statement of activities in 2019 and 2018, respectively.

- (B) The Seminary entered into an interest rate swap on October 10, 2012, which became effective on October 1, 2014, with an initial notional amount of \$20,000,000. During the first 10 years of its 20-year term, the scheduled notional amount of the swap agreement is expected to approximate the sum of the scheduled outstanding principal balances of the two related bank term loans dated October 10 and October 26, 2013, described above. The swap agreement provides that the Seminary will receive a variable interest amount based upon 65% of one-month LIBOR and will pay a fixed interest rate of 3.137%.

In 2019 and 2018, the excess of the amounts paid over the amounts received under the swap agreement amounted to \$57,165 and \$147,237, respectively, which is included in interest expense. The fair value of the swap agreement was \$(849,178) and \$5,208 at July 31, 2019 and 2018, respectively, and is included in deferred revenue, deposits, and other liabilities in the consolidated statements of financial position as of July 31, 2019 and 2018. The decrease in fair value in 2019 decreased net assets by \$854,386 and the increase in fair value in 2018 increased net assets by \$717,780 in the consolidated statement of activities in 2019 and 2018, respectively.

- (C) On March 2, 2016, Grinstead Housing entered into an interest rate swap agreement effective that day with an initial notional amount of \$3,175,533. Throughout its 5-year term, the scheduled notional amount of the swap agreement is equal to the scheduled outstanding principal balance of the bank term loan dated March 2, 2016 described above. The swap agreement provides that Grinstead Housing will receive a variable interest amount based upon one-month LIBOR plus 2.00% and will pay a fixed interest rate of 3.42%.

In 2019 and 2018, the excess of the amounts paid over the amounts received under the swap agreement amounted to \$(26,614) and \$(5,569), respectively, which is included in interest expense. The fair value of the swap agreement was \$18,258 and \$89,431 at July 31, 2019 and 2018, respectively, and is included in inventory, prepaid expenses and other assets in the consolidated statements of financial position. The decrease in fair value in 2019 decreased net assets by \$71,173 and the increase in fair value in 2018 increased net assets by \$64,728 in the consolidated statement of activities in 2019 and 2018, respectively.

The following is a summary of scheduled principal repayments on the above notes payable:

Year ending July 31,	
2020	\$ 1,191,543
2021	3,485,957
2022	1,082,894
2023	3,316,366
2024	960,796
Thereafter	<u>11,805,052</u>
Total principal repayments	<u>\$ 21,842,608</u>

The Seminary's note agreements contain both financial and non-financial covenants. At July 31, 2019 and 2018, the Seminary was in compliance with all of the covenants contained in the agreements.

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions restricted by purpose or passage of time are available for the following purposes at July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Educational and general	\$ 19,181,214	\$ 19,478,549
Student financial aid	13,625,531	13,800,098
Student loans	230,180	244,343
Operation and maintenance of facilities	24,978	26,514
Acquisition of property and equipment	435,671	384,718
Other	<u>194,379</u>	<u>299,945</u>
Total	<u>\$ 33,691,953</u>	<u>\$ 34,234,167</u>

Net assets with donor restrictions are restricted to investment in perpetuity, the income from which is expendable to support the following purposes at July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Educational and general	\$ 35,633,436	\$ 35,123,137
Student financial aid	16,914,467	16,836,716
Student loans	3,830,845	3,780,151
Operation and maintenance of facilities	173,197	173,121
Other	<u>195,548</u>	<u>168,368</u>
Total	<u>\$ 56,747,493</u>	<u>\$ 56,081,493</u>

**NOTE 10 – NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions when expenses were incurred that satisfied the restricted purposes or by occurrence of other events as specified by the donors. The purposes of the restricted income released during 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of program restrictions for:		
Instruction	\$ 1,773,646	\$ 1,805,598
Library	258,777	169,088
Administrative and general	114,857	119,516
Student financial aid	764,061	903,105
Operation and maintenance of facilities	38,672	22,914
Acquisition of property and equipment	29,547	117,935
Auxiliary	1,452	3,336
Satisfaction of time restrictions	<u>7,091</u>	<u>6,640</u>
Total net assets released from restrictions	<u>\$ 2,988,103</u>	<u>\$ 3,148,132</u>

**NOTE 11 – PENSION PLAN**

The Seminary has a contributory defined contribution pension plan for substantially all of its full-time employees. The Seminary contributes 10% of each participant's salary and, following attainment of specified years of full-time employment, will contribute up to an additional 5% if matched by the participant. Pension plan contributions were \$1,408,549 and \$1,376,041 for 2019 and 2018, respectively.

**NOTE 12 – POSTRETIREMENT BENEFITS**

Prior to 2000, the Seminary had sponsored a postretirement health care and term life insurance benefits plan for all full-time employees who retired after attaining age 65 prior to July 31, 1995. For employees who retired subsequent to July 31, 1995, the Seminary did not provide health care or life insurance benefits. During 2000, the Seminary initiated sponsorship of postretirement health care and term life insurance benefits to all full-time employees who retired after attaining their Social Security Normal Retirement Age and completing at least 15 years of service at the Seminary.

Effective January 1, 2006, the Seminary amended its plan to provide retired participants with Medicare supplement coverage (similar to that previously offered, except that the revised supplement policy did not incorporate a prescription drug benefit) and a separate Medicare Part D prescription drug benefit.

During 2007, the Seminary revised its plan to provide postretirement health care and term life insurance benefits to all full-time employees after age 65 who retire after age 59 years, 6 months, and have completed at least 10 years of service at the Seminary.

The postretirement benefits provided by the Seminary for covered retirees range between 25% and 100% of the participants' health care and term life premiums. The Seminary reserves the right to change or terminate the benefits at any time.

Following is a summary of the components of the postretirement health care and term life insurance benefits plan and a reconciliation to the amounts recognized in accrued postretirement benefit cost in the accompanying consolidated statements of financial position for 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Change in benefit obligations		
Benefit obligation at beginning of year	\$ 3,933,346	\$ 4,187,240
Service cost	169,356	187,344
Interest cost	164,196	162,857
Actuarial (gain) loss	212,565	(490,413)
Benefits paid	(77,677)	(74,379)
Gain recognized	<u>(82,274)</u>	<u>(39,303)</u>
Benefit obligation at end of year recognized in the consolidated statements of financial position	<u>\$ 4,319,512</u>	<u>\$ 3,933,346</u>
Funded status	<u>\$ (4,319,512)</u>	<u>\$ (3,933,346)</u>
Weighted average discount rate assumption as of July 31	3.48%	4.06%

Amounts not yet recognized as components of net periodic benefit costs are as follows at July 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Unrecognized prior service costs	\$ 171,448	\$ 214,309
Unrecognized net actuarial gain	(995,278)	(1,207,843)

The amounts not yet recognized that will be recognized during the year ending July 31, 2020 are as follows:

Unrecognized prior service costs	\$ 42,863
Unrecognized net actuarial gain	(56,902)

The assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligation was 3.20% for medical and 6.90% for prescription coverage in 2019 and was 3.60% for medical and 7.50% for prescription coverage in 2018, adjusted gradually thereafter to an ultimate rate of 3.60% for medical and 5.25% for prescription coverage in the year 2026.

The effect of a one-percentage point increase and decrease in the assumed health care cost trend rate is as follows at July 31, 2019 and 2018:

	-----2019-----		-----2018-----	
	<u>Impact (-1%)</u>	<u>Impact (+1%)</u>	<u>Impact (-1%)</u>	<u>Impact (+1%)</u>
Aggregate of the service and interest cost components of net periodic postretirement healthcare benefit cost	\$ (54,602)	\$ 71,992	\$ (54,108)	\$ 70,014
Accumulated postretirement benefit obligation for health care benefits	\$ (514,993)	\$ 653,134	\$ (461,233)	\$ 581,352
Components of net periodic benefit cost:			<u>2019</u>	<u>2018</u>
Service cost			\$ 169,356	\$ 187,344
Interest cost			164,196	162,857
Net amortization cost			42,861	42,862
Actuarial gain recognized			<u>(82,274)</u>	<u>(39,303)</u>
Total net periodic benefit cost			<u>\$ 294,139</u>	<u>\$ 353,760</u>

The Seminary estimates the following future benefits that are expected to be paid:

<u>Year</u>	<u>Amount</u>
2020	\$ 122,357
2021	134,714
2022	143,552
2023	151,523
2024	165,179
2025 – 2029	974,121

**NOTE 13 – RENT EXPENSE**

The Seminary has various operating leases, primarily for vehicles and office equipment, which expire between 2019 and 2023. Total rent expense under cancelable and non-cancelable operating leases was \$125,119 and \$116,174 for 2019 and 2018, respectively.

At July 31, 2019, the future minimum lease payments under non-cancelable operating leases are as follows:

2020	\$ 85,074
2021	28,589
2022	23,137
2023	<u>1,292</u>
Total future minimum lease payments	<u>\$ 138,092</u>

**NOTE 14 – CAPITAL LEASE OBLIGATIONS**

The Seminary leases capital assets with a net book value of \$3,280 as of July 31, 2019.

At July 31, 2019, the future minimum lease payments due under this capital lease are as follows:

2020	\$ 2,226
2021	<u>1,298</u>
Total future minimum lease payments	3,524
Amounts representing interest	<u>244</u>
Present value of future minimum lease payments	<u>\$ 3,280</u>

**NOTE 15 – CONTINGENCIES**

The Seminary is a party to various litigation and other claims in the ordinary course of business. Seminary officials are of the opinion, based upon the advice of legal counsel, that the ultimate resolution of these matters will not have a material effect on the financial statements of the Seminary.

**NOTE 16 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 26,100,299
Accounts and notes receivable, net	1,234,976
Working capital investments	694,880
2019-2020 endowment spending payout	<u>2,985,101</u>
Total financial assets available for general expenditure within one year	<u>\$ 31,015,256</u>

Our endowment funds consist of donor-restricted endowments and funds designed by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Our board-designated endowment of \$9,699,789 is subject to a budgeted annual spending rate of 4.50%. Although we do not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditures as part of our Board’s annual budget approval and appropriation), these amounts could be made available if necessary.

As part of our liquidity management plan, we structure financial assets to be available as the general expenditures, liabilities and other obligations become due. In addition, we invest cash in excess of daily requirements in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of funds functioning as endowment to its operating reserve, which was \$2,500,000 as of July 31, 2019.

**NOTE 17 – FUNCTIONAL EXPENSES**

	Program Services			Supporting Services			Total Expenses	
	Instruction	Student Services	Auxiliary - Housing	Other Auxiliary	Total Program Services	Institutional Support		Academic Support
Salaries and wages	\$ 9,441,456	\$ 3,284,460	\$ 705,063	\$ 879,412	\$ 14,310,391	\$ 3,588,488	\$ 1,490,191	\$ 5,078,679
Employee benefits	1,745,947	1,288,388	251,637	310,758	3,596,730	938,176	504,941	1,443,117
Travel	353,644	400,746	5,108	14,175	773,673	421,791	71,148	492,939
Supplies, printing and postage	242,993	463,587	32,050	159,950	898,580	562,444	149,949	712,393
Services, contracts and professional fees	854,620	1,028,737	1,411,536	1,558,185	4,853,078	1,792,584	686,847	2,479,431
Utilities, maintenance and insurance	488,146	645,206	1,396,812	263,635	2,793,799	1,171,851	362,060	1,533,911
Depreciation and amortization	555,006	243,934	2,124,648	413,122	3,336,710	984,689	397,456	1,382,145
Interest	3,300	6,378	559,838	41,959	611,475	126,525	227	126,752
Other	178,041	496,286	30,312	391,032	1,095,671	441,214	39,647	480,861
Total functional expenses	\$ 13,863,153	\$ 7,857,722	\$ 6,517,004	\$ 4,032,228	\$ 32,270,107	\$ 10,027,762	\$ 3,702,466	\$ 13,730,228

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
The Southern Baptist Theological Seminary  
Louisville, Kentucky

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of The Southern Baptist Theological Seminary (the "Seminary"), which comprise the consolidated statements of financial position as of July 31, 2019 and 2018, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Seminary's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Seminary's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Seminary as of July 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 2 to the consolidated financial statements, in the current fiscal year, the Seminary adopted ASU 2016-14 - *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities*. Our opinion is not modified with respect to this matter.

**Other Matter**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedules on pages 31 through 34 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual entities and are not a required part of the consolidated financial statements [*This information can be found in the original audit as it is not required for publication in the 2020 Annual*]. The Report of Executive Committee of the Southern Baptist Convention – Distribution by State of Cooperative Program Receipts on page 35 [*the following page of this publication*] is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information, except for that portion marked "unaudited", was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. That information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the consolidated financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Crowe LLP  
Louisville, Kentucky  
November 18, 2019

**REPORT OF EXECUTIVE COMMITTEE OF THE SOUTHERN BAPTIST CONVENTION –  
DISTRIBUTION BY STATE OF COOPERATIVE PROGRAM RECEIPTS**

Year ended July 31, 2019 (Unaudited)

Churches and Individuals	\$ 302,795
Alabama	991,847
Alaska	9,202
Arizona	58,882
Arkansas	489,247
California	115,147
Colorado	36,455
Dakota	5,095
District of Columbia	-
Florida	778,033
Georgia	811,966
Hawaii Pacific	12,465
Illinois	122,921
Indiana	46,588
Iowa	18,022
Kansas-Nebraska	42,793
Kentucky	522,387
Louisiana	363,254
Maryland-Delaware	89,234
Michigan	16,601
Minnesota-Wisconsin	12,374
Mississippi	645,395
Missouri	306,240
Montana	10,276
Nevada	32,746
New England	11,290
New Mexico	43,885
New York	12,705
North Carolina	605,473
Northwest	36,050
Ohio	113,953
Oklahoma	525,798
Pennsylvania-South Jersey	18,050
Puerto Rico/U.S. Virgin Islands	372
South Carolina	575,582
Tennessee	830,969
Texas – BGCT	542,830
Texas – SBTC	794,999
Utah-Idaho	11,267
Virginia – BGAV	41,241
Virginia – SBCV	240,544
West Virginia	28,938
Wyoming	5,726
Total Cooperative Program	10,279,637
Total designations	36,843
Total distributions	<u>\$ 10,316,480</u>

# THE SOUTHWESTERN BAPTIST THEOLOGICAL SEMINARY

## Consolidated Statements of Financial Position For the Year Ended July 31, 2019

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,247,339	\$ -	\$ 1,247,339
Accounts receivables, net	890,625	-	890,625
Unconditional promises to give, net	-	1,319,799	1,319,799
Other assets	367,163	-	367,163
Notes receivable	396,560	-	396,560
<b>Investments:</b>			
Endowment funds	13,310,454	121,373,822	134,684,276
Split-interest funds	-	15,093,338	15,093,338
Other investments	<u>91,854</u>	<u>-</u>	<u>91,854</u>
Total investments	13,402,308	136,467,160	149,869,468
Due from (to) other funds	(14,504,849)	14,504,849	-
Property, plant, and equipment, net	<u>125,966,664</u>	<u>-</u>	<u>125,966,664</u>
Total assets	<u>\$ 127,765,810</u>	<u>\$ 152,291,808</u>	<u>\$ 280,057,618</u>
<b>Liabilities and net assets:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,339,574	\$ -	\$ 1,339,574
Accrued salaries and benefits	630,017	-	630,017
Deposits and agency funds	935,136	-	935,136
Deferred income	281,081	-	281,081
Notes payable	18,528,414	-	18,528,414
Liability under annuity contracts	-	10,210,870	10,210,870
Accrued postretirement benefit obligation	1,252,610	-	1,252,610
Accrued postemployment benefit obligation	<u>485,225</u>	<u>-</u>	<u>485,225</u>
Total liabilities	<u>23,452,057</u>	<u>10,210,870</u>	<u>33,662,927</u>
Net assets	<u>104,313,753</u>	<u>142,080,938</u>	<u>246,394,691</u>
Total liabilities and net assets	<u>\$ 127,765,810</u>	<u>\$ 152,291,808</u>	<u>\$ 280,057,618</u>

The accompanying notes are an integral part of these financial statements.

## Consolidated Statements of Financial Position For the Year Ended July 31, 2018

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,110,447	\$ -	\$ 1,110,447
Accounts receivables, net	743,524	-	743,524
Unconditional promises to give, net	-	2,404,348	2,404,348
Other assets	402,422	-	402,422
Notes receivable	772,367	-	772,367
<b>Investments:</b>			
Endowment funds	14,540,873	120,731,273	135,272,146
Split-interest funds	-	14,865,329	14,865,329
Other investments	<u>586,634</u>	<u>-</u>	<u>586,634</u>
Total investments	15,127,507	135,596,602	150,724,109
Due from (to) other funds	(13,180,952)	13,180,952	-
Property, plant, and equipment, net	<u>132,852,322</u>	<u>-</u>	<u>132,852,322</u>
Total assets	<u>\$ 137,827,637</u>	<u>\$ 151,181,902</u>	<u>\$ 289,009,539</u>

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Liabilities and net assets:			
Liabilities:			
Accounts payable	\$ 1,264,724	\$ -	\$ 1,264,724
Accrued salaries and benefits	658,028	-	658,028
Deposits and agency funds	679,179	-	679,179
Deferred income	200,134	-	200,134
Notes payable	19,322,037	-	19,322,037
Liability under annuity contracts	-	10,152,830	10,152,830
Accrued postretirement benefit obligation	946,881	-	946,881
Accrued postemployment benefit obligation	505,725	-	505,725
Total liabilities	<u>23,576,708</u>	<u>10,152,830</u>	<u>33,729,538</u>
Net assets	<u>114,250,929</u>	<u>141,029,072</u>	<u>255,280,001</u>
Total liabilities and net assets	<u>\$ 137,827,637</u>	<u>\$ 151,181,902</u>	<u>\$ 289,009,539</u>

The accompanying notes are an integral part of these financial statements.

**Consolidated Statements of Activities  
For the Year Ended July 31, 2019**

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Changes in net assets:			
Revenues and other additions:			
Tuition and fees	\$ 13,051,740	\$ -	\$ 13,051,740
Scholarship and fellowships	(5,313,386)	-	(5,313,386)
Gifts:			
Cooperative Program	7,631,157	-	7,631,157
Student aid	-	2,646,810	2,646,810
Endowment	48,000	1,615,968	1,663,968
Other	987,620	910,282	1,897,902
Investment return	3,183,970	1,395,435	4,579,405
Change in value of split interest funds	-	(58,037)	(58,037)
Auxiliary enterprises	5,668,690	-	5,668,690
Other	778,670	-	778,670
Net assets released from restriction	<u>5,458,592</u>	<u>(5,458,592)</u>	<u>-</u>
Total revenue	<u>31,495,053</u>	<u>1,051,866</u>	<u>32,546,919</u>
Expenses and other deductions:			
Academic and student programs	17,514,481	-	17,514,481
Administrative support	9,074,448	-	9,074,448
Auxiliaries	8,186,186	-	8,186,186
Facilities operation and maintenance	<u>3,322,475</u>	<u>-</u>	<u>3,322,475</u>
Total operating expenses	<u>38,097,590</u>	<u>-</u>	<u>38,097,590</u>
Change in net assets from operating activities	(6,602,537)	1,051,866	(5,550,671)
Loss on sale of property	<u>(3,334,639)</u>	<u>-</u>	<u>(3,334,639)</u>
Change in net assets	(9,937,176)	1,051,866	(8,885,310)
Net assets, beginning of year	<u>114,250,929</u>	<u>141,029,072</u>	<u>255,280,001</u>
Net assets, end of year	<u>\$ 104,313,753</u>	<u>\$ 142,080,938</u>	<u>\$ 246,394,691</u>

The accompanying notes are an integral part of these financial statements.

**Consolidated Statements of Activities  
For the Year Ended July 31, 2018**

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Changes in net assets:			
Revenues and other additions:			
Tuition and fees	\$ 13,431,214	\$ -	\$ 13,431,214
Scholarship and fellowships	(5,431,924)	-	(5,431,924)
Gifts:			
Cooperative Program	7,767,845	-	7,767,845
Student aid	-	2,498,256	2,498,256
Endowment	-	1,876,188	1,876,188
Other	5,554,093	-	5,554,093
Investment return	7,700,039	1,575,756	9,275,795
Change in value of split interest funds	-	126,819	126,819
Auxiliary enterprises	6,136,005	-	6,136,005
Other	605,155	-	605,155
Net assets released from restriction	<u>15,307,189</u>	<u>(15,307,189)</u>	<u>-</u>
Total revenue	<u>51,069,616</u>	<u>(9,230,170)</u>	<u>41,839,446</u>
Expenses and other deductions:			
Academic and student programs	16,709,517	-	16,709,517
Administrative support	6,309,653	-	6,309,653
Auxiliaries	7,053,330	-	7,053,330
Facilities operation and maintenance	<u>5,629,755</u>	<u>-</u>	<u>5,629,755</u>
Total operating expenses	<u>35,702,255</u>	<u>-</u>	<u>35,702,255</u>
Change in net assets from operating activities	15,367,361	(9,230,170)	6,137,191
Gain on sale of property	<u>270,369</u>	<u>-</u>	<u>270,369</u>
Change in net assets	15,637,730	(9,230,170)	6,407,560
Net assets, beginning of year	<u>98,613,199</u>	<u>150,259,242</u>	<u>248,872,441</u>
Net assets, end of year	<u>\$114,250,929</u>	<u>\$141,029,072</u>	<u>\$ 255,280,001</u>

The accompanying notes are an integral part of these financial statements.

**Consolidated Statements of Cash Flows  
For the Years Ended July 31, 2019 and 2018**

	2019	2018
Change in cash and cash equivalents:		
Change in net assets	\$ (8,885,310)	\$ 6,407,560
Adjustments to reconcile change in net assets to net cash (utilized by) provided by operating activities:		
Depreciation and amortization of debt issue cost	4,186,531	4,355,778
Contributions restricted for endowment and acquisition of long-term assets	(2,107,975)	(1,995,720)
(Gain) loss on sale of fixed assets	3,334,639	(270,369)
Non-cash contributions	(518,753)	(335,006)
Change in value of swap liability	190,086	(347,912)
Net unrealized and realized gain (loss) on investments	388,562	(7,567,355)
Investment income	(1,189,584)	(663,226)
Change in value of split-interest funds	196,195	94,019
Loss on retirement of assets	-	127,521
Changes in operating assets and liabilities:		
Receivables	(147,101)	301
Unconditional promises to give	1,084,549	2,242,486
Other assets	35,266	152,068
Accounts payable	(98,230)	(567,372)
Other accrued expenses	227,940	(62,987)
Deferred income	80,948	(1,900)
Accrued postretirement benefit obligation	305,729	(275,742)
Accrued postemployment benefit obligation	<u>(20,500)</u>	<u>(71,164)</u>
Total adjustments	<u>5,948,302</u>	<u>(5,186,580)</u>
Net cash (utilized by) provided by operating activities	<u>(2,937,008)</u>	<u>1,220,980</u>

	<u>2019</u>	<u>2018</u>
Cash flows from investing activities:		
Proceeds from sale and maturities of investments	76,415,136	11,447,990
Payments of notes receivable	375,807	-
Purchase of investments	(74,378,877)	(6,946,647)
Proceeds from sale of property and equipment	1,588,472	350,000
Investment in construction in progress	(735,932)	(2,913,554)
Purchase of property, plant, and equipment	<u>(1,290,972)</u>	<u>(6,689,468)</u>
Net cash provided by (utilized by) investing activities	<u>1,973,634</u>	<u>(4,751,679)</u>
Cash flows from financing activities:		
Principal payments on notes payable	(1,007,709)	(732,729)
Contributions restricted for endowments and acquisition of long-term assets	<u>2,107,975</u>	<u>1,995,720</u>
Net cash provided by financing activities	<u>1,100,266</u>	<u>1,262,991</u>
Net increase (decrease) in cash and cash equivalents	136,892	(2,267,708)
Cash and cash equivalents, beginning of year	<u>1,110,447</u>	<u>3,378,155</u>
Cash and cash equivalents, end of year	<u>\$ 1,247,339</u>	<u>\$ 1,110,447</u>

The accompanying notes are an integral part of these financial statements.

### Notes to Consolidated Financial Statements

#### 1. NATURE OF ORGANIZATION

The Southwestern Baptist Theological Seminary, (the “Seminary”) is incorporated under the laws of the State of Texas as a not-for-profit religious organization. The primary purpose of the Seminary is to provide theological education for individuals engaging in Christian ministry. The Seminary’s primary location is in Fort Worth, Texas.

The Seminary is supported by the SBC and is an entity of that Convention. The Seminary is economically dependent on the SBC and others for financial support.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Principles of Consolidation

The Seminary consolidates the accounts of The Southwestern Baptist Theological Seminary Development Foundation, Inc. (“Development”) and Southwestern Seminary Foundation (“Foundation”), Texas non-profit corporations. Development was formed to aid the Seminary in realizing its religious educational responsibility by acquiring and providing proper facilities and student housing to meet the needs of the Seminary. Foundation was formed in 2005 and became active in 2008. Foundation is organized and operated for the benefit of and to further the purposes of the Seminary and to hold and manage a portion of the Seminary’s endowment portfolio. Development and Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In the event of dissolution of either Development or Foundation, all respective assets they have shall inure to the Seminary. All significant intercompany accounts and transactions have been eliminated.

##### Basis of Presentation

These financial statements of the Seminary have been prepared and are presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The Seminary is required to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Seminary. These net assets may be used at the discretion of the Seminary’s management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Seminary by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

##### Basis of Accounting

The consolidated financial statements of the Seminary have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recorded when incurred.

##### Revenue and Support

Revenues and support for the Seminary are primarily derived from tuition, fees, and contributions from donors and supporters of the Seminary. Contributions received are recorded as net assets with donor restrictions and net assets without donor restrictions depending on the existence and/or nature of donor restrictions.

**Recognition of Donor Restrictions**

The Seminary reports gifts of cash and other assets as net asset with donor restrictions if they are received with donor stipulations limiting the use of the donated assets if the restrictions are not met in the period of receipt. A donor restriction expires when a stipulated time restriction ends or a purpose restriction is accomplished. At that time net assets with donor restrictions are reclassified to net assets without donor restrictions. If a stipulated time restriction ends or a purpose restriction is accomplished during the year the donation is received, the donation is recognized as net assets without donor restrictions revenue.

The Seminary reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that resources be maintained permanently but permits the Seminary to use part or all of the income derived from the donated asset for general or restricted purposes.

**Revenue Recognition**

Contributions are recognized as revenues in the period when unconditional promises to give are received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

An allowance for uncollectible receivables is provided based upon management's judgment including such factors as prior collection history, type of contribution and nature of fund raising activity.

Investment returns on endowment and similar funds are reported as follows:

- as changes in net assets with donor restrictions if the terms of the gift require that they be added to the principal of a permanent endowment fund;
- as changes in net assets with donor restrictions if the terms of the gift impose a time or purpose restriction on the use of the income;
- as changes in net assets without donor restrictions in all other cases.

**Donated Assets**

Donated property is recorded at fair market value on the date of receipt in the appropriate investment, equipment, or expense account. In the absence of donor restrictions, donated assets are reported as revenue without donor restrictions.

**Donated Services**

Occasionally, the Seminary receives support in the form of donated services. Those services are recognized as revenue without donor restrictions if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. Contributed services that do not meet these criteria are not recognized as revenue. No such amounts were recorded in the financial statements for the years ended July 31, 2019 and 2018.

**Classification of Revenue and Expenses**

Operating activities include items which are directly related to the Organization's program activities or are essential support elements of those programs. Depreciation and interest expense have been allocated to related operating activities. Interest income and gains or losses on disposals of assets or liabilities do not meet the Organization's criteria for operating activities and are included with other revenue and expenses.

**Estimates**

The preparation of financial statements in conformity with United States generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. The most significant estimates included in these financial statements are depreciation, the valuation of certain level 3 investments, the interest rate swap agreement, the accrued benefit obligations, and allocation of certain expenses.

**Concentrations**

Financial instruments, which potentially subject the Seminary to concentrations of credit risk, are cash and cash equivalents and investments. The Seminary places its cash with high-credit quality financial institutions and periodically maintains deposits in amounts which exceed FDIC insurance coverage. Management believes the risk of incurring material losses related to this credit risk is remote. The Foundation currently invests primarily in common stock, mutual funds and partnerships. Management believes diversity within the portfolio avoids significant concentration of credit risk with respect to these investments.

**Programs**

The Seminary's core values are exemplified in its efforts to be Christ-centered, grounded in Scripture, globally minded, supportive of the local church, encouraging of Godly character, pursuit of lifelong relationships, and dedicated to professional excellence and lifelong learning. The Seminary pursues its mission through the execution of these major programs:

- Academic and student - providing a biblically-based education for undergraduate, graduate, and postgraduate degrees in theology, preaching, evangelism and missions, church and family ministries, church music, and women's studies; along with campus life activities, placement and employment services
- Auxiliary enterprises - providing housing, dining, recreational, and other services to students and staff
- Administrative support - providing support for program activities and general operations
- Facilities operations - providing for maintenance and care of facilities, grounds, and equipment

### **Cash and Cash Equivalents**

For the purposes of financial reporting, the Seminary considers all short-term investments, with an original maturity of three months or less, to be cash equivalents.

### **Accounts Receivable**

The Seminary's accounts receivable are due primarily from students. Credit is extended to students and collateral is not required. Accounts receivable are due at the beginning of each term. Amounts are reported net of an allowance for doubtful accounts. Accounts outstanding beyond the beginning of the term are considered past due. The Seminary determines its allowance by considering a number of factors, including the length of time student receivables are past due and the Seminary's previous loss history. The Seminary writes off accounts receivable when they are deemed uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts. Typically, students whose accounts are not current are not allowed to enroll in future classes. Allowance for doubtful accounts for the years ended July 31, 2019 and 2018, was \$347,865 and \$456,620, respectively.

### **Investments**

Investments in debt, equity securities and mineral rights are stated at fair value. The net realized and unrealized gains and losses on investments are reflected in the Statement of Activities. Investments received by gift or bequest are recorded at fair value at the date of effective receipt. If fair value is not determinable at date of effective receipt, assets received by gift or bequest are recorded at a nominal value until such time as the fair value is determinable. Purchased investments or debt securities which are not marketable with readily determinable fair values are carried at cost unless there has been an impairment of value considered to be other than temporary.

The Seminary is the beneficiary of certain perpetual trusts held and administered by third parties. Distributions from the trusts are recorded as endowment income and the carrying value of the investments is the current market value of underlying assets.

### **Fair Value Measurements**

The Seminary follows FASB Accounting Standards Codification Topic 820, *Fair Value Measurement*. Topic 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels.

The Seminary adopted the provisions of Accounting Standards Update (ASU) No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its equivalent)*. ASU No. 2015-07 amends ASC Topic 820, *Fair Value Measurement*, to remove the requirements to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value (NAV) per share practical expedient. The information provided in Note 13 in these financial statements has been updated to comply with the provisions of this ASU.

### **Split-Interest Agreements**

The Seminary is the beneficiary of split-interest agreements which are irrevocable charitable remainder trusts and charitable gift annuities. At the dates these trusts are established, assets and contribution revenues are recognized at the present value of the estimated future benefits to be received when the trust assets are distributed. The receivables are adjusted during the term of the trusts for changes in the value of assets, accretions of the discount and other changes in the estimates of future benefits which are reflected in the Statement of Activities as a change in value of split-interest agreements. Liabilities under split-interest agreements are calculated based upon current actuarial assumptions used by trustees of the agreements.

### **Advertising Costs**

The Seminary uses advertising to promote its major programs to the general public. The costs of advertising are expensed as incurred. Advertising expense was \$266,742 and \$346,835 for the years ended July 31, 2019 and 2018, respectively.

### **Property, Plant, and Equipment**

Property, plant, and equipment are recorded at acquisition cost. Donated assets are recorded at fair market value at the time of receipt. The Seminary capitalizes assets with a cost greater than \$3,500. Betterments and renewals are capitalized. Maintenance and repairs are charged to operations when incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings	30-40 years
Equipment	5-10 years
Improvements other than buildings	30 years

**Impairment of Long-lived Assets**

Management evaluates its long-lived assets for financial impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value, less cost to sell. Management is of the opinion that the carrying amount of its long-lived assets does not exceed their estimated recoverable amount.

**Unconditional Promises to Give**

The Seminary records unconditional promises to give when a promise to give is communicated in writing with specific amounts and due dates for those donors with an established history of giving. Unconditional promises are evaluated annually as to collectability and reserves for doubtful promises are provided for estimated uncollectible accounts. Unconditional promises are written off when determined to be uncollectible.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain expenses have been allocated among the programs and supporting services benefited.

**Compensated Absences**

Employees of the Seminary are entitled to paid vacation leave depending upon their length of service and other factors. Compensated absences for vacation leave have not been accrued since they cannot be reasonably estimated. The Seminary’s policy is to recognize these costs when actually paid.

**Interest Rate Swap Agreement**

The Seminary uses a derivative to manage risks related to interest rate movements. The Seminary’s interest-rate swap contracts are reported at fair value. The change in the swap contract’s fair value is reported as a gain or loss in the Statement of Activities. The Seminary’s risk management strategy is to stabilize cash flow requirements by maintaining a swap contract which effectively converts variable-rate debt to a fixed rate.

**New Accounting Pronouncements**

In 2019, the Seminary adopted ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Seminary has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented. The Seminary has exercised the option provided in the ASU to present only current period data for the Availability and Liquidity data (Note 3) and the presentation of Functional Expense by both nature and function (Note 4) for the year of implementation.

The Seminary adopted ASU 2016-01, Financial Instruments-Overall (Subtopic 825-10) *Recognition and Measurement of Financial Assets and Financial Liabilities*. The update enhances the reporting model for financial instruments to provide users of financial statements with more decision-useful information. The Seminary has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Certain amounts from the 2018 statement of activities have been reclassified to conform to the current year’s financial statement presentation and enhance comparability between periods. This change has no effect on net assets or the change in net assets for the year ended July 31, 2018.

**3. LIQUIDITY AND AVAILABLE RESOURCES**

The following represents the Seminary’s financial assets at July 31, 2019:

Cash and cash equivalents	\$ 1,247,339
Accounts and contributions receivable	2,210,424
Notes receivable	396,560
Investments	71,546,527
Endowments held in perpetuity by others	63,229,603
Annuities and trusts held by others	15,093,338
Other assets	<u>367,163</u>
Total financial assets	<u>154,090,954</u>

Amounts not available to be used within one year, due to:

Contribution and accounts receivable	\$ (240,000)
Perpetual and term endowments and accumulated earnings not convertible to cash within the next 12 months	(68,174,674)
Endowments held in perpetuity by others not convertible to cash within the next 12 months	(60,229,603)
Investments held in trusts and various state required annuity reserves	(15,093,338)
Investments in board designated endowments	<u>(439,082)</u>
Total amounts not available to be used within one year	<u>(144,176,697)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 9,914,257</u>

**PART 4**

Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, perpetual endowments, or because the governing board has set aside the funds for specific contingency reserves and projects or a long-term investment as board designated endowments. The Seminary structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Seminary also has an unsecured \$3,000,000 line of credit, which was not drawn upon at July 31, 2019. The line of credit matures on January 19, 2021. The interest rate is LIBOR, with interest due monthly and principal due upon maturity.

#### 4. FUNCTIONAL EXPENSES

Operating activities include items which are directly related to the Seminary's program services or are essential support elements of those programs. The costs of providing the Seminary's various programs and supporting services have been summarized in the table below, which reports certain categories of expenses that are attributable to more than one program or supporting activity. Accordingly, these expenses have been allocated among the programs and supporting services benefited using allocation bases determined by management and that are reasonable and consistently applied. Interest income and gains or losses on disposals of assets or liabilities do not meet the Seminary's criteria for operating activities and are included with other non-operating activities.

Total expenses include all operating expenses and net periodic pension cost.

	2019				
	Program Activities		Supporting Activities		Total Expenses
	Academic and student programs	Auxiliaries	Administrative Support	Facilities Operation and Maintenance	
Salaries and wages	\$ 10,227,381	\$ 1,551,964	\$ 3,587,227	\$ 2,417,508	\$ 17,784,080
Employee benefits	2,875,920	347,233	1,748,258	517,126	5,488,537
Depreciation and amortization	-	-	-	4,162,532	4,162,532
Services, supplies, and other	1,950,154	686,874	2,161,513	(37,951)	4,760,590
Occupancy, utilities, and maintenance	236,979	1,037,553	1,711,651	1,884,147	4,870,330
Interest	-	1,018,523	7,701	-	1,026,224
Transfer between functions	38,703	1,830,485	(294,664)	(1,569,227)	5,297
Depreciation and amortization, allocated by function	<u>2,185,344</u>	<u>1,713,554</u>	<u>152,762</u>	<u>(4,051,660)</u>	-
Total expenses	<u>\$ 17,514,481</u>	<u>\$ 8,186,186</u>	<u>\$ 9,074,448</u>	<u>\$ 3,322,475</u>	<u>\$ 38,097,590</u>

#### 5. UNCONDITIONAL PROMISES TO GIVE

Scheduled maturities of unconditional promises to give at July 31, are as follows:

	2019	2018
Less than one year	\$ 1,122,000	\$ 1,168,229
One to five years	<u>240,000</u>	<u>1,362,000</u>
Total unconditional promises to give	1,362,000	2,530,229
Unamortized discount at 2.53% and 3.10%, respectively	<u>(42,201)</u>	<u>(125,881)</u>
Net unconditional promises to give	<u>\$ 1,319,799</u>	<u>\$ 2,404,348</u>

#### 6. FUNDRAISING ACTIVITIES

Fundraising expense for the years ended July 31, 2019 and 2018, was \$964,296 and \$1,060,190, respectively. These expenses are included in institutional support in the accompanying Statement of Activities.

#### 7. COOPERATIVE PROGRAM

One significant source of Seminary revenue is the Cooperative Program of the SBC. Churches participating in the Cooperative Program contribute to the SBC, which passes funds (according to an allocation formula) to the Seminary and other entities. The Seminary received \$7,631,157 and \$7,767,845 from the SBC for the years ended July 31, 2019 and 2018, respectively.

Distributions by state, as provided by the Executive Committee of the SBC for years ended July 31, are as follows:

	2019	2018
Alabama	\$ 736,304	\$ 721,647
Alaska	6,831	8,934
Arizona	43,711	52,363
Arkansas	363,196	368,755
California	85,480	88,401
Colorado	27,063	23,543
Dakota	3,782	6,035
District of Columbia	-	561
Florida	577,578	586,426

	2019	2018
Georgia	602,768	664,320
Hawaii Pacific	9,253	12,558
Illinois	91,252	92,793
Indiana	34,585	39,099
Iowa	13,379	13,832
Kansas-Nebraska	31,768	30,945
Kentucky	387,797	408,534
Louisiana	269,664	275,808
Maryland-Delaware	66,243	62,497
Michigan	12,324	12,326
Minnesota-Wisconsin	9,186	8,078
Mississippi	479,113	464,046
Missouri	227,339	241,515
Montana	7,628	7,038
Nevada	24,309	23,276
New England	8,381	6,622
New Mexico	32,579	33,613
New York	9,432	9,650
North Carolina	449,477	466,406
Northwest	26,762	30,217
Ohio	84,594	81,802
Oklahoma	390,330	390,333
Pennsylvania-South Jersey	13,400	11,178
Puerto Rico/U.S. Virgin Islands	276	141
South Carolina	427,287	440,426
Tennessee	616,876	616,395
Texas – BGCT	402,974	396,718
Texas – SBTC	590,174	603,739
Utah-Idaho	8,364	7,785
Virginia – BGAV	30,615	32,735
Virginia – SBCV	178,569	173,715
West Virginia	21,482	19,340
Wyoming	4,251	4,382
	<u>7,406,376</u>	<u>7,538,527</u>
Churches and individuals	<u>224,781</u>	<u>229,318</u>
Total Cooperative Program Allocation	<u>\$ 7,631,157</u>	<u>\$ 7,767,845</u>

## 8. INVESTMENTS

The Seminary carries marketable securities at fair market value and realized and unrealized gains and losses are recorded in the Statement of Activities. Investments consist of the following as of July 31:

Money market funds	\$ 477,197	\$ 3,206,208
Debt securities	-	5,232,320
Equity securities	20,204	40,238,749
Government securities	-	1,561,642
Global listed infrastructure	-	3,574,513
Private equity	1,008,784	1,562,868
Closed-end funds	-	2,416,589
Other Foundations and 3rd party trusts	78,230,803	78,830,725
Other investments	-	729,882
	<u>79,736,988</u>	<u>137,353,496</u>
Investments measured at net asset value	<u>70,132,480</u>	<u>13,370,613</u>
Investments, net of restricted cash	<u>\$ 149,869,468</u>	<u>\$ 150,724,109</u>

The “Investments measured at net asset value” and “Private equity” categories include interest in certain limited partnerships and limited liability corporations and is carried at fair value as provided by the investment managers. The amounts realized upon disposition of these investments may differ from the value reflected in the financial statements and the differences could be material. Certain partnership agreements are restricted as to resale and may require advance notice for redemption or withdrawal.

The Seminary’s investments in partnerships is subject to various risk factors arising from the investment activities of the underlying instruments of the partnerships, including market, credit, and currency risk. The Seminary’s risk of loss as of July 31, 2019 and 2018, in any of its investment partnerships is limited to the value of the investment at July 31, 2019 and 2018.

The following schedule details investment returns for the years ended July 31:

	<u>2019</u>	<u>2018</u>
Dividend and interest income	\$ 4,821,657	\$ 1,756,743
Net realized gains on investments	8,361,491	2,463,948
Net unrealized gain (loss) on investments	<u>(8,603,743)</u>	<u>5,055,104</u>
Total	<u>\$ 4,579,405</u>	<u>\$ 9,275,795</u>

Investment fees are netted against dividend and interest income.

## 9. PROPERTY, PLANT, AND EQUIPMENT

Property and equipment consists of the following at July 31:

Land	\$ 2,028,483	\$ 2,920,331
Buildings	150,842,775	156,623,724
Equipment	16,235,212	15,987,078
Improvements other than buildings	9,987,103	9,593,370
Library books/microfilm/antiquities	<u>14,263,995</u>	<u>14,086,829</u>
	193,357,568	199,211,332
Less accumulated depreciation	<u>(67,390,904)</u>	<u>(66,359,010)</u>
Total	<u>\$125,966,664</u>	<u>\$132,852,322</u>

Buildings include construction in progress for existing facilities totaling \$908,321 at July 31, 2019.

## 10. EMPLOYEE BENEFITS

### Defined Contribution Retirement Plan

The Seminary provides its officers, permanent faculty and career employees with a defined contribution retirement plan which is administered by GuideStone Financial Resources of the Southern Baptist Convention under Internal Revenue Code Section 403(b) and Treasury regulations related thereto. The Seminary's contribution for the years ended July 31, 2019 and 2018, was \$1,009,198 and \$1,091,495, respectively.

### Postretirement and Postemployment Benefits

The Seminary provides postretirement benefits to retired employees. The following table sets forth the future obligations at July 31:

Accumulated benefit costs	\$ 1,252,610	\$ 946,881
Employer contributions (benefit paid)	<u>(65,100)</u>	<u>(61,400)</u>
Net periodic benefit cost	<u>50,315</u>	<u>103,454</u>
Comprehensive Income	<u>(320,514)</u>	<u>317,796</u>
Discount rate assumed	3.25%	4.03%

The Seminary provides postemployment benefits to retired employees. The following table sets forth the future obligations at July 31:

Accumulated benefit costs	\$ 485,225	\$ 505,725
Employer contributions (benefit paid)	<u>(49,122)</u>	<u>(50,798)</u>
Net periodic benefit cost	<u>28,622</u>	<u>20,366</u>
Discount rate assumed	3.22%	4.04%

## 11. NET ASSETS

	<u>2019</u>	<u>2018</u>
Net assets without donor restrictions:		
Current operations	\$ (14,697,116)	\$ (12,468,923)
Notes payable	(18,528,414)	(19,322,037)
Endowment	13,310,454	14,540,873
Invested in property, plant and equipment	125,966,664	132,953,622
Unfunded postretirement benefits	(1,252,610)	(946,881)
Unfunded postemployment benefits	<u>(485,225)</u>	<u>(505,725)</u>
Total net assets without donor restrictions	<u>\$104,313,753</u>	<u>\$114,250,929</u>

Net assets with donor restrictions, temporary in nature and met by passage of time consists of the following:

Capital projects	\$ 4,101,177	\$ 162,827
Scholarships	9,224,479	9,621,783
Other	<u>2,105,974</u>	<u>5,316,356</u>
Total net assets, temporary in nature	<u>\$ 15,431,630</u>	<u>\$ 15,100,966</u>

	<u>2019</u>	<u>2018</u>
Net assets with donor restrictions, perpetual in nature and stipulated by the donor consists of the following:		
Annuity and life income funds	\$ 4,882,470	\$ 4,712,498
Endowment funds	121,007,398	120,731,273
Other	<u>759,440</u>	<u>484,335</u>
Total net assets, perpetual in nature	<u>126,649,308</u>	<u>125,928,106</u>
Total net assets with donor restrictions	<u>142,080,938</u>	<u>141,029,072</u>
Total net assets	<u>\$246,394,691</u>	<u>\$255,280,001</u>

Net assets released during the years ended July 31 are for the following purposes:

Capital projects	\$ (3,539,029)	\$ 9,518,820
Scholarships	5,325,612	5,442,376
Other	<u>3,672,009</u>	<u>345,993</u>
Total net assets released	<u>\$ 5,458,592</u>	<u>\$ 15,307,189</u>

## 12. ENDOWMENT INVESTMENTS

**Return Objectives and Risk Parameters** - The Seminary has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include net assets with donor restricted funds that the Seminary must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce returns that equal inflation plus annual distribution, while assuming moderate levels of investment risk. The Seminary expects its endowment funds, over time, to provide an average rate of return of approximately 8% annually. Actual returns in any given year may vary from this amount.

**Strategies Employed for Achieving Objectives** - To satisfy its long-term rate-of-return objectives, the Seminary relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Seminary targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to the Spending Policy** - The Seminary has a policy of appropriating for distribution each year a percentage (generally between 4% and 6%) of its endowment fund's average fair value based on a 16 quarter moving average of portfolio values. This is consistent with the Seminary's objective to maintain purchasing power of endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. The Board of Trustees has the right to recommend against expenditure of earnings or gains in any given year due to factors such as financial market conditions or poor investment performance.

**Funds Held in Trust by Others** - A substantial portion of the Seminary's endowment assets is held by Baptist entities throughout the United States. These entities do not report net assets with donor restrictions on the amount to retain as a fund of perpetual duration. Consequently, the Seminary records changes in the market value of investments held in trust for the benefit of the Organization as though the donor specifies the undistributed funds be considered included in the fund for perpetual duration.

**Underwater Funds** - From time to time, the market value of assets associated with individual donor-restricted endowment funds may fall below the original gift value (become "underwater"). In accordance with GAAP and the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA), deficiencies of this nature are classified in net assets with donor restrictions. As of July 31, 2019, material deficiencies (5.0% or greater) of this nature exist in 260 donor-restricted endowment funds, which together have a original gift value of \$23,123,500 and a market value of \$18,800,100. These deficiencies resulted primarily from unfavorable market conditions that occurred shortly after the investment of new perpetually restricted contributions, along with continuing distributions for the program purposes designated by the donors.

**Restrictions** - Endowment investments are either net assets with donor restrictions or net assets without donor restrictions. Donor contributions and earnings that are permanently reinvested at donor direction, and earnings from funds held in trust by others are treated as net assets with donor restrictions. Other market value changes, whether realized or unrealized gains and losses or income (net of expenses) of donor-restricted endowments and all board-designated endowments are placed in the unrestricted category.

Endowments as of July 31, 2019, are composed of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds and market value changes of donor-restricted endowment funds	\$ 12,871,372	\$ 121,373,822	\$ 134,245,194
Board-designated	<u>439,082</u>	<u>-</u>	<u>439,082</u>
Total	<u>\$ 13,310,454</u>	<u>\$ 121,373,822</u>	<u>\$ 134,684,276</u>

The change in endowments for the year ended July 31, 2019, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of the period	\$ 14,540,873	\$ 120,731,273	\$ 135,272,146
Investment gain	(1,278,419)	(907,739)	(2,186,158)
Contributions	<u>48,000</u>	<u>1,550,288</u>	<u>1,598,288</u>
End of period	<u>\$ 13,310,454</u>	<u>\$ 121,373,822</u>	<u>\$ 134,684,276</u>

Endowments as of July 31, 2018, are composed of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds and market value changes of donor-restricted endowment funds	\$ 14,155,234	\$ 120,731,273	\$ 134,886,507
Board-designated	<u>385,639</u>	<u>-</u>	<u>385,639</u>
Total	<u>\$ 14,540,873</u>	<u>\$ 120,731,273</u>	<u>\$ 135,272,146</u>

The change in endowments for the year ended July 31, 2018, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Beginning of the period	\$ 14,297,168	\$ 114,949,793	\$ 129,246,961
Investment gain	243,705	3,958,086	4,201,791
Contributions	<u>-</u>	<u>1,823,394</u>	<u>1,823,394</u>
End of period	<u>\$ 14,540,873</u>	<u>\$ 120,731,273</u>	<u>\$ 135,272,146</u>

### 13. FAIR VALUE MEASUREMENT

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

In determining fair value, the Seminary uses various valuation approaches. A fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs are to be used when available.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access.

Level 2 – Valuations based on inputs, other than quoted prices included in Level 1, which are observable either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair values for money market funds, equities, mutual funds, and closed-end funds are determined by reference to quoted market prices and other relevant information generated by market transactions.

Fair values for investment in partnerships have been estimated using the net asset value (NAV) per share of the investments as provided by the fund managers. Individual fund managers rely on a variety of inputs that are available according to the type of investment strategy in use.

Multi-strategy and long/short hedge funds typically utilize the NAV provided by the underlying investee. The Valuation Committee established by each fund manager also takes into account information provided within audited and unaudited financial statements and performance reports of the underlying investee. In addition, third party valuation services, broker quotes, estimates, and other alternative valuation techniques may be utilized by the fund’s Valuation Committee.

Structured credit fund portfolio investments are primarily in the form of debt investments that are not publicly traded. The fair value of these securities is not readily determinable. These investments are valued on at least a quarterly basis in accordance with a valuation policy which is, at all times, consistent with accounting principles generally accepted in the United States (US GAAP). The Board of Directors or Valuation Committee determines the fair value in good faith based on the input of their Investment Advisor and the respective third-party valuation firms.

Private equity funds fair values are supported by information received from the investee funds such as monthly net asset values, investor reports, and audited financial statements, when available. The fund Valuation Committee may consider other factors, including subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

Investments by category level at July 31, 2019, are as follows:

	Fair Value	(Level 1)	(Level 2)	(Level 3)
Endowment Funds	\$ 64,551,795	\$ 63,543,011	\$ -	\$ 1,008,784
Annuities, net	4,882,469	4,882,469	-	-
Other Investments	<u>91,854</u>	<u>91,854</u>	-	-
Total investments subject to fair value hierarchy	69,526,118	<u>\$ 68,517,334</u>	<u>\$ -</u>	<u>\$ 1,008,784</u>
Investments measured at net asset value	<u>70,132,480</u>			
Total	<u>\$ 139,658,598</u>			

Investments by category level at July 31, 2018, are as follows:

	Fair Value	(Level 1)	(Level 2)	(Level 3)
Endowment Funds	\$ 121,901,534	\$ 120,338,666	\$ -	\$ 1,562,868
Annuities, net	4,712,498	4,712,498	-	-
Other Investments	<u>586,634</u>	<u>586,634</u>	-	-
Total investments subject to fair value hierarchy	127,200,666	<u>\$ 125,637,798</u>	<u>\$ -</u>	<u>\$ 1,562,868</u>
Investments measured at net asset value	<u>13,370,613</u>			
Total	<u>\$ 140,571,279</u>			

The changes in investment in partnerships, which are measured at fair value on a recurring basis using significant unobservable inputs, are as follows:

Balance at July 31, 2017	\$ 2,113,753
Redemptions	(915,938)
Subscriptions	101,648
Change in estimated fair value	<u>263,405</u>
Balance at July 31, 2018	1,562,868
Redemptions	(622,827)
Subscriptions	41,693
Change in estimated fair value	<u>27,050</u>
Balance at July 31, 2019	<u>\$ 1,008,784</u>

#### 14. NOTES PAYABLE

In fiscal year 2012, the Seminary entered into a financing arrangement (“Loan”) with a bank, for the purpose of paying for construction of 252 new student housing units. The Loan is structured with \$16,000,000 of tax-exempt bonds and a \$7,000,000 taxable loan with the bank. The tax-exempt portion of the loan is amortized over 20 years, with the final payment due December 15, 2021. Interest calculation is based upon 65% of the 90-day LIBOR rate plus 156 basis points. The 90-day LIBOR rate is 2.27% and 1.31% at July 31, 2019 and 2018, respectively. From December 2011 to December 2013, quarterly payments were for interest only, with both principal reduction and interest payments beginning in January 2014. The taxable portion of the loan was due December 30, 2018, with interest calculated as 90-day LIBOR rate plus 200 basis points. This portion of the Loan was renewed and extended to mature on December 15, 2021, with the same interest provision. The Loan is secured with deeds of trust on land and buildings, with a net book value of \$25,837,137 in Fort Worth, Texas.

Scheduled principal payments and total loans outstanding at July 31, 2019, for the following three years ended July 31, and thereafter are as follows:

2020	\$ 782,186
2021	809,620
2022	<u>16,875,758</u>
Total scheduled payments	18,467,564
Liability on swap agreement	132,850
Debt issue cost	<u>(72,000)</u>
Total amount outstanding	<u>\$ 18,528,414</u>

The Seminary entered into an interest rate swap as a hedge against exposure to variances in interest rates applied to the loans. The differential interest required to be paid or that will be received under these agreements is accrued consistent with the terms of the agreements and is recognized in the Statements of Activities and included in these Notes Payable.

The interest rate for the bonds is established quarterly based upon 65% of the 90-Day LIBOR plus 1.56% (3.04% and 2.41% at July 31, 2019 and 2018, respectively). The notional principal amount of the swap agreements are \$10,000,000 and \$6,000,000. The agreements effectively fix the Seminary's interest rate exposure at 3.25% for a period of ten years ending December 2021.

Generally accepted accounting principles require derivative instruments, such as interest rate swap agreements, to be recognized at fair value as either assets or liabilities in the Statements of Financial Position. Accordingly, \$132,850 and \$(57,236), which is representative of the value of the swap agreements at July 31, 2019 and 2018, respectively, is included in Notes Payable on the Statement of Financial Position. Value has been measured based on an estimate of the amount needed to settle the agreement as calculated by the counterparty to the swap agreement. Such calculations were based on changes in market conditions and/or assumptions underlying the valuation models.

The Seminary paid interest for the years ending July 31, 2019 and 2018, of \$828,437 and \$718,412, respectively.

#### 15. CHARITABLE GIFT ANNUITIES

The Seminary, through the Foundation, enters into split interest agreements with donors whereby, in exchange for the gift from the donor, the Seminary is obligated to provide an annuity to the donor or other designated beneficiaries during their lifetimes. At July 31, 2019, two annuities are active. The assets and liabilities associated with these annuities are accounted for as indicated in Note 2, Split-Interest Agreements.

#### 16. LEASE COMMITMENTS

The Seminary has non-cancelable operating leases for various office equipment expiring in 2023. Lease expenses were \$244,748 and \$255,910 for the years ended July 31, 2019 and 2018, respectively. The Seminary's future minimum lease payments under the lease agreements are as follows for the four years ended July 31:

2020	\$ 235,300
2021	224,409
2022	213,242
2023	<u>133,374</u>
Total future minimum lease payments	<u>\$ 806,325</u>

#### 17. ACCOUNTING FOR UNCERTAIN TAX POSITIONS

The Seminary is a nonprofit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as other than a private foundation, except on net income derived from unrelated business activities. The Seminary is subject to unrelated business income tax on certain rental activities. The Seminary paid no taxes for unrelated business income tax in 2019 and 2018 as expenses exceeded revenues. The Seminary believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

#### 18. CONTINGENCY

The Seminary is a defendant in a pending litigation, asserting claims by a former student of the Seminary, related to an alleged sexual offense occurring on Seminary property. Presently, discovery responses are ongoing according to the timelines established by law and/or by agreement of the parties. At this stage, there is no reasonable prediction of the outcome of the case, or of any potential liability of the Seminary. The Seminary has tendered the lawsuit to its insurance carrier, who is providing the Seminary a defense subject to a reservation of rights.

#### 19. NONCASH INVESTING ACTIVITY

During 2018, the Organization sold land with a carrying value of \$770,000 for \$1,100,000. The Organization received \$350,000 in cash and issued a note receivable for \$750,000 with interest of 4.5% per annum. The note is receivable in semi-annual payments through maturity in June 2020.

#### 20. SUBSEQUENT EVENTS

The Seminary has evaluated subsequent events through October 17, 2019, the date the financial statements were available to be issued.

**Independent Auditors' Report**

To the Board of Trustees  
The Southwestern Baptist Theological Seminary  
Fort Worth, Texas

We have audited the accompanying consolidated financial statements of The Southwestern Baptist Theological Seminary (a Texas nonprofit corporation) which comprise the consolidated statements of financial position as of July 31, 2019 and 2018, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Southwestern Baptist Theological Seminary, as of July 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Guinn, Smith & Co. Inc.  
Irving, Texas  
October 17, 2019

## COUNCIL OF SEMINARY PRESIDENTS HISTORICAL LIBRARY AND ARCHIVES DIVISION

### STATEMENTS OF FINANCIAL POSITION JULY 31, 2019 AND 2018

	ASSETS	
	<b>2019</b>	<b>2018</b>
Current assets:		
Cash and cash equivalents	\$ 244,470	\$ 266,471
Accounts receivable	3,506	850
Prepaid expenses	<u>842</u>	<u>334</u>
Total current assets	<u>248,818</u>	<u>267,655</u>
Noncurrent assets:		
Funds on deposit with Southern Baptist Foundation	948,440	783,772
Library and historical archives at cost	876,461	856,995
Property and equipment (net of accumulated depreciation of \$579,518 for 2019 and \$574,772 for 2018)	<u>19,318</u>	<u>16,363</u>
Total noncurrent assets	<u>1,844,219</u>	<u>1,657,130</u>
Total assets	<u>\$ 2,093,037</u>	<u>\$ 1,924,785</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 14,671	\$ 8,041
Accrued expenses	<u>4,543</u>	<u>10,259</u>
Total current liabilities	<u>19,214</u>	<u>18,300</u>
Long-term liabilities:		
Accrued post-retirement benefits	<u>549,298</u>	<u>545,900</u>
Total long-term liabilities	<u>549,298</u>	<u>545,990</u>
Total liabilities	<u>568,512</u>	<u>564,200</u>
Net assets:		
Without donor restrictions	1,465,407	1,305,527
With donor restrictions	<u>59,118</u>	<u>55,058</u>
Total net assets	<u>1,524,525</u>	<u>1,360,585</u>
Total liabilities and net assets	<u>\$ 2,093,037</u>	<u>\$ 1,924,785</u>

The accompanying notes are an integral part of these financial statements.

### STATEMENTS OF ACTIVITIES YEARS ENDED JULY 31, 2019 AND 2018

	2019		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating revenues and other support			
Southern Baptist Convention Executive Committee:			
Cooperative Program	\$ 470,161	-	\$ 470,161
Designated gifts	<u>642</u>	<u>-</u>	<u>642</u>
Total funds from Southern Baptist Convention	<u>470,803</u>	<u>-</u>	<u>470,803</u>
Microfilm and other sales	<u>12,663</u>	<u>-</u>	<u>12,663</u>
Total revenues and other support	<u>483,466</u>	<u>-</u>	<u>483,466</u>
Operating expenses:			
Program support	177,898	-	177,898
Management and general	<u>207,870</u>	<u>-</u>	<u>207,870</u>
Total operating expenses	<u>385,768</u>	<u>-</u>	<u>385,768</u>
Operating revenues and support in excess of operating expenses	<u>97,698</u>	<u>-</u>	<u>97,698</u>
Other changes:			
Investment income	26,574	1,484	28,058
Net unrealized gains on investments	<u>35,608</u>	<u>2,576</u>	<u>38,184</u>
Change in net assets	159,880	4,060	163,940

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, beginning of year	<u>1,305,527</u>	<u>55,058</u>	<u>1,360,585</u>
Net assets, end of year	<u>\$ 1,465,407</u>	<u>\$ 59,118</u>	<u>\$ 1,524,525</u>

The accompanying notes are an integral part of these financial statements.

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and other support			
Southern Baptist Convention Executive Committee:			
Cooperative Program	\$ 468,705	\$ -	\$ 468,705
Designated gifts	<u>878</u>	<u>-</u>	<u>878</u>
Total funds from Southern Baptist Convention	<u>469,583</u>	<u>-</u>	<u>469,583</u>
Microfilm and other sales	<u>7,288</u>	<u>-</u>	<u>7,288</u>
Total revenues and other support	<u>476,871</u>	<u>-</u>	<u>476,871</u>
Operating expenses:			
Program support	176,186	-	176,186
Management and general	<u>208,563</u>	<u>-</u>	<u>208,563</u>
Total operating expenses	<u>384,749</u>	<u>-</u>	<u>384,749</u>
Operating revenues and support in excess of operating expenses	<u>92,122</u>	<u>-</u>	<u>92,122</u>
Other changes:			
Investment income	20,820	1,182	22,002
Net unrealized gains (losses) on investments	<u>5,687</u>	<u>(2,147)</u>	<u>3,540</u>
Change in net assets	118,629	(965)	117,664
Net assets, beginning of year	<u>1,186,898</u>	<u>56,023</u>	<u>1,242,921</u>
Net assets, end of year	<u>\$ 1,305,527</u>	<u>\$ 55,058</u>	<u>\$ 1,360,585</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2019**

	Program Support Expenses	Management and General Expenses	Total Expenses
Salaries	\$ 89,077	\$ 82,225	\$ 171,302
Office space and utilities	-	43,200	43,200
Library internet and website	33,694	-	33,694
Provision for post-retirement benefits	13,971	12,897	26,868
Employee insurance	10,653	9,833	20,486
Employee retirement	9,824	9,069	18,893
Professional services	-	16,901	16,901
Payroll taxes	6,941	6,407	13,348
Other operating expenses	-	6,727	6,727
Travel	-	6,615	6,615
General insurance	-	5,560	5,560
Archival preservation and supplies	5,476	-	5,476
Depreciation	2,468	2,278	4,746
Study grant	4,150	-	4,150
Maintenance and repairs	-	3,139	3,139
Supplies, postage and writing	-	2,270	2,270
Publicity and promotion	1,353	-	1,353
Microfilm	291	269	560
Telephone	-	480	480
	<u>\$ 177,898</u>	<u>\$ 207,870</u>	<u>\$ 385,768</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JULY 31, 2018**

	Program Support Expenses	Management and General Expenses	Total Expenses
Salaries	\$ 92,003	\$ 84,926	\$ 176,929
Office space and utilities	-	37,918	37,918
Provision for post-retirement benefits	18,955	17,497	36,452
Library internet and website	26,732	-	26,732
Employee retirement	8,429	7,780	16,209
Payroll taxes	7,062	6,519	13,581
Employee insurance	6,572	6,066	12,638
Other operating expenses	-	10,991	10,991
General insurance	-	8,675	8,675
Travel	-	8,210	8,210
Study grant	8,090	-	8,090
Professional services	-	7,323	7,323
Supplies, postage and writing	-	7,285	7,285
Archival preservation and supplies	5,669	-	5,669
Maintenance and repairs	-	3,530	3,530
Depreciation	1,353	1,248	2,601
Publicity and promotion	1,266	-	1,266
Telephone	-	544	544
Publicity and promotion	-	-	-
Microfilm	55	51	106
	<u>\$ 176,186</u>	<u>\$ 208,563</u>	<u>\$ 384,749</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENTS OF CASH FLOWS  
YEARS ENDED JULY 31, 2019 AND 2018**

	2019	2018
Cash flows from operating activities:		
Increase in net assets	\$ 163,940	\$ 117,664
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,746	2,601
Investment income reinvested	(1,485)	(1,183)
Net unrealized gains on investments	(38,184)	(3,540)
Change in accrued post-retirement benefits	3,398	2,549
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(2,656)	321
Increase in prepaid expenses	(508)	-
Increase in accounts payable	6,630	6,867
Decrease in accrued expenses	(5,716)	(7,025)
Net cash provided by operating activities	<u>130,165</u>	<u>118,254</u>
Cash flows from investing activities:		
Additions to equipment and library	(27,166)	(22,329)
Net cash used in investing activities	<u>(27,166)</u>	<u>(22,329)</u>
Cash flows from financing activities:		
Additions to operating reserve account	(125,000)	(75,000)
Net cash used in financing activities	<u>(125,000)</u>	<u>(75,000)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(22,001)	20,925
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>266,471</u>	<u>245,546</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 244,470</u>	<u>\$ 266,471</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JULY 31, 2019 AND 2018

## NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Historical Library and Archives Division (the "Division") of the Council of Seminary Presidents was chartered in 1951 to serve as a world center for the study and research of Baptist history. The Division collects, preserves and makes available for use resources related to Baptist life, and in particular, Southern Baptist life and history. The Division serves as the depository for the archives of the Southern Baptist Convention. The Division is primarily funded through the gifts of churches through the Cooperative Program of the Southern Baptist Convention.

Basis of Accounting

The financial statements of the Division have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

The Division reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Division considers its cash and cash equivalents to include cash on hand, cash in checking and savings accounts, certificates of deposit and money market accounts which are readily available for current operations. Cash and cash equivalents may exceed Federal Deposit Insurance Corporation (FDIC) limits, however the Division does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Funds on Deposit with Southern Baptist Foundation

Funds on deposit are stated at fair market value of the underlying investments.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided on a straight-line method at rates which amortize the cost of such assets over their estimated useful lives. Maintenance and repairs are expensed as incurred.

Compensated Absences

Employees of the Division earn and accrue annual vacation. The cumulative amount of unused annual vacation is presented as a liability in the statements of financial position.

Library and Historical Archives

Books, pamphlets, microfilm and other historical materials purchased by the Library and Archives Division are recorded at cost. Items which are acquired by gift have been valued on a basis of the average value of comparable items. As these assets are of enduring value, no depreciation has been provided. Replacements of defective materials are expensed as incurred.

Revenues and Accounts Receivable

The Division recognizes revenue from sales when the amounts are earned and revenues from the cooperative programs as they are received. Accounts receivable primarily represent amounts due from churches for revenue earned through sales. All amounts are due immediately and are classified as current. The Division considers the amounts to be fully collectible; accordingly, there is no allowance for uncollectible balances.

Contributions

All contributions are considered to be without donor restriction unless specifically stated by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. However, if a restriction is fulfilled in the same time period the contribution is received, the Division reports the support as net assets without donor restriction.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that consistently applied. The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation, which is allocated on an estimate of usage.

Income Taxes

The Division is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code; accordingly, no provision for income taxes has been made in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Prior Year Financial Statements

Certain reclassifications have been made to the prior year financial statements in order to conform to the current year presentation.

Events Occurring After Reporting Date

The Division has evaluated events and transactions that occurred after July 31, 2019 through the date of this issued financial statements. During this period, there were no material recognizable subsequent events that required recognition in our disclosures to the July 31, 2019 financial statements.

**NOTE 2 - FUNDS ON DEPOSIT WITH SOUTHERN BAPTIST FOUNDATION**

The Division has designated one fund as a reserve against future contingencies: the Operating Reserve Fund.

The Lynn E. May, Jr. Study Grant Endowment Fund was established by the Historical Commission in 1989. The earnings from the fund will be used to provide study grants for research in Baptist history.

The Southern Baptist Historical Library and Archives Endowment Fund was established by contributions to provide income for the purpose of operating the Historical Library and Archives.

The market value of the funds on deposit with the Southern Baptist Foundation at July 31, 2019 and 2018 was as follows:

	<b>2019</b>	
	<u>Market</u>	<u>Cost</u>
Operating Reserve Fund	\$ 889,323	\$ 626,158
Lynn E. May, Jr. Study Grant Endowment Fund	30,397	15,941
Southern Baptist Historical Library and Archives Endowment Fund	<u>28,720</u>	<u>18,774</u>
Total	<u>\$ 948,440</u>	<u>\$ 660,873</u>
	<b>2018</b>	
	<u>Market</u>	<u>Cost</u>
Operating Reserve Fund	\$ 728,714	\$ 626,158
Lynn E. May, Jr. Study Grant Endowment Fund	28,104	15,155
Southern Baptist Historical Library and Archives Endowment Fund	<u>26,954</u>	<u>18,075</u>
Total	<u>\$ 783,772</u>	<u>\$ 659,388</u>

Total investment return is summarized below:

	<b>2019</b>	<b>2018</b>
Investment income	\$ 28,058	\$ 22,002
Net unrealized gains	<u>38,184</u>	<u>3,540</u>
	<u>\$ 66,242</u>	<u>\$ 25,542</u>

**NOTE 3 - FAIR VALUE MEASUREMENTS**

Financial Accounting Standards (FASB) *ASC 820*, establishes a three-level valuation hierarchy for disclosure of fair value measurements defined as Level 1 - inputs for quoted market prices for identical assets or liabilities in active markets; Level 2 - inputs include quoted market prices for similar assets and liabilities in active markets and inputs that are observable either directly or indirectly and; Level 3 - inputs that are unobservable and significant to the fair value measurements.

Fair value of assets and liabilities measured on a recurring basis at July 31, 2019 and 2018 are as follows:

	Fair Value	Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>July 31, 2019:</u>				
Available for sale securities	<u>\$ 948,440</u>	<u>\$ -</u>	<u>\$ 948,440</u>	<u>\$ -</u>
<u>July 31, 2018:</u>				
Available for sale securities	<u>\$ 783,772</u>	<u>\$ -</u>	<u>\$ 783,772</u>	<u>\$ -</u>

**NOTE 4 - POST-RETIREMENT OTHER THAN PENSIONS**

The Division provides certain post-retirement health care and life insurance benefits for retired employees and accrues benefits as they are earned. The following table presents the Plan's funded status reconciled with amounts recognized in the Division's statements of financial position at July 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Accumulated post-retirement benefit obligation:		
For retirees	\$ 606,799	\$ 611,278
For active fully-eligible participants	-	-
For other active participants	<u>5,020</u>	<u>4,848</u>
	<u>611,819</u>	<u>616,126</u>

	2019	2018
Less:		
Unrecognized net loss	(58,790)	(66,720)
Unrecognized prior service cost	<u>(3,731)</u>	<u>(3,506)</u>
Accrued post-retirement benefits	<u>\$ 549,298</u>	<u>\$ 545,900</u>

Net periodic post-retirement benefit costs for years ended July 31, 2019 and 2018, include the following components:

	2019	2018
Service cost	\$ 341	\$ 329
Amortization of unrecognized prior service cost	3,731	3,731
Loss to the extent recognized	863	833
Interest cost	<u>21,933</u>	<u>21,685</u>
Net periodic post-retirement benefit cost	<u>\$ 26,868</u>	<u>\$ 26,578</u>

**NOTE 5 - NET ASSETS**

The Division's governing board has designated, from net assets without donor restrictions of \$1,465,407 and \$1,305,527, as of July 31, 2019 and 2018, respectively, for the following purpose:

	2019	2018
Operating reserve	<u>\$ 889,323</u>	<u>\$ 728,714</u>

Net assets with donor restrictions are restricted for the following purpose:

	2019	2018
Library endowment funds	\$ 28,721	\$ 26,954
Lynn E. May, Jr., study grant endowment funds	<u>30,397</u>	<u>28,104</u>
	<u>\$ 59,118</u>	<u>\$ 55,058</u>

**NOTE 6 - ENDOWMENT**

The endowment includes both donor-restricted funds and funds designated by the Council of Seminary Presidents to function as endowments. Permanent endowments are subject to the restrictions of gift instruments requiring in perpetuity that the principal be invested and the income only utilized as provided under the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The net assets associated with endowments funds including funds designated by the Council of Seminary Presidents to function as endowments, are classified and reported based on existence or absence of donor imposed restrictions.

Interpretations of Relevant Law

The Council of Seminary Presidents has interpreted the State Prudent Management of Institutional Funds (SPMIFA) as requiring the preservation of the fair value of the original gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Division classifies net assets with donor restrictions as (a) the original value of gifts donated to the permanent endowment, (b) the original value of gifts donated to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Division considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the Division

Endowment composition by type of fund for the fiscal year ended July 31, 2019 and 2018:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>July 31, 2019</u>			
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 19,340	\$ 19,340
Accumulated investment gains	<u>-</u>	<u>39,778</u>	<u>39,778</u>
	<u>\$ -</u>	<u>\$ 59,118</u>	<u>\$ 59,118</u>

	Without Donor Restrictions	With Donor Restrictions	Total
<u>July 31, 2018</u>			
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 19,340	\$ 19,340
Accumulated investment gains	-	35,718	35,718
	<u>\$ -</u>	<u>\$ 55,058</u>	<u>\$ 55,058</u>

Changes in endowment for the fiscal year ended July 31, 2019 and 2018:

	Without Donor Restrictions	With Donor Restrictions	Total
<u>July 31, 2019</u>			
Endowment net assets, beginning of year	\$ -	\$ 55,058	\$ 55,058
Investment return, net	-	4,060	4,060
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 59,118</u>	<u>\$ 59,118</u>

	Without Donor Restrictions	With Donor Restrictions	Total
<u>July 31, 2018</u>			
Endowment net assets, beginning of year	\$ -	\$ 56,023	\$ 56,023
Investment Return, net	-	(965)	(965)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 55,058</u>	<u>\$ 55,058</u>

#### Return Objectives, Risk Parameter and Spending Policy

The Division has adopted endowment investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. To achieve its long-term rate of return objectives the Division relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized gains) and current yield (interest and dividends). The Division expects its endowment funds, over time, to provide an average rate of return of approximately 2% to 4% annually.

The Division's endowment spending policy uses an "as needed" approach to distribute its funds. These distributions consist of interest, dividends, and, if necessary, a portion of accumulated investment gains.

#### **NOTE 7 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Division has \$1,137,299 of financial assets available within one year of the statement financial position date to meet cash needs for general expenditures consisting of substantially cash of \$244,470, accounts receivable of \$3,506, and operating reserve fund on deposit with the Southern Baptist Foundation of \$889,323. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. The accounts receivable are subject to implied time restrictions, but are expected to be collected within one year. The Division has a goal to maintain financial assets, which consist of cash, on hand to meet 60 days of normal operating expense, which are, on average, approximately \$65,000. The Division has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, The Division invests cash in excess of daily requirements in funds with the Southern Baptist Foundation. As described above and in Note 2, The Division maintains an operating reserve fund in the amount of \$889,323, which it can draw upon in the event of an unanticipated liquidity need.

#### **NOTE 8 - RELATED PARTY TRANSACTIONS**

The Division received \$470,161 and \$468,705 during the years ended July 31, 2019 and 2018, respectively, from the Southern Baptist Convention Executive Committee.

The Division invests all excess operating funds and restricted funds with the Southern Baptist Foundation, an affiliated organization.

The Southern Baptist Convention is a party related to the Division due to the Convention's ability to significantly influence the management or operating policies of the Division by the restrictions on their contributions. The Executive Committee of the Southern Baptist Convention holds title to the Southern Baptist Convention building as trustee for the beneficial use by the Division. The Division pays for shared utilities on a square footage pro-rata basis. The approximate fair value of the benefit received from foregone rent amounted to \$211,173 for the years ended July 31, 2019 and 2018.

#### **NOTE 9 - EMPLOYEE BENEFITS**

The Division participates in the defined contribution annuity retirement program administered by GuideStone, which covers all full time employees. The Division's contribution amounted to \$18,893 and \$16,209, respectively for the years ended July 31, 2019 and 2018.

**NOTE 10 - LEASES**

The Division has a lease on a copier with monthly payments of \$183 for 63 months beginning May 2019. Future minimum lease payments required under the operating lease in effect at July 31, 2019 is as follows:

<u>Year Ending July 31,</u>	
2020	\$ 2,196
2021	2,196
2022	2,196
2023	2,196
2024	<u>2,196</u>
	<u>\$ 10,980</u>

**INDEPENDENT AUDITORS' REPORT**

To the Council of Seminary Presidents -  
Historical Library and Archives Division

We have audited the accompanying financial statements of Council of Seminary Presidents - Historical Library and Archives Division, which comprise the statements of financial position as of July 31, 2019 and 2018, and the related statements of activities, statements of functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Council of Seminary Presidents - Historical Library and Archives Division as of July 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Edmondson, Betzler & Dame, PLLC  
September 9, 2019

**\*REPORT OF EXECUTIVE COMMITTEE SOUTHERN BAPTIST CONVENTION**  
**Distribution by States of Cooperative Program Receipts**  
**August 1, 2018 - July 31, 2019**

**TO: SOUTHERN BAPTIST HISTORICAL LIBRARY AND ARCHIVES**

Alabama	45,364.17
Alaska	420.89
Arizona	2,693.08
Arkansas	22,376.73
California	5,266.50
Colorado	1,667.35
Dakota	233.02
District of Columbia	0.00
Florida	35,584.97
Georgia	37,136.94
Hawaii Pacific	570.10
Illinois	5,622.07
Indiana	2,130.80
Iowa	824.29
Kansas-Nebraska	1,957.24
Kentucky	23,892.45
Louisiana	16,614.19
Maryland-Delaware	4,081.28
Michigan	759.30
Minnesota-Wisconsin	565.96
Mississippi	29,518.48
Missouri	14,006.50
Montana	469.97
Nevada	1,497.70
New England	516.35
New Mexico	2,007.19
New York	581.08
North Carolina	27,692.57
Northwest	1,648.83
Ohio	5,211.88
Oklahoma	24,048.48
Pennsylvania-South Jersey	825.57
Puerto Rico/U.S. Virgin Islands	17.00
South Carolina	26,325.46
Tennessee	38,006.11
Texas - BGCT	24,827.48
Texas - SBTC	36,360.95
Utah-Idaho	515.33
Virginia - BGAV	1,886.23
Virginia - SBCV	11,001.77
West Virginia	1,323.53
Wyoming	261.89
Subtotal	<u>456,311.69</u>
Churches & Individuals	<u>13,848.93</u>
<b>Total Cooperative Program Allocation</b>	<b><u>\$ 470,160.62</u></b>
<b>Total Designations</b>	<b><u>642.09</u></b>
<b>Total Distribution</b>	<b><u>\$ 470,802.71</u></b>

## SOUTHERN BAPTIST FOUNDATION

Statements of Financial Position  
September 30, 2019 and 2018

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 235,318	\$ 236,991
Investments	13,282,396	11,760,714
Prepaid expenses and other assets	17,716	17,574
Assets held in trust and for others	197,468,587	188,833,603
Assets held in trust and for others, charitable gift annuities	4,722,155	5,242,710
Property and equipment, net	<u>55,066</u>	<u>89,498</u>
<b>Total Assets</b>	<b><u>\$ 215,781,238</u></b>	<b><u>\$ 206,181,090</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable	\$ 31,623	\$ 27,875
Annuity obligation	1,867,690	2,306,036
Post-retirement benefit obligation	703,214	750,214
Funds held for others	197,468,587	188,833,603
Funds held for others, charitable gift annuities	<u>2,854,465</u>	<u>2,936,674</u>
<b>Total Liabilities</b>	<b><u>202,925,579</u></b>	<b><u>194,854,402</u></b>
Net Assets:		
Net Assets without donor restrictions	11,699,958	11,326,688
Net Assets with donor restrictions	<u>1,155,701</u>	<u>-</u>
<b>Total Net Assets</b>	<b><u>12,855,659</u></b>	<b><u>11,326,688</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 215,781,238</u></b>	<b><u>\$ 206,181,090</u></b>

The accompanying notes to the financial statements are an integral part of these statements.

Statements of Activities  
Years Ended September 30, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Operating Support and Revenue:</b>						
Investment income	\$ 861,239	\$ 23,870	\$ 885,109	\$ 656,476	\$ -	\$ 656,476
Administrative fee income	1,310,687	-	1,310,687	1,322,569	-	1,322,569
Contributions	372,673	1,131,831	1,504,504	1,145,544	-	1,145,544
Other income	<u>27,445</u>	<u>-</u>	<u>27,445</u>	<u>27,088</u>	<u>-</u>	<u>27,088</u>
<b>Total Operating Support and Revenue</b>	<b><u>2,572,044</u></b>	<b><u>1,155,701</u></b>	<b><u>3,727,745</u></b>	<b><u>3,151,677</u></b>	<b><u>-</u></b>	<b><u>3,151,677</u></b>
<b>Operating Expenses:</b>						
Program services	1,668,796	-	1,668,796	1,402,193	-	1,402,193
Supporting activities:						
General and administrative	<u>529,978</u>	<u>-</u>	<u>529,978</u>	<u>510,240</u>	<u>-</u>	<u>510,240</u>
<b>Total Operating Expenses</b>	<b><u>2,198,774</u></b>	<b><u>-</u></b>	<b><u>2,198,774</u></b>	<b><u>1,912,433</u></b>	<b><u>-</u></b>	<b><u>1,912,433</u></b>
Change in Net Assets						
from Operations	<u>373,270</u>	<u>1,155,701</u>	<u>1,528,971</u>	<u>1,239,244</u>	<u>-</u>	<u>1,239,244</u>
Change in net assets	373,270	1,155,701	1,528,971	1,239,244	-	1,239,244
Net assets, beginning of year	<u>11,326,688</u>	<u>-</u>	<u>11,326,688</u>	<u>10,087,444</u>	<u>-</u>	<u>10,087,444</u>
<b>Net assets, end of year</b>	<b><u>\$11,699,958</u></b>	<b><u>\$ 1,155,701</u></b>	<b><u>\$12,855,659</u></b>	<b><u>\$11,326,688</u></b>	<b><u>\$ -</u></b>	<b><u>\$11,326,688</u></b>

The accompanying notes to the financial statements are an integral part of these statements.

**Statements of Cash Flows**  
**Years Ended September 30, 2019 and 2018**

	2019	2018
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 1,528,971	\$ 1,239,244
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	38,399	47,815
Net realized and unrealized gains on investments	(571,367)	(379,548)
Changes in operating assets and liabilities:		
Prepaid and other assets	(142)	(1,546)
Accounts payable	3,748	(40,862)
Post-retirement benefit obligations	(47,000)	31,108
Net cash provided by operating activities	952,609	896,211
<b>Cash flows from investing activities:</b>		
Purchases of investments	(3,560,329)	(3,173,144)
Proceeds from sale of investments	2,610,014	2,247,685
Purchases of property and equipment	(3,967)	(6,440)
Net cash used in investing activities	(954,282)	(931,899)
Net change in cash and cash equivalents	(1,673)	(35,688)
Cash and cash equivalents, beginning of year	236,991	272,679
Cash and cash equivalents, end of year	\$ 235,318	\$ 236,991

*The accompanying notes to the financial statements are an integral part of these statements.*

**Statements of Functional Expenses**  
**Years Ended September 30, 2019 and 2018**

	2019			2018		
	Program Services	General and Administrative	Total	Program Services	General and Administrative	Total
Salaries	\$ 797,494	\$ 290,320	\$ 1,087,814	\$ 707,515	\$ 261,919	\$ 969,434
Employee benefits	275,861	102,031	377,892	319,227	118,070	437,297
Charitable gift	177,848	-	177,848	24,958	-	24,958
Travel and client expenses	100,755	-	100,755	126,571	-	126,571
Office equipment maintenance and rental	63,463	23,473	86,936	42,877	15,859	58,736
Trust system	81,927	-	81,927	61,195	-	61,195
Scholarship grant expense	64,000	-	64,000	40,763	-	40,763
Donor advised fund distributions	52,750	-	52,750	12,500	-	12,500
Depreciation	28,031	10,368	38,399	34,905	12,910	47,815
Office expenses	24,653	9,118	33,771	25,595	9,467	35,062
Professional publication and dues	-	23,093	23,093	-	13,572	13,572
Cleaning and utilities	-	21,801	21,801	-	19,293	19,293
Professional fees	-	21,566	21,566	-	35,957	35,957
Insurance	-	18,123	18,123	-	18,268	18,268
Miscellaneous expense	-	10,085	10,085	-	4,925	4,925
Website development and maintenance	2,014	-	2,014	6,087	-	6,087
Total	\$ 1,668,796	\$ 529,978	\$ 2,198,774	\$ 1,402,193	\$ 510,240	\$ 1,912,433

*The accompanying notes to the financial statements are an integral part of these statements.*

**Notes to the Financial Statements**  
**September 30, 2019 and 2018**

**Note 1—Nature of organization**

The Southern Baptist Foundation (the “Foundation”) is a national foundation that was established in 1947 to support the Southern Baptist Convention (the “Convention”) in its objectives of proclaiming the gospel of Jesus Christ by serving as its trust agency. The Foundation provides a wide range of gift-planning solutions, investments, and legacy/estate planning services for Christian institutions and individuals to maximize the impact of their investment for the Kingdom. The Foundation’s mission is “to advance God’s kingdom by providing financial services and encouraging Christian stewardship”. The vision of the Foundation is “a transformed world as a consequence of believer’s integrating biblical stewardship into their financial lives”. The Foundation exists to help this generation touch the next generation for Christ.

The Foundation qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (“Code”), whereby only unrelated business income, as defined by Section 512(a)(1) of the Code is subject to federal income tax. The Foundation is not a private foundation under Section 509(a) of the Code.

#### **Note 2—Summary of significant accounting policies**

The financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

*Estimates* – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

*Cash and Cash Equivalents* – Cash and cash equivalents consist of cash in various bank accounts. For financial reporting purposes, highly liquid investments with an original maturity of three months or less are reported as cash equivalents. These accounts may, at times, exceed federally insured limits. The Foundation has not experienced any losses in such accounts.

*Investments* – Investments in equity securities with readily determinable fair values and all debt securities are reported at fair value based upon quoted market prices. Realized and unrealized gains and losses are reported in the statements of activities as a component of investment income. Donated investments are recorded at fair value on the date of donation and thereafter carried in accordance with the above provisions.

*Assets Held in Trust and for Others* – Funds held for others consist of trust, annuity, endowment, donor-restricted, and revocable agency funds held with the Foundation for management purposes. Investments in equity securities with readily determinable fair values and all debt securities are reported at fair value. Other investments and assets, such as notes receivable, are reported at the lower of cost or fair value. Trust investments are those held under trust agreements administered by the Foundation and reported at fair value.

*Property and Equipment* – Items capitalized as property and equipment are recorded at cost or, if donated, at fair market value on the date of the gift. Purchases and donations of equipment in excess of \$500 are capitalized if the expected useful life exceeds one year. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets ranging from three to ten years.

*Annuity Obligations* – The Foundation has issued charitable gift annuity agreements. Under these agreements, a donor contributes assets to the Foundation to benefit a separate organization in exchange for the right to receive a fixed dollar annual return during the donor’s lifetime. The liability for future payments is determined on an actuarial basis and is revalued annually using a discount rate established at the inception of the agreement and appropriate actuarial assumptions. The discount rate used was 5%. Assets held in these annuities are included in funds held for others.

The Foundation administers various charitable remainder trusts. The charitable remainder trust provides for distributions to the grantor or other designated beneficiaries over the trust’s term. At the end of the trust term, any remaining assets are held by the Foundation for the benefit of and use by the donor-designated institution. The total is classified as assets held in trust and is reported at fair value on the statements of financial position.

The Foundation is subject to state requirements for organizations issuing annuities, including any required reserves. The Foundation has segregated \$200,000 of their cash balance to be held in Hawaii as required by the state.

*Funds Held for Others* – Funds held for others consist of endowments, charitable remainder trusts, charitable gift annuities, and revocable agency funds held with the Foundation for management purposes.

*Classes of Net Assets* – The financial statements report amounts by class of net assets. Net assets without donor restriction are currently available for ministry purposes under the direction of the board, designated by the board for specific use, donor-advised funds, or resources invested in property and equipment. All contributions are considered without donor restriction unless specifically restricted by the donor or subject to legal restrictions.

*Support, Revenue, and Expenses* – Revenue is recognized when earned. Revenues are earned from fees charged to clients for asset management. Support is recognized when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Foundation.

Contributions to donor-advised funds are reported as without donor restriction support and net assets because the Foundation has the unilateral power to redirect these funds. Donor-advised fund agreements (“DAFs”) allow donors to make charitable contributions to a fund which is used to provide distributions to qualified organizations. The funds are under the complete control of the Foundation, but donors may make recommendations as to their distribution.

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated amounts.

The Foundation reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Foundation awards scholarship grants to doctoral students intending to serve in the Convention entities and churches upon graduation. Grants are fulfilled as these recipients complete their service. During the years ended September 30, 2019 and 2018, the Foundation paid out a net of \$64,000 and \$40,763 in such grants, respectively, which is included in expenses on the statements of activities. The Foundation had \$314,155 and \$316,655 of grants awaiting fulfillment of service at September 30, 2019 and 2018, respectively.

*Allocation of Expenses* – The financial statements report certain categories of expenses that are attributable to program or supporting functions of the Foundation. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits, depreciation, office equipment maintenance and rental, and office expenses and are allocated on estimates of time and effort.

*Recently Issued Accounting Standards* – In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Accounting Standards Codification (“ASC”) 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for the Foundation year ending September 30, 2022. A modified retrospective transition approach is required for leases for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Foundation is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows: Restricted Cash (Topic 230)*, which requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. As a result, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The new standard will be effective for the Foundation on October 1, 2019. Early adoption is permitted. The Foundation is currently evaluating the effect that the standard will have on its financial statements and related disclosures.

In June 2018, the FASB issued ASU 2018-08, *Not for Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The new standard is effective for annual periods beginning after December 15, 2018. The Foundation is evaluating the impact of this ASU on the financial statements.

### **Note 3—Investments**

Investments consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Cash equivalents in investment portfolio	\$ 1,012,860	\$ 767,402
Mutual funds	403,960	387,539
Equity securities	6,339,150	5,382,971
U.S. government securities	1,923,488	1,601,406
Fixed income securities	<u>3,602,938</u>	<u>3,621,396</u>
	<u>\$ 13,282,396</u>	<u>\$ 11,760,714</u>

### **Note 4—Assets held in trusts and for others**

Assets held in trust and for others consist of the following at September 30:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 48,636,168	\$ 48,508,900
Mutual funds	12,573,573	1,586,759
Equity securities	62,677,469	68,729,238
U.S. government securities	25,100,735	21,867,664
Fixed income securities	51,177,091	51,011,053
Other investments:		
Mortgages receivable	304,506	380,407
Real Estate	1,190,000	1,387,279
Other	1,068	1,070
Accrued interest	<u>530,132</u>	<u>603,943</u>
	<u>\$ 202,190,742</u>	<u>\$ 194,076,313</u>

**Note 5—Property and equipment, net**

Property and equipment, net consists of the following at September 30:

	2019	2018
Furniture and fixtures	\$ 210,184	\$ 211,410
Automobiles	44,728	44,728
Leasehold improvements	14,915	14,915
Software	<u>12,435</u>	<u>12,435</u>
	282,262	283,488
Less accumulated depreciation	<u>(227,196)</u>	<u>(193,990)</u>
	<u>\$ 55,066</u>	<u>\$ 89,498</u>

The Foundation occupies office facilities on the 6th floor of the Convention building at 901 Commerce Street in Nashville. Title is held by the Executive Committee of the Convention as “trustee for the beneficial use of the Southern Baptist Foundation”. Construction of the building was funded through contributions received from the Cooperative Program for the various related entities. As such, the Executive Committee receives no payments from the entities related to occupancy of the office space. However, each entity that occupies space in the building is responsible for maintenance and operating costs associated with the related office space occupied. In the event of sale, the Foundation expects to receive a prorata share of the receipts from the sale of the building. (See Note 8 for further discussion of related party transactions.)

**Note 6—Post-retirement benefit obligation**

The Foundation sponsors a post-retirement defined benefit plan that provides certain post-employment gifts, dental care, health care, and life insurance benefits for retired employees. Employees become eligible for partial early retirement benefits upon reaching age 55. The post-retirement coverage was amended in January 2007, such that any employee with less than one year experience with the Foundation, as of the date of the amendment, shall not be eligible for participation.

During 2011, the Foundation implemented a Healthcare Reimbursement Arrangement (“HRA”) related to its postemployment healthcare benefits for retirees. The HRA provides for a fixed contribution to cover 100% of the retiree’s Medicare supplement and 70% of the cost of an eligible dependent’s premiums.

In calculating the post-retirement benefit obligation, a discount rate of 4.0% has been utilized for the years ended September 30, 2019 and 2018.

The change in the post-retirement benefit obligation consists of the following for the years ended September 30:

	2019	2018
Beginning post-retirement benefit obligation	\$ 750,214	\$ 719,106
Current year service costs	3,401	8,254
Current year interest costs	28,404	27,522
Benefits paid during the current year	(69,040)	(41,446)
Actuarial (gain) loss	<u>(9,765)</u>	<u>36,778</u>
Ending post-retirement benefit obligation	<u>\$ 703,214</u>	<u>\$ 750,214</u>

The plan is unfunded as of September 30, 2019 and 2018.

The current year net periodic post-retirement benefit cost has been recognized as an expense in the statements of activities.

	2019	2018
Increase in estimated obligation, service cost	\$ 3,401	\$ 8,254
Increase in estimated obligation, interest cost	28,404	27,522
Loss to the extent recognized	22,958	19,897
Amortization of prior service cost	<u>(86,606)</u>	<u>(107,782)</u>
	<u>\$ (31,843)</u>	<u>\$ (52,109)</u>

For measurement purposes, a 1% annual rate of increase in the per capita cost of covered health care benefits was assumed for the years ended September 30, 2019 and 2018; the rate was assumed to decrease gradually from 8.5% to 5% and remain constant thereafter. A 5% annual rate of increase in the per capita cost of covered dental care benefits was assumed for the years ended September 30, 2019 and 2018; the rate is assumed to remain constant.

The expected benefits to be paid for subsequent years are as follows:

2020	\$ 57,681
2021	55,640
2022	53,162
2023	67,926
2024	47,057
2025-2029	235,285

The Foundation provides a retirement annuity program to its permanent employees through GuideStone Financial Resources (“GuideStone”) through a defined contribution plan. The plan provides an employer contribution in an amount equal to 10% of each participant’s compensation, as defined in the plan, and an additional employer matching contribution of up to 5% of the employee’s compensation based on years of service with the Foundation. The Foundation contributed \$130,243 and \$119,114 to the Plan during the years ended September 30, 2019 and 2018, respectively. Such amounts are included in the employee benefits in the statements of functional expenses.

**Note 7—Net assets**

Net assets, revenue, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets without donor restriction are currently available for ministry purposes under the direction of the board, designated by the board for specific use, donor-advised funds, or resources invested in property and equipment.

*Net Assets With Donor Restrictions* – Net assets subject to donor - (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Net assets consist of the following at September 30:

	2019	2018
Net Assets Without Donor Restrictions:		
Undesignated	\$ 8,797,900	\$ 8,817,519
Donor advised funds	329,949	100,945
Equity in property and equipment	55,066	89,498
Board designated:		
Capital maintenance reserve	131,675	121,300
Operating reserve	2,385,368	2,197,426
Total Net Assets Without Donor Restrictions	11,699,958	11,326,688
Net Assets With Donor Restrictions:		
Charitable endowments	1,155,701	-
Total Net Assets	<u>\$ 12,855,659</u>	<u>\$ 11,326,688</u>

**Note 8—Related party transactions**

The Foundation is a member corporation, with the Executive Committee of the Convention being the sole member. As the sole member, the Executive Committee’s president and chief executive officer is also the chairman of the board of the Foundation, and the Executive Committee appoints the Foundation’s board of trustees. However, the Executive Committee does not have a direct financial or economic interest in the Foundation. Accordingly, the financial statements of the Foundation are not consolidated with the Executive Committee.

The Foundation processed Cooperative Program funds of \$390,031,642 and \$390,116,197 and distributed Cooperative Program funds of \$391,868,153 and \$393,519,600 during 2019 and 2018, respectively. The Foundation also manages certain investments which totaled \$19,851,547 and \$20,373,866 at September 30, 2019 and 2018, respectively, for the Executive Committee.

(See also Note 5 regarding the office building.)

**Note 9—Liquidity and funds available**

The following table reflects the Foundation’s financial assets as of September 30, 2019 and 2018, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, state required annuity reserves, trust assets, assets held for others, or because the governing board has set aside the funds for a specific contingency reserve. These board designations could be drawn upon if the board approves that action. The Foundation considers general expenditures to be all expenditures related to its ongoing activities of providing investment, fiduciary, and estate planning services as well as the conduct of services undertaken to support those activities to be general expenditures.

The Foundation has a goal to maintain financial assets on hand to meet one year of normal operating expenses, which are, on average, approximately \$1,850,000. The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in various short-term investments.

	2019	2018
Financial Assets:		
Cash and cash equivalents	\$ 235,318	\$ 236,991
Investments	13,282,396	11,760,714
Assets held in trust and for others	197,468,587	188,833,603
Assets held in trust and for others, charitable gift annuities	4,722,155	5,242,710
Financial Assets, at year-end	215,708,456	206,074,018
Less those unavailable for general expenditure within one year, due to:		
Cash held for required annuity reserves	(200,000)	(200,000)
Investments and other financial assets held for others	(197,468,587)	(188,833,603)
Investments held in trusts and various state required annuity reserves	(4,722,155)	(5,242,710)
Investments held for donor advised funds	(329,949)	(100,945)
Investment held for restricted charitable endowments	(1,155,701)	-
Board designated reserves for capital maintenance	(131,675)	(121,300)
Board designated reserves for operations	(2,385,368)	(2,197,426)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 9,315,021</u>	<u>\$ 9,378,034</u>

**Note 10—Fair value of financial instruments and fair value measurements**

Accounting standards generally accepted in the United States of America establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2019 and 2018, respectively:

	September 30, 2019			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	\$ 1,012,860	\$ -	\$ -	\$ 1,012,860
Mutual funds	403,960	-	-	403,960
Equity securities:				
Basic materials	387,233	-	-	387,233
Consumer discretionary	885,199	-	-	885,199
Consumer staples	403,671	-	-	403,671
Energy	252,167	-	-	252,167
Financials	1,286,992	-	-	1,286,992
Health care	796,399	-	-	796,399
Industrials	458,944	-	-	458,944
Information technology	1,266,852	-	-	1,266,852
Real estate	110,238	-	-	110,238
Telecommunications	179,824	-	-	179,824
Utilities	311,631	-	-	311,631
	6,339,150	-	-	6,339,150
U.S. government securities	1,923,488	-	-	1,923,488
Fixed income securities:				
Corporate bonds (S&P 500 ratings):				
AAA rating	153,666	-	-	153,666
AA+ rating	659,028	-	-	659,028
AA rating	122,507	-	-	122,507
AA- rating	176,532	-	-	176,532
A+ rating	210,049	-	-	210,049
A rating	808,546	-	-	808,546
A- rating	843,615	-	-	843,615
BBB+ rating	439,221	-	-	439,221
BBB rating	10,037	-	-	10,037
Other	179,737	-	-	179,737
	3,602,938	-	-	3,602,938
Total Investments	<u>\$ 13,282,396</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,282,396</u>

	September 30, 2019			
	Level 1	Level 2	Level 3	Total
Assets Held in Trust and for Others:				
Cash and cash equivalents	\$ 48,636,168	\$ -	\$ -	\$ 48,636,168
Mutual funds, large value fund	12,573,573	-	-	12,573,573
Equity securities:				
Basic materials	3,828,715	-	-	3,828,715
Consumer discretionary	8,752,280	-	-	8,752,280
Consumer staples	3,991,242	-	-	3,991,242
Energy	2,493,266	-	-	2,493,266
Financials	12,724,951	-	-	12,724,951
Health care	7,874,281	-	-	7,874,281
Industrials	4,537,742	-	-	4,537,742
Information technology	12,525,827	-	-	12,525,827
Real estate	1,089,966	-	-	1,089,966
Telecommunications	1,777,990	-	-	1,777,990
Utilities	3,081,209	-	-	3,081,209
	<u>62,677,469</u>	<u>-</u>	<u>-</u>	<u>62,677,469</u>
U.S. government securities	25,100,735	-	-	25,100,735
Fixed income securities:				
Corporate bonds (S&P 500 ratings):				
AAA rating	2,182,707	-	-	2,182,707
AA+ rating	9,361,007	-	-	9,361,007
AA rating	1,740,120	-	-	1,740,120
AA- rating	2,507,506	-	-	2,507,506
A+ rating	2,983,589	-	-	2,983,589
A rating	11,484,805	-	-	11,484,805
A- rating	11,982,917	-	-	11,982,917
BBB+ rating	6,238,810	-	-	6,238,810
BBB rating	142,570	-	-	142,570
Other	2,553,060	-	-	2,553,060
	<u>51,177,091</u>	<u>-</u>	<u>-</u>	<u>51,177,091</u>
Other investments:				
Real Estate				1,190,000
Mortgage receivable				304,506
Other investments				1,068
				<u>1,495,574</u>
Accrued interest receivable				530,132
Total Assets Held in Trust and for Others	<u>\$ 200,165,036</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 202,190,742</u>

	September 30, 2018			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	\$ 767,402	\$ -	\$ -	\$ 767,402
Mutual funds	387,539	-	-	387,539
Equity securities:				
Basic materials	330,919	-	-	330,919
Consumer discretionary	865,080	-	-	865,080
Consumer staples	298,967	-	-	298,967
Energy	246,529	-	-	246,529
Financials	1,040,510	-	-	1,040,510
Health care	674,479	-	-	674,479
Industrials	417,180	-	-	417,180
Information technology	1,184,287	-	-	1,184,287
Real estate	76,136	-	-	76,136
Telecommunications	85,309	-	-	85,309
Utilities	163,575	-	-	163,575
	<u>5,382,971</u>	<u>-</u>	<u>-</u>	<u>5,382,971</u>
U.S. government securities	1,601,406	-	-	1,601,406
Fixed income securities:				
Corporate bonds (S&P 500 ratings):				
AAA rating	139,985	-	-	139,985
AA+ rating	1,057,818	-	-	1,057,818
AA rating	189,344	-	-	189,344
AA- rating	209,104	-	-	209,104
A+ rating	402,607	-	-	402,607

	September 30, 2018			Total
	Level 1	Level 2	Level 3	
A rating	568,661	-	-	568,661
A- rating	598,140	-	-	598,140
BBB+ rating	333,331	-	-	333,331
BBB rating	4,497	-	-	4,497
Other	117,909	-	-	117,909
	<u>3,621,396</u>	<u>-</u>	<u>-</u>	<u>3,621,396</u>
Total Investments	<u>\$ 11,760,714</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,760,714</u>
Assets Held in Trust and for Others:				
Cash and cash equivalents	<u>\$ 48,508,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,508,900</u>
Mutual funds, large value fund	<u>1,586,759</u>	<u>-</u>	<u>-</u>	<u>1,586,759</u>
Equity securities:				
Basic materials	4,225,142	-	-	4,225,142
Consumer discretionary	11,045,260	-	-	11,045,260
Consumer staples	3,817,185	-	-	3,817,185
Energy	3,147,663	-	-	3,147,663
Financials	13,285,124	-	-	13,285,124
Health care	8,611,684	-	-	8,611,684
Industrials	5,326,507	-	-	5,326,507
Information technology	15,120,855	-	-	15,120,855
Real estate	972,091	-	-	972,091
Telecommunications	1,089,219	-	-	1,089,219
Utilities	2,088,508	-	-	2,088,508
	<u>68,729,238</u>	<u>-</u>	<u>-</u>	<u>68,729,238</u>
U.S. government securities	<u>21,867,664</u>	<u>-</u>	<u>-</u>	<u>21,867,664</u>
Fixed income securities:				
Corporate bonds (S&P 500 ratings):				
AAA rating	1,971,837	-	-	1,971,837
AA+ rating	14,900,448	-	-	14,900,448
AA rating	2,667,105	-	-	2,667,105
AA- rating	2,945,441	-	-	2,945,441
A+ rating	5,671,135	-	-	5,671,135
A rating	8,010,173	-	-	8,010,173
A- rating	8,425,411	-	-	8,425,411
BBB+ rating	4,695,305	-	-	4,695,305
BBB rating	63,341	-	-	63,341
Other	1,660,857	-	-	1,660,857
	<u>51,011,053</u>	<u>-</u>	<u>-</u>	<u>51,011,053</u>
Other investments:				
Real Estate				1,387,279
Mortgage receivable				380,407
Other investments				1,070
				<u>1,768,756</u>
Accrued interest receivable				<u>603,943</u>
Total Assets Held in Trust and for Others	<u>\$ 191,703,614</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,076,313</u>

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

*Mutual Funds, Equity Securities, Fixed Income Securities and U.S. Government Securities* – The fair value of these financial instruments is based upon quoted market prices or dealer quotes in an active market.

*Other Investments* – Real estate is valued at appraised value at the date of acquisition. Mortgages receivable are valued at amortized cost. These investments are part of a portfolio of assets that the Foundation was asked to manage.

*Changes in Valuation Techniques* – None.

#### **Note 11—Concentration**

At September 30, 2019, assets held for others include assets of approximately \$23,100,000 for one account holder, which represents approximately 11% of the Foundations assets.

At September 30, 2018, assets held for others include assets of approximately \$45,700,000 for two account holders, which represents approximately 22% of the Foundations assets.

**Note 12—Subsequent events**

Subsequent events have been evaluated through November 22, 2019 which represents the date the financial statements were available to be issued. Management is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to the filing of this report that would have a material impact on the financial statements.

**REPORT OF INDEPENDENT AUDITOR**

To the Board of Trustees  
Southern Baptist Foundation  
Nashville, Tennessee

We have audited the accompanying financial statements of the Southern Baptist Foundation (the "Foundation"), which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Southern Baptist Foundation as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Cherry Bekaert LLP  
Nashville, Tennessee  
November 22, 2019

## THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

### Statements of Financial Position September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 650,077	\$ 647,194
Accounts receivable	42,583	100,982
Investments	1,069,445	1,016,113
Prepaid expenses and other assets	211,692	173,076
Property and equipment, net	<u>663,770</u>	<u>712,496</u>
	<u>\$ 2,637,567</u>	<u>\$ 2,649,861</u>
<u>Liabilities and Net Assets</u>		
Accounts payable and accrued expenses	\$ 247,019	\$ 297,799
Deferred revenue	49,650	160,875
Postretirement benefit obligation	<u>436,865</u>	<u>456,342</u>
Total liabilities	<u>733,534</u>	<u>915,016</u>
Net assets:		
Without donor restrictions	1,704,672	1,622,193
With donor restrictions	<u>199,361</u>	<u>112,652</u>
Total net assets	<u>1,904,033</u>	<u>1,734,845</u>
	<u>\$ 2,637,567</u>	<u>\$ 2,649,861</u>

See accompanying notes to the financial statements.

### Statements of Activities Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Changes in net assets without donor restrictions:		
Support and revenue:		
Southern Baptist Convention:		
Cooperative Program	\$ 3,246,073	\$ 3,247,115
Contributions	12,806	17,123
Gifts, event receipts and other	737,729	1,030,511
Interest and investment income	41,289	2,541
Net assets released from restrictions	<u>455,701</u>	<u>70,969</u>
Total support and revenue	<u>4,493,598</u>	<u>4,368,259</u>
Expenses		
Program services expense	3,976,947	3,711,731
Supporting services expense - Management and general	<u>434,172</u>	<u>431,344</u>
Total expenses	<u>4,411,119</u>	<u>4,143,075</u>
Change in net assets without donor restrictions	<u>82,479</u>	<u>225,184</u>
Changes in net assets with donor restrictions:		
Gifts, event receipts and other	542,410	68,704
Net assets released from restrictions	<u>(455,701)</u>	<u>(70,969)</u>
Change in net assets with donor restrictions	<u>86,709</u>	<u>(2,265)</u>
Change in net assets	169,188	222,919
Net assets at beginning of year	<u>1,734,845</u>	<u>1,511,926</u>
Net assets at end of year	<u>\$ 1,904,033</u>	<u>\$ 1,734,845</u>

See accompanying notes to the financial statements.

**Statements of Functional Expenses**  
**Years ended September 30, 2019 and 2018**

	2019		
	Program Services	Management and General	Total
Salaries and benefits	\$ 2,334,995	\$ 230,207	\$ 2,565,202
Travel	307,130	3,536	310,666
Executive office	129,617	35,486	165,103
Business and finance	-	164,943	164,943
Events and strategic initiatives	493,085	-	493,085
Communications	163,445	-	163,445
Public policy and research	7,311	-	7,311
Designated expenses	476,080	-	476,080
Change in postretirement benefit, net	(19,477)	-	(19,477)
Depreciation	83,841	-	83,841
Loss on disposal of asset	920	-	920
Total	<u>\$ 3,976,947</u>	<u>\$ 434,172</u>	<u>\$ 4,411,119</u>
	2018		
	Program Services	Management and General	Total
Salaries and benefits	\$ 2,282,127	\$ 225,557	\$ 2,507,684
Travel	322,778	4,668	327,446
Executive office	72,051	32,020	104,071
Business and finance	-	169,099	169,099
Events and strategic initiatives	621,883	-	621,883
Communications	166,883	-	166,883
Public policy and research	15,746	-	15,746
Designated expenses	152,744	-	152,744
Change in postretirement benefit, net	(18,496)	-	(18,496)
Depreciation	94,289	-	94,289
Loss on disposal of asset	1,726	-	1,726
Total	<u>\$ 3,711,731</u>	<u>\$ 431,344</u>	<u>\$ 4,143,075</u>

See accompanying notes to the financial statements.

**Statements of Cash Flows**  
**Years ended September 30, 2019 and 2018**

	2019	2018
Cash flows from operating activities:		
Cooperative Program payments received	\$ 3,246,073	\$ 3,247,115
Southern Baptist Convention Designated receipts	12,806	17,123
Gifts, designated receipts and other	1,227,313	1,193,372
Interest and investment income	50,528	42,776
Payments to vendors	(2,101,633)	(1,870,096)
Payments to employees	(2,334,518)	(2,154,005)
Net cash provided by operating activities	<u>100,569</u>	<u>476,285</u>
Cash flows from investing activities:		
Purchases of investments, net	(62,571)	(34,984)
Purchases of property and equipment	(35,115)	(102,332)
Net cash used by investing activities	<u>(97,686)</u>	<u>(137,316)</u>
Increase in cash and cash equivalents	2,883	338,969
Cash and cash equivalents at beginning of year	<u>647,194</u>	<u>308,225</u>
Cash and cash equivalents at end of year	<u>\$ 650,077</u>	<u>\$ 647,194</u>

See accompanying notes to the financial statements.

Notes to the Financial Statements  
September 30, 2019 and 2018

**(1) Nature of activities**

The Ethics and Religious Liberty Commission of the Southern Baptist Convention (the "Commission") operates under the auspices of the Southern Baptist Convention ("SBC"). The Commission aims to assist Southern Baptists in applying Christian principles in their lives and to coordinate the impact of Southern Baptists concerning private and public moral concerns.

**(2) Summary of significant accounting policies**

(a) Financial statement presentation

The financial statements of the Commission have been prepared on the accrual basis.

(b) Cash and cash equivalents

Cash and cash equivalents consist primarily of cash on deposit and short-term marketable securities that are readily convertible into cash and purchased with original maturities of three months or less.

(c) Accounts receivable

Accounts receivable consist of expense refunds from events and sponsorship commitments for services performed. Late or interest charges on delinquent accounts are not recorded until collected. The carrying amount of accounts receivable is reduced by a valuation allowance, if necessary, which reflects management's best estimate of the amounts that will not be collected. The Commission's management has determined an allowance is unnecessary as of September 30, 2019 or 2018.

(d) Investments

Investments in marketable securities are valued at their fair values (as more fully discussed in Note 6) in the statements of financial position. Investment income shown in the statements of activities includes interest and realized and unrealized gains and losses. Investment income that is restricted by the donor is reported as increases in net assets without donor restrictions if the restrictions are met or expire in the year in which the investment income is recognized.

(e) Property and equipment

Property and equipment are reported at cost or, if contributed, at fair value on the date of receipt. It is the Commission's policy to capitalize expenditures for these items in excess of \$3,000. Depreciation is provided using the straight-line method, based on estimated service lives of 3 to 10 years for furniture and fixtures and 20 to 40 years for buildings and improvements. Leasehold improvements are amortized over the shorter of their estimated lives or the respective lease term. Expenditures for maintenance and repairs are charged to operations as incurred. Annual depreciation is charged to expense without donor restrictions.

(f) Deferred revenue

Deferred revenue represents deposits received from conference supporters for events scheduled to occur subsequent to year end.

(g) Net assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(h) Realization of Long-lived assets

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

(i) Contributions

The majority of the Commission's support is received from allocations from the SBC Cooperative Program. Funds are received on a weekly basis and are recognized as revenue when received from the Executive Committee of the SBC who allocates funds received from the state conventions and individual churches as part of the Cooperative Program.

The Commission reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

(j) Functional expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated primarily relate to salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and other expenses, which are allocated on the basis of estimates of time and effort.

(k) Income taxes

The Commission is exempt from federal, state and local income taxes under Internal Revenue Code section 501(c)(3) as a religious corporation and accordingly, no provision for income or excise tax has been recorded in the accompanying financial statements. The Commission is not classified as a private foundation. The Commission is not required to file Federal information returns.

A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The Commission has no uncertain tax positions that qualify for recognition or other disclosure in the financial statements.

(l) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(m) New accounting pronouncements, not yet adopted

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). ASU 2014-09, along with subsequent amendments, supersedes most existing revenue recognition guidance and outlines a single comprehensive standard for revenue recognition across all industries. In addition, ASU 2014-09 requires expanded quantitative and qualitative disclosures, including disclosure about the nature, amount, timing and uncertainty of revenue. This standard is effective for fiscal years beginning after December 15, 2018 and will be adopted by the Commission for fiscal year 2020. The Commission continues to evaluate its population of revenue sources to assess the potential effects ASU 2014-09 will have on its financial statements and related disclosures; however, the Commission expects the primary impact to be in the form of additional financial statement disclosures.

In June 2018, the FASB issued ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* ("ASU 2018-08"). ASU No. 2018-08 is intended to clarify (1) when transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of contribution accounting guidance, or as exchange (reciprocal) transactions subject to other guidance, and (2) determining whether a contribution is conditional. ASU No. 2018-08 is effective for the Commission's fiscal year beginning October 1, 2019 for transactions in which the Commission serves as a resource recipient, and for its fiscal year beginning October 1, 2020, for transactions in which the Commission serves as a resource provider. Early adoption is permitted.

The FASB's new lease accounting standard, ASU No. 2016-02, *Leases*, which was issued in February 2016, will generally require on-balance sheet recognition for all leases with terms that exceed twelve months. The new lease accounting model will continue to reflect two types of leases. Under the new rules, a lessee would account for most existing capital leases as finance leases (that is, recognizing amortization of the right-of-use ("ROU") asset, as well as separately recognizing interest on the lease liability in the statement of operations). Most existing operating leases will remain as operating leases (that is, recognizing a single total lease expense). Both finance leases and operating leases will result in the lessee recognizing a ROU asset and a lease liability. The guidance is effective for the Commission beginning October 1, 2021. Management of the Commission is currently evaluating the impact adoption of ASU 2016-02 will have on its financial statements and disclosures.

(n) Events occurring after reporting date

Management of the Commission has evaluated events and transactions that occurred between September 30, 2019 and November 13, 2019, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

**(3) Liquidity and availability**

Financial assets available for general expenditures within one year of the statement of financial position date are as follows:

Cash and cash equivalents	\$	450,712	\$	534,542
Accounts receivable		42,583		100,982
Operating investments		<u>1,069,445</u>		<u>1,016,113</u>
	\$	<u>1,562,740</u>	\$	<u>1,651,637</u>

None of the above financial assets are subject to donor or other restrictions limiting their use. As part of the Commission's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**(4) Concentration of risks**

The Commission receives a substantial amount of its support from the SBC. A significant reduction in the level of this support, if this were to occur, may have a significant affect on the Commission's programs and activities.

The Commission maintains its cash and cash equivalents and investments in financial institutions and the Southern Baptist Foundation ("SBF") at balances which, at times, may be uninsured or may exceed federally insured limits. The Commission has not experienced any losses in such accounts. Credit risk also extends to uncollateralized receivables.

**(5) Funds held with the Southern Baptist Foundation**

The Commission maintains money market and investment accounts with the SBF. A summary of funds held by the SBF as of September 30, 2019 and 2018 are as follows:

	2019		
	Market	Cost	Yield
Operating Savings Fund	\$ 1,063	\$ 1,063	2.35 %
Contingency Reserve Fund	<u>1,069,445</u>	<u>1,069,445</u>	2.25 %
	<u>\$ 1,070,508</u>	<u>\$ 1,070,508</u>	
	2018		
	Market	Cost	Yield
Operating Savings Fund	\$ 36,568	\$ 36,568	1.73 %
Contingency Reserve Fund	<u>1,016,113</u>	<u>1,131,838</u>	3.60 %
	<u>\$ 1,052,681</u>	<u>\$ 1,168,406</u>	

Operating Savings Fund amounts represent money market accounts that are considered highly-liquid, short-term investments; accordingly, they are included in cash and cash equivalents in the accompanying statements of financial position.

**(6) Fair value measurements and investments**

Financial Accounting Standards Board Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Commission has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for asset and liability measurement at fair value. There have been no changes in the methodologies used at September 30, 2019 and 2018.

*Pooled funds held by SBF:* valued at the net asset value of shares held by the Commission as determined monthly by the SBF based on the quoted market prices of the underlying investments. The shares have no redemption restrictions. Such pooled funds consist primarily of flexible corporate and governmental bond holdings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Commission's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Commission's financial instruments at fair value as of September 30, 2019 and 2018:

	Fair Value Measurements as of September 30, 2019 using the following inputs			
	Level 1	Level 2	Level 3	Total
Investments:				
Pooled funds held by SBF	1,069,445	-	-	1,069,445
Total investments	<u>\$ 1,069,445</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,069,445</u>

	Fair Value Measurements as of September 30, 2018 using the following inputs			
	Level 1	Level 2	Level 3	Total
Investments:				
Pooled funds held by SBF	\$ 1,016,113	\$ -	\$ -	\$ 1,016,113
Total investments	<u>\$ 1,016,113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,016,113</u>

### (7) Office facilities

The Commission occupies office facilities on the 5th floor of the SBC Building at 901 Commerce Street in Nashville, TN for which no rent is charged to the Commission. Title is held by the Executive Committee of the SBC as "trustee for the beneficial use of the Ethics and Religious Liberty Commission of the Southern Baptist Convention" and for the other entities occupying the premises. The Commission has capitalized improvements to the facilities and recorded these as leasehold improvements (Note 8).

The Commission also owns a building for its Washington, D.C. office (Note 8).

### (8) Property and equipment

A summary of property and equipment as of September 30, 2019 and 2018 is as follows:

	2019	2018
Leasehold improvements	\$ 337,687	\$ 337,687
Buildings and improvements	955,730	955,730
Furniture and fixtures	<u>1,145,326</u>	<u>1,121,851</u>
	2,438,743	2,415,268
Less accumulated depreciation	<u>(1,774,973)</u>	<u>(1,702,772)</u>
	<u>\$ 663,770</u>	<u>\$ 712,496</u>

### (9) Retirement plans

The Commission participates in the retirement program of GuideStone Financial Resources of the SBC. The plan is a 403(b)(9) defined contribution plan, not subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), providing a contribution-matching program to its employees. Contributions to the plan for the years ended September 30, 2019 and 2018 were \$143,724 and \$140,411, respectively.

Under a separate program, the Commission also provides certain retirement gift and Christmas bonus benefits for all retired employees that meet certain eligibility requirements. The actuarial assumptions listed below relate to the liability associated with the program.

The status of the benefit obligations of the program at September 30, 2019 and 2018 are as follows:

	2019	2018
Changes in benefit obligation:		
Benefit obligation at beginning of year	\$ 456,342	\$ 474,838
Interest cost	17,514	18,259
Actual benefit disbursements to retirees	<u>(36,991)</u>	<u>(36,755)</u>
Benefit obligation at end of year	<u>\$ 436,865</u>	<u>\$ 456,342</u>
Changes in plan assets:		
Fair value of plan assets at beginning of year	\$ -	\$ -
Actual contributions from the Commission	36,991	36,755
Actual benefit disbursements to retirees	<u>(36,991)</u>	<u>(36,755)</u>
Fair value of plan assets at end of year	<u>\$ -</u>	<u>\$ -</u>

	<u>2019</u>	<u>2018</u>
Funded Status:		
Benefit obligation	\$ 436,865	\$ 456,342
Unfunded postretirement benefit obligation recognized in statements of financial position	\$ 436,865	\$ 456,342

Benefit payments, which include expected future service, as appropriate, are estimated at September 30, 2019 to be paid for the next ten years as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 37,000
2021	37,000
2022	37,000
2023	37,000
2024	37,000
2025 - 2029	177,000

The net periodic postretirement benefit costs recognized were determined using the weighted-average of assumed annual increases, for both 2019 and 2018, as follows:

	<u>2019</u>	<u>2018</u>
Healthcare costs	4.50%	5.00%
Future compensation levels	N/A	N/A
Discount rate	4.00%	4.00%

For measurement purposes, an annual rate of increase in the per capita cost of benefits (health care cost trend) was assumed to decrease 0.50% per year until reaching an ultimate level of 4.50, which occurred as of September 30, 2019. Future benefits under this program are expected to range between approximately \$81,000 and \$88,000 per year during the next three years.

For fiscal 2019 and 2018, actual benefit disbursements were funded from operations of the Commission.

**(10) Net assets with donor restrictions**

Net assets with donor restrictions are restricted for the following purposes as of September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for a specific purpose:		
Psalm 139 Project	\$ 131,094	\$ 112,332
Stand for Life	27,936	-
International Efforts	320	320
Civility Project	33,255	-
Artificial Intelligence	6,756	-
	<u>\$ 199,361</u>	<u>\$ 112,652</u>

The Psalm 139 Project funds are for the purpose of helping provide sonogram machines to local pregnancy centers.

The Stand for Life funds are for the purpose of promoting the Stand for Life brand and messaging through ongoing work of the Commission in support of the Psalm 139 Project.

The International Effort funds are for the purpose of advancing international religious liberties.

The Civility Project funds are for the purpose of projects that engage in the socio-political arena.

The Sexual Abuse Task Force funds are for the purpose of the cooperative effort of the SBC toward addressing the sexual abuse crisis in the church.

The Artificial Intelligence funds are for the purpose of projects related to the ethics surrounding artificial intelligence and technology.

Net assets released from donor restrictions by incurring cost and expenses satisfying the restricted purpose or occurrence of the passage of time or other events specified by donors are as follows for the years ended September 30, 2019 and 2018 as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of purpose restrictions:		
Psalm 139 Project	\$ 111,216	\$ 70,824
Stand for Life	15,437	145
Civility Project	160,535	-
Sexual Abuse Task Force	151,269	-
Artificial Intelligence	17,244	-
	<u>\$ 455,701</u>	<u>\$ 70,969</u>

**(11) Related party transactions**

Substantial assistance is received from the SBC. The Commission is an independent organization, but acts under the auspices of the SBC. Total Cooperative Program contributions from the SBC were \$3,246,073 and \$3,247,115 in 2019 and 2018, respectively. Total Designation contributions from the SBC were \$12,806 and \$17,123 in 2019 and 2018, respectively.

**Schedule of Contribution Receipts by State  
Year ended September 30, 2019**

Alabama	\$ 310,474
Alaska	2,577
Arizona	19,073
Arkansas	156,530
California	36,948
Colorado	10,734
Dakota	1,561
Florida	246,952
Georgia	266,884
Hawaii Pacific	4,042
Illinois	38,164
Indiana	13,406
Iowa	5,301
Kansas-Nebraska	13,263
Kentucky	162,782
Louisiana	112,828
Maryland-Delaware	27,830
Michigan	5,673
Minnesota-Wisconsin	3,846
Mississippi	203,257
Missouri	96,757
Montana	3,259
Nevada	10,286
New England	3,472
New Mexico	13,308
New York	3,692
North Carolina	191,750
Northwest	10,741
Ohio	34,317
Oklahoma	163,916
Pennsylvania-South Jersey	5,602
Puerto Rico/U.S. Virgin Islands	117
South Carolina	181,806
Tennessee	264,037
Texas - BGCT	168,439
Texas - SBTC	253,600
Utah-Idaho	3,493
Virginia - BGAV	13,581
Virginia - SBCV	76,243
West Virginia	8,624
Wyoming	1,797
Subtotal	<u>3,150,962</u>
Churches & Individuals	<u>95,111</u>
Total Cooperative Program Allocation	3,246,073
Total Designations	12,806
Total Contributions	<u>\$ 3,258,879</u>

**INDEPENDENT AUDITORS' REPORT**

The Executive Committee

The Ethics and Religious Liberty Commission of the Southern Baptist Convention

We have audited the accompanying financial statements of The Ethics and Religious Liberty Commission of the Southern Baptist Convention, which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Ethics and Religious Liberty Commission of the Southern Baptist Convention as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Support, Revenue and Expenses - Compared to Budget and Contribution Receipts by State schedules, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information, except for that portion marked "unaudited", was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

LBMC, PC  
Brentwood, Tennessee  
November 13, 2019

*The final paragraph of this opinion contains information regarding The Support, Revenue and Expenses - Compared to Budget schedule. This schedule can be found in the original audit; it is not included here as it was not required for publication in the 2020 Annual.*

**WOMAN'S MISSIONARY UNION**  
AUXILIARY TO SOUTHERN BAPTIST CONVENTION

STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2019 AND 2018

	2019	2018
<b>Assets</b>		
Cash and cash equivalents	\$ 419,089	\$ 537,554
Investments	8,586,433	8,826,429
Accounts receivable, net	184,561	178,968
Inventory, net	320,068	323,517
Other current assets	103,488	136,342
Property and equipment, net	<u>1,415,749</u>	<u>1,488,358</u>
<b>Total assets</b>	<b><u>\$ 11,029,388</u></b>	<b><u>\$ 11,491,168</u></b>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 421,314	\$ 390,229
Deferred revenue	<u>2,076,621</u>	<u>2,320,930</u>
<b>Total liabilities</b>	<b><u>2,497,935</u></b>	<b><u>2,711,159</u></b>
Net assets		
Without donor restrictions	4,447,412	4,612,075
With donor restrictions	<u>4,084,041</u>	<u>4,167,934</u>
<b>Total net assets</b>	<b><u>8,531,453</u></b>	<b><u>8,780,009</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 11,029,388</u></b>	<b><u>\$ 11,491,168</u></b>

See Notes to Financial Statements.

STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2019

	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>			
Periodical subscriptions	\$ 3,307,381	\$ -	\$ 3,307,381
Sales of products and literature	854,321	-	854,321
Contributions	746,722	406,132	1,152,854
Conferences	20,591	-	20,591
Investment income	186,733	62,021	248,754
Other income	257,007	-	257,007
Net assets released from restrictions	<u>552,046</u>	<u>(552,046)</u>	<u>-</u>
<b>Total support and revenue</b>	<b><u>5,924,801</u></b>	<b><u>(83,893)</u></b>	<b><u>5,840,908</u></b>
<b>Expenses</b>			
Program services	4,812,100	-	4,812,100
Supporting activities	<u>1,277,364</u>	<u>-</u>	<u>1,277,364</u>
<b>Total expenses</b>	<b><u>6,089,464</u></b>	<b><u>-</u></b>	<b><u>6,089,464</u></b>
<b>Change in Net Assets</b>	<b>(164,663)</b>	<b>(83,893)</b>	<b>(248,556)</b>
<b>Net Assets</b>			
Beginning of year	<u>4,612,075</u>	<u>4,167,934</u>	<u>8,780,009</u>
<b>Net Assets</b>			
End of year	<b><u>\$ 4,447,412</u></b>	<b><u>\$ 4,084,041</u></b>	<b><u>\$ 8,531,453</u></b>

See Notes to Financial Statements.

STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2018

	<b>Without donor Restrictions</b>	<b>With donor Restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>			
Periodical subscriptions	\$ 3,609,176	\$ -	\$ 3,609,176
Sales of products and literature	958,229	-	958,229
Contributions	775,469	417,076	1,192,545

	Without donor Restrictions	With donor Restrictions	Total
Conferences	30,674	-	30,674
Investment Income	531,839	243,401	775,240
Other income	182,589	-	182,589
Net assets released from restrictions	645,746	(645,746)	-
Total support and revenue	6,733,722	14,731	6,748,453
<b>Expenses</b>			
Program services	5,594,373	-	5,594,373
Supporting activities	1,253,734	-	1,253,734
Total expenses	6,848,107	-	6,848,107
<b>Change in Net Assets</b>	(114,385)	14,731	(99,654)
<b>Net Assets</b>			
Beginning of year	4,726,460	4,153,203	8,879,663
<b>Net Assets</b>			
End of year	\$ 4,612,075	\$ 4,167,934	\$ 8,780,009

See Notes to Financial Statements.

**STATEMENTS OF FUNCTIONAL EXPENSES**  
YEARS ENDED SEPTEMBER 30, 2019 and 2018

	2019			2018		
	Program Services	Supporting Activities	Total Expenses	Program Services	Supporting Activities	Total Expenses
Periodicals	\$ 1,006,704	\$ -	\$ 1,006,704	\$ 1,021,129	\$ -	\$ 1,021,129
Products and literature	324,682	-	324,682	392,781	-	392,781
Salaries	1,702,585	713,800	2,416,385	2,179,979	759,583	2,939,562
Retirement and other benefits	217,695	91,268	308,963	276,997	96,516	373,513
Employee health benefits	217,973	91,384	309,357	246,835	86,006	332,841
Contributions, grants and scholarships	405,847	-	405,847	553,139	-	553,139
Promotion and public relations	72,716	30,486	103,202	65,084	22,678	87,762
Depreciation	126,548	53,054	179,602	125,753	43,817	169,570
Building operations and maintenance	427,892	179,391	607,283	389,096	135,575	524,671
Office expense	189,702	79,532	269,234	223,155	77,756	300,911
Meetings	55,065	23,086	78,151	61,691	21,495	83,186
Travel	20,102	8,428	28,530	19,255	6,709	25,964
Conferences	9,389	-	9,389	11,272	-	11,272
Projects	18,659	-	18,659	17,880	-	17,880
Furniture, fixtures and equipment	16,541	6,935	23,476	10,327	3,599	13,926
<b>Total expenses</b>	<u>\$ 4,812,100</u>	<u>\$ 1,277,364</u>	<u>\$ 6,089,464</u>	<u>\$ 5,594,373</u>	<u>\$ 1,253,734</u>	<u>\$ 6,848,107</u>

See Notes to Financial Statements.

**STATEMENTS OF CASH FLOWS**  
YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (248,556)	\$ (99,654)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	179,602	169,570
Net realized and unrealized gain on investments	(54,843)	(691,974)
(Increase) decrease in accounts receivable	(5,593)	115,258
Decrease in inventory	3,449	141,606
Decrease in other current assets	32,854	29,697
Increase (decrease) in accounts payable and accrued expenses	31,085	(56,496)
Decrease in deferred revenue	(244,309)	(111,756)
Net cash used in operating activities	(306,311)	(503,749)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	488,751	783,478
Purchase of investments	(193,912)	(83,266)
Purchase of property and equipment	(106,993)	(54,563)

	<u>2019</u>	<u>2018</u>
Net cash provided by investing activities	187,846	645,649
Net increase (decrease) in cash and cash equivalents	(118,465)	141,900
Cash and cash equivalents at beginning of year	<u>537,554</u>	<u>395,654</u>
Cash and cash equivalents at end of year	<u>\$ 419,089</u>	<u>\$ 537,554</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash paid during the year for interest	\$ 13,719	\$ 15,804

See Notes to Financial Statements.

#### NOTES TO FINANCIAL STATEMENTS

##### NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

###### Nature of Organization

Woman's Missionary Union, Auxiliary to Southern Baptist Convention (WMU) is a national not-for-profit religious society established to provide religious education and facilitate global missions. WMU sells magazines, books, and other religious products throughout the United States of America.

###### Basis of Presentation

WMU presents its financial statements in accordance with the Financial Accounting Standards Board's Accounting Standards Codification (ASC) 958, *Financial Statements for Not-For-Profit Organizations*. Under ASC 958, WMU is required to report information regarding its financial position and activities according to two categories of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

###### Basis of Accounting

The financial statements of WMU have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities.

###### Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

###### New Accounting Pronouncements

WMU adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (Update). The amendments in this Update were effective for annual financial statements issued for fiscal years beginning after December 15, 2017, early application of the amendments in the Update is permitted. WMU adopted the Update for the year ended September 30, 2017. Under the Update, WMU presents net assets without donor restriction and net assets with donor restriction. WMU also presents a statement of functional expenses and detailed information on liquidity and availability of WMU financial assets (see Note 2).

###### Subsequent Events

ASC 855-10, Subsequent Events, requires disclosure of events that occur after fiscal year-end but before financial statement issuance. Management has evaluated events occurring through January 8, 2020, the date the financial statements were available to be issued.

###### Cash and Cash Equivalents

WMU considers all instruments with an original maturity of three months or less to be cash and cash equivalents. Cash equivalents consist of money market securities stated at fair value which approximates cost. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits.

###### Investments

Investments in equity and debt securities with readily determinable fair values are recorded at fair market value, with realized and unrealized gains and losses included in the accompanying statements of activities. Investments without readily determinable fair values are recorded at cost, or if impaired, at estimated realizable value. WMU's investments as of September 30, 2019 and 2018 consisted primarily of funds invested in fixed income and equity securities. Expenses relating to investment income, include custodial fees and investment advisory fees, and have been netted against investment income in the accompanying statements of activities.

The Finance Committee of WMU has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent donor stipulations to the contrary. As a result of this interpretation, WMU classifies as net assets with donor restriction (permanently) (a) the original value of gifts donated to the endowment funds, and (b) the value of subsequent

contributions to the endowment funds and accumulations to the permanent endowment funds made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment funds that are not classified as net assets with donor restriction (permanently) is classified as net assets with donor restrictions until those amounts are appropriated for expenditures by WMU in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, WMU considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of WMU and the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of WMU, and (7) the investment policies of WMU.

The Finance Committee is charged with the fiduciary responsibility of preserving and augmenting the value of the endowments, included in investments, thereby sustaining the ability to generate financial support to further the mission of WMU. The Committee's investment objective is to maximize investment returns consistent with liquidity needs of WMU while protecting principal from value decline due to investment losses or inflation. The spending of earnings on endowed funds is to be monitored by the Finance Committee of WMU to ensure that spending does not exceed actual returns in excess of principal amounts invested and to make any adjustments to spending as deemed necessary. Spending decisions are approved by the Endowment Committee and are based on 5% of the trailing four-quarter average investment values calculated as of September 30 of each year.

### Accounts Receivable

#### Receivables from sales and other activities

WMU reports accounts receivable at net realizable value. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables and, once these receivables are determined to be uncollectible, they are written off through a charge against an existing allowance account or against current earnings. Based on management's review of these receivables, totaling \$2,134 and \$47,692, as of September 30, 2019 and 2018, respectively, no allowance for doubtful accounts was considered necessary.

#### Receivables from books and periodicals sales

WMU sells books and periodicals to customers, primarily churches, who may charge their purchases using a credit card from LifeWay Christian Resources of the Southern Baptist Convention. Payment of the receivables related to such credit card sales are guaranteed by LifeWay Christian Resources and the receivables totaled \$182,427 and \$131,276 at September 30, 2019 and 2018, respectively.

### Inventory

Inventory consists of literature, books, and supplies and is stated at the lower of cost, as determined by the average cost method, or market as of September 30, 2019 and 2018. Management estimated potential obsolescence in inventory held at year end based on knowledge of products, the industry and current market conditions. The allowance for obsolete inventory totaled \$111,000 and \$142,000 at September 30, 2019 and 2018, respectively.

### Property and Equipment

Property and equipment is carried at cost less accumulated depreciation and includes expenditures which substantially increase the useful lives of existing property and equipment. Maintenance, repairs, and minor renovations are charged to expense as incurred. When property and equipment is retired or otherwise disposed, the related costs and accumulated depreciation are removed from the respective accounts, and the gain or loss on the disposition is credited or charged to the change in net assets.

WMU provides for deprecation using the straight-line method designed to amortize costs over estimated useful lives as follows:

	<b>Estimated Useful Life</b>
Building and improvements	5-40 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

### Deferred Revenue

WMU records deferred revenue on subscription income when received. Revenue is recognized ratably over the duration of the subscription period.

### Income Taxes

WMU is organized as a not-for-profit corporation under the Alabama Nonprofit Corporation Act. Additionally, the WMU has been granted tax-exempt status by the Internal Revenue Service for income tax purposes. WMU is subject to unrelated business income tax (UBIT) only if it engages in activities subject to the UBIT regulations.

Tax positions are initially recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. WMU had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements as of September 30, 2019 and 2018 based on an assessment of many factors including experience and interpretations of tax laws applied to the facts of each matter.

**Donated Materials and Services**

In accordance with the ASC 958-605, *Accounting for Contributions Received and Contributions Made*, no amounts have been reflected in the financial statements for donated services from volunteers inasmuch as these materials and services do not create or enhance nonfinancial assets or require specialized skills.

Material gift in-kind donations used by WMU are recorded as income and expensed at the time the items are received. Total in-kind contributions totaled \$2,856 and \$17,080 for the years ended September 30, 2019 and 2018.

**Collections of Works of Art and Historical Treasures**

WMU holds cultural artifacts and clothing that were contributed to WMU. The collections are held for public education rather than financial gain and thus are not recognized as assets in the accompanying statements of financial position.

Although the financial statements do not disclose the cumulative cost of maintaining these collections, each of the items in the collections are catalogued, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously.

**Shipping Costs**

Shipping costs are generally charged to customers and included in sales and cost of production in the accompanying statements of activities.

**Fair Value Measurements**

WMU applies fair value measurements and disclosure guidance (ASC 820-10-50), which provides a framework for measuring fair value under GAAP. ASC 820-10-50 applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in ASC 820-50-10, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, WMU uses various methods including market, income and cost approaches. Based on these approaches, WMU often utilizes certain assumptions that market participants would use in pricing the assets or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. WMU utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques WMU is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

**Level 1** – Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

**Level 2** – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services identical to similar assets or liabilities.

**Level 3** – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities.

If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of these instruments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although WMU believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**NOTE 2. LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 182,337
Inventory	236,902
Other current assets	103,488
Operating investments	808,937
	<u>\$ 1,331,664</u>

WMU's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

WMU's board-designated capital reserve fund of \$1,700,000 is held in investments and is available to management as needed for capital repairs and/or improvements. This amount is not included in the liquidity calculation.

As part of their financial management plan, WMU invests cash in excess of daily requirements in short-term investments, certificates of deposit, money market accounts and short-term mutual funds.

### NOTE 3. INVESTMENTS

Investments consists of the following:

	<u>September 30.</u>	
	<u>2019</u>	<u>2018</u>
Cash and money market funds	\$ 1,370,684	\$ 583,916
Common stocks	2,157,098	2,683,020
Exchange traded fund	444,367	616,687
Equity mutual funds	2,730,605	2,529,342
Corporate and U.S. government bonds	<u>1,883,679</u>	<u>2,413,464</u>
	<u>\$ 8,586,433</u>	<u>\$ 8,826,429</u>

Investment income consists of the following:

	<u>Years Ended September 30.</u>	
	<u>2019</u>	<u>2018</u>
Interest, fees and dividends, net	\$ 193,912	\$ 83,266
Realized gain on sale of investments, net	271,515	369,116
Unrealized gain (loss) on investments, net	<u>(216,673)</u>	<u>322,858</u>
	<u>\$ 248,754</u>	<u>\$ 775,240</u>

### NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>September 30.</u>	
	<u>2019</u>	<u>2018</u>
Land	\$ 503,741	\$ 503,741
Buildings and improvements	7,274,996	7,182,178
Furniture and fixtures	1,655,626	1,655,626
Equipment	<u>1,862,138</u>	<u>1,847,963</u>
	11,296,501	11,189,508
Less: Accumulated depreciation	<u>(9,880,752)</u>	<u>(9,701,150)</u>
	<u>\$ 1,415,749</u>	<u>\$ 1,488,358</u>

### NOTE 5. NOTE PAYABLE

WMU has a line of credit agreement with a commercial bank, which provides for borrowings at the bank's prime rate less 0.50% (4.50% at September 30, 2019). The line of credit allows for borrowings up to \$750,000 and will expire in February 2020. The line of credit is secured by WMU investments and had no outstanding balance at September 30, 2019 or 2018.

### NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions, as shown on the Statements of Financial Position, were available for the following purposes:

	<u>September 30.</u>	
	<u>2019</u>	<u>2018</u>
Subject to expenditure for a specified purpose:		
Missions	<u>\$ 3,124,480</u>	<u>\$ 3,208,373</u>
Not subject to appropriation or expenditure:		
Endowment for missions education	<u>\$ 959,561</u>	<u>\$ 959,561</u>
Net assets: With donor restrictions	<u>\$ 4,084,041</u>	<u>\$ 4,167,934</u>

### NOTE 7. NET ASSETS RELEASED FROM RESTRICTION

Net assets were released from donor restrictions by spending the funds on a specific purpose/program satisfying the restricted purpose specified by the donors. Net assets released from donor restrictions for the years ended September 30, 2019 and 2018 totaled \$552,046 and \$645,746, respectively. Net assets released from restriction and spent in 2019 primarily included \$381,227 for Pure Water/Pure Love grants.

**NOTE 8. FAIR VALUE MEASUREMENTS**

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during the years ended September 30, 2019 and 2018.

- *Money Market:* Valued at amortized cost which approximates fair value.
- *Common stocks and Mutual Funds:* Valued at the net asset value of shares held at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following fair value hierarchy table presents information about WMU's investments as reported on the statement of financial position at fair value, as of September 30, 2019 and 2018. As required, assets are classified based on the lowest level of input that is significant to the fair value measurement.

**Fair Value Measurements at September 30, 2019 Using**

Assets Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and money market funds	\$ 1,370,684	\$ -	\$ -
Common stocks	2,157,098	-	-
Exchange traded funds	444,367	-	-
Equity mutual funds	2,730,605	-	-
Corporate and U.S. government bonds and funds	<u>1,883,679</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,586,433</u>	<u>\$ 6,702,754</u>	<u>\$ 1,883,679</u>

**Fair Value Measurements at September 30, 2018 Using**

Assets Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and money market funds	\$ 583,916	\$ -	\$ -
Common stocks	2,683,020	-	-
Exchange traded funds	616,687	-	-
Equity mutual funds	2,529,342	-	-
Corporate and U.S. government bonds and funds	<u>2,413,464</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,826,429</u>	<u>\$ 6,412,965</u>	<u>\$ 2,413,464</u>

For fiscal years ended September 30, 2019 and 2018, the application of valuation techniques applied to similar assets has been consistent.

**NOTE 9. RELATED PARTY TRANSACTIONS**

WMU formed the Woman's Missionary Union Foundation (the "Foundation"), an affiliate nonprofit organization, for the purpose of motivating and facilitating the making of gifts, donations, and benefactions for the advancement, promotion, and maintenance of WMU and the various causes fostered, approved, endorsed, promoted, or officially sanctioned by WMU, including, but not limited to, missions education, and for any other purpose within the scope of the Foundation. The Foundation also manages investments for several other organizations and may make grants to other organizations at its discretion.

WMU received grants from the Foundation totaling \$649,189 and \$644,855 during the years ended September 30, 2019 and 2018, respectively.

WMU charged the Foundation \$1,500 per month for the months of October through December 2018 for the use of shared facilities and personnel. This amount was increased to \$2,500 per month for the months of January through September 2019.

WMU maintains funds with the Foundation which are invested in mutual funds. For its asset management services, the Foundation receives a fee of one percent of total assets under management. WMU had investments under the Foundation's management totaling \$6,562,349 and \$6,881,801 at September 30, 2019 and 2018, respectively.

WMU had a net receivable from the Foundation totaling \$4,848 and \$5,677 as of September 30, 2019 and 2018, respectively.

**NOTE 10. RETIREMENT PLAN**

WMU participates in the Southern Baptist Protection Program Convention Annuity Plan (the "Plan"), which is a defined contribution 403(b) retirement plan under the Internal Revenue Code. Eligible employees may contribute a portion of their salaries on a tax deferred basis up to prescribed limits. Employee contributions are not required; however, voluntary contributions are allowed. WMU matches between one percent and five percent of the voluntary contributions depending on years of service by the employee. WMU contributions to the Plan totaled \$85,808 and \$110,879 during the years ended September 30, 2019 and 2018, respectively.

**NOTE 11. ENDOWMENTS**

WMU's endowments consist of individual funds established for a variety of purposes. The endowments include donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The State of Alabama adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective January 1, 2009. The Board of Directors of WMU has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, WMU classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment (if any), and (c) accumulation to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by WMU in a manner consistent with the donor's stipulations or the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, WMU considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purpose of the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of WMU
- (7) The investment policies of WMU

**Endowment Net Assets**

Changes in endowment net assets consist of the following during the years ended September 30, 2019 and 2018:

	<b><u>With Donor Restrictions</u></b>
Endowment net assets – September 30, 2017	\$ 1,171,596
Realized and unrealized losses, net	82,470
Appropriation of endowment assets for expenditure	<u>(41,840)</u>
Endowment net assets – September 30, 2018	1,212,226
Realized and unrealized gains, net	24,374
Appropriation of endowment assets for expenditure	<u>(95,820)</u>
Endowment net assets – September 30, 2019	<u>\$ 1,140,780</u>

Endowment net assets with donor restrictions includes the remaining portion of WMU's endowment funds for which the donor-imposed purpose restrictions have been met but the amounts have yet to be expended. It also includes the portion of the endowment funds that is deemed to be permanently restricted by donor stipulation. WMU's endowment funds were not underwater as of September 30, 2019 or 2018. WMU did not have Board-designated endowment funds at September 30, 2019 or 2018.

**Return Objectives and Risk Parameters**

WMU has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by the endowments while seeking to maintain the purchasing power of the endowment assets. WMU's spending and investment policies work together to achieve this objective.

**NOTE 12. FUNCTIONAL EXPENSES**

The financial statements contain certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and employee benefits, promotion and public relations, depreciation, building operations and maintenance, office expenses, meetings and travel expenses and other expenses. Due to the nature of our business and organization structure, it was determined that the principal expense driver is personnel costs. Therefore, personnel cost, based on time and effort, is used as the basis for allocating these expenses.

**INDEPENDENT AUDITOR'S REPORT****To the Finance Committee  
Woman's Missionary Union, Auxiliary to Southern Baptist Convention  
Birmingham, Alabama**

We have audited the accompanying financial statements of **Woman's Missionary Union, Auxiliary to Southern Baptist Convention** (a nonprofit organization), which comprise the statements of financial position as of September 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

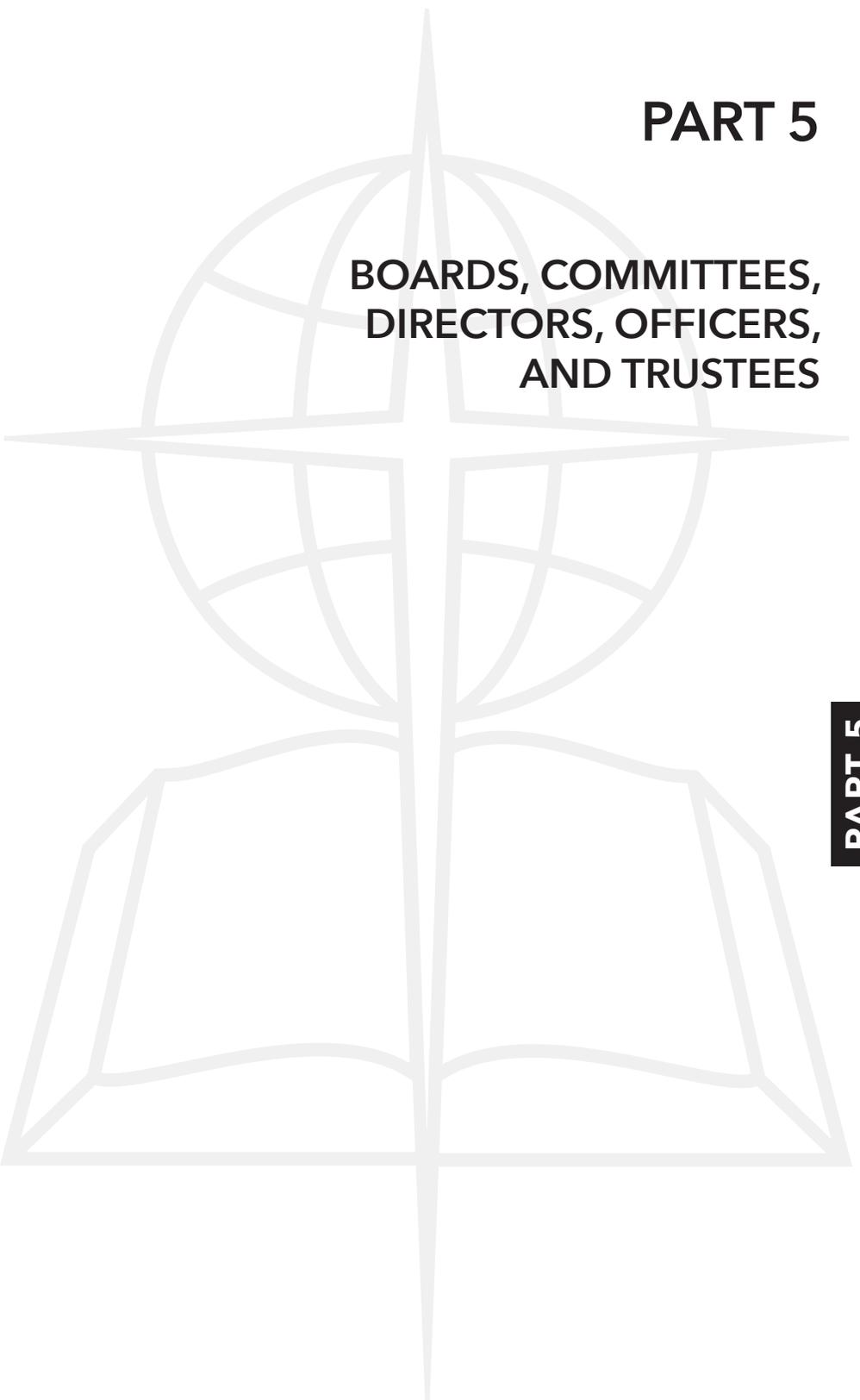
***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Woman's Missionary Union, Auxiliary to Southern Baptist Convention as of September 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Mauldin & Jenkins, LLC  
Birmingham, Alabama  
January 8, 2020

# PART 5

## BOARDS, COMMITTEES, DIRECTORS, OFFICERS, AND TRUSTEES



**2020-2021 CONVENTION OFFICERS\*\***



*Pictured are the 2020-2021\*\* Convention Officers - (left to right) John L. Yeats, recording secretary; Marshal Ausberry, first vice president; J. D. Greear, president; Kathy Litton, registration secretary; Noe Garcia, second vice president.*

**President**

J. D. Greear ..... 2335 Presidential Dr., Ste. 114, Durham, NC 27703

**First Vice President**

Marshal Ausberry.....6531 Little Ox Rd. Sidepath, Fairfax Station, VA 22039

**Second Vice President**

Noe Garcia .....5757 N. Central Ave., Phoenix, AZ 85012

**Recording Secretary**

John L. Yeats.....400 East High St., Jefferson City, MO 65101

**Registration Secretary**

Kathy Litton.....1627 Silver Creek Dr., Saraland, AL 36571

**Treasurer**

Ronnie W. Floyd .....901 Commerce St., Nashville, TN 37203

\*\* SBC officers will remain in office until their successors are elected.

◆ Trustees of Convention entities whose terms are scheduled to expire in 2020 will either remain in office until successors are elected or rotate out of office upon completion of term, with their boards electing interim trustees until the next SBC meeting. This would depend upon each entity's individual charter

## EXECUTIVE COMMITTEE

901 Commerce Street | Nashville, Tennessee 37203  
 Ronnie W. Floyd, President and Chief Executive Officer  
 Rolland Slade, Chair | chair@sbc.net

*Trustee Meetings: September 21-22, 2020; February 22-23, 2021; June 14, 2021*

*Standard term of service - 4 years*

**Ex-Officio Members**

Convention President: J. D. Greear,  
 2335 Presidential Dr., Ste. 14, Durham, NC 27703  
Recording Secretary: John L. Yeats, 400 East  
 High St., Jefferson City, MO 65101  
WMU President: \*Linda Cooper, 168 Red Haven  
 Ct., Bowling Green, KY 42103

**State Members****Term Expiring 2020**

Alabama: ♦\*James W. (Jim) Averett,  
 3565 Shandwick Pl., Birmingham 35242  
Dakotas: Joshua D. Bonner, 23014 Morninglight  
 Dr., Rapid City, SD 57703  
Florida: Vacant  
 Erik D. Cummings, 5005 NW 173rd Dr., Miami  
 33055  
Georgia: Jeremy D. Morton, 11905 Hwy. 92.,  
 Woodstock 30188  
Kentucky: ♦John E. Smith, P. O. Box 175,  
 Munfordville 42765  
Louisiana: \*Charles (Glynn) Rhinehart,  
 304 Burdin Rd., Lafayette 70508  
Maryland-Delaware-District of Columbia:  
 ♦David A. Hall, 3920 Deer Park Ct.,  
 Havre de Grace, MD 21078  
Michigan: Vacant  
Mississippi: ♦\*Bobby L. Kirk, 32 Bobby Kirk  
 Rd., Doddsville 38736  
Missouri: Daniel E. Carr, 3056 Woodbridge  
 Estates Dr., St. Louis 63129  
Nevada: Hoyt A. Savage, 6405 West Cheyenne  
 Ave., Las Vegas 89108  
North Carolina: ♦Stanley J. Welch, Sr.,  
 P. O. Box 16433, Asheville 28816  
Northwest: ♦Ralph (Dale) Jenkins, 12322 W.  
 Sunset Hwy., Airway Heights, WA 99001  
Ohio: Mark Stinson, 62970 Ridgewood Dr.,  
 Cambridge 43725  
Oklahoma: Alton Fannin, 225 First Ave. SW,  
 Ardmore 73401  
South Carolina: ♦Tom Tucker, 1431 Lacy Ln.,  
 Rock Hill 29732  
Tennessee: \*Stacy S. Bramlett, 975 Surrey Oaks  
 Dr., Collierville 38017

Virginia: \*H. Robert Showers, 44277 Lord  
 Fairfax Pl., Ashburn 20147  
Wyoming: ♦Bedford F. (Buddy) Hanson,  
 185 Indian Paintbrush St., Casper 82604

**Term Expiring 2021**

Alabama: §\*Benjamin F. Kelley, Jr., 681 Towne  
 Lake Dr., Montgomery 36117  
Colorado: \*Bradley K. (Brad) Kolman,  
 1585 E. 5th, Delta 81416  
Florida: §Tim D. Maynard, 501 SR 13,  
 Jacksonville 32259  
Georgia: Ann H. Watts, 35 Sorrellwood Ln.,  
 Sharpsburg 30277  
Illinois: \*Sharon K. Carty, 344 Loomis Ln.,  
 Carlinville 62626  
 Adron Robinson, 17300 Pulaski Ave., Country  
 Club Hills 60478  
Indiana: Andrew Hunt, 1500 West 86th St.,  
 Indianapolis 46260  
Kansas-Nebraska: Mark R. Elliott,  
 2501 Blackhawk Dr., Bellevue, NE 68123  
Kentucky: §\*Michael E. Pope, 421 Woods Edge  
 Dr., Somerset 42503  
Mississippi: \*Jimmie Rose Strahan,  
 1611 Bellavista Rd., Cleveland 38732  
Missouri: Monte L. Shinkle, 3720 W. Truman  
 Blvd., Ste. H, Jefferson City 65109  
New England: §Mark H. Ballard, 104 Kocher Dr.,  
 Ste. 2, Bennington, VT 05201  
New York: Richard R. Wilburn, 1548 State Rt. 30,  
 Unit 1, Tupper Lake 12986  
North Carolina: Vacant  
 \*Pamela H. (Pam) Reed, 3861 Guinevere Ln.,  
 Winston Salem 27104  
Oklahoma: §\*Michael L. (Mike) Scifres, Rt. 2,  
 Box 2070-14, Checotah 74426  
Tennessee: \*Douglas R. Duncan, P. O. Box 267,  
 Dyer 38330  
 Chuck T. Williams, 2105 Hwy. 59 South,  
 Covington 38019  
Texas: §Michael L. (Mike) Lawson,  
 1511 Crescent Dr., Sherman 75092  
Virginia: §Phillip Herring, 312 Kempsville Rd.,  
 Norfolk 23320  
West Virginia: §\*Robert E. (Rob) Stennett,  
 1031 Marina Dr., Hurricane 25526

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

♦ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

EXECUTIVE COMMITTEE - *continued***Term Expiring 2022**

Alabama: \*Phyllis S. Ingram, 104 Timberlane Rd., Pike Road 36064  
Neal Hughes, 9411 Crescent Lodge Cir., Pike Road 36064

Alaska: Vacant

Arkansas: \*Stephen L. Goss, 11750 Peach Orchard Rd., Bentonville 72712  
\*Paul E. (Gene) McPherson, 2386 Columbia Rd. 11, Magnolia 71753

California: Rolland E. Slade, 660 South 3rd St., El Cajon 92019

Florida: \*Archalena B. Coats, 261 SE 35th Ave., Homestead 33033

Georgia: \*Cheryl S. Samples, 110 Windrift Dr., Dallas 30132  
Michael R. (Mike) Stone, P. O. Box 407, Blackshear 31516

Iowa: Todd Stiles, 810 SE 3rd St., Ankeny 50021

Kentucky: John A. Lucas, 140 Myra Barnes Ave., Pikeville 41501

Louisiana: Mike Holloway, 435 Crowell Rd., Eros 71238

Mississippi: Daniel L. (Dan) Lanier, 3412 North Hills St., Meridian 39305

Montana: D. Paul Jones, 4738 N. Woodhaven Way, Billings 59106

North Carolina: Christopher N. Dickerson, 2919 Sea Water Ct., Fayetteville 28306

South Carolina: Robert W. (Bob) Neely, 100 Kirkwood Pl., Spartanburg 29306

Tennessee: Ron F. Hale, 39 Braddock Pl., Jackson 38305

Texas: \*James D. (Jim) Green, 15210 Plum Orchard Cir., Houston 77049  
Stephen Swofford, 610 South Goliad, Rockwall 75087

Utah-Idaho: James Gregory, P. O. Box 790, Mountain Home, ID 83647

Virginia: Timothy Hight, 101 College St., Christiansburg 24073

**Term Expiring 2023**

Alabama: Paul S. Hicks, 1161 County Hwy. 45, Hayden 35079

Arizona: Chad Garrison, 1605 McCulloch Blvd., S., Lake Havasu City 86406

Arkansas: Harry C. (Archie) Mason, 3707 Harrisburg Rd., Jonesboro 72404

California: \*Jae Min Lee, 3696 Happy Valley Rd., Lafayette 94549  
Richard W. Spring, 9280 Maple Ave., Hesperia 92345

Florida: \*Rod D. Martin, 981 Hwy. 98E, Ste. 3289, Destin 32541

Georgia: \*Ricardo E. Avila, 4560 Creek Bluff Dr., Sugar Hill 30518

Hawaii: Alan S. Krober, 95-439 Kaawela Pl., Mililani 96789

Kentucky: Charles W. Frazier, 148 Alben Dr., Benton 42025

Louisiana: Philip J. Robertson, 317 Philadelphia Rd., Pineville 71360

Minnesota-Wisconsin: Guy L. Fredrick, 5544 Cty. Rd. J, Sheboygan, WI 53083

Missouri: \*James F. Freeman, 600 Madison, 6th Fl., Kansas City 64112

New Mexico: Abbott J. (Jay) McCollum, 2112 College Dr., Gallup 87301

North Carolina: \*Joe Knott, 1620 Oberlin Rd., Raleigh 27608

Oklahoma: Micah Nix, 3939 W. Munson Rd., Skiatook 74070  
Dave Bryan, 2243 West Hwy. 152, Mustang 73064

Pa-S. Jersey: Kim Grueser, 3100 Pioneer Ave., Pittsburgh, PA 15226

South Carolina: Dwight M. Easler, 187 Corinth Rd., Gaffney 29340

Tennessee: \*Robyn A. Hari, 522 Waxwood Dr., Brentwood 37027

Texas: Jared C. Wellman, 4142 Faudree Rd., Odessa 79765  
\*Barbara A. Norris, 433 Oden Dr., Waskom 75692

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

⊕ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

**GUIDESTONE FINANCIAL RESOURCES**  
**5005 LBJ Freeway, Suite 2200 | Dallas, Texas 75244**  
**O. S. Hawkins, President**  
**René A. Trewick, Chair**

*Trustee Meetings: September 28, 2020; March 1-2, 2021; July 26-27, 2021*

*Standard term of service - 4 years*

**Ex-Officio Member**

Convention President: J. D. Greear,  
2335 Presidential Dr., Ste. 14, Durham, NC 27703

**State Members**

**Term Expiring 2020**

California: ♦Robert L. (Rob) Zinn,  
28355 Baseline St., Highland 92346-5008

Colorado: \*Robert J. (Bob) Bachman,  
5693 E. Weaver Pl., Centennial 80111-4333

Illinois: ♦Donald L. Sharp, 8201 S. East End  
Ave., Chicago 60617-1739

Louisiana: \*John (Johnny) Hoychick, Jr.,  
1025 Fragala St., Rayville 71269-5507

Maryland-Delaware-District of Columbia:  
Randall T. Blackmon, 108 Teal Ln., Cambridge,  
MD 21613-3613

Mississippi: ♦Barry C. Corbett, P. O. Box 776,  
Kosciusko 39090-0776

North Carolina: ♦\*John R. Morris, 1200 Park  
Vista Rd., West Jefferson 28694-9267

Northwest: ♦\*Steven D. (Steve) Bryant, 888 W.  
Evergreen Ave., Redmond, OR 97756-2210

Tennessee: (*Interim*) Chuck Herring, 830 New  
Byhalia Rd., Collierville 38017

Texas: ♦\*M. Douglas (Doug) Adkins, 2021  
McKinney Ave., Ste. 1600, Dallas 75201-3340

Virginia: Kevin B. Cummings, 238 Brunswick  
Forge Rd., Troutville 24175-7043

**Term Expiring 2021**

Florida: §C. Darren Gaddis, 2801 SE Maricamp  
Rd., Ocala 34471-5589

Georgia: W. Fredrick (Fred) Lodge, 200 Birch  
Cane Dr., Blairsville 30512-3901

Kentucky: §J. Wesley Noss, 120 Locust Grove  
Ln., Versailles 40383-8807

Michigan: \*David Cox, Sr., 25639 Jennifer,  
Redford 48239-1723

Missouri: \*John P. Wenberg, 6 Brookington Ct.,  
Bridgeton 63044-2867

New Mexico: B. Lee Black, P. O. Box 92225,  
Albuquerque 87199-2225

North Carolina: §\*Jack M. Stancil, 1405 Rock  
Dam Ct., Raleigh 27615-5467

Ohio: Gerald W. Saffo, 86 Jefferson Ridge Dr.,  
Pataskala 43062-7532

Pa-S. Jersey: Brian D. King, Sr., 522 Wallingsford  
Ave., Media, PA 19063-3913

West Virginia: \*David M. Hannah, 1079 N.  
Poplar Fork Rd., Hurricane 25526-7179

**Term Expiring 2022**

Alabama: \*David S. Puckett, 155 Emily Cir.,  
Birmingham 35242-3170

Arkansas: \*David M. Rainwater, 53 Chenal Cir.,  
Little Rock 72223-9567

Georgia: \*Deana F. Hames, 2710 S. Cherokee  
Ln., Woodstock 30188-4450

Missouri: Timothy R. (Tim) Huddleston,  
620 Washam Rd., Clever 65631-6533

Nevada: Damian Cirincione, 8009 Canyon Wren  
Ave., Las Vegas 89149-4694

New York: \*Renée A. Trewick, 279 North  
Broadway, 5M, Yonkers 10701-2426

Oklahoma: \*James R. (Jim) Scrivner, P. O. Box  
1697, Ada 74821-1697

South Carolina: \*Gary L. Stooksbury,  
142 Windermere Way, Aiken 29803-3750

Tennessee: \*Christopher L. Kelly, 319 E. College  
St., Murfreesboro 37130-3847

**Term Expiring 2023**

Alabama: \*J. Rodney Bledsoe, P. O. Box 241227,  
Montgomery 36124-1227

Arizona: Dennis W. Adams, 6039 W. Kings Ave.,  
Glendale 85306-1109

Florida: \*Jay Strack, 8465 Sand Lake Shores Ct.,  
Orlando 32836-6343

Indiana: Joshua D. Goepfrich, 2554 E. Brookfield  
Cir., S., Warsaw 46582-7954

Kansas-Nebraska: J. Steven (Steve) Dighton,  
21412 W. 81st Pl., Lenexa, KS 66220-2522

Kentucky: \*Margaret Gibson, 1218 Nightingale  
Ln., Goshen 40026-9519

Mississippi: \*D. Odean Busby, 285 Old Magee  
Rd., Magee 39111-3378

New England: \*Charles T. Brake, 7 Crestview  
Dr., Dover, NH 03820-2306

Oklahoma: \*Julie Dilbeck, 3332 NW 170th Ct.,  
Edmond 73012-8420

South Carolina: \*Lenna F. Smith, 4137 S. Blue  
Ridge Dr., Greer 29651-4956

Texas: \*Christopher A. Zook, One Riverway,  
Ste. 2000, Houston 77056-2046

Virginia: Randall T. (Randy) Hahn,  
17201 Jefferson Davis Hwy., South Chesterfield  
23834-5336

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

♦ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

**INTERNATIONAL MISSION BOARD**  
**P.O. Box 6767 | Richmond, Virginia 23230**  
**Paul Chitwood, President**  
**Seth N. Polk, Chair | trustees@imb.org**

*Trustee Meetings: September 29-30, 2020; February 3-4, 2021; May 12-13, 2021; September 29-30, 2021*

*Standard term of service - 4 years*

**Ex-Officio Member**

**Convention President:** J. D. Greear,  
2335 Presidential Dr., Ste. 14, Durham, NC 27703

**State Members**

**Term Expiring 2020**

**Alabama:** ♦\*Kenneth J. (Ken) Burnham,  
44 Virginia Ave., South, Oxford 36203

**Alaska:** Thomas A. (Tom) Hoffman,  
1230 W. Ridgeview Dr., Wasilla 99654

**Arizona:** ♦\*Lucinda W. (Cindy) Snead,  
323 W. Echo Ln., Phoenix 85021

**Florida:** Vacant  
\*Jenna L. Cobb, 1730 Whitman Dr.,  
West Melbourne 32904

**Georgia:** Kevin C. Williams, 1483 W. Hwy. 78,  
Villa Rica 30180

**Indiana:** Max R. (Ray) Deeter, 500 Colonial Ave.,  
Evansville 47710

**Kentucky:** ♦\*Susan M. Bryant, 1797 Pleasureville  
Rd., Pleasureville 40057

**Louisiana:** Joel G. Williams, 10765 Jacock Rd.,  
St. Francisville 70775

**Mississippi:** Jeffery D. Holeman, 103 Farm View  
Dr., Unit #704, Oxford 38655

**Missouri:** Gary R. (Rick) Hedger,  
2059 Hampshire Dr., Jefferson City 65109

**New York:** William M. Payne, 203 Oakmont Dr.,  
Syracuse 13214

**North Carolina:** ♦\*Roberta N. (Bobbi) Ashford,  
704 E. Morris Cir., Dunn 28334

**Oklahoma:** ♦\*Cheryl L. Wright, 4 Mohican Dr.,  
Shawnee 74801

**South Carolina:** \*Trudy H. Crittendon, 116 Glen  
Arbor Dr., Anderson 29625

**Tennessee:** Edward (David) Coombs, Jr.,  
2000 Appling Rd., Cordova 38016

**Texas:** Vacant  
\*Carolina V. Pfeiffer, 2113 Rolling Hills Dr.,  
Pearland 77581  
\*Kim M. Ponder, P. O. Box 692, Farwell 79325

**Virginia:** Thurman R. Hayes, 714 N. Broad St.,  
Suffolk 23434

**West Virginia:** ♦Seth N. Polk, 6 Hillcrest Dr.,  
Scott Depot 25560

**Term Expiring 2021**

**Colorado:** Joel A. Bundick, 21006 E. Bellewood  
Dr., Aurora 80015

**Dakotas:** \*Bruce L. Roach, 2508 10th Ave. NW,  
Minot, ND 58703

**Florida:** Vacant

**Georgia:** §J. Allen Hill, 1208 Wheatley Dr.,  
Lilburn 30047

**Illinois:** §\*Sheila K. Satterthwaite, 87 Sugar Mill  
Rd., Troy 62294

**Iowa:** Cory M. Gonyo, 3217 Hunter Ln., Eldridge  
52748

**Kansas-Nebraska:** \*Jonathan L. Newkirk,  
25846 West 381st, Paola, KS 66071

**Kentucky:** Trent Snyder, 105 Carolyn Ln.,  
Nicholasville 40356

**Louisiana:** E. Gibbie McMillan, 77507 Hwy. 51,  
Kentwood 70444

**Michigan:** §\*Karen A. Villalpando, 12453 Burtley  
Dr., Sterling Heights 48313

**Minnesota-Wisconsin:** \*Tim Amert, 3936 Hwy.  
52 N PMB 252, Rochester, MN 55901

**Missouri:** §F. Matthew (Matt) Taylor,  
1723 Honeysuckle Cir., Lebanon 65536

**Montana:** Daniel S. Lambert, 507 Country Way,  
Kalispell 59901

**North Carolina:** Will Gatling, 12200 Bay Leaf  
Church Rd., Raleigh 27614

**Northwest:** Keith Evans, P. O. Box 186, Pullman,  
WA 99163

**Oklahoma:** Douglas O. (Doug) Melton,  
8601 S. Pennsylvania, Oklahoma City 73159

**Pa-S. Jersey:** §\*Nancy J. Patrick, 134 Stirrup Ln.,  
Harrisburg, PA 17112

**Tennessee:** \*Jim P. Crockett, 127 Wyncrest Way,  
Hendersonville 37075  
§David B. Miller, 126 Mariva St., Waynesboro  
38485

**Texas:** §\*Geronimo M. Disla, P. O. Box 210702,  
Bedford 76095

**Virginia:** §Kenny R. (Ken) McLemore, 406 Terry  
Ct., Hampton 23666

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

♦ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

INTERNATIONAL MISSION BOARD - *continued***Term Expiring 2022**

- Alabama: Cecil M. Sanders, Jr., 301 E. Church St., Headland 36345
- Florida: Alan M. Brumback, 3101 West State Rd. 46, Sanford 32771
- Georgia: \*Joyce A. Chambers, 979 Snip Dillard Rd., Monroe 30656  
William H. (Bill) Ricketts, 4 Oak Grove Rd., Athens 30607
- Hawaii: Christopher Martin, 1920 Keeaumoku St., Honolulu 96822
- Mississippi: \*William H. (Opie) Hurst, 1735 Sandhill Ave., Baldwin 38824
- Nevada: \*DeeEdrah White, 8295 Opal Glen Ct., Reno 89506
- New England: Sam Taylor, 754 Greendale Ave., Needham, MA 02492
- New Mexico: John E. Hinze, 6291 Quay Rd. AQ, Tucumcari 88401
- North Carolina: Michael Cloer, 1350 S. Winstead Ave., Rocky Mount 27803
- Ohio: Lawrence (Larry) Lambes, 800 Central Ave., Carlisle 45005
- Oklahoma: Chris B. Wall, 9204 N. 104th E. Ave., Owasso 74055
- South Carolina: R. Marshall Blalock, 48 Meeting St., Charleston 29401
- Tennessee: Phillip D. Mitchell, 195 Hunt St., Dresden 38225
- Texas: John B. McCullough, 608 Washington Blvd., Big Spring 79720  
James C. (Cliff) Mayton, 24815 Morning Song Ct., Spring 77389  
\*Thom Polvogt, 22214 Highland Knolls, Katy 77950  
Robert M. (Mike) Simmons, 1721 Ashemore Ct., Midlothian 76065  
William T. (Tommy) Turner, 4030 Dawn Dr., Paris 75462
- Utah-Idaho: Adam Madden, 190 Kirk Pl., Brigham City, UT 84302
- Wyoming: Daniel R. Brubeck, 6919 Bonneville Pl., Cheyenne 82009

**Term Expiring 2023**

- Alabama: James H. (Jim) Cooley, 2209 Lakeshore Dr., Birmingham 35209  
\*Charlotte B. Madison, 114 Waterchase Dr., Huntsville 35806
- Arkansas: James W. (Wes) George, 5613 S. 43rd St., Rogers 72758  
\*Lisa A. Lovell, P. O. Box 73, Elm Springs 72728
- California: Brian Zunigha, 2942 Joshua Tree Rd., Riverside 92503  
\*Ken Gross, 153 N. Carolina, Clovis 93611
- Georgia: Morgan D. Kerr, 25 Concordia Dr., Savannah 31419  
John Waters, 108 N. Main St., Statesboro 30458
- Kentucky: Nathaniel Bishop, Jr., 5906 Santa Rosa Dr., Louisville 40219
- Louisiana: Chuck Pourciau, 4110 Youere Dr., Shreveport 71105
- Maryland-Delaware-District of Columbia:  
\*Vernon A. Wittenbach, 25 Oaknoll Rd., Wilmington, DE 19808
- Mississippi: \*Lee B. McCarty, 1329 E. Third St., Forest 39074
- Missouri: James W. Barnhart, 546 N. Ranney St., Sikeston 63801
- North Carolina: \*Sarah J. Davenport, 10559 Evergreen Spring Pl., Raleigh 27614  
Andrew M. (Andy) Davis, 414 Cleveland St., Durham 27701
- South Carolina: \*Carson (Glenn) Steen, 1404 South Potter Rd., Lancaster 29720
- Tennessee: Sam E. Greer, 4000 Dayton Blvd., Chattanooga 37415
- Texas: Deron J. Biles, 6504 Brighton Ct., North Richland Hills 76180  
\*Ron Phillips, Sr., 7105 Royal Oak Dr., Benbrook 76126
- Virginia: Gary M. Mathena, 3010 Lockridge Rd. SW, Roanoke 24014

§ Indicates maximum length of service will be completed in 2021

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## NORTH AMERICAN MISSION BOARD

4200 North Point Parkway | Alpharetta, Georgia 30022-4176

Kevin Ezell, President

Daniel W. (Danny) deArmas, Chair | trustee@namb.net

Trustee Meetings: October 5-7, 2020; February 1-3, 2021; May 3-5, 2021

Standard term of service - 4 years

**Ex-Officio Member**

Convention President: J. D. Greear,  
2335 Presidential Dr., Ste. 14, Durham, NC 27703

**State Members****Term Expiring 2020**

California: Jonathan W. Jarboe, 611 E. Cypress Ave., Redlands 92374

Georgia: Andy W. Childs, 49 Rose Ln., Toccoa 30577

◊ Jimmy L. (Jay) Watkins, 4391 Rockyford Rd., Valdosta 31601

\*George L. Falldine, 104 Beaver Cove Dr., Warner Robins 31088

Illinois: John (Sammy) Simmons, 905 S. Main St., Benton 62812

Louisiana: \*Frederick (Scott) Leachman, 2692 Hwy. 821, Ruston 71270

Maryland-Delaware-District of Columbia:

\*Jon K. Anderson, 1847 S Street SE, Washington, DC 20020

Michigan: Roy Henry, 135 North Washington St., Tekonsha 49092

Nevada: Vacant

North Carolina: \*Mark S. Gilbert, P. O. Box 604, Wallburg 27373

Tennessee: Grant Gaines, 1307 N. Rutherford Blvd., Murfreesboro 37130

Virginia: Vacant

Eric J. Thomas, 312 Kempsville Rd., Norfolk 23502

**Term Expiring 2021**

Arizona: Brian Bowman, 34406 N. 27th Dr., Ste. 198, Phoenix 85085

Colorado: §\*William G. (Bill) Ingram, 13231 East Mississippi Ave., Aurora 80012

Florida: §Daniel W. (Danny) deArmas, 3000 S. John Young Pkwy., Orlando 32805

Missouri: Ron L. Crow, 21351 Jester Ln., Webb City 64870

New York: \*Chelsi N. Holbrook, 43-10 Hunter St., Apt. 3504, Long Island City 11101

Oklahoma: Rick L. Frie, 12508 S. 18th Cir., Jenks 74037

Pa-S. Jersey: \*Briana Weathersby, 5718 Kenwood Ave., Harrisburg, PA 17122

South Carolina: Joe T. Youngblood, 148 Jasmine Dr., Graniteville 29829

Randy D. Bradley, 100 Choice Hill Rd., Greenville 29609

Tennessee: \*Harry L. Smith, 2510 Houston Levee Rd., S., Germantown 38139

Texas: Kenneth W. Priest, 301 Las Colinas Blvd. West, Apt. 258, Irving 75039

\*Clark Reynolds, 4341 Lula St., Bellaire 77401

**Term Expiring 2022**

Alabama: Charles M. (Danny) Wood, 2017 Columbiana Rd., Birmingham 35216

Florida: Brian E. Nall, 9999 Chemstrand Rd., Pensacola 32514

William E. (Willy) Rice, 4913 Valley Field Dr., Oldsmar 34677

Louisiana: Gevan L. Spinney, 1465 Camp Zion Rd., Haughton 71037

Mississippi: Tommy Mitchell, 180 Mill Creek Ln., Lucedale 39452

Bill H. Wright, 547 Baker Rd., Purvis 39475

New England: David Saylor, 607 Griswold St., Glastonbury, CT 06033

North Carolina: \*Cynthia E. (Cindy) Bush, 647 North Main St., Wake Forest 27587

Northwest: Robert J. (Bob) Lowe, 15730 123rd Ave. SE, Yelm, WA 98597

Texas: Bill L. Coffey, 131 Willow Bend Dr., Silsbee 77656

Denny J. Gorena, P. O. Box 1134, Leonard 75452

\*Zoila Lopez, 356 S. Larkin Rd., Sunnyvale 75182

Jarrett L. Stephens, 6801 W. Park Blvd., Plano 75093

**Term Expiring 2023**

Alabama: \*Erin S. Bounds, 5855 U.S. Hwy. 11, Springville 35146

Arkansas: Eric Brown, 2312 Redbud Dr., Jonesboro 72401

Indiana: Gary Yochum, 1237 Serenity Springs Dr., New Albany 47150

Kansas-Nebraska: Andrew (Andy) Addis, 1410 East 30th, Hutchinson, KS 67502

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NORTH AMERICAN MISSION BOARD - *continued*

Kentucky: C. B. Scott, P. O. Box 244, McDowell  
41647

\*Tanya K. York, 212 Shelby St., Frankfort 40601

Missouri: \*Alisa J. Henley, 7914 Southview Dr.,  
Grandview 64030

New Mexico: \*Bill D. Richard, 23 Benjamin Trl.,  
Edgewood 87015

North Carolina: Steve Hardy, 1106 Feldspar Ln.,  
Lewisville 27023

Ohio: Stephen P. Spurgin, 323 North Eleventh St.,  
Miamisburg 45342

Oklahoma: Danny Ringer, 302 South Lusk, Elk  
City 73644

West Virginia: Brandon S. Carter, 18 Sylvester  
Dr., Winfield 25213

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**LIFEWAY CHRISTIAN RESOURCES**  
**One LifeWay Plaza | Nashville, Tennessee 37234**  
**Ben Mandrell, President**  
**Todd Fannin, Chair**

*Trustee Meetings: January 25-26, 2021; August 23-24, 2021*

*Standard term of service - 4 years*

**Ex-Officio Member**

**Convention President:** J. D. Greear,  
2335 Presidential Dr., Ste. 14, Durham, NC 27703

**State Members**

**Term Expiring 2020**

**Alabama:** Clayton K. Speed, 210 Woodland St.,  
NW, Hartselle 35640

**California:** ♦Kent Dacus, 8432 Magnolia Ave.,  
Riverside 92504

**Georgia:** William (Thomas) Hammond,  
44 Academy St., Alpharetta 30009

**Maryland-Delaware-District of Columbia:**  
♦\*Robert M. (Bob) Simpson, 8616 Wintergreen  
Ct., Unit 407, Odenton, MD 21113

**Missouri:** \*Jose L. Ruiz, 2632 NW Ashurst Ln.,  
Lee's Summit 64081

**New England:** Daniel S. (Dan) Cho, 5 Wood St.,  
#3, Cambridge, MA 02140

**New York:** \*Judy A. Sonich, 8266 Caughdenoy  
Rd., Clay 13041

**North Carolina:** Yana Conner, 302 N. Maple St.,  
Durham 27703

**Northwest:** ♦Mildred A. (Millie) Burkett,  
1006 SE 123rd Ave., Vancouver, WA 98683

**Tennessee:** \*Luther D. McDaniel, 112 Governors  
Point Blvd., Hendersonville 37075

**Texas:** Bob Pearle, 9100 N. Normandale, Fort  
Worth 76116

**Virginia:** ♦Michael J. (Mike) Osborne, 17201  
Jefferson Davis Hwy., Colonial Heights 23834

**Term Expiring 2021**

**Colorado:** §\*Charles E. Green, 2630 Beech Ct.,  
Grand Junction 81506

**Florida:** Matthew D. (Matt) Crawford,  
3215 Sessions Rd., Tallahassee 32303

**Georgia:** §Paul R. Baxter, 5626 Hamilton Rd.,  
LaGrange 30241

\*Randall P. (Randy) Smith, 3805 Berrybridge  
Way SE, Marietta 30067

**Kentucky:** Curtis A. Woods, 10503 Black Iron  
Rd., Louisville 40291

**Mississippi:** \*Billy W. Stewart, P. O. Box 944,  
Decatur 39327

**Missouri:** §Darron L. Edwards, Sr., 5600 East  
112th Terr., Kansas City 64134

**North Carolina:** \*Michelle D. Branch,  
209 S. Wingate St., Wake Forest 27587

**Oklahoma:** \*Greg L. Kannady, P. O. Box 357,  
Kingfisher 73750

**South Carolina:** §Jerry C. White, 5670 Chesnee  
Hwy., Chesnee 29323

**Tennessee:** \*Jennifer Landrith, 120 Eagle Creek,  
Cleveland 37312

**Virginia:** §A. Kenneth Carlton, Jr., 5204 Princess  
Anne Rd., Virginia Beach 23462

**Term Expiring 2022**

**Alabama:** Benjamin D. Posey, 737 Hwy. 52 N,  
Kinston 36453

**Florida:** James H. (Jimmy) Scroggins,  
1101 S. Flagler Dr., West Palm Beach 33401  
Curtis D. Clark, 7797 Cornucopia Ln.,  
Tallahassee 32309

**Louisiana:** \*J. D. Perry, 4621 Jamestown Ave.,  
Baton Rouge 70808

**Mississippi:** Derrick Burt, 150 De'vereux Dr.,  
Natchez 39120

**New Mexico:** \*Linda K. Dean, 713 Ocio Pl.,  
Farmington 87401

**Ohio:** Chad Keck, 3939 Swigart Rd., Dayton 45440

**Oklahoma:** \*Christopher (Todd) Fannin,  
381 Sycamore Ln., Pryor 74361

**Pa-S. Jersey:** \*Madeline Harris, 5630 Wyndale  
Ave., Philadelphia, PA 19131

**South Carolina:** \*Cynthia M. Cook, 109 Ridge  
Pointe, Greenwood 29649

**Tennessee:** \*Burt D. Landers, 309 Greenbrier  
Ave., Shelbyville 37160

**Texas:** Jacob M. Fitzgerald, 305 Saddle Ridge Dr.,  
Lufkin 75904

Brad H. McLean, 733 Cross St., New Braunfels  
78130

Brice D. Mandaville, 1314 E. Cedar St., Seguin  
78155

Roger A. Yancey, 4489 N. Frazier, Conroe 77303

**Term Expiring 2023**

**Arizona:** Cheri Dempsey, 12465 N. 67th Dr.,  
Peoria 85381

**Arkansas:** Douglas W. Falknor, 20 E. Dickson St.,  
Fayetteville 72701

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**LIFEWAY CHRISTIAN RESOURCES - *continued***

Illinois: Terenda Wyant, 122 Fox Brush Dr.,  
Belleville 62221

Indiana: \*Brad E. Graber, 9870 Glenburr Ct.,  
Fishers 46038

Kansas-Nebraska: Marie Clark, 11045 W. 97th  
Cir., Overland Park, KS 66214

Kentucky: Vacant

Michigan: \*Sharon F. Greer, 211 Division St.,  
Kalkaska 49646

Nevada: Tony McAlexander, 9053 Pine Mission  
Ave., Las Vegas 89143

North Carolina: \*Amy Mielock, 109 Rose Valley  
Woods Dr., Cary 27513

Texas: Vacant

West Virginia: \*Katherine A. Pope, 145 Pope Farm  
Rd., Martinsburg 25405

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**THE SOUTHERN BAPTIST THEOLOGICAL SEMINARY**
**2825 Lexington Road | Louisville, Kentucky 40280**
**R. Albert Mohler, Jr., President**
**Clint Pressley, Chair**
*Trustee Meetings: October 12-13, 2020; April 19-20, 2021*
*Standard term of service - 5 years*
**State Members**
**Term Expiring 2020**

Kentucky: Steve Hussung, 200 Brad Ave.,  
Bowling Green 42104

Louisiana: \*Julie C. Emerson, 207 Oak Path Dr.,  
Carencro 70520

Maryland-Delaware-District of Columbia:

◆Matt Schmucker, 525 A St., N.E.,  
Washington, DC 20002

Mississippi: Carl M. White, 10614 Timber Cove  
West, Meridian 39305

North Carolina: Clint Pressley, 7200 E. W. T.  
Harris Blvd., Charlotte 28215

Ohio: David F. Gray, 10632 Freedom St.,  
Garrettsville 44231

**Term Expiring 2021**

Alabama: §Edwin J. Hayes, 729 Sandra Ln., NE,  
Cullman 35055

California: §John A. Montgomery, 8432 Magnolia  
Ave., Riverside 92504

Georgia: Timothy A. (Tim) McCoy, 834 Wimbish  
Rd., Macon 31210

Illinois: §\*Nina J. Wilson, 1304 Radcliffe Ct.,  
Rockford 61108

Mississippi: \*William D. (Bill) Sones,  
P. O. Box 889, Brookhaven 39602

North Carolina: \*David P. Bruce, P. O. Box 937,  
Montreat 28757

Oklahoma: Joe D. Ligon, 3800 North May Ave.,  
Oklahoma City 73112

South Carolina: Joshua W. Powell, 2908 Highway  
378, Gilbert 29054

Texas: \*Alan (Keith) Daniels, 1108 Chatsworth  
Ct., Colleyville 76034

Virginia: Will H. Langford, 811 Jerryville St.,  
Chesapeake 23322

**Term Expiring 2022**

Arkansas: Jeff D. Breeding, 8006 Illinois St.,  
Little Rock 72227

Nick G. Floyd, 1709 Johnson Rd., Springdale  
72762

California: Alfred M. (Merril) Smoak, Jr.,  
3859 Yale Way, Livermore 94550

Florida: H. B. Charles, Jr., 1118 W. Beaver St.,  
Jacksonville 32204

Kentucky: Elizabeth H. (Ellie) Coursey,  
307 Center St., Henderson 42420

Oklahoma: \*Harold D. Mathena, 3533 Northwest  
173rd Cir., Edmond 73012

Tennessee: \*Bobby T. Hancock, 1954 E.  
Chimneyrock Blvd., Cordova 38016

Texas: \*Sally M. Ramsay, 9414 Walnut Brook  
Ct., Houston 77040

**Term Expiring 2023**

Alabama: Bradley M. Rushing, 2944 Trawick  
Rd., Dothan 36305

Missouri: Phillip A. (Phil) Bray, 515 Western Dr.,  
Macon 63552

**Term Expiring 2024**

Florida: James B. (Jim) Henry, 8933 Charleston  
Park, Orlando 32819

Georgia: Thomas E. Rush, P. O. Box 1910,  
Monroe 30655

Louisiana: James O. Jenkins, 9437 Lytham Dr.,  
Shreveport 71129

Maryland-Delaware-District of Columbia:  
Curtis M. Hill, 465 Haystack Dr., Newark, DE  
19711

Missouri: James E. Briggs, 104 Leonard Ave.,  
Fayette 65248

South Carolina: Richard H. (Ricky) Stark III,  
529 Farris Bridge Rd., Greenville 29611

Tennessee: Bruce G. Chesser, 106 Bluegrass  
Commons Blvd., Hendersonville 37075

Virginia: Peter R. (Pete) Schemm, 5327 Luwana  
Dr., Roanoke 24017

**Local Members**
**Term Expiring 2020**

\*Howard A. Pope, 12111 Bridgeway Ct.,  
Sellersburg, IN 47172

◆\*Rose W. Harris, 43 Briarwood Cir.,  
Elizabethtown, KY 42701

**Term Expiring 2021**

\*Joshua R. (Josh) Albertsen, 198 Andrew Pkwy.,  
Fisherville, KY 40023

\*Jeremiah W. (Jeremy) Rhoden, 11605 Valley  
View, Louisville, KY 40223

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THE SOUTHERN BAPTIST THEOLOGICAL SEMINARY - *continued*

**Term Expiring 2022**

\*Thomas N. (Nat) Millican, 18000 Meeting House  
Rd., Fishersville, KY 40023

\*Patricia A. Skelton, 975 Locust Grove Rd.,  
Shelbyville, KY 40065

**At-Large Member**

**Term Expiring 2022**

Bryan T. Myers, P. O. Box 80328, Fairbanks, AK  
99708

**Term Expiring 2024**

\*Richard L. Staab, 14510 Landis Lakes Dr.,  
Louisville, KY 40245

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## THE SOUTHWESTERN BAPTIST THEOLOGICAL SEMINARY

P.O. Box 22000 | Fort Worth, Texas 76122

Adam W. Greenway, President

Philip Levant, Chair

*Trustee Meetings: October 19-21, 2020; April 12-14, 2021**Standard term of service - 5 years***State Members****Term Expiring 2020**Alabama: \*Timothy M. (Mark) Hindman,  
2404 Wyncove Way, Prattville 36067Illinois: ♦\*Denise B. Ewing, 6014 93rd St.,  
Pleasant Prairie, WI 53158Michigan: ♦Herschel D. Smith, 285 Taylor Rd.,  
Gwinn 49841Missouri: \*JoAnne Ruble, 824 Illinois St.,  
Warsaw 65355New England: Paul Kim, 254 Concord Ave.,  
Cambridge, MA 02138New York: Andre M. Palmer, 455 Evergreen Ave.,  
Brooklyn 11221Tennessee: Robert F. (Bob) Brown,  
400 Independence Dr., Jefferson City 37760**Term Expiring 2021**Arkansas: Richard B. (Brad) Lewter, 3900 Grand  
Ave., Fort Smith 72904Kentucky: VacantNevada: §Charles E. (Eddie) Miller, 4210 Farm  
District Rd., Fernley 89408New Mexico: Jonathan D. Richard, P. O. Box 713,  
Estancia 87016Virginia: Matthew A. Kirkland, 4904 S. Valley  
Pk., Rockingham 22801West Virginia: Aaron Sligar, 606 Main St., Sutton  
26601**Term Expiring 2022**Georgia: Jeff W. Crook, 3428 Atlanta Hwy.,  
Flowery Branch 30542Indiana: John C. Horn, 7805 State Rd. 39,  
Martinsville 46151Louisiana: \*Leon A. Stamm, 406 Quail Ln.,  
Ruston 71270North Carolina: N. Todd Houston, 4457 Flagship  
Ave., Southport 28461Ohio: Cornelious C. (Connie) Hancock,  
150 Myers Creek Ln., Springboro 45066Texas: J. Kie Bowman, 3901 Speedway, Austin  
78751**Term Expiring 2023**Arizona: Mark S. Mucklow, 10250 N. 59th Ave.,  
Glendale 85302Colorado: VacantFlorida: Herb M. Reavis, Jr., 8531 North Main  
St., Jacksonville 32218Mississippi: \*David F. Maron, 213 Kingsbridge  
Rd., Madison 39110Northwest: Don W. Reaves, 2910 NW Skyline  
Dr., Corvallis, OR 97330Oklahoma: Michael W. (Mike) Mings, P. O. Box  
82, Valliant 74764**Term Expiring 2024**California: Demetric Felton, 34038 Parador St.,  
Temecula 92592Kansas-Nebraska: Ronald J. Pracht, 3440 W. 13th,  
Wichita, KS 67203Maryland-Delaware-District of Columbia:  
Michael L. (Mike) Trammell, 37408 Bella Via  
Way, Ocean View, DE 19970Pa-S. Jersey: Darius Nable, 419 Kingston Dr.,  
Cherry Hill, NJ 08034South Carolina: Timothy Williams, 703 Millbrook  
Dr., Spartanburg 29301**At-Large Members****Term Expiring 2020**Philip Levant, 1336 Cavender Dr., Hurst, TX  
76053♦\*Charles R. (Randy) Martin, 5324 Tryon Rd.,  
Longview, TX 75601**Term Expiring 2021**Danny Roberts, 8808 Thornbridge Dr.,  
North Richland Hills, TX 76182§Kevin M. Ueckert, 1333 W. University Ave.,  
Georgetown, TX 78628**Term Expiring 2022**\*Charles W. Hott, 17788 W FM 922, Forestburg,  
TX 76239\*Don Whorton, 6903 Preston Glen Dr., Dallas,  
TX 75230**Term Expiring 2023**\*Jamie Green, 22003 Lapis Creek Ln., Katy, TX  
77450\*Thomas H. Pulley, 2004 Reynolds Dr.  
Colleyville, TX 76034**Term Expiring 2024**Jonathan T. Hewett, 706 W. Houston St.,  
Carrizo Springs, TX 78834\*John M. Rayburn, P. O. Box 523, Keller, TX  
76244

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## NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

3939 Gentilly Boulevard | New Orleans, Louisiana 70126

Jamie Dew, President

Gary Shows, Chair

*Trustee Meetings: October 12-14, 2020; April 12-14, 2021**Standard term of service - 5 years***State Members****Term Expiring 2020**Kansas-Nebraska: ♦Thomas H. Douglas, 4049 N. 107th Terr., Kansas City, KS 66109Michigan: ♦Margaret R. Marcus, 7383 W. Carpenter Rd., Flushing 48433New England: David T. Um, 0 Blanchard Rd., Cambridge, MA 02138Oklahoma: Jason E. Langley, 6714 Highway 77D, Davis 73030South Carolina: ♦Dennis J. (D. J.) Horton, 3351 Old Spartanburg Hwy., Moore 29369Texas: Shawn Paschal, 108 Echols Ln., Whitewright 75491Virginia: ♦Dennis J. Mizack, 7708 Autumn Park Dr., Roanoke 24018**Term Expiring 2021**Kentucky: Tim L. Searcy, 901 Abbott Mtn., Prestonsburg 41653Missouri: Robert D. Hutchinson, 303 Leah Ln., Harrisonville 64701New York: \*Dana D. Duncan, 54 Randolph Ave., Poughkeepsie 12601North Carolina: \*Kevin R. Chaney, 3224 Brantley Rd., Marshville 28103West Virginia: Allan D. Thompson, 109 Willowbrook Rd., Princeton 24739**Term Expiring 2022**Arkansas: Larry D. White, 3110 Baxter Dr., Conway 72034Florida: Mark W. Warnock, 1128 Summit Trail Cir., Apt. D, West Palm Beach 33415Maryland-Delaware-District of Columbia:

\*Daniel Shieh, 633 F St. NE, Washington, DC 20002

Mississippi: (Interim) \*William P. (Phil) Hanberry, 34 Stonecrest Dr., Hattiesburg 39402New Mexico: David G. Brittain, 2508 Brazos Ct. NE, Rio Rancho 87144Ohio: Vacant**Term Expiring 2023**Alabama: \*Braden W. Mims, 1845 Bashi Rd., Thomasville 36784Colorado: VacantIndiana: \*John C. Greenbank, 1900 Schenk Rd., Evansville 47720Louisiana: \*Jackie A. Myers, 2676 Hwy. 8, Sicily Island 71368Nevada: Samuel J. (Sam) Crouch, 322 Andy's Way, Elko 89801Northwest: Steven W. Schenewerk, P. O. Box 1321, Winston, OR 97496**Term Expiring 2024**Arizona: Daniel Martin, 1811 E. Watson Dr., Tempe 85283California: Sung Kyo Wee, 4538 Ellen Way, Union City 94587Georgia: Fred M. Evers, 122 Surrey Cir., Tifton 31793Illinois: \*Dana L. Keating, 117 Southwest Dr., Harrisburg 62946Pa-S. Jersey: \*Charles D. (Toby) Steward, 243 Reade Dr., Cogan Station, PA 17728Tennessee: Roy O. (Roc) Collins III, 6406 Tulip Tree Dr., Murfreesboro 37128**Local Members****Term Expiring 2020**

\*John P. Foster, 13925 Intrepid St., New Orleans, LA 70129

**Term Expiring 2021**

Gary B. Shows, 5220 Old Hwy. 11, Hattiesburg, MS 39402

§Leland Crawford, 1010 Ridgewood Cir., Minden, LA 71055

§Jerry W. Price, 7103 Desiard St., Monroe, LA 71203

**Term Expiring 2022**

Michael E. (Mike) Shaw, 113 Cedar Cove Ln., Pelham, AL 35124

**Term Expiring 2023**

\*Gary W. Fordham, P. O. Box 307, Hattiesburg, MS 39403

Eddie Wren, P. O. Box 810, Rayville, LA 71269

Stephen N. Horn, 210 Sandhurst Dr., Lafayette, LA 70508

Waylon Bailey, 18363 Hosmer Mill Rd., Covington, LA 70435

**Term Expiring 2024**

\*Amanda T. Walker, 288 Creeks Edge Cir., Ruston, LA 71270

§ Indicates maximum length of service will be completed in 2021

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## SOUTHEASTERN BAPTIST THEOLOGICAL SEMINARY

P.O. Box 1889 | Wake Forest, North Carolina 27588-1889

Daniel L. Akin, President

Timothy C. Dale, Chair

*Trustee Meetings: October 12-13, 2020; April 12-13, 2021**Standard term of service - 5 years***State Members****Term Expiring 2020**Georgia: VacantIllinois: ♦\*Rebecca L. (Becky) Gardner,  
15 Country Ln., East Peoria 61611Oklahoma: ♦Jeremy Freeman, 3421 Brierwood,  
Newcastle 73065Texas: Alex G. Gonzales, 9612 Mystic Dunes Dr.,  
McKinney 75070**Term Expiring 2021**Kansas-Nebraska: §Jerry A. Smith, P. O. Box 7,  
Andover, KS 67002Mississippi: T. Brett Golson, 103 Colonial Pl.,  
Hattiesburg 39402Missouri: §Jason Allen, 3883 Blue Ridge Blvd.,  
Independence 64052Northwest: \*Laura Small, 6870 SW 153rd Ave.,  
Beaverton, OR 97007**Term Expiring 2022**Alabama: Ed Litton, 1251 Industrial Pkwy.,  
Saraland 36571Arkansas: Ryan A. Martin, 6184 W. Greens  
Chapel Rd., Fayetteville 72704New York: Charles E. (Chuck) Jennings,  
7213 Ridge Rd., Lockport 14094Ohio: \*Thomas S. Mach, 1819 Harris Ln., Xenia  
45385**Term Expiring 2023**California: Israel Kim, 36 Salton, Irvine 92602Georgia: \*Joe Forrester, 4320 Clack Road,  
Auburn 30011Kentucky: Shawn Dobbins, 2330 Treetop Ln.,  
Hebron 41048North Carolina: \*Albert E. (Earle) Finley,  
6001 Tenter Banks Sq., Raleigh 27609**Term Expiring 2024**Louisiana: Charles (Stewart) Holloway,  
126 Pinewood Dr., Pineville 71360Michigan: Art Werry, 24240 Harrison St.,  
Clinton Township 48035South Carolina: Jay Hardwick, 358 Poindexter  
Ln., Lexington 29072West Virginia: T. Danny Rumble, 155 Hidden  
Valley Ests., Scott Depot 25560**Local Members****Term Expiring 2020**Rusty Small, 450 Acorn Dr., Appomattox, VA  
24522♦Richard E. (Dick) Baker, 616 Edwin Dr.,  
Virginia Beach, VA 23462**Term Expiring 2021**\*Carlos F. Goodrich, 135 Ashbourne Lake Ct.,  
Clemmons, NC 27012\*Timothy C. Dale, 5447 Adrian Rd., Wilson, NC  
27896**Term Expiring 2022**\*Charles H. Cranford, 4514 Cotton Creek Dr.,  
Charlotte, NC 28226\*James R. Marston, Jr., 309 Greenwell Ct.,  
Lynchburg, VA 24502**Term Expiring 2023**\*Melinda W. Delahoyde, 4601 Wee Burn Trl.,  
Raleigh, NC 27612Zack W. Little, 656 Rock Hill Rd., Abbeville, SC  
29620**Term Expiring 2024**Michael Cummings, P. O. Box 100, Pembroke,  
NC 28372\*Mary M. (Beth) Wooten, 607 East Bostic St.,  
Beulaville, NC 28518

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## MIDWESTERN BAPTIST THEOLOGICAL SEMINARY

5001 North Oak Trafficway | Kansas City, Missouri 64118

Jason K. Allen, President

John Mathena, Chair

*Trustee Meetings: October 19-20, 2020; April 12-13, 2021**Standard term of service - 5 years***State Members****Term Expiring 2020**Kansas-Nebraska: Ralph B. Lassiter, 2409 North 161st St., Omaha, NE 68116Mississippi: ♦Daniel R. Heeringa, 201 W. Madison St., Houston 38851Pa-S. Jersey: ♦\*Stanley K. Mauldin, 196 Bernard Dr., King of Prussia, PA 19406Virginia: VacantWest Virginia: Hugh K. Stidham, 40 Hillsdale Cir., Scott Depot 25560**Term Expiring 2021**Florida: \*James B. Sineath, Jr., 870 N. Miramar Ave., #318, Indialantic 32903Illinois: §Charles W. Campbell, 104 Maple Ln., Rochester 62563Missouri: M. Lane Harrison, 5605 N. Seacrest Dr., Ozark 65721New England: Emmanuel P. Fontaine, 94 Lincoln Ave., Saugus, MA 01906Tennessee: \*David Meany, 4557 West Woodlawn Cir., Collierville 38017**Term Expiring 2022**Alabama: \*Ben O. Character, 914 Locke Dr., Oxford 36203Indiana: (*Interim*) Larry T. Lewis, 3306 East Riverside Dr., Evansville 47714Louisiana: Randall H. Tompkins, 79 Janell Dr., Alexandria 71303Oklahoma: \*Larry W. Sheppard, 3808 South Butternut Ave., Broken Arrow 74011Texas: \*David C. Shanks, P. O. Box 6808, Fort Worth 76115**Term Expiring 2023**Kentucky: \*C. Rex Smith, 1420 N. Friendship, Paducah 42001Michigan: Edward J. Mattox, 21270 Birchwood, Farmington 48336New Mexico: \*M. Lee Roberson, 6016 N. Fowler St., Hobbs 88242Northwest: Courtney E. (Gene) Dempsey, 21505 SE 298th Place, Kent, WA 98042South Carolina: Frankie J. Melton, Jr., P. O. Box 424, Heath Springs 29058**Term Expiring 2024**Arizona: Charles S. Wesner, P. O. Box 364, Wellton 85356Arkansas: Jeffrey L. Dial, 7601 Baseline Rd., Little Rock 72209California: Darrow Perkins, 11322 Surco Dr., San Diego 92126Maryland-Delaware-District of Columbia: \*Phyllis J. Mason, 33 Championship Ct., Owings Mills, MD 21117Mississippi: \*Douglas C. Rule, 144 Bridgewater Crossing, Ridgeland 39157**Local Members****Term Expiring 2020**

♦Dwight A. Blankenship, 1626 Hobnail Ct., St. Louis, MO 63146

♦D. Douglas Richey, 2213 Chanticleer, Excelsior Springs, MO 64024

**Term Expiring 2021**

Chad McDonald, 12240 S. Sunray Dr., Olathe, KS 66061

\*John Mathena, 17500 Egrets Landing, Edmond, OK 73012

**Term Expiring 2022**

Jacob A. McMillian, 1914 North 33rd St., St. Joseph, MO 64506

Bryan C. Pain, 901 W. Ash Ave., Duncan, OK 73533

**Term Expiring 2023**(*Interim*) \*John M. Rainwater, 2605 Hidden Valley Dr., Little Rock, AR 72212

Larry L. Lewis, 5801 Morning Star Ct., Columbia, MO 65203

**Term Expiring 2024**

Jason R. Gentry, 104 Elm St., Hallsville, MO 65255

Jon L. Sapp, 2912 Greenridge, Topeka, KS 66614

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

♦ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

## GATEWAY SEMINARY

3210 Guasti Rd. | Ontario, California 91761

Jeff P. Iorg, President

C. Keith Goeking, Chair | BoardChairman@gs.edu

*Trustee Meetings: October 12-13, 2020; April 19-20, 2021**Standard term of service - 5 years***State Members****Term Expiring 2020**Georgia: J. Robert (Bob) White, 6405 Sugarloaf Pkwy., Duluth 30097Louisiana: David E. Crosby, 5290 Canal Blvd., New Orleans 70124New England: Kevin T. Scott, 576 Bennington St., Boston, MA 02128New York: \*Carol Xiaomiao Geng, 27 Zelenke Dr., Wyantskill 12198Virginia: ♦Ralph C. Duke, 9935 Corsica St., Vienna 22181**Term Expiring 2021**Indiana: Steven N. Davidson, 1502 Celesta Way, Sellersburg 47172Maryland-Delaware-District of Columbia: \*Mark Trammell, 21621 Romans Dr., Ashburn, VA 20147Missouri: §\*C. Keith Goeking, 10101 NE 98 St., Kansas City 64157New Mexico: Stephen C.M. Long, 8418 Washing St., Ste. A, Albuquerque 87113Tennessee: Michael Day, 1613 E. Indian Wells Dr., Collierville 38017**Term Expiring 2022**Arkansas: Ronnie H. Deal, 1183 Highland Cir., Greenwood 72936Illinois: Kevin Carrothers, 14091 N Tolle Ln., Mt. Vernon 62864Michigan: Roberto R. Santos, 24026 Calvin, Dearborn 48124Oklahoma: M. Dale Griffin, 5 Franklin Cir., Shawnee 74804Pa.-S. Jersey: \*Thomas M. (Tom) Toone, 3521 Brisban St., Harrisburg, PA 17111South Carolina: \*Charles H. (Chuck) Morton, 136 E Blue Heron Dr., Salem 29676**Term Expiring 2023**Arizona: \*Wallace C. (Wally) DeShon, 11264 E. Newcastle Ave., Mesa 85209Colorado: VacantKansas-Nebraska: David L. McDonald, 1410 14th Ave., Kearney, NE 68845Mississippi: \*Gilroy Chow, 222 Florence Ave., Clarksdale 38614Nevada: \*Gayle A. Fee, 3406 Ridge Meadow St., Las Vegas 89135Ohio: David G. Hill, 729 Westchester Park Dr., Springfield 45504**Term Expiring 2024**Alabama: Daniel Atkins, 1685 Taylor Rd., Montgomery 36117Florida: Louis Egipciano, 6250 Miami Lakes Dr. E., Miami Lakes 33014Kentucky: Andrew Dyer, 176 Pennington Bowling Ln., London 40744North Carolina: \*Arthur A. (Rally) deLeon, 8408 Running Cedar Trl., Raleigh 27615West Virginia: Donald R. Yeager, 82 Wellesley Dr., Washington 26181**At-Large Members****Term Expiring 2020**

♦K. Milton Higgins, 945 W. Alamos, Fresno, CA 93705

Steve Davidson, 10590 N. Willow Ave., Clovis, CA 93619

**Term Expiring 2021**

\*Wilfred Selvaraj, 400 Clementina St., San Francisco, CA 94103

§Terry M. Turner, 680 E. Hwy. 80, Mesquite, TX 75149

Philip W. Kell, 13143 Capricornio St., Riverside, CA 92503

**Term Expiring 2022**

\*Robert Evans, 99 Cedro Ave., San Francisco, CA 94127

Walter A. Price, 36359 Bay Hill Dr., Beaumont, CA 94223

**Term Expiring 2023**

\*Marsha Gray, 9801 NE 81st Ct., Vancouver, WA 98682

Robert L. (Rob) Pengra, 11011 NE 102nd St., Vancouver, WA 98662

Lance A. Rogers, P. O. Box 1, Brashear, TX 75420

**Term Expiring 2024**

\*Barbara E. Smith, 4040 E. Piedmont Dr., #156, Highland, CA 92346

\*Vincent Hayes, 7737 Carefree Dr., San Diego, CA 92114

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

♦ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

## ETHICS AND RELIGIOUS LIBERTY COMMISSION

901 Commerce Street | Nashville, Tennessee 37203

Russell D. Moore, President

David E. Prince, Chairman

*Trustee Meeting: September 16, 2020**Standard term of service - 4 years***State Members****Term Expiring 2020**Arizona: ♦\*Roberta L. (Bobbi) Gilchrist, 133 W. Camino de Mesa, Huachuca City 85616Louisiana: ♦\*Ryan E. Gatti, 1661 Benton Rd., Bossier City 71111Maryland Delaware-District of Columbia:

♦Brian M. Corrick, 2990 Baptist Church Rd., Nanjemoy, MD 20662

Michigan: ♦Ronald J. Libey, 64 E. Stephenson Ave., Apt. 3, Gwinn 49841New Mexico: \*Lori A. Bova, P. O. Box 2371, Hobbs 88241Northwest: Alan E. Gayle, 2464 Borders Dr., Eugene, OR 97404West Virginia: \*Preston T. White, P. O. Box 762, Princeton 24740**Term Expiring 2021**Alabama: §William R. (Bill) Morgan, 326 Washington St., Prattville 36067Arkansas: B. Todd Howard, 5514 Pinnacle Ln., Pine Bluff 71603California: A. B. Vines, 2300 Bancroft Dr., Spring Valley 91977Colorado: §\*Allen L. (Al) Simmons, 16094 W. 13th Pl., Golden 80401Florida: §Ron D. Harvey, 138 NE 1st St., Pompano Beach 33060Georgia: Jimmy D. Patterson, 15 West Washington St., Newnan 30263Nevada: Janeé England, 2450 Chukar Dr., Washoe Valley 89704South Carolina: Tony L. Beam, 207 Belue Rd., Greer 29651**Term Expiring 2022**Illinois: D. Scott Foshie, 1401 Baptist Ln., Steeleville 62288Kansas-Nebraska: Dan R. Anderson, 14911 E. Lakeview, Wichita, KS 67230Kentucky: Lynn O. Traylor, P. O. Box 54, Buckner 40010Mississippi: Mike Aultman, 819 Old Salt Rd., Sumrall 39482New York: Robert Dean, 7340 Meadville Rd., Basom 14013Virginia: \*Christine Hoover, 127 Goldenrod Ct., Charlottesville 22902**Term Expiring 2023**Indiana: Nathan W. Luginbill, 6722 Lowanna Ct., Indianapolis 46220Missouri: Miles S. Mullin II, 30 Hibiscus Ln., Hannibal 63401New England: \*Robert L. Orleck, P. O. Box 174, Randolph, VT 05060North Carolina: \*Traci D. Griggs, 5620 Windlake Ct., Raleigh 27606Ohio: Mike L. Wilson, 1680 Sassafras Cir., Mansfield 44905Oklahoma: Justin T. Sampler, 30209 South Gale Ave., Inola 74036Pa-S. Jersey: Roger Manao, 600 Ridgewood Rd., Upper Darby, PA 19082Tennessee: Trevor M. Atwood, 3510 Boxelder Way, Murfreesboro 37128Texas: Juan R. Sanchez, 12030 Dessau Rd., Austin 78754**At-Large Members****Term Expiring 2020**

\*Kelly Hancock, P. O. Box 821349, North Richland Hills, TX 76182

**Term Expiring 2021**

\*Jonathan R. Whitehead, 229 SE Douglas St., Ste. 210, Lee's Summit, MO 64063

**Term Expiring 2022**

David E. Prince, 601 Applegrove Dr., Nicholasville, KY 40356

Kevin L. Smith, 1910 Towne Centre Blvd., Unit 923, Annapolis, MD 21401

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

♦ Indicates maximum length of service was completed in 2020, but was extended an additional year (see footnote on p. 442)

COMMITTEE ON NOMINATIONS<sup>^</sup>

(to report at 2021 SBC Annual Meeting)

Andrew Hopper, Chair

Committee Meeting: March 18-19, 2021

Standard term of service - 1 year

Alabama: Craig Carlisle, 1824 Amanda Ln.,  
Gadsden 35907Jarman Leatherwood, 29978 Hardiman Rd.,  
Madison 35756Alaska: Dana Belmore, 18765 May Court Cir.,  
Eagle River 99577Paul Fernandez, 2050 Courage Cir., Anchorage  
99507Arizona: Jim Main, 610 East Bell Rd., Ste. 2-303,  
Phoenix 85022Simone Lake, 802 N. Bavarian Way, Payson  
85541Arkansas: Erin Wheeler, 512 E. Rebecca St.,  
Fayetteville 72701Clay Cunningham, 211 S. Market St., Benton  
72015California: Milton Loy, 13220 Waltham Ave.,  
Poway 92064Eric Tibayan, 1116 Clouds Rest Dr.,  
Diamond Bar 91765Colorado: Breck Merkle, 3222 Teardrop Cir.,  
Colorado Springs 80917

Dianne Lewis, 20180 E. 43rd Pl., Denver 80249

Florida: Bev Bonner, 1101 South Flager Dr.,  
West Palm Beach 33401Eduardo Astigarraga, 15325 SW 84 Ave.,  
Palmetto Bay 33157Georgia: Carla Sibley, 1021 River Pl., Watkinsville  
30677Tyronne Barnette, 3656 Bayberry Way SW,  
Conyers 30094Hawaii: Larry Hale, P. O. Box 307, Eleele 96705Annie Lam, 583 Kamoku St. #1404, Honolulu  
96826Illinois: Bryan Price, 128 Ash Dr., Bolingbrook  
60490

Doug Nguyen, 9120 Linder, Morton Grove 60053

Indiana: James Bohrer, 3350 S. Green St.,  
Brownsburg 46112

Mike Schloss, 2822 Bailey Ln., Evansville 47725

Kansas-Nebraska: Susan Pedersen, 15411 E. 45th  
St., N., Wichita, KS 67228Marty McCord, 105 S. Wells, Altamont, KS  
67330Kentucky: Torey Beth Thompson, 349 Taylorsville  
Rd., Bloomfield 40008

John Kloke, 959 Village Dr., Henderson 42420

Louisiana: Laura Muckleroy, 212 River Oaks Dr.,  
West Monroe 71291Jason Thomas, 2044 Treasure St., New Orleans  
70126Maryland-Delaware-District of Columbia:Loretta Jones, 9004 Linton St., Silver Spring,  
MD 20901Larry Lin, 2727 N. Howard St., Baltimore, MD  
21218Michigan: Nick Staley, 1122 Pershing, Flint 48503Bob Johnson, 17017 East 12 Mile Rd., Roseville  
48066Mississippi: Cassidy Sager, 1200 Carterville Rd.,  
Petal 39465Scott Hanberry, 1508 Hardy St., Hattiesburg  
39401Missouri: Jordan Wade, 5702 College Ave.,  
Kansas City 64130

Ulysses Ross, 3 Tinder Box Ct., St. Louis 63368

Nevada: Waithira Gruger, 75 N. Valle Verde Dr.,  
#411, Henderson 89074Michelle Dickens, 338 Dandelion Brook Ct.,  
Las Vegas 89148New England: Katlynn Mirabal, 4 Wallington  
St., Dover, NH 03820Daniel Coleman, 20 Mission Ave., Augusta, ME  
04330New Mexico: Aaron Colyer, 3100 Onate Rd.,  
Roswell 88201

Janelle Miller, 577 Riata Rd., Tularosa 88352

New York: Maryanna Lilly, 24 Berkshire Dr., W.,  
Clifton Park 12065Stephen Stallard, 1342 St. Johns Pl., 1B,  
Brooklyn 11213North Carolina: Missy Speir, 5942 Brace Rd.,  
Charlotte 28211Andrew Hopper, 5591 Horse Farm Rd.,  
Summerfield 27358Northwest: Aubrey Beard, 11304 SE 10th St.,  
Apt. K5, Vancouver, WA 98664Nate McGlinchy, 6426 128th Pl., SE, Snohomish,  
WA 98296Ohio: Kari Ortega, 2358 Murphy Dr., Fairborn  
45324Danny Stringer, 7057 Hill Station Rd., Goshen  
45122

\* Indicates non-church/denomination-related vocation

<sup>^</sup> The Committee on Nominations is a special committee and remains in existence until it gives its report, so its members remain in office. The Executive Committee may fill any vacancies that occur.

COMMITTEE ON NOMINATIONS - *continued*

Oklahoma: Stephanie Egert, 1412 Del Norte Dr.,  
Edmond 73003

Jim Lehew, 2908 SW 140, Oklahoma City 73130

Pa-S. Jersey: Josea Gonzalez, 548 N. Maple Ave.,  
East Orange, NJ 07016

Valerie Cook-Henry, 814 Arbor Rd., Yeadon, PA  
19050

South Carolina: Angela McKnight, 1101 Greenacres,  
Anderson 29621

Stephen Splawn, 190 Stoneridge Dr., Columbia  
29210

Tennessee: Mark Whitt, 3245 Genoa Dr.,  
Murfreesboro 37128

Carmen Echols, 5273 Lochinvar Rd., Memphis  
38116

Texas: Shanea Branch, 3508 Meridian Dr.,  
Northlake 76226

Luis Canchola, 3400 Dianthus Ave., McAllen  
78501

Utah-Idaho: Matt McGukin, 785 1st St.,  
Idaho Falls, ID 83401

Larry Bodden, 4548 South 2525 West, Roy, UT  
84067

Virginia: Doug Ponder, 1308 N 27th St.,  
Richmond 23223

Lidia Dominguez de Payan, 210 Cresthaven  
Terr., Evinston 24550

West Virginia: Travis Rucker, 106 Apple Estates,  
Scott Depot 25560

Jordan Craigo, 494 Westmoreland Dr.,  
Charleston 25302

Wyoming: Danny Smith, 2057 N 22nd St.,  
Laramie 82072

Frank Ley, 3011 N Sweet 16, P. O. Box 692,  
Worland 82401

\* Indicates non-church/denomination-related vocation

^ The Committee on Nominations is a special committee and remains in existence until it gives its report, so its members remain in office. The Executive Committee may fill any vacancies that occur.

## STANDING COMMITTEES

### COMMITTEE ON ORDER OF BUSINESS

**Adam W. Greenway, Chair**

*Committee Meetings: September 22, 2020; June 15-16, 2021*

*Standard term of service - 3 years*

Convention President: J. D. Greear,  
2335 Presidential Dr., Ste. 14, Durham, NC 27703

**Term Expiring 2020**

#Tony Muñoz, 619 Shelby Ave., Effingham, IL  
62401

#\*Tim Moore, 417 Bates Rd., Elizabethtown, KY  
42701

**Term Expiring 2021**

§Adam W. Greenway, 2001 W. Seminary Dr.,  
Fort Worth, TX 76115

§\*Carolyn Fountain, 4301 Tulane Ave. #437,  
New Orleans, LA 70119

**Term Expiring 2022**

\*Steven F. Bates, 203 N. Abel St., Winnfield, LA  
71483

\*C. Joyce Hall, 508 Smith Carr Rd., Canton, MS  
39046

### CREDENTIALS COMMITTEE

**Mike Lawson, Chair**

*Committee Meetings: TBD*

*Standard term of service - 3 years*

**Ex Officio Members**

Executive Committee Chairman: Rolland Slade,  
660 South 3rd St., El Cajon 92019

Registration Secretary: Kathy Litton, 1627 Silver  
Creek Dr., Saraland, AL 36571

**Term Expiring 2020**

#\*Cheryl Rice, 4913 Valley Field Dr., Oldsmar,  
FL 34677

#\*Linda Cooper, 168 Red Haven Ct.,  
Bowling Green, KY 42103

**Term Expiring 2021**

§Jimmy Draper, 7300 John McCain Rd.,  
Colleyville, TX 76034

§Mike Lawson, 1511 Crescent Dr., Sherman, TX  
75092

**Term Expiring 2022**

Roger Spradlin, 4800 Fruitvale Ave., Bakersfield,  
CA 93308

Greg Fields, 4300 Las Vegas, Blvd. North,  
Las Vegas, NV 89115

\*Stacy Bramlett, 5050 Poplar, Ste. 2128,  
Memphis, TN 38157

§ Indicates maximum length of service will be completed in 2021

\* Indicates non-church/denomination-related vocation

# The members of standing committees whose terms expire will remain in office until their successors are elected.

**AUXILIARY - WOMAN'S MISSIONARY UNION**  
**Highway 280, East, 100 Missionary Ridge, Birmingham, AL 35242-5235**  
**Sandra Wisdom-Martin, Executive Director/Treasurer**  
**Linda Cooper, President**

*Board Meetings: January 9-11, 2021; June 13-14, 2021*

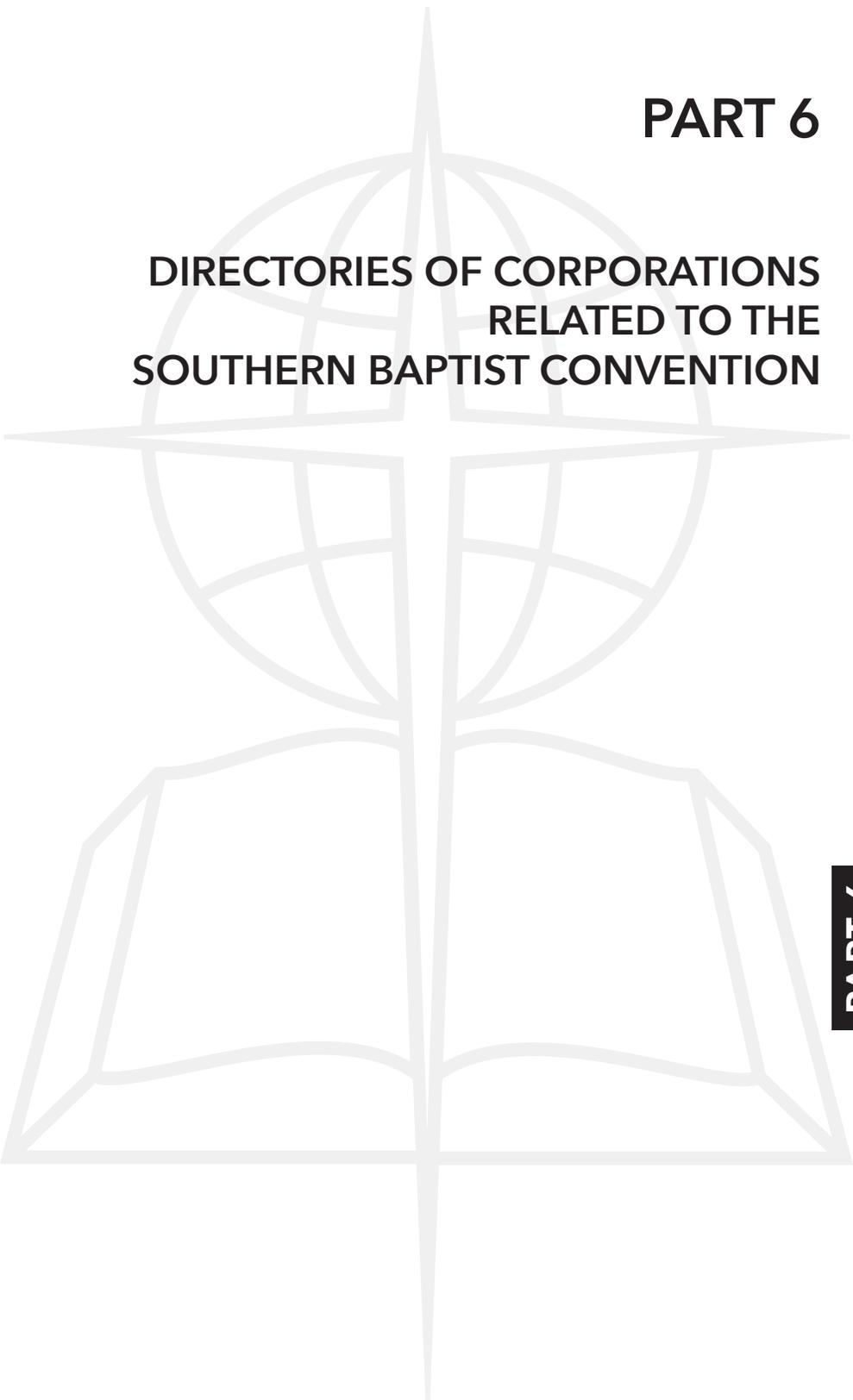
**WMU EXECUTIVE BOARD**

- |  |  |
|--|--|
| <b>President:</b> Linda Cooper, 168 Red Haven Court,<br>Bowling Green, KY 42103        | <b>Recording Secretary:</b> Shirley McDonald,<br>238 County Road 129, Stephenville, TX 76401 |
| <b>Vice-Presidents:</b>  | MISSOURI: Jan Turner<br>706 North 37th Street, Nixa 65714                                    |
| ALABAMA: Melissa Bowen<br>206 Gail Street, Prattville 36066                            | MONTANA: Carla Bell<br>2700 1st Avenue North, Great Falls 59401                              |
| ALASKA: Angela Jones<br>P.O. Box 83381, Fairbanks 99708                                | NEW ENGLAND: Doris Opoku<br>740 Central Street, #A11, Leominster, MA 01453                   |
| ARIZONA: Linda Hopson<br>11205 North Houston Mesa Road, Payson 85541                   | NEW MEXICO: Melissa Lamb<br>P.O. Box 336, Santa Rosa 88435                                   |
| ARKANSAS: Margaret Little<br>4007 North Zion Valley Drive, Fayetteville 72703          | NEW YORK: Ina Rios<br>16 Parkview Place, Passaic, NJ 07055                                   |
| CALIFORNIA: Margaret Collins<br>7589 Hardy Avenue, Rancho Cucamonga 91730              | NORTH CAROLINA: Deborah Taylor<br>25 Mt. Moriah Church Road, Apt. A,<br>Lumberton 28360      |
| COLORADO: Ann Perry<br>23834 Snowflake Road, Cedaredge 81413                           | NORTHWEST: Mary Habila<br>1012 31st Street, Puyallup, WA 98371                               |
| FLORIDA: Irma Moss<br>4501 Cranston Place, Orlando 32812                               | OHIO: Jean DiFilippo<br>2 Ransom Road, Athens 45701  |
| GEORGIA: Lisa Thompson<br>9 West Circle, Dahlonga 30533                                | OKLAHOMA: Stacy Neuschaefer<br>2724 Northwest 155th Street, Edmond 73013                     |
| HAWAII: Gail Gierhart<br>520 Lunalilo Home Road, #7205, Honolulu 96825                 | PENN./SOUTH JERSEY: Theresa Krieg<br>449 Locust Road, New Cumberland, PA 17070               |
| INDIANA: Linda Clark<br>11909 Magellan Way, Sellersburg 47172                          | SOUTH CAROLINA: Cindy Burns<br>108 Greenvale Drive, Easley 29640                             |
| IOWA: Rhonda Mueth<br>1041 Nettle Avenue, Sheffield 50475                              | TENNESSEE: Martha Pitts<br>6671 Macon Road, Memphis 38134                                    |
| KANSAS/NEBRASKA: Nikki Riley<br>6030 South 72nd Street, Lincoln, NE 68516              | TEXAS: Earl Ann Bumpus<br>1605 Carolina Street, Graham 76450                                 |
| KENTUCKY: Roetta Vaught<br>1132 Kendra's Way, Somerset 42503                           | UTAH/IDAHO: Fondra Magee<br>405 Reston Court, Coeur d'Alene, ID 83815                        |
| LOUISIANA: Carolyn Fountain<br>4301 Tulane Avenue #437, New Orleans 70119              | VIRGINIA: Lynne Stockman<br>5753 Bennett's Pasture Road, Suffolk 23435                       |
| MARYLAND/DELAWARE: Dale Jones<br>4000 32nd Street, Mt. Ranier, MD 20712-1901           | WEST VIRGINIA: Linda Davis<br>337 Countryside Road, Princeton 24739                          |
| MICHIGAN: Odelle Cadwell<br>11391 Wormer, Redford 48239                                | WYOMING: Angela Brubeck<br>6919 Bonneville Place, Cheyenne 82009                             |
| MINNESOTA/WISCONSIN: Gwendolyn Sutton<br>7903 West Heather Avenue, Milwaukee, WI 53223 |  |
| MISSISSIPPI: Judy Anderson<br>P.O. Box 163, Saltillo 38866                             |  |



# PART 6

## DIRECTORIES OF CORPORATIONS RELATED TO THE SOUTHERN BAPTIST CONVENTION



**EXECUTIVE COMMITTEE  
OF THE SOUTHERN BAPTIST CONVENTION**

Established 1917

**901 Commerce Street, Nashville, TN 37203-3699**

**Telephone (615) 244-2355 | [www.sbcec.org](http://www.sbcec.org)**

**RONNIE W. FLOYD, President and Chief Executive Officer**

Becky Chandler, Senior Executive Assistant to the Board

Sharon Robinson, Executive Assistant to the President

Willie D. McLaurin, Vice President for Great Commission Relations and Mobilization

C. Ashley Clayton, Executive Director for Church Affiliation

Julio Arriola, Executive Director of Hispanic Relations and Mobilization

Peter S. Yanes, Executive Director of Asian American Relations and Mobilization

Deb Baca, Administrative Assistant

Christy Peters, Administrative Assistant

Jonathan P. Howe, Vice President for Communications

George F. Schroeder, Associate Vice President for Convention News

Amy C. Whitfield, Associate Vice President for Convention Communications

Andy Beachum, Creative Director

Chris Chapman, Director of Digital Media

Diana Chandler, General Assignment Writer/Editor, *Baptist Press*

Kyle Cochran, Director of Digital Content

Laura Erlanson, Production Editor, *Baptist Press*

Rebecca Manry, Communications Specialist

Tess Schoonhoven, Staff Writer, *Baptist Press*

Jon Wilke, Media Relations Director

Allison Young, Publications and Projects Coordinator

William E. (Bill) Townes, Chief Financial Officer

Lynn Richmond, Meeting and Events Manager

Emily Liles, Accounting Services Manager

Ruth Ann Williams, Staff Accountant

Wayne Mann, Information Technology Manager

Phil Baker, SBC Facilities Services Manager

Michael Brown, SBC Facilities Services Associate

Vella Evans, Custodial Assistant

**THE SOUTHERN BAPTIST FOUNDATION**

*(A subsidiary corporation of the SBC Executive Committee)*

Chartered in 1947

**901 Commerce Street, Suite 600, Nashville, TN 37203**

**Telephone: (615) 254-8823 | Fax: (615) 255-1832**

**[www.sbfdn.org](http://www.sbfdn.org) | [www.mylegacyoffaith.org](http://www.mylegacyoffaith.org)**

**WARREN L. PEEK, President**

John Kea, General Counsel/Executive Vice President

Jody Hurst, Associate General Counsel/Vice President

Jim Mooney, Vice President of Investments

Christy Gold, Treasurer

Margaret D. Cammuse, Secretary

Marty Guy, Trust/Tax Accounting Manager

Morgan Bumbaugh, Accountant

Kelsey Drennan, Accountant

Susie Rice, Accountant

Leigh Anne Bowick, Director of Communications

**GUIDESTONE FINANCIAL RESOURCES  
OF THE SOUTHERN BAPTIST CONVENTION**

Chartered 1918

**5005 LBJ Freeway, Suite 2200, Dallas, TX 75244**  
**Telephone: (214) 720-0511 | [www.guidestone.org](http://www.guidestone.org)**

**O. S. HAWKINS, President and Chief Executive Officer**

John R. Jones, Executive Vice President and Chief Operating Officer  
Mark Borchardt, Vice President, Treasurer and Chief Financial Officer  
Timothy E. Head, Vice President, Assistant Secretary and Denominational & Public Relations Officer  
Harold R. Loftin, Jr., Vice President, Chief Legal Officer and Secretary  
William McLemore, Vice President and Chief Information Officer  
Matt L. Peden, Vice President and Chief Investment Officer  
Chu Soh, Vice President and Chief Insurance Officer  
David S. Spika, Vice President and Chief Strategic Investment Officer  
Christy Teeter, Vice President and Chief Retirement Officer

**INTERNATIONAL MISSION BOARD**

Organized 1845

**3806 Monument Avenue, Richmond, VA 23230**  
**Telephone: (804) 353-0151 | [www.imb.org](http://www.imb.org)**

**PAUL CHITWOOD, President**

Todd Lafferty, Executive Vice President

**GLOBAL ENGAGEMENT**

John Brady, Vice President

**TRAINING**

Zane Pratt, Vice President

**HUMAN RESOURCES**

Chris Roberson, Vice President

**LOGISTICS, FINANCE, TRAVEL & TECHNOLOGY**

Price Jett, Vice President

**MOBILIZATION**

Charles Clark, Vice President

**LIFEWAY CHRISTIAN RESOURCES**

Organized 1891

**One LifeWay Plaza, Nashville, TN 37234**  
**Telephone: (615) 251-2000 | [www.lifeway.com](http://www.lifeway.com)**

**BEN MANDRELL, President and Chief Executive Officer**

Joe Walker, Senior Vice President and Chief Financial Officer  
Connia Nelson, Senior Vice President and Chief HR Officer  
Chris Knight, Senior Vice President and Chief Legal Officer  
Jamie Adams, Chief Information Technology Officer  
Bill Craig, Senior Vice President of Publishing  
Michael Kelley, Senior Vice President of Church Ministries  
Trevin Wax, Senior Vice President of Theology and Communications

**NORTH AMERICAN MISSION BOARD, SBC**

Organized 1997

4200 North Point Parkway, Alpharetta, GA 30022-4176

Telephone: (770) 410-6000 | [www.namb.net](http://www.namb.net)**KEVIN EZELL, President****PRESIDENT'S OFFICE**Kevin Ezell, *President*Ray Clark, *Executive Director, Strategic Initiatives*Jonathan Akin, *Leadership Development*Steve Bass, *Assistant to the President, Convention Relations*Jim Law, *Executive Director, Pastor Relations*Doug Carver, *Executive Director, Chaplaincy*Mike Ebert, *Executive Director, Public Relations***EVANGELISM AND LEADERSHIP**Johnny Hunt, *Senior Vice President, Evangelism and Leadership***SEND NETWORK**Dhati Lewis, *Vice-President, Send Network***SEND RELIEF**Bryant Wright, *President*Josh Benton, *Vice President, Send Relief***SHARED SERVICES**Carlos Ferrer, *Executive Vice-President, Operations*Tom Wigginton, *Senior Executive Director, Shared Services*George McCallum, *NAMB General Counsel*Maggie Greenwood, *Human Resources Director*Matt Smith, *Chief Financial Officer (CFO)*Roger Robb, *Chief Technology Officer*Adam Hollingsworth, *Chief Marketing Officer*

## GATEWAY SEMINARY OF THE SOUTHERN BAPTIST CONVENTION

Established 1944

3210 E. Guasti Road, Ontario, CA 91761-8642

Telephone: (909) 687-1800 | Fax: (909) 687-1596 | www.gs.edu

## JEFF IORG, President

## FACULTY

- Michael Ahn, BA, MA, MDiv, PhD, Associate Professor of New Testament Studies
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- Steven C. Patterson, BBA, CPA, Controller
- Gregory S. Smith, BS, MA, MDiv, PhD; Associate Vice President for Distributed Learning, Associate Professor of Bible
- J. Craig Kubic, BA, MLS, MDiv, DEDMin; Dean of Libraries
- James A. Smith Sr., BS, MDiv; Director of Public Relations, Executive Editor of Seminary Hill Press
- Terri H. Stovall, BA, MARE, MDiv, PhD; Dean of Women, Professor of Women's Ministries
- F. Edward Upton, BMin, MDiv, DMin; Associate Vice President for Institutional Relations

**THE ETHICS & RELIGIOUS LIBERTY COMMISSION**

Established 1913

901 Commerce St., Suite 500, Nashville, TN 37203 | 505 Second St. NE, Washington, D.C. 20002

Phone: 615-244-2495 | Fax: 615-244-0065 | www.erlc.com

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 Marie Delph, Deputy Communications Director  
 Lindsay Nicolet, Managing Editor of Content  
 Trillia Newbell, Director of Community Outreach  
 Gary Lancaster, Audio Producer  
 Kevin Miller, Video Producer  
 Tom Strode, Baptist Press Washington Correspondent

**SEMINARY EXTENSION**

Organized 1951

*A Ministry of the Southern Baptist Convention**Incorporated under the Council of Seminary Presidents*

901 Commerce Street, Suite 500, Nashville, TN 37203-3631

Telephone: (615) 242-2453 | Fax: (615) 782-4822 | Email: [se@seminaryextension.org](mailto:se@seminaryextension.org)**RANDAL A. WILLIAMS, Executive Director**

Carmen Parker, Student Services and Office Manager

**SOUTHERN BAPTIST HISTORICAL LIBRARY AND ARCHIVES***A Ministry of the Council of Seminary Presidents***901 Commerce Street, Suite 400, Nashville, TN 37203****Telephone: 615-244-0344 | [www.sbhla.org](http://www.sbhla.org)****TAFFEY HALL, Director and Archivist****Staff:**

Steve Gateley, Librarian

Connie Collins, Library Clerk

Christy Gold, Accountant

**WOMAN'S MISSIONARY UNION****Organized 1888****Highway 280, East, 100 Missionary Ridge, Birmingham, AL 35242-5235****Telephone: (205) 991-8100 | [www.wmu.com](http://www.wmu.com)****SANDRA J. WISDOM-MARTIN, Executive Director/Treasurer**

Kristy Carr, Senior Hub Manager

Brian Allen, Controller/Resources Hub Manager

Bridget Bell, Human Resources Manager

Robin McCall, Content &amp; Marketing Hub Manager

Cassie Padgett, Customer Engagement Hub Manager

Kelly Perry, Creative Services Hub Manager

Joye Smith, Affinity Networks Hub Manager

Emily Swader, Compassion Ministries Hub Manager

Julie Walters, Corporate Communications Manager/WMU Board Liaison

**Woman's Missionary Union Foundation**

David George, President

# PART 7

## DIRECTORIES OF STATE CONVENTIONS

## STATE CONVENTION DIRECTORY

**ALABAMA**

ALABAMA BAPTIST STATE CONVENTION  
founded 1823

**Executive Director:** Rick Lance  
**Associate Director:** W. Robert DuBois

**CONVENTION OFFICE**

1404 Fairview Avenue  
Prattville, AL 36066-5243  
P. O. Box 681970 (36068-1970)  
1-800-264-1225 | www.alsbom.org

**CONVENTION MEETING\***

November 17-18  
First Baptist Church, Montgomery

**CONVENTION OFFICERS**

Tim Cox, *president*  
Billie Davis, *recording secretary*  
W. Robert DuBois, *registration secretary*

**CONVENTION NEWSPAPER**

*The Alabama Baptist* (weekly)  
founded 1843

3310 Independence Drive; Birmingham, 35209  
Editor: Jennifer Rash  
Associate Editor: Janet Erwin  
www.thealabamabaptist.org | 80,000 readers  
individual: \$22.75 | church: \$13.75

**ARKANSAS**

ARKANSAS BAPTIST STATE CONVENTION  
founded 1848

**Executive Director:** J. D. "Sonny" Tucker  
**Associate Director:** Greg Addison

**CONVENTION OFFICE**

10 Remington Drive  
Little Rock, AR 72204  
(501) 376-4791 | www.absc.org

**CONVENTION MEETING\***

October 20-21  
First Baptist Church, Rogers

**CONVENTION OFFICERS**

Manley Beasley, Jr., *president*  
Connie McCall, *recording secretary*  
Gwen McCallister, *registration secretary*

**CONVENTION NEWSPAPER**

*Arkansas Baptist News* (biweekly)  
founded 1901

Editor: Greg Addison  
Associate Editor: Andrew Sweatman  
www.arkansasbaptist.org | free

**DAKOTAS**

DAKOTA BAPTIST CONVENTION  
founded 1984

**Executive Director:** Fred MacDonald

**CONVENTION OFFICE**

1604 Mountain View Road, Ste. 1  
Rapid City, SD 57702  
P.O. Box 549; Rapid City, SD 57709  
(605) 716-0130 | www.dakotabaptist.com

**CONVENTION MEETING\***

October 8-9  
Comfort Suites, Rapid City, SD

**CONVENTION OFFICERS**

Sean Donnelly, *president*  
Karen Holmes, *recording secretary*

**CONVENTION NEWSPAPER**

*Dakota Happenings* (monthly)  
founded 2014

Editor: Paul O'Dell  
www.dakotabaptist.com/church-administration/  
dakota-happenings-newsletters  
254 readers | free

**ALASKA**

ALASKA BAPTIST CONVENTION  
founded 1946

**Executive Director:** Randy Covington

**CONVENTION OFFICE**

1750 O'Malley Road  
Anchorage, AK 99507  
(800) 883-9627  
www.alaskabaptistconvention.com

**CONVENTION MEETING\***

September 28-30  
First Baptist Church, Anchorage

**CONVENTION OFFICERS**

Tracy Simmons, *president*  
Anna Allen, *recording secretary*

**CONVENTION NEWSPAPER**

*Alaska Baptist Milepost* (monthly)  
founded 1946

Editor: Randy Covington  
www.alaskabrn.com/newsletter  
1,500 readers | free

**ARIZONA**

ARIZONA SOUTHERN BAPTIST CONVENTION  
founded 1928

**Executive Director:** David Johnson

**CONVENTION OFFICE**

12801 N. 28th Drive, Suite 1  
Phoenix, AZ 85029  
(602) 843-1030 | www.azsbc.org

**CONVENTION MEETING\***

November 27  
CalvaryPHX Church, Phoenix

**CONVENTION OFFICERS**

Ashley Evans, *president*  
Lacey Bastman, *recording secretary*

**CONVENTION NEWSPAPER**

*Portraits* (bimonthly)  
founded 1997

Editor: Elizabeth Young  
portraits.azsbc.org | 20,000 readers | \$10.00

**CALIFORNIA**

CALIFORNIA SOUTHERN  
BAPTIST CONVENTION

founded 1940

**Executive Director:** Bill Agee  
**Associate Director:** Pete Ramirez

**CONVENTION OFFICE**

678 East Shaw Avenue  
Fresno, CA 93710-7704  
(559) 256-0830 | www.csbc.com

**CONVENTION MEETING\***

October 27  
Clovis Hills Community Church, Clovis

**CONVENTION OFFICERS**

Shawn Beaty, *president*  
Beth Ketcheside, *recording secretary*  
Steve Foss, *registration secretary*

**CONVENTION NEWSPAPER**

*None provided*

**COLORADO**

COLORADO BAPTIST  
GENERAL CONVENTION

founded 1956

**Executive Director:** Nathan Lorick  
**Associate Director:** Douglas B. Lohrey

**CONVENTION OFFICE**

7393 South Alton Way  
Centennial, CO 80112-2302  
(303) 771-2480 | www.coloradobaptists.org

**CONVENTION MEETING\***

October 12-13  
Applewood Baptist Church, Wheat Ridge

**CONVENTION OFFICERS**

John Moreland, *president*  
Jan Loser, *recording secretary*

**CONVENTION NEWSPAPER**

*Momentum* (quarterly)  
founded 1956

Editor: Nathan Lorick  
Associate Editor: Tim Corbin  
www.coloradobaptists.org/momentum-magazine  
2,500 readers | free

**FLORIDA**

FLORIDA BAPTIST CONVENTION  
founded 1854

**Executive Director:** J. Thomas Green  
**Associate Director:** Stephens L. Baumgardner, Jr.

**CONVENTION OFFICE**

6850 Belfort Oaks Place  
Jacksonville, FL 32216  
(904) 396-2351 | www.flbaptist.org

**CONVENTION MEETING\***

November 9-10  
Lakes Church, Lakeland

**CONVENTION OFFICERS**

Erik Cummings, *president*  
Randy Huckabee, *recording secretary*

**CONVENTION NEWSPAPER**

*Florida Baptist Witness* (online)  
founded 1884

Editor: Micah Ferguson  
www.flbaptist.org/stories | free

**GEORGIA**

EXECUTIVE COMMITTEE OF THE BAPTIST  
CONVENTION OF THE STATE OF GEORGIA  
founded 1822

**Executive Director:** W. Thomas Hammond, Jr.  
**Associate Director:** Mark Marshall

**CONVENTION OFFICE**

6405 Sugarloaf Parkway  
Duluth, GA 30097-4092  
(770) 455-0404 | www.gabaptist.org

**CONVENTION MEETING\***

November 9-10  
Ingleside Baptist, Macon

**CONVENTION OFFICERS**

Robby Foster, *president*

**CONVENTION NEWSPAPER**

*The Christian Index* (weekly)  
founded 1822

Editor: Scott Barkley  
Associate Editor: Myriah Snyder  
www.christianindex.org | free

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## STATE CONVENTION DIRECTORY

**HAWAII**

HAWAII PACIFIC BAPTIST CONVENTION  
founded 1942

**Executive Director:** Christopher Martin  
**Associate Directors:**  
Craig Webb, Brian Smart, Mike Martin

**CONVENTION OFFICE**

2042 Vancouver Drive  
Honolulu, HI 96822  
(808) 946-9581 | www.hpbaptist.net

**CONVENTION MEETING\***

November 5-6  
Online

**CONVENTION OFFICERS**

Steve Irvin, *president*

**CONVENTION NEWSPAPER**

*Pacific Connector* (bimonthly)  
founded 1943

Editor: Craig Webb  
Associate Editor: Dawn Akutagawa  
www.hpbaptist.net/pacificconnector  
2,600 readers | free

**ILLINOIS**

ILLINOIS BAPTIST STATE ASSOCIATION  
founded 1907

**Executive Director:** Nate Adams  
**Associate Director:** Mark Emerson

**CONVENTION OFFICE**

3085 Stevenson Drive  
Springfield, IL 62703-4440  
(217) 786-2600 | www.ibsa.org

**CONVENTION MEETING\***

November 4

Tabernacle Baptist, Decatur

**CONVENTION OFFICERS**

Sammy Simmons, *president*  
Sharon Carty, *recording secretary*

**CONVENTION NEWSPAPER**

*Illinois Baptist* (monthly)  
founded 1906

Editor: Eric Reed  
Associate Editors: Meredith Flynn, Lisa Misner  
www.illinoisbaptist.org | 8,341 readers | free

**INDIANA**

STATE CONVENTION  
OF BAPTISTS IN INDIANA  
founded 1958

**Executive Director:** Steve McNeil

**CONVENTION OFFICE**

7805 State Road 39  
Martinsville, IN 46151  
(317) 481-2400 | www.scbi.org

**CONVENTION MEETING\***

October 19-20

Calvary Baptist Church, West Lafayette

**CONVENTION OFFICERS**

Bobby Pell, *president*  
Steve Cline, *recording secretary*

**CONVENTION NEWSPAPER**

*Indiana Baptist Magazine* (monthly)  
founded 1958

Editor: Steve McNeil  
Associate Editor: Alison Blankenship  
www.indianabaptist.com | free

**IOWA**

BAPTIST CONVENTION OF IOWA  
founded 1969

**Executive Director:** Tim Lubinus  
**Associate Director:** Chris Eller

**CONVENTION OFFICE**

P.O. Box 619  
Ankeny, IA 50021  
(515) 809-2819 | www.bciowa.org

**CONVENTION MEETING\***

November 13-14  
Grace Church, Des Moines

**CONVENTION OFFICERS**

Jim Parker, *president*  
Jerome Risting, *recording secretary*  
Mandy Stenberg, *registration secretary*

**CONVENTION NEWSPAPER**

*Iowa Baptist News* (weekly)  
founded 1969

Editor: Ben Bradley  
www.bciowa.org/news | 712 readers | free

**KANSAS-NEBRASKA**

KANSAS-NEBRASKA CONVENTION  
OF SOUTHERN BAPTISTS  
founded 1945

**Executive Director:** Robert (Bob) Mills  
**Associate Director:** David Manner

**CONVENTION OFFICE**

5410 SW 7<sup>th</sup> Street  
Topeka, KS 66606  
(785) 228-6800 | www.kncsb.org

**CONVENTION MEETING\***

October 12-13

Webster Conference Center, Salina, KS

**CONVENTION OFFICERS**

Voyt Lynn, *president*  
Bryan Jones, *recording secretary*

**CONVENTION NEWSPAPER**

*Baptist Digest* (online)  
founded 1956

Associate Editor: Eva Wilson  
www.baptistdigest.com | 6,900 readers | free

**KENTUCKY**

KENTUCKY BAPTIST CONVENTION  
founded 1837

**Executive Director:** Todd Gray  
**Associate Directors:** Jim Donnell, Curtis Woods

**CONVENTION OFFICE**

13420 Eastpoint Centre Drive  
Louisville, KY 40223-4160  
(800) 266-6477 | www.kybaptist.org

**CONVENTION MEETING\***

November 9-10

Bellevue Baptist Church, Owensboro

**CONVENTION OFFICERS**

Chad Fugitt, *president*  
Wilma Simmons, *recording secretary*  
Pat Reeves, *registration secretary*

**CONVENTION NEWSPAPER**

*Western Recorder* (monthly)  
founded 1825

Editor: Chip Hutcheson  
www.westernrecorder.org | 8,000 readers  
print: \$18.00 | digital: \$11.00

**LOUISIANA**

LOUISIANA BAPTIST CONVENTION  
founded 1848

**Executive Director:** Steve Horn

**CONVENTION OFFICE**

1250 MacArthur Drive  
Alexandria, LA 71303  
(318) 448-3402 | www.louisianabaptists.org

**CONVENTION MEETING\***

November 10  
TBD

**CONVENTION OFFICERS**

David Cranford, *president*  
Jennie Saylor, *recording secretary*

**CONVENTION NEWSPAPER**

*Baptist Message* (biweekly)  
founded 1886

Editor: Will Hall  
Associate Editor: Philip Timothy  
www.baptistmessage.com | 35,000 readers  
\$14.00

**MARYLAND/DELAWARE**

BAPTIST CONVENTION OF  
MARYLAND/DELAWARE  
founded 1836

**Executive Director:** Kevin Smith  
**Associate Director:** Tom Stolle

**CONVENTION OFFICE**

10255 Old Columbia Road  
Columbia, MD 21046-1736  
(410) 290-5290 | www.bcnd.org

**CONVENTION MEETING\***

Cancelled due to COVID-19

**CONVENTION OFFICERS**

Harold Phillips, *president*  
Stephanie Greer, *recording secretary*  
Mike Fillis, *registration secretary*

**CONVENTION NEWSPAPER**

*BaptistLIFE* (quarterly)  
founded 1849

Editor: Alex Bouffard  
Associate Editor: Rosalie Chesley  
www.baptistlifeonline.org | 2,000 readers | free

**MICHIGAN**

BAPTIST STATE CONVENTION  
OF MICHIGAN  
founded 1957

**Executive Director:** Timothy Patterson

**CONVENTION OFFICE**

41100 Plymouth Road, Building 1, Suite 315  
Plymouth, MI 48170  
(810) 714-1907 | www.bscm.org

**CONVENTION MEETING\***

November 6

Burroughs Building, Plymouth

**CONVENTION OFFICERS**

Scott Blanchard, *president*  
Roy Henry, *recording secretary*

**CONVENTION NEWSPAPER**

*Baptist Beacon* (monthly)  
founded 1957

Editor: Timothy Patterson  
Associate Editor: Jamie Lynn  
www.baptistbeacon.net | 2,000 readers | free

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## STATE CONVENTION DIRECTORY

**MINNESOTA-WISCONSIN**

MINNESOTA-WISCONSIN  
BAPTIST CONVENTION  
founded 1983

**Executive Director:** Leo Endel

**CONVENTION OFFICE**

519 16th Street SE  
Rochester, MN 55904  
(507) 282-3636 | www.mwbc.org

**CONVENTION MEETING\***

October 23-24

Ebenezer Community Church, Brooklyn Park, MN

**CONVENTION OFFICERS**

Chris Heng, *president*  
Wes Shemwell, *recording secretary*

**CONVENTION NEWSPAPER**

*The Minnesota Wisconsin Baptist* (quarterly; online)  
founded 1985

Editor: David Williams

www.mwbc.org/newspaper | 3,100 readers | free

**MISSISSIPPI**

MISSISSIPPI BAPTIST CONVENTION  
founded 1836

**Executive Director:** Shawn Parker

**Associate Directors:**

Michael Lee, Ken Rhodes, Barri A. Shirley

**CONVENTION OFFICE**

515 Mississippi Street | P.O. Box 530  
Jackson, MS 39205-0530  
(601) 968-3800 | www.mbc.org

**CONVENTION MEETING\***

October 27-28

First Baptist Church, Jackson

**CONVENTION OFFICERS**

Ken Hester, *president*  
Michael Weeks, *recording secretary*

**CONVENTION NEWSPAPER**

*The Baptist Record* (weekly)  
founded 1877  
Editor: William H. Perkins  
Associate Editor: Tony Martin  
www.mbc.org/business-services/the-baptist-record  
66,062 readers | \$10.35

**MISSOURI**

MISSOURI BAPTIST CONVENTION  
founded 1834

**Executive Director:** John L. Yeats

**CONVENTION OFFICE**

400 East High Street  
Jefferson City, MO 65101-3253  
(573) 636-0400 | www.mobaptist.org

**CONVENTION MEETING\***

October 26-27

St. Charles Convention Center, St. Charles

**CONVENTION OFFICERS**

Jeremy Muniz, *president*  
Chad Hodges, *recording secretary*

**CONVENTION NEWSPAPER**

*The Pathway* (biweekly)  
founded 2002  
Editor: Don Hinkle  
Associate Editor: Ben Hawkins  
www.mbcpathway.com | 28,576 readers  
subscription included in contribution

**MONTANA**

MONTANA SOUTHERN BAPTIST CONVENTION  
founded 2002

**Executive Director:** Barrett Duke

**CONVENTION OFFICE**

1130 Cerise Road  
Billings, MT 59101-7336  
(406) 252-7537 | www.mtsbc.com

**CONVENTION MEETING\***

October 1-2

Emmanuel Baptist Church, Billings

**CONVENTION OFFICERS**

Chad Scarborough, *president*

**CONVENTION NEWSPAPER**

*Montana Baptist E-News* (monthly)  
founded 1988

Editor: Barrett Duke

Associate Editor: Jeannie Hayes  
www.mtsbc.org/category/news  
400 readers | free

**NEVADA**

NEVADA BAPTIST CONVENTION  
founded 1978

**Executive Director:** Kevin White

**CONVENTION OFFICE**

406 California Avenue  
Reno, NV 89509-1520  
(775) 786-0406  
www.nevadabaptistconvention.org

**CONVENTION MEETING\***

October 19-20

South Reno Baptist Church, Reno

**CONVENTION OFFICERS**

Damian Ciricione, *president*  
Reesa Scott, *recording secretary*

**CONVENTION NEWSPAPER**

*The Nevada Baptist* (monthly; online)  
founded 1978  
Editor: Kevin White  
nevadabaptistconvention.org | 620 readers | free

**NEW ENGLAND**

BAPTIST CONVENTION OF NEW ENGLAND  
founded 1982

**Executive Director:** Terry Dorsett

**Associate Director:** Stan Smith, *interim*

**CONVENTION OFFICE**

87 Lincoln Street  
Northborough, MA 01532  
(508) 393-6013 | www.bcne.net

**CONVENTION MEETING\***

November 6-7

Church on Seven Hills, Worcester, MA

**CONVENTION OFFICERS**

Gonzalo Gruapera, *president*  
Sandra Coelho, *recording secretary*  
Karen Dorsett, *registration secretary*

**CONVENTION NEWSPAPER**

*BCNE E-Journal* (monthly)  
founded 2008  
Editor: Terry Dorsett  
Associate Editor: Kimber Ross  
www.bcne.net/news | 4,483 readers | free

**NEW MEXICO**

THE BAPTIST CONVENTION  
OF NEW MEXICO  
founded 1912

**Executive Director:** Joseph Bunce

**CONVENTION OFFICE**

P.O. Box 94485  
Albuquerque, NM 87199  
(505) 924-2300 | www.bcnm.com

**CONVENTION MEETING\***

October 20

Hoffmamtown Baptist Church, Albuquerque

**CONVENTION OFFICERS**

Jared Bridge, *president*  
Nancy Faucett, *recording & registration secretary*

**CONVENTION NEWSPAPER**

*Baptist New Mexican* (weekly)  
founded 1912

Editor: Kevin Parker  
www.gobnm.com | 9,000 readers | \$5.50

**NEW YORK**

BAPTIST CONVENTION OF NEW YORK  
founded 1969

**Executive Director:** Terry Robertson

**CONVENTION OFFICE**

5885 East Circle Drive, Suite 235  
Cicero, NY 13039  
(315) 433-1001 | www.bcnysbc.org

**CONVENTION MEETING\***

September 27

Online

**CONVENTION OFFICERS**

Albert Camacho, *president*  
Steve Sallis, *recording secretary*

**CONVENTION NEWSPAPER**

None provided

**NORTH CAROLINA**

BAPTIST STATE CONVENTION  
OF NORTH CAROLINA  
founded 1830

**Executive Director:** Milton A. Hollifield, Jr.

**Associate Director:** Chuck Register

**CONVENTION OFFICE**

205 Convention Drive  
Cary, NC 27511  
(919) 459-5500 | www.ncbaptist.org

**CONVENTION MEETING\***

TBD

**CONVENTION OFFICERS**

Steve Scoggins, *president*  
Angela Kilby, *recording secretary*  
Ron Rasberry, *registration secretary*

**CONVENTION NEWSPAPER**

*Biblical Recorder* (biweekly)  
founded 1833  
Editor: Seth Brown  
Associate Editors: Dianna Cagle, Liz Tabazon  
www.brnow.org | 14,464 readers | \$19.99

\* State Convention meetings, including their dates and locations, are subject to change due to COVID-19.

## STATE CONVENTION DIRECTORY

**NORTHWEST**

**NORTHWEST BAPTIST CONVENTION**  
*founded 1948*

**Executive Director:** Randy Adams

**CONVENTION OFFICE**

3200 NE 109th Avenue  
Vancouver, WA 98682  
(360) 882-2100 | www.nwbaptist.org

**CONVENTION MEETING\***

November 10-11  
Great Wolf Lodge, Grand Mound, WA

**CONVENTION OFFICERS**

Barry Campbell, *president*  
Kristen Johnson, *recording secretary*  
Leigh Ann Stark, *registration secretary*

**CONVENTION NEWSPAPER**

*Northwest Baptist Witness* (bimonthly)  
*founded 1931*  
Editor: Cameron Crabtree  
Associate Editor: Sheila Allen  
www.gonbw.org | 8,000 readers

**PENNSYLVANIA-SOUTH JERSEY**

**BAPTIST RESOURCE NETWORK  
OF PENNSYLVANIA-SOUTH JERSEY**  
*founded 1970*

**Executive Director:** Barry Whitworth

**CONVENTION OFFICE**

4620 Fritchey Street  
Harrisburg, PA 17109  
(717) 652-5856 | www.brnunited.org

**CONVENTION MEETING\***

November 5-6  
Eden Resort & Suites, Lancaster, PA

**CONVENTION OFFICERS**

Buff McNickle, *president*  
Jennifer Musser, *recording secretary*

**CONVENTION NEWSPAPER**

*BRNUnited* (weekly)  
*founded 1970*  
Editor: Shannon Baker  
www.brnunited.org/news | 2,275 readers

**TENNESSEE**

**TENNESSEE BAPTIST CONVENTION**  
*founded 1874*

**Executive Director:** Randy C. Davis

**CONVENTION OFFICE**

4017 Rural Plains Circle  
Franklin, TN 37064  
(615) 373-2255 | www.tnbaptist.org

**CONVENTION MEETING\***

November 10-11  
Brentwood Baptist Church, Brentwood

**CONVENTION OFFICERS**

Bruce Chesser, *president*  
Bernie Baker, *recording secretary*  
Dan Ferrell, *registration secretary*

**CONVENTION NEWSPAPER**

*Baptist & Reflector* (biweekly)  
*founded 1835*  
P.O. Box 682789; Franklin, 37068  
Editor: Lonnie Wilkey  
Associate Editor: David Dawson  
www.baptistandreflector.org | 38,000 readers  
\$15.00

**OHIO**

**STATE CONVENTION OF BAPTISTS IN OHIO**  
*founded 1954*

**Executive Director:** Jack P. Kwok

**Associate Director:** Bruce Smith

**CONVENTION OFFICE**

9000 Antares Avenue  
Columbus, OH 43240  
(614) 601-6789 | www.scbo.org

**CONVENTION MEETING\***

November 16-17  
Dublin Baptist Church, Dublin

**CONVENTION OFFICERS**

Ryan Strother, *president*  
Faye Rodgers, *recording secretary*  
Kevin Heaton, *registration secretary*

**CONVENTION NEWSPAPER**

*Ohio Baptist Messenger* (bimonthly)  
*founded 1954*  
Editor: Jack Kwok  
www.scbo.org/content/ohio-baptist-messenger  
free

**PUERTO RICO**

**CONVENCION DE IGLESIAS BAUTISTAS  
DEL SUR EN PUERTO RICO**  
(CONVENTION OF SOUTHERN BAPTIST CHURCHES  
IN PUERTO RICO)  
*founded 2000*

**Executive Director:** Félix Cabrera

**CONVENTION OFFICE**

P.O. Box 194726  
San Juan, PR 00919-4726  
(939) 464-2427 | www.cibpuertorico.org

**CONVENTION MEETING\***

November 14  
Guayama, Puerto Rico

**CONVENTION OFFICERS**

David Colón, *president*  
Xavier Torrado, *recording secretary*  
Gil Ramos, *registration secretary*

**CONVENTION NEWSPAPER**

*None provided*

**OKLAHOMA**

**BAPTIST GENERAL CONVENTION  
OF OKLAHOMA**  
*founded 1906*

**Executive Director:** D. Hance Dilbeck, Jr.

**Associate Director:** Joe Ligon

**CONVENTION OFFICE**

3800 North May Avenue  
Oklahoma City, OK 73112  
(405) 942-3800 | www.oklahomabaptists.org

**CONVENTION MEETING\***

November 9-10  
First Baptist Church, Broken Arrow

**CONVENTION OFFICERS**

Blake Gideon, *president*

**CONVENTION NEWSPAPER**

*Baptist Messenger* (biweekly)  
*founded 1912*  
Editor: Brian Hobbs  
Associate Editor: Chris Doyle, managing  
www.baptistmessenger.com | 41,978 readers  
individual: \$13.75

**SOUTH CAROLINA**

**SOUTH CAROLINA BAPTIST CONVENTION**  
*founded 1821*

**Executive Director:** Gary Hollingsworth

**Associate Director:** Jay Hardwick

**CONVENTION OFFICE**

190 Stoneridge Drive  
Columbia, SC 29210-8254  
(803) 765-0030 | www.scbaptist.org

**CONVENTION MEETING\***

November 9-10  
First Baptist Church, Columbia

**CONVENTION OFFICERS**

Josh Powell, *president*  
Kathy Hall, *recording secretary*  
David Dinkins, *registration secretary*

**CONVENTION NEWSPAPER**

*The Baptist Courier* (monthly)  
*founded 1869*  
100 Manly St., Greenville, 29601  
Editor: James Rudy Gray  
Associate Editor: Todd Deaton  
www.baptistcourier.com | 32,000+ readers  
individual: \$21.00 | church group: \$17.40  
church family: \$10.20

**TEXAS (BGTC)**

**THE BAPTIST GENERAL  
CONVENTION OF TEXAS**  
*founded 1885*

**Executive Director:** David W. Hardage

**Associate Director:** Craig Christina

**CONVENTION OFFICE**

7557 Rambler Road, Suite 1200  
Dallas, TX 75231-2388  
(214) 828-5300 | www.texasbaptists.org

**CONVENTION MEETING\***

November 15-17  
Online

**CONVENTION OFFICERS**

Michael A. Evans, Sr., *president*

**CONVENTION NEWSPAPER**

*The Baptist Standard* (monthly)  
*founded 1888*  
5151 Headquarters Dr.; Suite 175; Plano, 75024  
Editor: Eric Black  
Associate Editor: Ken Camp  
www.baptiststandard.com | \$16.00

**TEXAS (SBTC)**

**SOUTHERN BAPTISTS OF TEXAS CONVENTION**  
*founded 1998*

**Executive Director:** James W. Richards

**CONVENTION OFFICE**

P.O. Box 1988  
Grapevine, TX 76099-1988  
(817) 552-2500 | www.sbtexas.com

**CONVENTION MEETING\***

November 9-10  
Hyde Park Baptist Church, Austin

**CONVENTION OFFICERS**

Kie Bowman, *president*  
Francis Garcia, *recording secretary*

**CONVENTION NEWSPAPER**

*Southern Baptist Texan* (monthly)  
*founded 1999*  
Editor: Gary Ledbetter  
Associate Editor: Joshua Owens  
www.texanonline.net | 52,179 readers | free

\* State Convention meetings, including their dates and locations, are subject to change due to COVID-19.

## STATE CONVENTION DIRECTORY

**UTAH-IDAHO**

UTAH-IDAHO  
SOUTHERN BAPTIST CONVENTION  
*founded 1964*

**Executive Director:** Rob Lee

**CONVENTION OFFICE**

12401 South 450 East, G-1  
Draper, UT 84020  
(801) 572-5350 | [www.uisbc.org](http://www.uisbc.org)

**CONVENTION MEETING\***

October 30  
First Baptist Church, West Valley City, UT

**CONVENTION OFFICERS**

Bryan Catherman, *president*  
Roger Naylor, *recording secretary*  
Debbie Chidester, *registration secretary*

**CONVENTION NEWSPAPER**

*UISBC eNews* (bimonthly)  
Editor: Rob Lee  
Associate Editor: Brittany McNair  
[www.uisbc.org/enews](http://www.uisbc.org/enews) | free

**VIRGINIA (BGAV)**

BAPTIST GENERAL ASSOCIATION  
OF VIRGINIA  
*founded 1823*

**Executive Director:** John V. Upton, Jr.

**Associate Director:** Glenn Akins

**CONVENTION OFFICE**

2828 Emerywood Parkway  
Henrico, VA 23294  
(804) 915-5000 | [www.bgav.org](http://www.bgav.org)

**CONVENTION MEETING\***

November 9-10  
Online

**CONVENTION OFFICERS**

J. Adam Tyler, *president*  
Herbert L. Ponder, *recording & registration secretary*

**CONVENTION NEWSPAPER**

*None provided*

**VIRGINIA (SBCV)**

SOUTHERN BAPTIST CONVENTION  
OF VIRGINIA  
*founded 1996*

**Executive Director:** Brian Autry  
**Associate Director:** Brandon Pickett

**CONVENTION OFFICE**

4956 Dominion Boulevard  
Glen Allen, VA 23060  
(804) 270-1848 | [www.sbcv.org](http://www.sbcv.org)

**CONVENTION MEETING\***

November 8-10  
The Heights Baptist Church, Colonial Heights

**CONVENTION OFFICERS**

Allen McFarland, *president*  
Jim Drake, *recording secretary*

**CONVENTION NEWSPAPER**

*Proclaimer* (quarterly)  
*founded 1996*  
Editor: Brandon Pickett  
[www.sbcv.org/proclaimer](http://www.sbcv.org/proclaimer) | 17,000 readers | free

**WEST VIRGINIA**

WEST VIRGINIA CONVENTION  
OF SOUTHERN BAPTISTS  
*founded 1970*

**Executive Director:** Eric W. Ramsey

**CONVENTION OFFICE**

28 Mission Way  
Scott Depot, WV 25560  
(304) 757-0944 | [www.wvcsb.org](http://www.wvcsb.org)

**CONVENTION MEETING\***

November 5-6  
Good Shepherd Baptist Church, Scott Depot

**CONVENTION OFFICERS**

Mason Ballard, *president*  
Chuck Morrow, *recording secretary*

**CONVENTION NEWSPAPER**

*None provided*

**WYOMING**

WYOMING SOUTHERN BAPTIST  
MISSION NETWORK  
*founded 1984*

**Executive Director:** Quin Williams

**CONVENTION OFFICE**

3925 Casper Mountain Road, Suite 101  
Casper, WY 82601  
(307) 472-4087 | [www.wyomingsbc.org](http://www.wyomingsbc.org)

**CONVENTION MEETING\***

November 5-6  
Boyd Avenue Baptist Church, Casper

**CONVENTION OFFICERS**

John Larramendy, *president*  
Cheri Mickelson, *recording secretary*

**CONVENTION NEWSPAPER**

*WSBC Horizons* (quarterly)  
*founded 1984*  
Editor: Quin Williams  
Associate Editor: Pam Hans  
[www.wyomingsbc.org/horizons](http://www.wyomingsbc.org/horizons) | free

## STATE-BY-STATE CONVENTION STAFF COMPARISONS

State	ACP Contact (Annual Church Profile)	Assistant to Exec. Director	Business	Church-Minister Relations	Church Planting and Revitalization	Collegiate Ministries
Alabama	Mickey Crawford	Bobby DuBois	-	Mike Jackson	Brian Harper	Mike Nuss
Alaska	Debra Long	Sylvia Rylander	Debra Long	-	Jae McKee	Jimmy Stewart
Arizona	Amy Medley	Lacey Bastman	Katherine Keller	-	M. Patton, K. Durham	Marc Hill
Arkansas	Gwen McCallister	Vera Clancy	David Bond	-	T. Wicker, W. McKay	Bruce Venable
California	Steve Foss	Beth Ketcheside	Marc Tempesta	Ralph Neighbour	R. Shepherd R. Neighbour	Ralph Neighbour
Colorado	Jan Loser	Jan Loser	T. Corbin, D. Lohrey	Charles Boswell	Frank Cornelius	Bobby Pruitt
Dakotas	Karen Holmes	-	Paul O'Dell	Jeff Musgrave	B. Hill, S. Carson	Brandon Pedersen
Florida	Lonnie Wright	Patty Vansant	S. Baumgardner	-	-	Billy Young
Georgia	Tom Crites	Mark Marshall	Kevin Smith	Tim Dowdy	-	Joe Graham
Hawaii	Dawn Akutagawa	Lisa Tabudlo	Mike Martin	C. Webb, R. Miller	Sean Lathrop	Arjay Gruspe
Illinois	Drew Heironimus	Barb Troeger	Jeff Deasy	Mark Emerson	B. Lovin, S. Foshie	Kevin Jones
Indiana	Carol Houpt	Alison Blankenship	Kyle Brennan	Bob Weeks	Nathan Millican	Bob Weeks
Iowa	Mandy Stenberg	Mandy Stenberg	Chris Eller	E. Gregory; C. McRae, B. Allen	Chase Abner	Chase Abner
Kansas-Nebraska	B. Spicer	Peg Davis	Becky Holt	David Manner	R. Johnston G. Boujakly	Robbie Nutter
Kentucky	Rick Pryor	Karen Martin	-	Steve Rice	Carlos De la Barra	Carlos De la Barra
Louisiana	Shana Johnson	Jeannie Saylor	Dale Lingenfelter	-	James Jenkins	Mark Robinson
Maryland-Delaware	Iris White	Rosalie Chesley	Tom Stolle	Mark Dooley	M. Crawford, M. Dooley, R. Millwood	Nathan Walters
Michigan	Mike Durbin	Jamie Lynn	-	-	Tony Lynn	Tony Lynn
Minnesota-Wisconsin	Clint Calvert	Julie Sundeen	Julie Sundeen	S. Melvin, S. Dyess	J. Whetstone (NAMB), S. Melvin	Bob Smith
Mississippi	Beverly Bridges	Maria Teel	Barri A. Shirley	Greg Barker	Johnny Ervin	Lloyd Lunceford
Missouri	Pam Jeffries	Carla Stegeman	Paula Earls	Jim Misloski	Rick Hedger	Gene Austin
Montana	Jeannie Hayes	Jeannie Hayes	-	Darren Hales	William Johnson	-
Nevada	Reesa Scott	Reesa Scott	-	-	P. Harwood, R. Jones	-
New England	Sandy Coelho	Bree Cobbs	Terry Dorsett	Joe Souza	Gary Moritz	Andy Haynes
New Mexico	Nancy Faucett	Nancy Faucett	Gerald Farley	-	S. Wilson, T. Henderson	David Englehart
New York	Cathy Meyer	Cathy Meyer	-	-	-	D. Bartholomew
North Carolina	Russell Schwab	Kathy Bennett	John Butler	Eddie Thompson	C. Register, S. Marks	Tom Knight
Northwest	Leigh Ann Stark	Kristen Johnson	Pamela Brock	-	Gary Irby	Ken Harmon
Ohio	Charlotte Barbo	Katrina Umphrey	Jack Kwok	Steve Hopkins	B. Smith; S. Hopkins	Matt Pardi
Oklahoma	Kdie Nix	Lori Warren	Kerry Russell	James Swain	Alan Quigley	Cris Lowery
Pennsylvania-S. Jersey	Elizabeth Bengé	Elizabeth Bengé	Andy Weber	-	Cliff Jenkins	Robert Turner
Puerto Rico	Denisse Candelaria	Denisse Candelaria	-	-	Junior Martinez	Marcos Reversat
South Carolina	Lisa Coley	Kim Yates	Bryan Holley	Ron Barker	Cliff Marshall	Chad Stillwell
Tennessee	Libby Eaton	Cynthia Proctor	William Maxwell	Steve Holt	W. Burton, K. Minchey	Bill Choate
Texas (BGCT)	Jerry Bell	Becky Brown	Ward Hayes	Dowell Loftis	Phil Miller	Mark Jones
Texas (SBCT)	Tony Wolfe	Randi Kent	Joe Davis	Tony Wolfe	D. Hixson, K. Priest	Mitch Tidwell
Utah-Idaho	Sally Teny	Debbie Chidester	Janice Trotter	-	Rob Lee	Ben Neiser
Virginia (BGAV)	Melody Fowler	Marilee White	Leslie Straw	Susan McBride	JR Woodward	Welford Orrock
Virginia (SBCV)	Steve Bradshaw	Tami Walker	-	Steve Bradshaw	J. Turner; R. Small	Shawn Ames
West Virginia	Michelle Harris	Michelle Harris	Michelle Harris	-	Eric Ramsey	Tim Turner
Wyoming	Pam Hans	Pam Hans	Janice Trotter	-	Don Whalen	Don Whalen

## STATE-BY-STATE CONVENTION STAFF COMPARISONS

State	Communications	Conference Center(s)	Cooperative Program	Disaster Relief	Evangelism	Foundation
Alabama	Doug Rogers	-	Jim Swedenburg	Mark Wakefield	Daniel Wilson	Barry Bledsoe
Alaska	-	-	Randy Covington	Gary Bearce	Jimmy Stewart	Randy Covington
Arizona	Elizabeth Young	-	David Johnson	Patty Kirchner	Edward Pearson	-
Arkansas	Greg Addison	-	Greg Addison	Randy Garrett	Will McKay	Bobby Thomas
California	Terry Barone	-	Pete Ramirez	Mike Bivins	Pete Ramirez	Jonathan Jarboe
Colorado	Tim Corbin	-	-	Dennis Belz	Tim Corbin	Douglas B. Lohrey
Dakotas	Paul O'Dell	-	-	B. Hill, J.Ward	-	-
Florida	Micah Ferguson	-	Micah Ferguson	Delfon Beall	Wayne Briant	-
Georgia	John Courtney	Bill Wheeler	Buck Burch	Stuart Lang	Levi Skipper	Jonathan Gray
Hawaii	Craig Webb	Lindsey Lai	Mike Martin	John Vaughn	Brian Smart	Arnold Goto
Illinois	Eric Reed	-	Jeff Deasy	Butch Porter	Brad Lovin	Doug Morrow
Indiana	Steve McNeil	Jim Shields	Steve McNeil	Jim Shields	Bob Weeks	Jennifer Hall
Iowa	Ben Bradley	-	Tim Lubinus	M. & S. Carlson	Tim Lubinus	Ben Bradley
Kansas-Nebraska	David Manner	Mari Parker	Bob Mills	Frank McCrary	-	Rex Lindsay
Kentucky	Brandon Porter	Lance Howerton	Curtis Woods	Coy Webb	Rob Patterson	French Harmon
Louisiana	John Kyle	Josh Bumgardner	Stacy Morgan	Gibbie McMillan	Keith Manuel	Jeff Steed
Maryland-Delaware	Alexander Bouffard	Emily Reedy	Tom Stolle	Ellen Udovich	Mark Dooley	Tom Stolle
Michigan	Jamie Lynn	Mick Schatz	-	Bob Kiger	Mike Durbin	Mike Wigle
Minnesota-Wisconsin	Julie Sundeen	-	Leo Endel	Ben Seamans	Leo Endel	Leo Endel
Mississippi	Ian Richardson	R. Reed, S. Thrash	Rick Blythe	Barri A. Shirley	Don Lum	Daniel Hall
Missouri	Rob Phillips	-	Rob Phillips	Gaylon Moss	Brad Bennett	Neil Franks
Montana	Jeannie Hayes	Bree Jones	Barrett Duke	Dana Burns	Barrett Duke	Ed Hudson
Nevada	-	-	Kevin White	Lynn McGee	Paul Harwood	Kevin White
New England	Kimber Huff	Allyson Clark	Terry Dorsett	Tim Brown	Stan Smith, interim	Terry Dorsett
New Mexico	Kevin Parker	-	Joseph Bunce	Scott Wilson	Tar Henderson	Rick Breedon
New York	Cathy Meyer	-	Terry Robertson	Michael Flannery	-	Terry Robertson
North Carolina	Kathryn Carson	K. Adcock, B. Hemphill, J. Huffman	Will Taylor	Tom Beam	A. Allen, R. Hughes, M. Johnson, C. Markland, J. Reed, M. Smith	Clay Warf
Northwest	Cameron Crabtree	-	-	Gary Floyd	Joe Flegal	Clint Overall
Ohio	Dan Stupakewicz	Scott Seder	Jack Kwok	Sam Kelley	Jack Helton	Jack Helton
Oklahoma	Brian Hobbs	Andy Harrison	Chris Forbes	Don Williams	Alan Quigley	Robert Kellogg
Pennsylvania-S. Jersey	Shannon Baker	-	Barry Whitworth	Kenton Hunt	Larry Anderson	-
Puerto Rico	-	-	-	-	-	-
South Carolina	Lara Gopp	Thomas Truitt	Gary Anderson	Randy Creamer	Lee Clamp	Nathan McCarthy
Tennessee	Chris Turner	Mark Proctor	Matt Tullos	Wes Jones	Roc Collins	Bill Gruenewald
Texas (BGCT)	Joshua Minatrea	-	Bruce McCoy	Mickey Lenamon	Leighton Flowers	Jerry Carlisle
Texas (SBCT)	Gary Ledbetter	-	Kenneth Priest	Scottie Stice	Richard Taylor	Bart McDonald
Utah-Idaho	-	-	Rob Lee	Russel Hohmann	Jerry Martin	-
Virginia (BGAV)	David Washburn	Rod Miller	David Washburn	Glenn Maddox	Wayne Faison	Ron Hall
Virginia (SBCV)	Ishmael LaBiosa	-	Eddie Urbine	Shawn Ames	Steve Bradshaw	Eddie Urbine
West Virginia	Cleve Persinger	-	Eric Ramsey	Jim Messenger	Tim Turner	Terrie Hannah
Wyoming	-	-	Quin Williams	-	-	-

## STATE-BY-STATE CONVENTION STAFF COMPARISONS

Men's Ministry	Missions	Multicultural Ministries	Music	Stewardship	Sunday School/ Discipleship	WMU
Larry Hyche	Scotty Goldman	Scotty Goldman	Keith Hibbs	Jim Swedenburg	Daniel Edmonds	Candace McIntosh
-	Jae McKee	-	-	-	Jimmy Stewart	-
-	David Johnson	-	-	-	Edward Pearson	-
Travis McCormick	Bob Harper	Jamie Naramore	Larry Grayson	-	B. Johnson, R. Richardson	Debbie Moore
Mike Bivins	Pete Ramirez	Oscar Sanchez	Roger Byrd	Ralph Neighbour	Ken Sartain	Pete Ramirez
-	-	-	-	-	-	Rhonda Nanney
-	Buck Hill	-	-	-	-	-
-	Myles Dowdy	Patrick Coats	Terry Williams	-	-	Cindy Bradley
-	Buck Burch	Tim Dowdy	Jon Duncan	-	Scott Sullivan	Beth Ann Williams
-	Brian Smart	-	-	-	Craig Webb	Diana Ventura
Jack Lucas	Brad Lovin	-	-	Mark Emerson	Ben Jones	Carmen Halsey
Jim Shields	Steve McNeil	Bob Weeks	Sarah Bohrer	Kyle Brennan	Bob Weeks	Allison Kinion
Chris McRae	Tim Lubinus	-	-	Tim Lubinus	Chris McRae	Joni Wilkinson
Mari Parker	Bob Mills	R. Johnston G. Boujakly	David Manner	-	Ken Beckner	Mari Parker
Coy Webb	Eric Allen	Carlos De la Barra	Jason Stewart	Steve Rice	Darryl Wilson	Liz Encinia
Gibbie McMillan	John Hebert	James Jenkins	-	Stacy Morgan	Sean Keith	Janie Wise
-	Michael Crawford	-	-	Tom Stolle	Mark Dooley	Melody Knox
-	Tony Lynn	-	-	-	-	Susan Hodnett
-	-	Na Herr	Clint Calvert	Leo Endel	Clint Calvert	-
Ken Rhodes	Ken Rhodes	Ken Rhodes	Slater Murphy	Rick Blythe	Marcus Peagler	Tammy Anderson
Gaylon Moss	Rick Hedger	Omar Segovia	-	Spencer Hutson	Jason Walters	Bonnie Carter
-	-	-	-	-	-	Sharon Ellington
-	Ryan Jones	-	-	-	Paul Harwood	-
-	Sam Taylor	Joe Souza	-	Terry Dorsett	Sandy Coelho	Doris Opoku
-	Scott Wilson	Scott Wilson	Lamar Morin	Joseph Bunce	Lamar Morin	Connie Dixon
-	-	-	-	-	-	Cathy Meyer
J. Reed, M. Abernathy	Zac Lyons	S. Joo, Z. Lyons, W. Ortega, A. Santos, R. Garay	Kenny Lamm	Davis Blount	Rick Hughes	-
-	Gary Irby	-	-	-	-	Nancy Hall
Duane Floro	Bruce Smith	Duane Floro	Dwayne Lee	Jack Kwok	Dwayne Lee	Duane Floro
Bubba Burcham	Amy Cordova	E. Borunda, E. Falls, W. Wilson	Randy Lind	-	Bob Mayfield	Amy Cordova
-	-	-	-	David Ludwig	David Ludwig	Beth Whitworth
-	-	-	-	-	-	Wendy Ortiz
Randy Creamer	Ken Owens	Stephen Splawn	Matt Freeman	Gary Anderson	Steve Rohrlack	Laurie Register
Wes Jones	Steve Holt	William Burton	Scott Shepherd	Matt Tulos	Mark Miller	Vickie Anderson
Mickey Lenamon	Josue Valerio	Gus Reyes	Tom Tillman	-	David Adams	Tamiko Jones
Lance Crowell	Doug Hixson	Richard Taylor	Dave Carroll	Bar McDonald	M. Yoakum, L. Crowell	-
-	-	-	-	Rob Lee	Jason McNair	Mary McFarling
Dean Miller	Dean Miller	Wayne Faison	Tom Ingram	David Washburn	Tony Brooks	Valerie Carter Smith
Steve Bradshaw	Brad Russell	Brandon Pickett	-	Eddie Urbine	Steve Bradshaw	-
Tim Turner	-	-	-	Eric Ramsey	Tim Turner	L. Davis, K. Koletka
-	-	-	-	Quin Williams	Fred Creason	-



**ADDITIONAL STATE CONVENTION STAFF MEMBERS** *(alphabetized by position)*

**GEORGIA - continued**  
 Beth Ann Williams Georgia Baptist Women, Lead Strategist  
 Karen Pace Georgia Baptist Women, Leadership & Children's Missions  
 Lorna Bius Georgia Baptist Women, Mission Georgia  
 Beverly Skinner Georgia Baptist Women, Women's Ministry & Young Women's Missions  
 Ovidio Cabrera Hispanic Ministry Consultant  
 David Cardoza Hispanic Ministry Consultant  
 Javier Chavez Hispanic Ministry Consultant  
 Alicia Hollis Information Technology  
 Bryan Nowak Information Technology  
 Kevin Wilson Information Technology  
 Paulette DeHart Literacy Missions  
 Samuel Ayala Missions  
 Rolando Castro Missions  
 Jeff Gongwer Missions  
 Keith Ivey Missions  
 Eric Rentz Missions  
 J. J. Washington Missions  
 Mike Ricks Next Gen  
 Cameron Wilkins Next Gen  
 Jenni Carter Next Gen Consultant  
 Bryan Alexander Pastor Wellness  
 Chris Reynolds Pastor Wellness  
 Marty Youngblood Pastor Wellness  
 Tim Dowdy Pastor Wellness, Lead Strategist  
 Mary Cox Pastors Wives Consultant  
 Mike Griffin Public Affairs  
 Tom Crites Research & Development  
 Mark Strange Research & Development, Communications  
 Linda Wilkins Research & Development, Content Consultant  
 John Courtney Research & Development, Lead Strategist  
 Scott Smith Research & Development, Research Design  
 Jon Graham Research & Development, Video Production  
 Barry Dollar Research & Development, Web Strategist  
 Dennis Rivera Strategic Church Planting  
 Keith Chandler Worship & Music  
 Jon Duncan Worship and Music Catalyst  
 Keith Chandler Worship and Music Consultant  
 Nick Duke Worship and Music Consultant

**HAWAII***None provided***ILLINOIS**

Ashley Parsons Accountant  
 Carole Doom Administrative Coordinator  
 Philip Hall Baptist Camp Manager, Lake Salateeska  
 Mike Young Baptist Camp Manager, Streator  
 Denny Hydrick Baptist Children's Home and Family Services, Executive Director  
 Kendra Jackson Bookkeeper  
 Bryan Price Church Consultant - Zone 1  
 Joe Oliver Church Consultant - Zone 2  
 Pat Pajak Church Consultant - Zone 3  
 Brian McWethy Church Consultant - Zone 4  
 Joe Gardner Church Consultant - Zone 5  
 Cliff Woodman Church Consultant - Zone 6  
 Robert Evald Church Consultant - Zone 7  
 Larry Rhodes Church Consultant - Zone 8  
 Steve Neill Church Consultant - Zone 9  
 Jorge Melendez Church Planting Catalyst  
 John Yi Church Planting Catalyst, Northeast Region (2nd Generation)  
 Tim Bailey Church Planting Catalyst, Northeast Region (Suburban)  
 Ken Wilson Church Planting, Director, South Region  
 Kevin Jones Church Planting, Director  
 Eddie Pullen Church Planting, Director  
 John Carruthers Church Relationships Manager  
 Eric Reed Communications Administrative Director  
 Nate Adams Executive Director  
 Drew Heironimus Information Systems, Director  
 Carmen Halsey Leadership Development, Director  
 Ben Jones Leadership Development, Director  
 Jack Lucas Leadership Development, Director  
 Meredith Flynn Managing Editor, Illinois Baptist  
 Brad Lovin Mobilization Administrative Director  
 Jeff Deasy Operations Administrative Director

**ILLINOIS - continued**  
 Kris Kell Production Manager  
 Scott Foshie Revitalization, Director  
 Lisa Misner Social Media and Public Policy Manager

**INDIANA**

Mary Brown Business Services Ministry Assistant  
 Sarah Wickersham Camp, Office Manager  
 Rick Porter Camp, Operations Director  
 Jim Shields Camp, Team Leader  
 John Horn Church Planting Catalyst, Church/Leader Development  
 Doug Jividen Church Planting Catalyst, Church/Leader Development  
 Jesus Pacheco Church Planting Catalyst, Hispanic  
 Carol Houpt Church Planting, Assistant  
 Terah Adams Church/Leader Development, Assistant  
 Greg Cooper Graphic Design Specialist

**IOWA**

Donovan Santamaria Church Based Church Planting Catalyst  
 Todd Stiles Church Based Church Planting Catalyst  
 Israel Becerra Church Planter Developer, Hispanic  
 Gilmer Mauricio Church Planter Developer, Hispanic  
 Ben Bradley Communications and Outreach Director  
 Shane Kelley Leadership Development Coordinator

**KANSAS/NEBRASKA**

John Shields Church Health Strategist (Town & Country)

**KENTUCKY**

Accountant  
 Accounting Services Director, Controller  
 Associate Executive Director, Convention Operations; Executive Office Team Leader  
 Associate Executive Director, Convention Relations  
 Children & Student Ministry, Consultant  
 Church Consulting & Revitalization, Team Leader  
 Church Evangelism, Strategist  
 Church Financial Benefits, Consultant  
 Church Planting & Development, Associate  
 Church Planting & Development, Associate  
 Church Planting & Development, Associate  
 Consultant, Central Region;  
 Regional Consultant Group Leader  
 Consultant, East Region  
 Consultant, North Central Region  
 Consultant, South Region  
 Consultant, West Region  
 Data Management, Manager  
 Evangelism, Church Planting & Campus Ministry, Team Leader  
 HR & Administration, Manager  
 Information Technology, Director  
 LAN Manager  
 Marketing & Media Relations, Associate  
 Media Production, Associate  
 Mission Strategies & Partnerships, Consultant  
 Missions Mobilization, Consultant  
 Missions Mobilization, Coordinator  
 Missions Mobilization, Team Leader  
 Sunday School/Discipleship, Consultant  
 Women and Transition, Associate  
 Worship/Music Ministry, Consultant

**LOUISIANA**

Jeff Ingram Adult Ministry, Strategist  
 Karon McCartney Archives, Coordinator  
 David Anderson Childhood Ministry, Strategist  
 Jess Archer Children/Youth Missions Education, Strategist  
 Lane Corley Church Planting, Strategist  
 Carlos Schmidt Church Planting, Strategist  
 Gavin Stevens Digital Media, Strategist  
 Jeff Cook Evangelism, Strategist  
 Jessica Fontenot Human Resources, Specialist  
 Shana Johnson Information Services Support, Supervisor  
 Mike Shumock Mission Builder, Strategist  
 Brandon Lewis Youth Ministry, Strategist

## ADDITIONAL STATE CONVENTION STAFF MEMBERS *(alphabetized by position)*

<p>Denise DuBois Iris White Sharon Mager Michael Crawford Dan Hyun Michael Mattar John Gauger David Hall Randy Millwood Michael Trammell Ellen Udovich Amy Smith Reginald Davis Margot Painter</p> <p>Adron Dozat Melody Knox Kris Buckman Emily Reedy</p> <p>Lori Stewart Jamie Lynn Bob Kiger Arthur Werry Betty Ward Ed Emmerling</p> <p>Paul Pinson David Young Windy South Jennie Taylor Mike Ray John Pace Angie Boudstun Tim R. Ruth Ken Hall</p> <p>Brian Grout Chris Perstrobe Omar Segovia Adam Stoddard Brandon Moore David Hendrick Samantha Spencer Leah England Tony Boes Chris Brizendine Bill Victor Jeff Carson</p> <p>Michael Liner William Johnson Barrett Duke Breanna Jones Jeannie Hayes Darren Hales</p> <p>Janice Trotter Jessica Schmidt</p> <p>Andy Haynes Sandy Coelho Allyson Clark Sam Taylor Randy Curtis Russ Rathier</p>	<p><b>MARYLAND/DELAWARE</b> Accountant Assistant to Associate Executive Director BaptisLIFE, Correspondent Church Planting Consultant Church Planting Consultant Church Planting Consultant (African American) Church Services Consultant Church Services Consultant Church Services Consultant Church Services Consultant Church Services Consultant Collegiate, International Student Ministry Creative Director Facility Manager, IT Manager, Church Planting Associate Facility Support Services Specialist Ministers' Wives and Families/Women's Ministry Preschool/Children, VBS Skycroft Conference Center, Director</p> <p><b>MICHIGAN</b> Bookkeeper (Executive) Communications Director Disaster Relief Director Technology Consultant Vacation Bible School Coordinator Youth Evangelism Coordinator</p> <p><b>MINNESOTA/WISCONSIN</b> <i>None provided</i></p> <p><b>MISSISSIPPI</b> Accounting &amp; Personnel Services, Director Church Music/ Instrumental, Consultant (Contract) Church Music/Keyboard, Consultant (Contract) Collegiate Ministry, Associate Director Missions Mobilization, Director Pastor/Leadership Development, Director Preschool &amp; Children/Sunday School, Consultant Procurement Officer Students/Discipleship &amp; Family Ministry, Consultant</p> <p><b>MISSOURI</b> Church Planting Catalytic Missionary Church Planting Catalytic Missionary Church Planting Catalytic Missionary Church Planting Catalytic Missionary Church Revitalization Collegiate, Regional Coordinator Controller Graphics/Print, Specialist Graphics/Web, Specialist Information Systems, Specialist Pastoral Leadership Student Ministries, Associate</p> <p><b>MONTANA</b> Church Planting Catalyst Church Planting Team Leader Executive Director Event Planner Office Manager/Administrative Assistant Strengthening Churches Team Leader</p> <p><b>NEVADA</b> Bookkeeper Missions/Revitalization/Evangelism, Administrative Assistant</p> <p><b>NEW ENGLAND</b> Collegiate Church Planting Lay Leadership Development Next Generation Leadership Development Regional Coordinator, Boston Regional Coordinator, Rhode Island Regional Coordinator, Vermont</p>	<p>J.E. Hammond David Englehart Ricardo Rivera Rick Brittain Sam Swann</p> <p>Vijay Allampalli Steve Allen Tim Bissell Jeremiah Brinkman Mike Flannery Romy Manansala Rowel Del Mundo Carlos Pacheco Dinesh Rai Pete Shults Elliott Sneed</p> <p>Kimberly Stauffer Beverly Volz Katherine Griffin Josh Reed Ralph Garay Sammy Jo</p> <p>Kecia Mariotti Chuck Register</p> <p>Cynthia King Lester Evans Deborah Robson John Butler Penny Cozadd Cheryl Markland Sandy Marks</p> <p>Lauren McCall</p> <p>Mike Pittman Mary Sweat</p> <p>Evan Blackerby Tom Knight Darrick Smith Will Taylor</p> <p>Kathryn Carson Ashley Beavers Davis Blount Kenny Adcock Brian Hemphill Jimmy Huffman Chad Austin Ashley Allen</p> <p>Lynn Sasser Patti Cardwell</p> <p>Brian Upshaw</p> <p>Milton A. Hollifield Jr. Kathy Bennett Jay Humphrey Mark Smith Clay Warf David Horton Whitney Goulding Zac Lyons William Ortega Amaury Santos</p> <p>Pamela Bills Larry Phillips John Jones</p>	<p><b>NEW MEXICO</b> Camp Manager Campus Minister, NMSU Hispanic Strategist Northeastern NM Regional Missionary Student Leadership Development &amp; Evangelism</p> <p><b>NEW YORK</b> Church Planting Catalyst Church Planting Catalyst</p> <p><b>NORTH CAROLINA</b> Accounting Assistant Accounting Services Director Accounts Payable Assistant Adult Consultant Evangelism &amp; Discipleship Asian Church Planting Consultant, CPMP Asian Ministries Consultant, Evangelism &amp; Discipleship Assistant Director, Accounting Associate Executive Director-Treasurer; Missions Director, Church Planting &amp; Missions Partnerships Executive Leader Associate Executive Director-Treasurer's Assistant Associational Partnerships Team Leader, CPMP Bible Drill Consultant, Evangelism &amp; Discipleship Business Services Executive Leader Business Services Executive Leader Assistant Childhood Consultant Evangelism &amp; Discipleship Church Health &amp; Revitalization Team Leader, Evangelism &amp; Discipleship Church Planting &amp; Missions Partnerships Executive Leader Assistant Church Planting Team Leader, CPMP Church Weekday Education Consultant, Evangelism &amp; Discipleship Collegiate Partnerships Consultant, CPMP Collegiate Partnerships Consultant, CPMP Communications Specialist and Cooperative Program Development Communications Team Leader Communications, Print &amp; Digital, Coordinator Compensation and Benefit Services Senior Consultant Conference Center Director Conference Center Director Conference Center Director Content Strategist-Editor Embrace &amp; Women's Consultant, Evangelism &amp; Discipleship Evangelism &amp; Discipleship Executive Leader Evangelism &amp; Discipleship Executive Leader's Assistant Evangelism Director, Disciple-Making Team Leader, Evangelism &amp; Discipleship Executive Director-Treasurer Executive Director-Treasurer's Assistant Facilities Operation Manager Family Consultant, Evangelism &amp; Discipleship Foundation Executive Director Fruitland Baptist Bible College Graphic Designer Communications Great Commission Partnerships, CPMP Hispanic Church Planting Consultant, CPMP Hispanic Ministries Consultant; Immigration Strategist, Evangelism &amp; Discipleship Human Resources Director Immigration Strategist, CPMP Information Technology/Information Systems Team Leader</p>
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## ADDITIONAL STATE CONVENTION STAFF MEMBERS *(alphabetized by position)*

<b>NORTH CAROLINA - <i>continued</i></b>		<b>PENNSYLVANIA/ SOUTH JERSEY</b>	
Ken Tan	Leadership Development Consultant, Evangelism & Discipleship	Debbie Toone	Bookkeeper, HUB Support
Mark Abernathy	NC Baptist Men Adults/Men's Ministries/Partnerships	Todd Beel	Church Planting Catalyst
Mark Moore	NC Baptist Men Camp Caraway Ministries	Ken Cordray	Church Planting Catalyst
Dollie Noa	NC Baptist Men, Children/Family Missions Mobilization	Hal Hopkins	Church Planting Catalyst
Tom Beam	NC Baptist Men, Disaster Relief & Mobilization	Michael Nerger	Church Planting Catalyst
Tracey Ford	NC Baptist Men, Financial Assistant	Samuel Rodriguez	Church Planting Catalyst
Crystal Horton	NC Baptist Men, Health Screening Coordinator	Eric Reiber	Collegiate Ministries Coordinator, Central Region
Julie Dolinger	NC Baptist Men, Medical/Dental Ministry Coordinator	Stanley Williams	Collegiate Ministries Coordinator, Philadelphia and South Jersey Regions
Paul Langston	NC Baptist Men, Missions Mobilization Ministry	Kirk Ritchey	Collegiate Ministries Coordinator, West Region
Richard Brunson	NC Baptist Men/Baptists on Mission Executive Director-Treasurer	Robert Turner	Collegiate Ministry, Director
Ron Rasberry	Network Administrator	LaVeta Jones	Communications Consultant
Chris Schofield	Office of Prayer for Evangelization & Spiritual Awakening Director	Shannon Baker	Communications, Director; Editor, BRN United
Eddie Thompson	Pastoral Ministries, Church Administration, Evangelism & Discipleship	Kenton Hunt	Disaster Relief, PA/SJ Director
Shannon Simons	Payroll Coordinator	Laurel Grimes	Events Coordinator; HUB Support
Terry Long	Revitalization Consultant, Evangelism & Discipleship	Elizabeth Bengé	Executive Assistant to Dr. Whitworth; HUB Coordinator
Cris Alley	Strategic Focus Team Leader, CPMP	Barry Whitworth	Executive Director-Treasurer
Stephen Harris	Strategy Coordinator, Blue Ridge/Asheville, CPMP	Beth Whitworth	Family Care and BRN Women, Director
Michael Boarts	Strategy Coordinator, Fayetteville and South Coastal, CPMP	Andy Weber	Finance and Operations, Director
Dennis Connor	Strategy Coordinator, Greenville, CPMP	David Ludwig	Healthy Churches, Associate Director
Eric Mullis	Strategy Coordinator, Metro Charlotte, CPMP	Larry Anderson	Healthy Churches, Director
Russ Reaves	Strategy Coordinator, Triad, CPMP	Lori Zepphur	Help Desk, HUB Support
John Davenport	Strategy Coordinator, Triangle, CPMP	Emma Tentarelli	HUB Support; South Jersey Region
Chuck Campbell	Strategy Coordinator, Unifour/Hickory, CPMP	Cliff Jenkins	Multiplying Churches, Director
Rick Hughes	Sunday School & Small Groups Consultant, Evangelism & Discipleship	Buff McNickle	Network Development & Compassion Ministries, Director
Russell Schwab	Systems Administrator	Corey Mitchell	Regional Consultant, Central
K Brown	Video Services Consultant	Robert Fontell	Regional Consultant, Philadelphia
Lai Salmonson	Webmaster	Greg Drayer	Regional Consultant, West
Amy Boone	WMU NC Executive Director-Treasurer	D. Kyle Canty	Send City Missionary Philadelphia
Kenny Lamm	Worship & Music Consultant, Evangelism & Discipleship	Rob Wilton	Send City Missionary Pittsburgh
Merrie Johnson	Youth Consultant, Evangelism & Discipleship	Joseph Velarde	Send Network PA/SJ Missionary
<b>NORTHWEST</b>		<b>PUERTO RICO</b>	
Leigh Ann Stark	Childhood Ministry	Accountant	
Gary Floyd	Disaster Relief Coordinator	<b>SOUTH CAROLINA</b>	
Lance Logue	Student Ministry	Accounting, Director	
<b>OHIO</b>		Adult/Generations, Director	
<i>None provided</i>		Associational Liaison	
<b>OKLAHOMA</b>		Benefits, Manager	
Walter Wilson	African American Ministry Partner	Building Services, Manager	
Chris Forbes	Branding and Marketing	Camp McCall, Director	
Kerry Russell	Chief Financial Officer	Chief Administrative Officer	
Charlie Gatton	Children's/CrossTimbers, Program Director	Childhood/Generations, Associate Director	
Thomas Jordan	Church & Employee Benefit Services	Church & Community Ministries, Director	
James Swain	Church Relations, Associate Executive Director	Church Life, Associate Director	
Alan Quigley	Church Resources, Associate Executive Director	Church Strategies, Director	
Cris Lowery	Collegiate Ministries; Emerging Generations Evangelism, Director	Church Strategies, Revitalization Strategist	
Andy Harrison	Conference Centers, Director	Disaster Relief, Operations Manager	
Walter Johnson	Creative and Print Services	Evangelism, Strategist	
Don Williams	Disaster Relief, Director; Chaplaincy and Community Ministries	Executive Assistant	
Everardo Borunda	Hispanic Ministry Partner	Executive Office Assistant	
Will Wright	Information Technology, Director	Human Resources, Manager	
Charles Loper	Information Technology, Manager	Mission Partnership, Director	
Amy Peterson	Ministry Wives' Ministry Partner	Operations, Director	
Amy Cordova	Missions and Women's Ministries	Print & Mail Services, Manager	
Emerson Falls	Native American Ministry Partner	Serve Team, Communities	
Todd Sanders	Program Director, Falls Creek	Technology Services, Manager	
Mark Dance	Regional Ministry Partner	WMU Camp La Vida, Business/Maintenance Manager	
Griff Henderson	Regional Ministry Partner	WMU, Accountant and Human Resource Director	
Buddy Hunt	Regional Ministry Partner	WMU, Associate (Adults/Growth)	
Brett Selby	Regional Ministry Partner	WMU, Associate (Children/Camp Program)	
Joe Ligon	Senior Associate Executive Director	WMU, Associate (Students/BNF)	
Brian Baldwin	Student Evangelism & Missions	Youth/Generations, Associate Director	
		<b>INSTITUTIONAL MINISTRY PARTNERS</b>	
		Evans Whitaker	
		Anderson University, President	
		Rudy Gray	
		Baptist Courier, Editor	
		Nathan McCarthy	
		Baptist Foundation, President & CEO	
		Dondi Costin	
		Charleston Southern University, President	
		Danny Nicholson	
		Connie Maxwell Children's Home, President/CEO	
		Gene Fant	
		North Greenville University, President	
		Tom Turner	
		SCBMA, President & Chief Executive Officer	

### ADDITIONAL STATE CONVENTION STAFF MEMBERS *(alphabetized by position)*

	<b>TENNESSEE</b>				
Randy Pressnell	Bi-vocational Specialist	Steve Massey		<b>TEXAS (BGCT) - continued</b>	
Brad Anderson	Carson Springs Assistant Manager	Erica Valenta		Foundation, Texas Baptist Missions, Vice President	
Kevin Perrigan	Carson Springs Manager	Roland Lopez		Go Now Missions, Associate Director	
Donna Blaydes	Childhood Specialist	Rolando Rodriguez		Hispanic Evangelism, Specialist	
Vicki Hulsey	Childhood Specialist	Naomi Taplin		Hispanic Ministries, Director	
Kevin Minchey	Church Revitalization Specialist			Historical Collection, Texas Baptist, Associate Director	
Larry Murphy	Church Revitalization Specialist	Alan Lefever		Historical Collection, Texas Baptist, Director	
Phil Taylor	Church Revitalization Specialist	Phillip Hassell		Historical Museum, Texas Baptist, Director	
Janice Carter	Compassion Ministries Catalyst, CWJC/CMJC	Rollie Richmond		Human Resources, Director	
Joe Sorah	Compassion Ministries Specialist, Harvest Fields Team Leader	Jerry Bell		IMT Manager	
	Controller	Dave Lyons		Information Technology, Director	
Rick Workman	Editor, Baptist & Reflector	Mark Heavener		Intercultural Ministries, Specialist	
Lonnie Wilkey	Evangelism Specialist, Harvest Fields Team Leader	Patty Lane		Intercultural Ministry, Director	
Steve Pearson	Evangelism Team Leader	David Miranda		Missionary Adoption Program, Director	
Mark Miller	Executive Assistant	Paul Atkinson		Multi-housing/House Congregations, Director	
Lucyara Usery	Executive Director-Treasurer, Special Assistant	Kalie Lowrie		News, Director	
Matt Tullos	Facilities/Risk Manager	Elizabeth Coffee		Regional Coordinator	
Mark LeMay	Human Resources Manager	Mario Gonzales		River Ministry/Mexico, Director	
Shelia Darden	Linden Valley Assistant Manager	Jason Richards		Super Summer Program, Coordinator	
Steven Clark	Linden Valley Manager	Steve Mullen		Theological Education, Director	
Cole Campbell	Marketing Specialist	Jason Bryant		Western Heritage, Consultant	
Nicki Brooks	Media Specialist	Jane Wilson		Youth Ministry/Bible Study	
Mike Salva	Missions/Discipleship Specialist, WMU				
Kim Cruse	New Church Catalyst (African American)	Michael Liga		<b>TEXAS (SBTC)</b>	
Thomas Bester	New Church Catalyst (African American)	Al Manigsaca		Asian Ministry	
Charles Grant, Jr.	New Church Catalyst (African American)	Jacob Vo		Asian Ministry	
Termae Jordan, Sr.	New Church Catalyst (African American)	Scott Brown		Asian Ministry	
David Kaufmann	New Church Catalyst (Anglo)	Curtis James		Audio/Visual	
Fady Al-Hagal	New Church Catalyst (Ethnic)	Rex Lake		Audio/Visual	
Gustavo Baez Duran	New Church Catalyst (Ethnic)	Charles Roberds		Audio/Visual	
Daniel Tuche	New Church Catalyst (Ethnic)	William Schaefer		Audio/Visual	
Royce DeGrie	Senior Graphic Designer	Taylor Garmon		Bible Drill	
Jay Barbier, III	Youth Specialist	Jim Myers		Business Administration	
		Gary Waller		Business Administration	
	<b>TEXAS (BGCT)</b>	Russell McNamer		Chaplain	
Eric Whitmore	Administration, Chaplaincy Calling & Endorsement, Associate Endorser	Chuy Ávila		Church Planting	
James Brown	Administration, Chaplaincy Calling & Endorsement, Associate Endorser	Russ Barksdale		Church Planting	
Dan Franklin	Administration, Chaplaincy Training & Crisis Response, Associate Endorser	Kason Branch		Church Planting	
Roy Cotton	African American Ministry, Director	Aaron Clayton		Church Planting	
Eric Hernandez	Apologetics Lead/Millennial Specialist, Evangelism	Austin Cooper		Church Planting	
Daniel DeLeon	Area Representative	Jason Crandall		Church Planting	
Danny Curry	Area Representative	Jorge Diaz		Church Planting	
Ernest Dagohoy	Area Representative	Martin Gonzales		Church Planting	
Fred Ater	Area Representative	Shawn Kemp		Church Planting	
Noe Trevino	Area Representative	Jason Lankford		Church Planting	
Steve Dominy	Area Representative	David Ortega		Church Planting	
Tim Marrow	Area Representative	Eric Perkins		Church Planting	
Tim Watson	Area Representative, Lead	Aaron Sanders		Church Planting	
Joyce Ashcraft	Baptist Student Ministries, Associate Director	Mike Landry		Church Revitalization	
Bob Billups	BaptistWay Press Publisher	Leon Moore		Church Revitalization, African-American Churches	
Ira Antoine	Bivocational Pastor Ministry, Director	Joshua Owens		Communications	
David Scott	BOUNCE! Disaster Recovery/Missions, Director	Michael Clayton		Cooperative Program/Grant Pursuits	
Tammy Tjjerina	Center for Ministerial Excellence, Director	Wally Leyerle		Disaster Relief	
George Bearden	Chaplaincy & Pastoral Support, Associate Endorser	Daniel White		Disaster Relief	
Bobby Smith	Chaplaincy, Director	Bill Bumpas		Disaster Relief Media Relations	
Gus Reyes	Christian Life Commission Team, Director	Scottie Stice		Disaster Relief, Evangelism	
Keith Crouch	Church Architecture, Director	Shane Pruitt		Empower	
Ken Hunnicutt	Church Architecture, Specialist	Lawrence Foxworth		Facilities	
Pat Ekern	Church Architecture, Specialist	Bryce Greene		Facilities	
Karl Fickling	Church Services, Interim Director	Mark Todd		Facilities	
Clay Jacobson	Church Starter	Paul Anderson		Field Ministry Strategist	
Dustin Payne	Church Starter	Randy Austin		Field Ministry Strategist	
Johnny Silva	Church Starter	Jeremy Bradshaw		Field Ministry Strategist	
Mateo Rendon	Church Starter	Gilbert Chavez		Field Ministry Strategist	
Thomas Revilla	Church Starter	Weldon Doherty		Field Ministry Strategist	
Tom Howe	Church Starting/Urban Missions, Director	Roy Ford		Field Ministry Strategist	
Mark Jones	Collegiate Ministries, Director	Gordon Knight		Field Ministry Strategist	
Marilyn Davis	Congregational & Commission, Specialist	Mitch Kolenovsky		Field Ministry Strategist	
Dowell Loftis	Connections Team, Director	Wayne Livingston		Field Ministry Strategist	
Jim Reed	Controller, Assistant Treasurer	David Loyola		Field Ministry Strategist	
Katie Swafford	Counseling, Director	Don McElroy		Field Ministry Strategist	
Oza Jones	Evangelism Associate Lead, African American Specialist, Evangelism	John McGuire		Field Ministry Strategist	
		Micah Meurer		Field Ministry Strategist	
Leighton Flowers	Evangelism Lead / Apologetics, Specialist	Dennis Parish		Field Ministry Strategist	
Colleen Wall	Events & Conferences, Director	Glen Pearce		Field Ministry Strategist	
Jerry Carlisle	Foundation, Texas Baptist Missions, Vice President	J.C. Rico		Field Ministry Strategist	
		Tom Shelton		Field Ministry Strategist	
		Russell Lightner		Graphic Design	

**ADDITIONAL STATE CONVENTION STAFF MEMBERS** *(alphabetized by position)*

- HYOUNG MIN KIM**  
Caleb Ann  
Bruno Molina  
Cindy Assmusen  
Dan Acharya  
Tammi Ledbetter  
Chris Enright  
Alex Gonzales  
T.C. Melton  
Casey Perry  
Ronnie Yarber  
Rod Masteller  
Spencer Plumlee  
Richard Taylor  
Ted Elmore  
Karen Kennemur  
Steve Cochran  
Ben Hays  
Jesse Contreras  
Mike Gonzales  
Mike Gurley  
Harvey Letcher  
Billy Barnes  
Arlene Sanabria  
Kristen Morgan  
Nathaniel Kuhns  
Mitch Tidwell  
Will Welch  
Laura Taylor  
Camille Minor  
Dave Carroll
- Russ Hohmann**  
Gary & Naomi McKeen
- Jerry Martin**  
Jason McNair  
Mary McFarling
- Dawn Lee**  
Jerome Lee
- Meghan Wilson**  
Sang Shin  
Nikki Gourley
- Steven Gourley**  
Eddie Stratton  
Kirk Walker  
Kim Eskridge  
Jeff Cranford  
Michael Pumphrey
- JR Woodward**  
Ken Kessler  
Welford Orock  
Mikayla Barnes  
Cynthia Shackelford  
Lore Lynch  
Tom Stocks  
Todd Combee  
Travis Gallahan  
Matthew Combee  
Kristen Curtis
- Roger Roller**  
Karl Heilman  
Skip Wallace  
Jody Faig  
Tony Brooks  
Steve Collins  
Bob Moore  
Brian Williams  
Susan McBride
- Cheryl McCarthy**
- TEXAS (SBTC) - continued**  
Korean Fellowship  
Korean Translator  
Language Evangelism  
Legislative Liaison  
Missions/Texas People Groups Mobilization  
News Editor  
Operations & Finance  
Pastor/Church Relations  
Pastor/Church Relations  
Pastor/Church Relations  
Pastor/Church Relations  
Pastor/Church Relations Program  
Pastor/Church Relations-Young Pastors  
Personal Evangelism & Fellowships  
Prayer & Incident Preparation  
Preschool/Children  
Reach Austin  
Reach Austin  
SBTC en Espanol  
SBTC en Espanol  
Security  
Security  
Senior Adults  
Spanish Translator  
Special Needs Ministry  
Student Evangelism  
Student/Collegiate Evangelism  
Videography  
Women's Ministry  
Women's Prayer Catalyst  
Worship/Technology
- UTAH/IDAHO**  
Disaster Relief  
Mission Service Corp Volunteers/Baptist Builders/  
Campers on Mission  
State Missionary for Sharing Christ  
State Missionary Strengthening Churches  
Women's Missions & Ministries Contact
- VIRGINIA (BGAV)**  
Accountant  
African American/African Churches Coordinator,  
Mosaic  
Art Director  
Asian Churches, Coordinator  
Camp Piantakank and Conference Center,  
Co-Director  
Camp Piantakank and Conference Center, Director  
Chief Development Officer  
Chief Information Officer  
Children's Ministry, Minister in Residence  
Church Finance, Minister in Residence  
Church Planting (V3) Coordinator and  
Virginia Regional Church Planting Coordinator  
Church Planting (V3) Movement, National Director  
Coaching Network Director  
Collegiate/Young Adult Coordinator  
Communications and Volunteer Coordinator  
Congregational Care, Minister in Residence  
Database Manager  
Deacon Ministry, Minister in Residence  
Director of Chaplain Relations  
Disaster Response Fleet Coordinator  
Disaster Response Operations Coordinator  
Disaster Response Training and Chaplaincy  
Coordinator  
Evangelism, Minister in Residence  
Field Strategist, Capital Region  
Field Strategist, Central/Valley Region  
Field Strategist, Northern Region  
Field Strategist, Southside Region  
Field Strategist, Southwest Region  
Field Strategist, Southwest Region  
Field Strategist, Tidewater Region  
Field Strategist, Tidewater Region;  
Congregational Field Staff Coordinator  
Fresh Expressions US, Coordinator of Intercession  
and Ananias Project
- Sarah Keasler**  
Shannon Kiser  
Chris Backert  
Gannon Sims  
Karin Goude  
Emmanuel Mustapha  
Robert & Celia Munson  
Habacuc Diaz Lopez, Sr.  
Jennifer Law  
Carol Seeley  
Glenn Maddox  
Butch Meredith  
Laura McDaniel  
Craig Waddell  
Tammy Williams  
Noah Rogers  
Leslie Straw  
Eddie Heath  
John Chandler  
Lori Ruffin  
Danny Quirin  
Eddie Urbine  
Cindy Middaugh  
Milton Harding  
Charles Shannon  
Chris Dowd  
Steve Gentry  
Vince Blubaugh  
Jeff Mingee  
Raul Santamaria  
Matt Gregory  
Josh Turner  
Ishmael LaBiosa  
Mark Gauthier  
Steve Bradshaw  
Sergio Guardia  
Sarah DeJarnette  
Shawn Ames  
Brad Russell  
David Bounds  
Darrell Webb  
Mark Custalow  
Travis Ingle  
Don Cokes  
Reggie Hester  
Rusty Small  
Donna Paulk  
Don Whalen  
Quin Williams  
Fred Creason  
David Schroeder  
Dale Bascue
- VIRGINIA (BGAV) - continued**  
Fresh Expressions US, Coordinator of Operations  
and Communications  
Fresh Expressions US, Director of Training  
and Coaching  
Fresh Expressions, National Director  
Fresh Expressions, Regional Coordinator  
Kairos Initiative, Program and Network Associate  
Kingdom Advance Ambassador, Ghana  
Kingdom Advance Ambassador, Philippines  
Latino Churches Coordinator, Semillas de  
Mostaza, Mosaic  
Marketing Associate  
Ministry Equipping Network Coordinator  
National Mission Director  
National Missions Construction Coordinator  
Network Catalyst, Spence Network  
Partnership and Short-Term Volunteer Coordinator  
Payroll and Benefits Specialist  
Properties Manager  
Support Ministries Team, Team Coordinator  
Transitional Facilitator  
Uptick, Leader  
V3 Church Planting Movement, Operations Manager  
Youth Ministry, Minister in Residence
- VIRGINIA (SBCV)**  
Chief Financial Officer; Foundation Vice-President  
Children's Ministry Strategist  
Church and Pastor Relations  
Church and Pastor Relations  
Church Planting Associate  
Church Planting Associate  
Church Planting Strategist  
Church Planting Strategist  
Church Planting Strategist (Hispanic Ministries)  
Church Planting Strategist (People Groups)  
Church Planting Team Leader and Strategist  
Communications Director  
Disaster Relief Consultant  
Evangelism and Strategic Initiatives Director;  
Regional Catalyst (Central)  
Hispanic Leadership Catalyst & Church;  
Pastor Relations Associate  
Missions Mobilization Associate  
Mobilization Consultant for Disaster Relief and  
Next Gen;  
Regional Catalyst (Central-West/Southside);  
Mobilization Strategist  
Regional Associate (Southeast)  
Regional Catalyst (North)  
Regional Catalyst (Southeast)  
Regional Catalyst (Southwest)  
Regional Catalyst (Valley)  
Revitalization Associate  
Revitalization Strategist  
Women's Ministry Strategist
- WEST VIRGINIA**  
*None provided*
- WYOMING**  
Church Planting Strategist  
Executive Director  
Missionary, Northeast Region  
Missionary, South Region  
Missionary, West Region

## COLLEGIATE MINISTRIES - LOCAL DIRECTORS BY STATE *(alphabetized by school)*

### ALABAMA

Zach Beasley Alabama State University, Montgomery;  
Ben Crocker, interim Auburn University at Montgomery, Montgomery  
Stephen Thompson Auburn University, Auburn  
Sean Thornton Auburn University, Auburn  
Gary Brittain Jacksonville State University, Jacksonville  
Brad Bensinger Troy University, Troy  
Craig Hawkins Tuskegee University, Tuskegee  
Bill Morrison University of Alabama at Birmingham, Birmingham  
Edwin Hocutt University of Alabama at Birmingham, Birmingham  
Kim Andrews University of Alabama, Huntsville, Huntsville  
Jacob Freeman University of Alabama, Tuscaloosa  
Matt Daniels University of North Alabama, Florence  
Jerrod Brown University of South Alabama, Mobile  
Beth Gardner University of South Alabama, Mobile  
Jake Duke West Central AL Area, Demopolis

### ALASKA

Jimmy Stewart State Convention Collegiate Ministries Director  
Scott Belmore University of Alaska, Anchorage  
Levi Lewellyn University of Alaska, Fairbanks  
Rochelle Grossardt University of Alaska, Southeast

### ARIZONA

Marc Hill State Convention Director  
Adam Smalley Arizona Christian University, Glendale  
Noah Jaeger Arizona State University - Downtown, Phoenix  
Margarete Nasir Arizona State University - Downtown, Phoenix  
Caleb Martinez Arizona State University - Polytechnic, Mesa  
Gary Derbyshire Arizona State University - West, Glendale  
Erik Naylor Arizona State University, Tempe  
Brandon Reimus Arizona State University, Tempe  
Madison Reimus Arizona State University, Tempe  
Jason Graham Arizona Western College, Yuma  
Chris Baker Central Arizona College, Apache Junction, City  
Steve Dokka Central Arizona College, Casa Grande  
Eric Dressler Chandler-Gilbert Community College, Chandler  
Victoria White Chandler-Gilbert Community College, Chandler  
Kirstie Alderman Chandler-Gilbert Community College, Chandler;  
Mesa Community College, Mesa  
Jaclyn Beiffuss Embry-Riddle Aeronautical University, Prescott  
Cameron Ford Estrella Mountain Community College, Avondale  
Caitlin Frey Glendale Community College, Glendale  
Andrew Marchbanks Glendale Community College, Glendale  
Josh Matteson Grand Canyon University, Phoenix  
Lainee Pegelow Northern Arizona University, Flagstaff  
Clark Burau Paradise Valley Community College, Paradise Valley  
Derek Wyatt Pima Community College - Desert Vista, Tucson  
Hector Estrada Pima Community College - East, Tucson  
Trevor Bush Regional Catalyst - Central Region, Phoenix;  
Gateway Community College, Phoenix  
Jeff Mashaw Regional Catalyst - Southern Region, Tucson  
Justin Akine Scottsdale Community College, Scottsdale  
Scott Winter South Mountain Community College, Phoenix  
Amy Winter South Mountain Community College, Phoenix  
Johnathan Chan University of Arizona, Tucson  
Julie Newsted University of Arizona, Tucson  
Autumn Stump University of Arizona, Tucson

### ARKANSAS

#### Arkansas Baptist State Convention

Bruce Venable College + Young Leaders Team Leader,  
Chris Kohlman College + Young Leaders Assistant Team Leader  
Lynn Loyd College + Young Leaders Missions Consultant  
Teresa "Bit" Stephens College + Young Leaders International  
Student Ministry Consultant  
*Collegiate Directors*  
Stan Dutton Arkansas Northeastern College, Blytheville  
Michael Clayton Arkansas State University - Three Rivers, Malvern;  
National Park College, Hot Springs  
Ryan Scantling Arkansas State University, Beebe (Conway BCM);  
University of Arkansas Community College,  
Morriton  
Jeff Crow Arkansas State University, Heber Springs  
Tyler Hoffpauir Arkansas State University, Jonesboro  
Bill Hughes Arkansas State University, Mountain Home  
Brad Branham Arkansas Tech University, Russellville  
Clint Haynes East Arkansas Community College, Forrest City  
Jared Farley Henderson State University, Arkadelphia

### ARKANSAS - continued

Lyon College, Batesville  
Metro BCM, Little Rock  
Northwest Arkansas Community College, Rogers  
Ouachita Baptist University, Arkadelphia  
Southeast Arkansas College, Pine Bluff  
Southern Arkansas University Tech, Camden  
Southern Arkansas University, Magnolia  
University of Arkansas Community College -  
Rich Mountain, Mena  
University of Arkansas Community College,  
Batesville  
University of Arkansas, Fayetteville  
University of Arkansas, Fort Smith  
University of Arkansas, Monticello  
University of Arkansas, Pine Bluff  
University of the Ozarks, Clarksville  
Rhyné Putman, interim Williams Baptist University, Walnut Ridge

### CALIFORNIA

Milt Hughes Cal State, San Marcos  
David Clark Chico State, Chico  
Paul Worcester Chico State, Chico  
Jeff Jimerson Fresno State University, Fresno  
Kevin Thorsell San Diego State, San Diego  
Erin Gullim University of Southern California, Los Angeles  
Neil Walker University of Southern California, Los Angeles

### COLORADO

Robby & Mary Pruett Colorado School of Mines, Golden  
Wade & Carol Pacheco Colorado State University, Ft. Collins  
Josh & Jennifer Story Ft. Lewis College, Durango  
Darrin Crow Mesa State College, Grand Junction  
Derrick & Julee Gregory University of Colorado, Boulder  
Bethany Pruett University of Colorado, Boulder  
Bobby & Gayle Pruett University of Colorado, Boulder  
Kent & Elizabeth Slack University of Colorado, Colorado Springs  
Ricky Ketchum University of Denver, Denver  
John Mark & Sue Perdue University of Northern Colorado, Greeley  
Ginger & Dave Walcker University of Northern Colorado, Greeley  
Bill & Kelly Gandy US Air Force Academy, Colorado Springs  
Joe & Angela Ricks Western State College of Colorado, Gunnison

### DAKOTAS

Brandon Pedersen University of South Dakota, Vermillion, SD

### FLORIDA

Lance Beauchamp Baptist College of Florida, Graceville  
Barry Sproles Florida State University, Tallahassee  
Brad Crawford University of Central Florida, Orlando  
Eddie Gilley University of Florida, Gainesville  
Andrew Fernandez University of Miami, Miami;  
Florida International University, Miami  
Ben Braly University of North Florida, Jacksonville  
Nathan Schneider University of South Florida, Tampa  
Tony Olesky University of West Florida, Pensacola

### GEORGIA

Jessie Holmes Augusta University, Augusta  
David Kirkland Georgia College & State University, Milledgeville;  
Georgia Military College, Milledgeville  
Tony Gray Georgia Gwinnett College, Lawrenceville;  
Georgia State University, Newton  
Warren Skinner Georgia Institute of Technology, Atlanta  
Tony Branham Georgia Southern University (Armstrong), Savannah  
Chris Bryson Georgia Southern University, Statesboro;  
East Georgia State, Swainsboro  
Brian Puckett Georgia Southwestern State University, Americus;  
Albany State University, Albany  
Teresa Royall Georgia State University, Atlanta/Clarkston  
Ryan McWhorter Middle Georgia State University, Cochran  
David Roland Shorter University, Rome;  
Dalton State College, Dalton;  
Reinhardt University, Waleska  
Bucky Kennedy Truett McConnell University, Cleveland  
Tommy Fountain University of Georgia, Athens  
Jerry Johnson University of Georgia, Athens  
Keith Wade University of North Georgia, Dahlonega/Gainesville  
Bill Grissett University of West Georgia, Carrollton  
Jeff Ford Valdosta State University, Valdosta;  
South Georgia State College, Douglas

COLLEGIATE MINISTRIES - LOCAL DIRECTORS BY STATE *(alphabetized by school)*

- HAWAII**  
 Anita Bice University of Hawaii, Hilo  
 Arjay Gruspe University of Hawaii, Honolulu;  
 Kapiolani Community College, Honolulu
- ILLINOIS**  
 Mike Klunke Illinois State University, Bloomington-Normal  
 Matt Wilcoski Illinois State University, Bloomington-Normal  
 Marcus Schomberg Southern Illinois University Edwardsville,  
 Edwardsville  
 Brandon McNeely Southern Illinois University, Carbondale,  
 Carbondale  
 Nick Volkening University of Illinois, Urbana-Champaign
- INDIANA**  
 Benjamin Beck Purdue University, West Lafayette  
 Greg Byman Ivy Tech, Fort Wayne  
 Matt Castro University of Southern Indiana, Evansville  
 Andy Davidson Indiana University Southeast, New Albany  
 Dennis Runner Purdue University - International, West Lafayette  
 Mat Shockney Indiana University, Bloomington  
 Sweh Velilla Indiana University South Bend, South Bend  
 University of Notre Dame, South Bend  
 Chad Wilkin Rose-Hulman Institute of Technology, Terre Haute  
 Indiana State University, Terre Haute
- IOWA**  
 Daniel Nemmers Des Moines Area Community College, Ankeny  
 Solomon Rexius Iowa State University, Ames  
 Chuck Spindler Southwestern Community College, Creston  
 Stephen Jones University of Northern Iowa, Cedar Falls  
 Jong Koo Lee University of Iowa, Iowa City  
 David Livingston University of Iowa, Iowa City
- KANSAS/NEBRASKA**  
 Robbie Nutter State Convention Collegiate Ministries Director  
 Kansas State University, Manhattan, KS  
 Brian Howe Barton Community College, Great Bend, KS  
 Matthew Carder Cloud County Community College, Concordia, KS  
 Jim Robinson Coffeyville Community College, Coffeyville, KS  
 Jason Huebner Emporia State University, Emporia, KS  
 Carin Cochran Ft. Hays State University, Hays, KS  
 Hubert White Haskell Indian Nations University, Lawrence, KS  
 Mike Trent Pittsburg State University, Pittsburg, KS  
 Terry Baldwin Salina Campuses, Salina, KS  
 Brian Whitaker University of Kansas (Bridgeway International),  
 Lawrence, KS  
 Ryan Stelk University of Kansas, Lawrence, KS  
 Spencer Parish University of Nebraska, Kearney, NE  
 Brock Langley University of Nebraska, Lincoln, NE  
 Craig Freerksen Washburn University, Topeka, KS  
 Jeswin Joseph Wichita State University - International, Wichita, KS  
 Trace Kendrick Wichita State University, Wichita, KS
- KENTUCKY**  
*(known as Regional Campus Ministers)*  
 Jake Hancock Eastern Kentucky University, Richmond  
 Joseph Dicks Kentucky State, Frankfort  
 Matthew Mofield Morehead State University, Morehead  
 Jonathan Clark Murray State University, Murray  
 Josh Skipper Northern Kentucky University, Highland Heights  
 Danny Currie University of Kentucky, Lexington  
 Brian Hinton University of Louisville, Louisville  
 Tommy Johnson Western Kentucky University, Bowling Green
- LOUISIANA**  
 George Lee Grambling University, Ruston  
 Thomas Worsham Louisiana College, Pineville  
 Jamey Gilliland Louisiana State University at Alexandria, Alexandria  
 Danielle Johnson Louisiana State University at Eunice, Eunice  
 Steve Masters Louisiana State University, Baton Rouge  
 Kevin Inman Louisiana Tech University, Ruston  
 Blake Grundy McNeese State University, Lake Charles  
 Corey Olivier New Orleans Metro, New Orleans  
 Conan Sherlin Nicholls State University, Thibodaux  
 Bill Collins Northwestern State University, Natchitoches  
 Stephen Craver Shreveport, Metro, Shreveport  
 Matt Middlecamp Southeastern Louisiana University, Hammond  
 Joe Wood University of Louisiana, Lafayette  
 Chad McClurg University of Louisiana, Monroe
- MARYLAND/DELAWARE**  
 Nathan Walters University of Delaware, Dover, DE  
 Jess Senasack University of Maryland, College Park, MD
- MICHIGAN**  
 Austin Wadlow Michigan State University, Lansing  
 Michael Gyer University of Michigan, Ann Arbor  
 Kevin Armstrong Wayne State University, Detroit  
 Chris Gentz Western Michigan University, Kalamazoo
- MINNESOTA-WISCONSIN**  
*None provided*
- MISSISSIPPI**  
 Lloyd Lunceford State Collegiate Ministry Director  
 Jennie Taylor State Collegiate Ministry Associate Director  
 Tracy Moser Blue Mountain College, Blue Mountain  
 Bruce Brady Cophiah-Lincoln Community College, Wesson  
 Andrew Kappenman Delta State University, Cleveland  
 Scott Vaughn East Central Community College, Decatur  
 Sam Ivy East Mississippi College, Golden Triangle Campus,  
 Macon  
 Chris Thomas East Mississippi College, Macon  
 Jedd Moak Gulf Coast Community College, Biloxi  
 David MacLellan Gulf Coast Community College, Jackson County  
 Campus, Gautier  
 Rod Wallace Gulf Coast Community College, Jeff Davis Campus,  
 Gulfport  
 Gary Davison Hinds Community College, Raymond  
 Kevin Patterson Hinds Community College, Raymond  
 Tamara Walbert Holmes Community College, Goodman  
 Chris Burrows Itawamba Community College, Fulton  
 Kevin Patterson Jackson State University, Jackson  
 Frank Porter Jones County Junior College, Ellisville  
 Chris Thomas Meridian Community College, Meridian  
 Cody Masters Mississippi College, Clinton  
 Mandy Phillips Mississippi College, Clinton  
 Josh Warren Mississippi Delta Community College, Moorhead  
 Michael Ball Mississippi State University, Starkville  
 Daniel Herndon Mississippi State University, Starkville  
 Sam Ivy Mississippi University for Women, Columbus  
 Ed Earrest Northeast Mississippi Community College,  
 Booneville  
 Wayne Vandiver Northeast Mississippi Community College,  
 Booneville  
 Walt Barnes Northwest Mississippi Community College,  
 Senatobia  
 Stan Davis Pearl River Community College, Poplarville  
 Trey Hess Southwest Mississippi Community College, Summit  
 Morris Baker University of Mississippi, Oxford  
 Liesa Holeman University of Mississippi, Oxford  
 Daniel Johnson University of Mississippi, Oxford  
 Kathy King University of Mississippi, Oxford  
 Josh Richards University of Southern Mississippi, Hattiesburg  
 Kris Walters University of Southern Mississippi, Hattiesburg  
 Landon Adams William Carey University, Hattiesburg  
 Tim Glaze William Carey University, Hattiesburg
- MISSOURI**  
*Collegiate Ministries Group:*  
 Gene Austin Missouri Baptist Convention, Jefferson City  
 David Hendrick Missouri Baptist Convention, Jefferson City  
*Local Collegiate Ministers:*  
 Carson Conover Blue River & Metropolitan Community Colleges,  
 Kansas City  
 Kyle Rapinchuk College of the Ozarks, Point Lookout/Branson  
 Aaron Werner Crowder College, Neosho  
 Jon Nelson Lincoln University, Jefferson City  
 Tim & Teresa Toolen Maryville University, St. Louis  
 Bob Curtis Mineral Area College, Park Hills  
 Jon Smith Missouri Southern State University, Joplin  
 Levi Springfield Missouri State University, Springfield  
 Chris Wilson Missouri State University, Springfield  
 Bruce Wade Missouri University of Science & Technology, Rolla  
 Scott Westfall Missouri Valley College, Marshall  
 Paul Damery Missouri Western University, St. Joseph  
 Christina Boatright North Central College, Trenton  
 Jason Yarnell Northwest Missouri State University, Maryville  
 Doug Logsdon Ozark Technical College, Springfield  
 Joseph Ransom Ozarks Technical Community College, Richwood  
 Valley Campus, Springfield

## COLLEGIATE MINISTRIES - LOCAL DIRECTORS BY STATE *(alphabetized by school)*

### MISSOURI - *continued*

Reese Hammond  
Brad Russell

Greg Xander  
Atticus Dyer  
Jeff Carson  
Travis Hamm  
Kale Uzzle  
Heather Murray

Southeast Missouri State University, Cape Girardeau  
St. Louis University & Washington University,  
South St. Louis Area, Arnold  
Truman State University, Kirksville  
University of Central Missouri, Warrensburg  
University of Missouri, Columbia  
University of Missouri, Kansas City  
University of Missouri, St. Louis  
Washington University, St. Louis

### MONTANA

Mark Arbaugh

Montana Tech, Butte

### NEVADA

*None provided*

### NEW ENGLAND

Mandy McKamie  
Tyler Speck

Boston College, Brighton, MA  
Boston University, Boston, MA;  
Northeastern University, Boston, MA  
Brown University, Providence, RI  
Clark University, Worcester, MA  
Framingham State University, Framingham, MA  
Johnson & Wales University, Providence, RI  
Johnson & Wales University, Providence, RI  
Massachusetts Institute of Technology,  
Cambridge, MA  
Northeastern University, Boston, MA  
Quinsigamond Community College, Worcester, MA  
Rhode Island College, Providence, RI  
Roger Williams University, Bristol, RI  
St. Michael's College, Burlington, VT  
University of Hartford, Hartford, CT  
University of Maine, Orono, ME  
University of Massachusetts - Lowell, Lowell, MA  
University of Massachusetts - Lowell, Lowell, MA  
University of Massachusetts - Lowell, MA  
University of Massachusetts, Amherst, MA  
University of Massachusetts, Amherst, MA  
University of Southern Maine - Gorham,  
Gorham, ME;  
University of Southern Maine - Portland,  
Portland, ME  
University of Vermont, Burlington, VT  
Worcester State University, Worcester, MA

### NEW MEXICO

David Englehart

Collegiate Minister, State Convention  
New Mexico State University, Las Cruces  
Eastern New Mexico University, Portales  
Highlands University, Las Vegas  
New Mexico Junior College, Hobbs;  
College of the Southwest, Hobbs  
San Juan Community College, Farmington  
University of New Mexico, Albuquerque  
Western New Mexico University, Silver City

### NEW YORK

Susan Field  
David Buschman  
Devon Bartholomew  
Paul Walker

Columbia University, New York City  
Princeton University, Princeton, NJ  
Syracuse University, Syracuse  
West Point, West Point

### NORTH CAROLINA

Evan Blackerby  
Tom Knight  
Darrick Smith

State-wide  
State-wide  
State-wide

Ken Harmon

Stacia Harmsen  
Jeremy Johnson  
Beth England  
Ryan Sidhom  
Rachael Harmon  
Marissa Gleason  
Sarah Reed

Christina Windom

Miriam Rainwater  
Jordan Crow  
Garrett Harmon  
Ryan Moore  
Adam Bonus

Matthew McClure  
Jason & Lindsey Slack  
Chad & Eva Frank  
Jon Shah  
Ken & Mary Kay Dillard  
Grant & Cassi Rohlfner  
Matt Olszewski  
Josh & Kari Ortega

Cris Lowery  
Chad Coleman  
Carissa Jones

Drake Bendabout  
Jacey Franco  
Danny Toombs  
Bentley Hill  
Rowdy Morris  
Randy Townshend  
Lance Burnett  
Bertholomew Bailey  
Justin Villines  
Kimily Emarthla  
Bryce Stafford  
Justin Romaine  
Kenny Thompson  
Ronnie Payne  
Clay Phillips  
Pauline Boren  
Matt Stewart  
David Coffey  
Josh Donato  
John Wilkerson  
Jay Kindsvater  
Shannon Cross  
Terry Thomas  
Gary Canfield  
Steven Little  
Trey Hedrick  
Benny Lockler  
Scott Hume

Riley Sowell  
Kyle Thomas  
Brandon Brister  
Phillip Ford  
Paul Lewis  
Mike Barnett

Shane Kammerer  
Andrew Scott  
Seth Bevers

### NORTHWEST

State Director/University of Western States,  
Portland, OR  
Central Washington University, Ellensburg, WA  
Central Washington University, Ellensburg, WA  
Clackamas Community College, Oregon City, OR  
Clark College, Vancouver, WA  
Lane Community College, Eugene, OR  
Mount Hood Community College, Gresham, OR  
Portland Community College (Cascade),  
Portland, OR;  
Portland State University, Portland, OR  
Portland Community College - Sylvania,  
Portland, OR  
Portland State University, Portland, OR  
Southern Oregon University, Ashland, OR  
University of Oregon, Eugene, OR  
University of Oregon, Internationals, Eugene, OR  
Washington State University, Tri-Cities, WA

### OHIO

Matthew McClure  
Jason & Lindsey Slack  
Chad & Eva Frank  
Jon Shah  
Ken & Mary Kay Dillard  
Grant & Cassi Rohlfner  
Matt Olszewski  
Josh & Kari Ortega

Bowling Green State University, Bowling Green  
Kent State University, Kent  
Kent State University, Kent  
The Ohio State University, Columbus  
University of Cincinnati, Cincinnati  
University of Cincinnati, Cincinnati  
University of Toledo, Toledo  
Wright State University, Dayton

### OKLAHOMA

Cris Lowery  
Chad Coleman  
Carissa Jones

State Convention Collegiate Ministries Specialist  
State Convention Collegiate Ministries Associate  
State Convention Collegiate Ministries Ministry  
Assistant  
Bacone College, Muskogee  
Cameron University, Lawton  
Cameron University, Lawton  
Carl Albert State University, Poteau  
Comors State College, Warner  
East Central University, Ada  
Eastern Oklahoma State College, Wilburton  
Langston University, Langston  
Murray State College, Tishomingo  
Northeastern Oklahoma A&M College, Miami  
Northeastern State University, Tahlequah  
Northern Oklahoma College - Enid, Enid  
Northern Oklahoma College, Tonkawa  
Northwestern Oklahoma State University, Alva  
Oklahoma Baptist University, Shawnee  
Oklahoma City Community College, Oklahoma City  
Oklahoma City University, Oklahoma City  
Oklahoma Panhandle State University, Goodwell  
Oklahoma State University - IT, Okmulgee  
Oklahoma State University, Stillwater  
Redlands Community College, El Reno  
Rogers State University, Claremore  
Rose State College, Midwest City  
Seminole State College, Seminole  
Seminole State College, Seminole  
Southeastern Oklahoma State University, Durant  
Southwestern Oklahoma State University, Sayre  
Southwestern Oklahoma State University,  
Weatherford  
Tulsa Community College, Tulsa  
Tulsa Community College, Tulsa  
Tulsa University, Tulsa  
University Center of Southern Oklahoma, Ardmore  
University of Central Oklahoma, Edmond  
University of Oklahoma Health Sciences Center,  
Oklahoma City  
University of Oklahoma, Norman  
University of Science & Arts of Oklahoma, Chickasha  
Western Oklahoma State College, Altus

## COLLEGIATE MINISTRIES - LOCAL DIRECTORS BY STATE (alphabetized by school)

## PENNSYLVANIA/SOUTH NEW JERSEY

Robert & Brenda Turner Collegiate Ministries Director, BRN Next, Harrisburg, PA  
 Kirk & Debbie Ritchey Collegiate Ministries Coordinator, BRN West, Pittsburgh, PA  
 Kimberly & Dennis Carson California University of Pennsylvania, California, PA  
 Scott & Briana Underhill Clarion University, Clarion, PA  
 Brian & Jennifer Musser Drexel University, Philadelphia, PA  
 Aaron & Brianna Batdorf Lock Haven University, Lock Haven, PA  
 Isaac & Beth Brady Lock Haven University, Lock Haven, PA  
 Brady Rennix Montgomery County Community College, Blue Bell, PA  
 Rudy & Molly Hartmann Penn State University, State College, PA  
 Autumn Miller Penn State University, State College, PA  
 Eric & Kate Reiber Penn State University, State College, PA  
 Kayla Smith Penn State University, State College, PA  
 Stanley & Trina Williams Temple University, Philadelphia, PA; University of Pennsylvania, Philadelphia, PA; Rutgers University-Camden, Camden, NJ

## PUERTO RICO

Marcos Reversat Unión Bautista Estudiantil

## SOUTH CAROLINA

Peter Hyatt Clemson University, Clemson  
 David Neace Coastal Carolina University, Conway  
 Chris Blalock (Interim) College of Charleston/The Citadel, Charleston  
 Suzanne Bachelor Converse/University of South Carolina Upstate, Spartanburg  
 Kendal Sanford Francis Marion University, Florence  
 Scott Smith Lander University, Greenwood  
 Jamie Rogers University of South Carolina, Columbia  
 Jack Blankenship Winthrop University, Rock Hill

## TENNESSEE

Bill Choate State Convention Collegiate Ministries Director  
 Beth Moore State Convention Collegiate Missions Specialist; Belmont University, Nashville  
 Stacy Murphee Austin Peay State University, Clarksville  
 Chad Morris Carson Newman University, Jefferson City  
 Brittany Harwell Dyersburg State Community College, Dyersburg  
 Jonathan Chapman East Tennessee State University, Johnson City  
 Steven Johnston Lee University, Cleveland; Cleveland State Community College, Cleveland  
 Haley Cowley Middle Tennessee State University, Murfreesboro  
 Mark Whit Middle Tennessee State University, Murfreesboro  
 Travis Harmon Roane State Community College, Harriman  
 Ben Maddox Tennessee Tech University, Cookeville  
 Jeff Jones University of Memphis, Memphis  
 Benjie Shaw University of Tennessee Health Sciences, Memphis  
 Steve Roper University of Tennessee, Chattanooga  
 Samantha Hawes University of Tennessee, Knoxville  
 Rodney Norvell University of Tennessee, Knoxville  
 Morgan Owen University of Tennessee, Martin  
 Tiffany Hudson Vanderbilt University, Nashville  
 Damon Billings Walters State Community College, Morristown

## TEXAS (BGCT)

Brittney Taylor Amarillo College, Amarillo  
 Melvin Cates Angelina College - Livingston, Livingston  
 Jessica Hill Angelina College, Lufkin  
 Lee Floyd Angelo State University, San Angelo  
 Sahr Mbrwa Baylor University School of Nursing, Dallas  
 Charles Ramsey Baylor University, Waco  
 Matthew Glaze Blinn College, Brenham  
 Marty Earls Brookhaven College, Farmers Branch  
 Beth Smith BSM Hub Dallas/Collin/Metro, Richardson  
 Pete Martinez Cisco College, Cisco  
 Todd Malvano Coastal Bend College, Beeville  
 Patrick Webb Collin College Central Park - McKinney, McKinney  
 Eric Bean Dallas Baptist University, Dallas  
 Shelby Weatherly Dallas Baptist University, Dallas  
 David Griffin East Texas Baptist University, Marshall  
 Kyle Wilson Eastfield College, Dallas  
 Austin Lambert Grayson College, Denison  
 Tanner Clarke Hardin-Simmons University, Abilene  
 Megan Jarvis Hill College Cleburne, Stephenville  
 Jeremy Beggs Hill College Hillsboro, Kerrville

## TEXAS (BGCT) - continued

Joyce Ashcraft Houston Area Baptist Student Ministry, Houston  
 Nathan Mahand Houston Baptist University, Houston  
 Keith Platte Howard Payne University, Brownwood  
 Jaymi Blankenship Kilgore College, Kilgore  
 Darin Ford Lamar University - Port Arthur, Beaumont  
 David Brumbelew Lee College, Baytown  
 Andy Dennis McGovern Medical School, Houston  
 Holly Winfrey McLennan Community College, Waco  
 Corey McCrady Navarro College, Corsicana  
 Jake Herington Navarro College, Waxahachie  
 Jonathan Galvan North Lake College, Irving  
 Cassidy Harris Northeast Texas College, Cason  
 Albert Diaz Northwest Vista College, San Antonio  
 Luis Juarez Palo Alto College, San Antonio  
 Tim Pool Panola College, Carthage  
 Raashanda Kargou Prairie View A&M University, Prairie View  
 Meg Craig Ranger College - Erath County, Stephenville  
 Corey Blais Ranger College, Ranger  
 Cody Mahan Richland College, Dallas  
 Tamara Brooks Sam Houston State University - The Woodlands, Spring  
 Chris Smith Sam Houston State University, Huntsville  
 Chuck Davenport San Jacinto College Central, Pasadena  
 Matt Berry South Plains College, Levelland  
 Robert Rueda South Texas College Starr County, Edinburg  
 Alex Wolfe Southern Methodist University, Dallas  
 Dale Kesterson Southwestern Collegiate Institute for the Deaf, Big Spring  
 Gary Davis Stephen F. Austin University, Nacogdoches  
 Scott Huckaby Sul Ross State University, Alpine  
 Morgan Little Tarleton State University - Fort Worth, Stephenville  
 Clayton Bullion Tarleton State University, Stephenville  
 Gary Stidham Tarrant County College South, Arlington  
 Aaron Conner Temple College, Belton  
 Bobby Jones Texas A&M University - Central Texas, Killeen  
 Joe Schmidt Texas A&M University - Commerce, Commerce  
 Joe Luna Texas A&M University - Kingsville, Kingsville  
 Heath Coston Texas A&M University - Texarkana, Wake Village  
 Joel Bratcher Texas A&M University, College Station  
 Stephen Galarza Texas A&M University, Corpus Christi  
 Warren Ethridge Texas Christian University, Fort Worth  
 Jamie Russell Texas Southern University, Houston  
 Ashley Barns Texas State Technical College, Sweetwater  
 Jewel Lockridge Texas State Technical College, Waco  
 Wayne Dillen Texas State University, San Marcos  
 Jeffrey Kennon Texas Tech University, Lubbock  
 Mika Sumpter Texas Woman's University, Denton  
 Reagan Reid Tyler Junior College, Tyler  
 Steven Fonseca University of Houston - Downtown, Houston  
 Jonathan Vargas University of Houston - Victoria, Victoria  
 John Aaron University of Houston, Houston  
 Shannon Rutherford University of Houston, Houston  
 Mary Hebison University of Mary Hardin Baylor, Belton  
 Roland Tureau University of North Texas - Dallas, Dallas  
 Stephanie Gates University of North Texas, Denton  
 Cody Shouse University of Texas - Austin, Austin  
 Mark Warrington University of Texas - Dallas, Richardson  
 Hunter Ballue University of Texas - El Paso, El Paso  
 Israel Mendez University of Texas - San Antonio, San Antonio  
 Stan Kwan University of Texas - Southwestern Medical Center, Irving  
 Joseph Osteen University of Texas - Tyler, Tyler  
 Amy Wheeler University of Texas Medical Branch, Galveston  
 Cody Craig Vernon College, Vernon  
 Reid Burkett Wayland Baptist University, Plainview  
 Tyler Martinez Weatherford College Granbury, Stephenville  
 Mark Nelson Weatherford College Mineral Wells, Weatherford  
 Benjamin Edfeldt West Texas A&M University, Canyon

## TEXAS (SBCT)

Mitch Tidwell State Convention Collegiate Evangelism

(The SBCT partners with SBCT churches to employ a church-based ministry approach to reach students.)

**COLLEGIATE MINISTRIES - LOCAL DIRECTORS BY STATE** *(alphabetized by school)***UTAH/IDAHO**

Morgan Brendle Boise State University, Boise, ID  
 College of Western Idaho, Boise, ID  
 Ben Neiser Brigham Young University, Provo, UT  
 Utah Valley University, Provo, UT  
 Paul Thompson College of Southern Idaho, Twin Falls, ID  
 John Fields Dixie State University, St. George, UT  
 Jessica Michael Southern Utah University, Cedar City, UT  
 Tina Pelton University of Utah, Salt Lake City, UT  
 Nathan Cross Weber State University, Ogden, UT

**VIRGINIA (BGAV)**

Skyler Daniel Averett University, Danville  
 Henry Clary Bluefield College, Bluefield  
 Jeffrey Buffkin College of William and Mary, Williamsburg  
 Austin Williams Hampden-Sydney College, Farmville;  
 Longwood University, Farmville  
 Brandon Hawley James Madison University, Harrisonburg  
 Caitlin Brown Old Dominion University, Norfolk  
 Chris Leeper Radford University, Radford  
 Katrina Brooks University of Lynchburg, Lynchburg  
 Carey Sims University of Mary Washington, Fredericksburg  
 Ryan Goude University of Richmond, Richmond  
 David Petty University of Virginia, Charlottesville  
 Hannah Grace Mullins University of Virginia-Wise, Wise  
 Darrell Cook Virginia Tech, Blacksburg

**VIRGINIA (SBCV)***None provided***WEST VIRGINIA**

Kevin Howerton Bluefield State College, Bluefield  
 Jordan Howerton Concord University, Athens  
 Mason Ballard University of Charleston, Charleston  
 Luke Stevens West Virginia University Institute of Technology,  
 Beckley  
 Chris Priestley West Virginia University, Morgantown

**WYOMING**

Ed Tharp Casper College, Casper  
 Eric Reid Central Wyoming College, Riverton  
 Shane Rosty Northern Wyoming College, Sheridan  
 Scott Reekers Northwest College, Powell  
 Doug Wookey University of Wyoming, Cheyenne  
 Kevin King Western Wyoming Community College, Green River

# PART 8

## HISTORICAL TABLE



## ANNUAL MEETING INFORMATION of the Southern Baptist Convention Since 1845

Date/Place/Registration	President	Vice Presidents	Secretaries (Recording/Registration)	Convention Preacher
1845 Augusta, GA	293 <sup>1</sup> William B. Johnson, SC	W. Lumpkin, GA; J.B. Taylor, VA	Jesse Hartwell, AL; James C. Crane, VA	
1846 Richmond, VA	162 William B. Johnson, SC	R.B.C. Howell, TN; J.B. Taylor, VA; T. Stocks, GA; W.C. Buck, KY	Jesse Hartwell, AL; James C. Crane, VA	Richard Fuller, MD
1849 <sup>2</sup> Charleston, SC	103 William B. Johnson, SC	R.B.C. Howell, TN; J.B. Taylor, VA; T. Stocks, GA; W.C. Buck, KY	James C. Crane, VA; Basil Manly, Jr., AL	W.B. Johnson, SC
1851 <sup>2</sup> Nashville, TN	124 R. B. C. Howell, VA	B. Manly, AL; J.B. Jeter, MO; W.C. Buck, KY; R.Fuller, MD	James C. Crane, VA; William Carey Crane, MS	J.B. Jeter, VA; J.L. Reynolds, SC
1853 <sup>2</sup> Baltimore, MD	154 R. B. C. Howell, VA	R. Fuller, MD; W.C. Buck, KY; J.B. Jeter, MO; T. Stocks, GA	H. K. Ellyson, VA; William Carey Crane, MS	R.B.C. Howell, VA; S. Baker, KY
1855 <sup>2</sup> Montgomery, AL	235 R. B. C. Howell, VA	T. Stocks, GA; J.B. Jeter, VA; W.C. Buck, MS; W.P. Chilton, AL	William Carey Crane, MS; James M. Watts, AL	A.D. Sears, KY
1857 <sup>2</sup> Louisville, KY	184 R. B. C. Howell, VA	B. Manly, AL; J.B. Jeter, VA; W.C. Buck, AL; T. Stocks, GA	William Carey Crane, MS; George B. Taylor, MD	William Carey Crane, MS
1859 <sup>2</sup> Richmond, VA	580 Richard Fuller, MD	J.B. Jeter, VA; B. Manly, SC; T. Stocks, GA; W.C. Buck, AL	William Carey Crane, MS; George B. Taylor, MD	Duncan R. Campbell, KY
1861 <sup>2</sup> Savannah, GA	177 Richard Fuller, MD	Basil Manly, SC; Thomas Stocks, GA; R.B.C. Howell, TN; P.H. Mell, GA	William Carey Crane, MS; George B. Taylor, MD	William H. McIntosh, AL
1863 <sup>2</sup> Augusta, GA	181 P. H. Mell, GA	J.B. Jeter, VA; B. Manly, AL; W. Williams, SC; J.L. Reynolds, SC	George B. Taylor, VA; Sylvanus Landrum, GA	J.L. Burrows, VA
1866 <sup>3</sup> Russellville, KY	244 P. H. Mell, GA	S.L. Helm, KY; A.P. Williams, MO; J.B. Jeter, VA; R.B.C. Howell, TN	George B. Taylor, VA; W. Pope Yeammann, KY	Richard Fuller, MD
1867 Memphis, TN	250 P. H. Mell, GA	A.P. Williams, MO; R. Fuller, MD; J.L. Burrows, VA; J.W.D. Creath, TX	A. Fuller Crane, MD; A.P. Abell, VA	W.T. Branley, MD
1868 Baltimore, MD	327 P. H. Mell, GA	J.L.M. Curry, AL; J.B. Jeter, VA; J.P. Boyce, SC; R. Fuller, MD	A.P. Abell, VA; A.F. Crane, MD	T.E. Skimer, TN
1869 Macon, GA	266 P. H. Mell, GA	R. Fuller, MD; J.L.M. Curry, AL; J.P. Boyce, SC; J.B. Link, TX	A.P. Abell, VA; A.F. Crane, MD	E.T. Winkler, SC
1870 Louisville, KY	399 P. H. Mell, GA	W.C. Crane, TX; J.S. Coleman, KY; J.P. Boyce, SC; A. Sherwood, MO	J. Russell Hawkins, KY; E.C. Williams, MD	J.L. Burrows, VA
1871 St. Louis, MO	360 P. H. Mell, GA	J.S. Coleman, KY; A. Sherwood, MO; J.L. Burrows, VA; J.W.M. Williams, MD	E. Calvin Williams, MD; Truman S. Sumner, AL	J.W.M. Williams, MD
1872 Raleigh, NC	304 James P. Boyce, SC	J.L.M. Curry, VA; A.P. Abell, GA; A.F. Crane, MD; N.K. Davis, KY	E. Calvin Williams, MD; Truman S. Sumner, AL	T.G. Jones, TN
1873 Mobile, AL	259 James P. Boyce, SC	M.P. Lowry, MS; J. Kerr, NC; H.H. Tucker, GA; S.L. Helm, KY	M.B. Wharton, KY; W.O. Tuggle, GA	T.G. Jones, TN
1874 Jefferson, TX	222 James P. Boyce, KY	J.L. Burrows, VA; W.C. Crane, TX; J.H. DeVotie, GA; P.G. Jones, TN	G.R. McCall, GA; W.O. Tuggle, GA	E.G. Taylor, LA
1875 Charleston, SC	302 James P. Boyce, KY	P.H. Mell, GA; J.L.M. Curry, VA; E.T. Winkler, AL; R. Fuller, MD	W.O. Tuggle, GA; G.R. McCall, GA	T.H. Pritchard, NC
1876 Richmond, VA	289 James P. Boyce, KY	P.H. Mell, GA; J.L.M. Curry, VA; H. Woods, MD; S. Landrum, TN	C.C. Bittng, VA; E. Calvin Williams, MD	George C. Lorimer, MA
1877 New Orleans, LA	164 James P. Boyce, KY	J.C. Furman, SC; T.G. Jones, TN; W.C. Crane, TX; T.J. Evans, VA	O.F. Gregory, AL; W.E. Tanner, VA	Henry McDonald, KY
1878 Nashville, TN	253 James P. Boyce, KY	J.B. Jeter, VA; E.T. Winkler, AL; W.C. Crane, TX; T.G. Jones, TN	C.E.W. Dobbs, KY; W.E. Tanner, VA	B.H. Carroll, TX
1879 Atlanta, GA	313 James P. Boyce, KY	J.B. Jeter, VA; J. Levering, MD; C.L. Cooke, VA; W.C. Crane, TX	C.E.W. Dobbs, KY; W.E. Tanner, VA	J.C. Furman, SC
1880 Lexington, KY	360 P. H. Mell, GA	J.E. Brown, GA; E.T. Winkler, AL; P. Leslie, KY; W.P. Yeaman, MO	C.E.W. Dobbs, KY; O.F. Gregory, SC	PH. Mell, GA
1881 Columbus, MS	270 P. H. Mell, GA	E.T. Winkler, AL; J.L.M. Curry, VA; W.C. Crane, TX; S.D. Lee, MS	C.E.W. Dobbs, KY; O.F. Gregory, SC	Sylvanus Landrum, GA
1882 Greenville, SC	335 P. H. Mell, GA	J.E. Brown, GA; J. Levering, MD; J.C. Furman, SC; H.K. Ellyson, VA	Lansing Burrows, KY; O.F. Gregory, NC	T.T. Eaton, KY
1883 Waco, TX	612 P. H. Mell, GA	S.B. Maxey, TX; J.E. Brown, GA; J.C. Furman, SC; J.W.M. Williams, MD	Lansing Burrows, KY; O.F. Gregory, NC	John A. Broadus, KY
1884 Baltimore, MD	637 P. H. Mell, GA	J.E. Brown, GA; W.C. Crane, TX; T.H. Pritchard, MD; F.H. Kerfoot, MD	Lansing Burrows, GA; O.F. Gregory, NC	Lansing Burrows, GA
1885 Augusta, GA	528 P. H. Mell, GA	R. Jones, VA; J.C. Furman, SC; R. Andrews, TX; H.C. Wallace, MO	Lansing Burrows, GA; O.F. Gregory, MD	J.L.M. Curry, VA; J.L. Burrows
1886 Montgomery, AL	488 P. H. Mell, GA	B. Manly, KY; J.B. Hawthorne, GA; G.B. Taylor, VA; J.C. Furman, SC	Lansing Burrows, GA; O.F. Gregory, MD	J.B. Hawthorne, GA
1887 Louisville, KY	689 P. H. Mell, GA	L.B. Ely, MO; J.A. Hoyt, SC; J. Haralson, AL; W.E. Hatcher, VA	Lansing Burrows, GA; O.F. Gregory, MD	George Cooper, VA
1888 Richmond, VA	835 James P. Boyce, KY	L.B. Ely, MO; J. Pollard, VA; J.B. Hawthorne, GA; J. Haralson, AL	Lansing Burrows, GA; O.F. Gregory, MD	Francis M. Ellis, MD

<sup>1</sup> The SBC biennial meeting was deferred due to war in 1864 and 1865.

<sup>2</sup> The SBC held its second triennial meeting in 1849 in which they decided to begin meeting biennially at the conclusion of the meeting. After 1866, the SBC met annually.

<sup>3</sup> See *History of Baptist Conventions*, page 29, footnote 35.

ANNUAL MEETING INFORMATION  
of the Southern Baptist Convention Since 1845

	Date/Place/Registration	President	Vice Presidents	Secretaries (Recording/Registration)	Convention Preacher
1889	Memphis, TN	706 Jonathan Haralson, AL	J.P. Eagle, AR; F.H. Kerfoot, MD; L.B. Ely, MO; H.K. Ellyson, VA	Lansing Burrows, GA; O.F. Gregory, MD	J.P. Greene, MO
1890	Fort Worth, TX	801 Jonathan Haralson, AL	J.B. Hawthorne, GA; F.H. Kerfoot, KY; J.L.M. Curry, VA; L.B. Ely, MO	Lansing Burrows, GA; O.F. Gregory, MD	J.W. Carter, NC
1891	Birmingham, AL	915 Jonathan Haralson, AL	W.J. Northern, GA; C.L. Cooke, VA; J.A. Hoyt, SC; T.T. Eaton, KY	Lansing Burrows, GA; O.F. Gregory, MD	Carter H. Jones, TN
1892	Atlanta, GA	978 Jonathan Haralson, AL	J. Levering, MD; F.H. Northern, GA; J.P. Eagle, AR; L.L. Foster, TX	Lansing Burrows, GA; O.F. Gregory, MD	J.B. Gambrell, MS
1893	Nashville, TN	818 Jonathan Haralson, AL	W.J. Northern, GA; J. Levering, MD; W.H. Whitsitt, KY; S.H. Ford, MO	Lansing Burrows, GA; O.F. Gregory, MD	W.E. Hatcher, VA
1894	Dallas, TX	870 Jonathan Haralson, AL	F.M. Ellis, MD; J.W. Jones, VA; S.H. Ford, MO; W.J. Northern, GA	Lansing Burrows, GA; O.F. Gregory, MD	F.H. Kerfoot, KY
1895	Washington, DC	770 Jonathan Haralson, AL	J.T.S. Park, TX; J.H. Kilpatrick, GA; B.H. Carroll, TX; J.T. Ellyson, VA	Lansing Burrows, GA; O.F. Gregory, MD	G.B. Eger, AL; W.H. Whitsitt, KY
1896	Chattanooga, TN	819 Jonathan Haralson, AL	J. Levering, MD; F.H. Kerfoot, KY; S.H. Ford, MO; W.J. Northern, GA	Lansing Burrows, GA; O.F. Gregory, MD	Chas. A. Stakely, DC
1897	Wilmington, NC	724 Jonathan Haralson, AL	W.J. Northern, GA; J. Levering, MD; R. Marsh, NC; J. Eagle, AR	Lansing Burrows, GA; O.F. Gregory, MD	R.A. Venable, MS
1898	Norfolk, VA	857 Jonathan Haralson, AL	H.H. Hickman, GA; C.C. Slaughter, TX; J. Levering, MD; J.T. Henderson, TN	Lansing Burrows, GA; O.F. Gregory, MD	B.L. Whitman, DC
1899	Louisville, KY	646 W. J. Northern, GA	J.P. Eagle, AR; R.C. Buckner, TX; F.H. Kerfoot, KY; C.L. Cooke, VA	Lansing Burrows, GA; O.F. Gregory, MD	Geo. W. Truett, TX
1900	Hot Springs, AR	869 W. J. Northern, GA	J.P. Eagle, AR; J. Levering, MD; R.C. Buckner, TX; S.H. Ford, MO	Lansing Burrows, GA; O.F. Gregory, MD	J.J. Taylor, VA
1901	New Orleans, LA	787 W. J. Northern, GA	J.P. Eagle, AR; W.W. Beard, LA; A.H. Longino, MS; J. Levering, MD	Lansing Burrows, TN; O.F. Gregory, MD	E.Y. Mullins, KY
1902	Asheville, NC	1,093 James P. Eagle, AR	J. Levering, MD; R.H. Marsh, NC; C.C. Meador, DC	Lansing Burrows, TN; O.F. Gregory, MD	F.C. McConnell, GA
1903	Savannah, GA	1,136 James P. Eagle, AR	G. Hillyer, GA; E.W. Stephens, MO; A.E. Owen, VA; R.C. Buckner, TX	Lansing Burrows, TN; O.F. Gregory, AL	W.J. Williamson, MO
1904	Nashville, TN	1,095 James P. Eagle, AR	C.H. Willingham, GA; E.W. Stephens, MO; J.W. Thomas, TN; R.C. Buckner, TX	Lansing Burrows, TN; O.F. Gregory, AL	W.H. Landram, GA
1905	Kansas City, MO	816 E. W. Stephens, MO	T.H. Elliott, VA; C.A. Smith, SC; J. Levering, MD; J.C. Stalcup, Indian Territory	Lansing Burrows, TN; O.F. Gregory, AL	W.H. Felix, KY
1906	Chattanooga, TN	1,451 E. W. Stephens, MO	H.R. Pollard, VA; C.A. Smith, SC; J.C. Stalcup, Indian Territory; J.J. Taylor, KY	Lansing Burrows, TN; O.F. Gregory, VA	W.R.L. Smith, VA
1907	Richmond, VA	1,411 E. W. Stephens, MO	H.R. Pollard, VA; J.B. Marvin, KY; J. Levering, MD; S.Y. Jameson, GA	Lansing Burrows, TN; O.F. Gregory, VA	A.J. Dickinson, AL
1908	Hot Springs, AR	1,238 Joshua Levering, MD	J.A. Scott, OK; W.E. Atkinson, AR; R.C. Buckner, TX; H.R. Pollard, VA	Lansing Burrows, TN; O.F. Gregory, VA	Henry W. Battle, NC
1909	Louisville, KY	1,547 Joshua Levering, MD	J.B. Marvin, KY; T.G. Bush, AL; B.F. Riley, TX; J.A. Scott, OK	Lansing Burrows, GA; O.F. Gregory, VA	Edwin C. Dangan, GA
1910	Baltimore, MD	1,641 Joshua Levering, MD	J.J. Darlington, DC; S.P. Brooks, TX; W. Ellyson, VA; L.G. Hardman, GA	Lansing Burrows, GA; O.F. Gregory, VA	EL. Pickard, GA
1911	Jacksonville, FL	1,558 Edwin C. Dangan, GA	J.D. Mell, GA; H.S.D. Mallory, AL; C.A. Carson, FL; W.M. Whittington, MS	Lansing Burrows, GA; O.F. Gregory, VA	C.S. Gardner, KY
1912	Oklahoma City, OK	1,228 Edwin C. Dangan, GA	J.P. Greene, MO; C.A. Smith, SC; J.P. Powers, TN; C.H. Jones, OK	Lansing Burrows, GA; O.F. Gregory, VA	Z.T. Coody, SC
1913	St. Louis, MO	1,403 Edwin C. Dangan, GA	M.H. Wolfe, TX; J.C. Hardy, TX; J.L. Gross, TX; P.C. Barton, AR	Lansing Burrows, GA; O.F. Gregory, MD	T.W. O'Kelley, NC
1914	Nashville, TN	1,930 Lansing Burrows, GA	J.M. Pilcher, VA; W.E. Powers, KY; M.H. Wolfe, TX; H.S.D. Mallory, AL	O.F. Gregory, MD; Hight C. Moore, NC	Geo. W. McDaniel, VA
1915	Houston, TX	1,408 Lansing Burrows, GA	B.C. Henning, NC; J.C. Hardy, TX; J.L. Gross, TX; P.C. Barton, AR	O.F. Gregory, MD; Hight C. Moore, NC	J.W. Porter, KY
1916	Asheville, NC	2,125 Lansing Burrows, GA	B.C. Henning, NC; J.D. Mell, GA; J.C. Stalcup, OK; J.B. Lawrence, MS	O.F. Gregory, MD; Hight C. Moore, NC	Chas. W. Daniel, GA
1917	New Orleans, LA	1,683 J. B. Gambrell, TX	J.D. Mell, GA; S.P. Brooks, TX; W.W. Landrum, KY; J.T. Henderson, TN	O.F. Gregory, MD; Hight C. Moore, NC	C.W. Duke, FL
1918	Hot Springs, AR	2,043 J. B. Gambrell, TX	C.H. Brough, AR; C. Moss, LA; J.D. Mell, GA; L. Johnson, NC	O.F. Gregory, MD; Hight C. Moore, TN	W.H. Geistweitz, MO
1919	Atlanta, GA	4,224 J. B. Gambrell, TX	J.L. Johnson, MS; J.D. Mell, GA; R.F. Manly, AL; G.C. Savage, TN	Hight C. Moore, TN; J. Henry Burnett, GA	M.E. Dodd, LA
1920	Washington, DC	8,359 J. B. Gambrell, TX	D.H. Harris, MO; J.E. White, SC; W.W. Landrum, KY; J.H. Anderson, TN	Hight C. Moore, TN; J. Henry Burnett, GA	John E. White, SC
1921	Chattanooga, TN	5,313 E. Y. Mullins, KY	B.F. Pankoy, NM; J.R. Hobbs, AL; H.A. Tupper, DC; A.W. Chambliss, TN	Hight C. Moore, TN; J. Henry Burnett, GA	H.L. Winburn, AR
1922	Kansasville, EL	4,272 E. Y. Mullins, KY	R.M. Inlow, MO; W.W. Gaines, GA; J.J. Taylor, NC; W.D. Nowlin, KY	Hight C. Moore, TN; J. Henry Burnett, GA	S.J. Porter, OK
1923	Kansas City, MO	4,193 E. Y. Mullins, KY	D.H. Harris, MO; W.D. Upshaw, GA; J.D. Sandefur, TX; L.G. Broughton, VA	Hight C. Moore, TN; J. Henry Burnett, TN	R.G. Bowers, TX

## ANNUAL MEETING INFORMATION of the Southern Baptist Convention Since 1845

	Date/Place/Registration	President	Vice Presidents	Secretaries (Recording/Registration)	Convention Preacher
1924	Atlanta, GA	Geo. W. McDaniel, VA	C.E. Dicken, AR; W.L. Pickard, TN; M. Jones, MO; A.A. Murphree, FL	Height C. Moore, TN; J. Henry Burnett, TN	F.F. Gibson, KY
1925	Memphis, TN	Geo. W. McDaniel, VA	L.J. Bristow, LA; A.U. Boone, TN; B.G. Lowrey, MS; J.L. White, FL	Height C. Moore, TN; J. Henry Burnett, TN	Len G. Broughton, FL
1926	Houston, TX	Geo. W. McDaniel, VA	O.S. Lattimore, TX; J.D. Mell, GA; A.M. Bennett, FL; L.J. Bristow, LA	Height C. Moore, TN; J. Henry Burnett, TN	F.F. Brown, TN
1927	Louisville, KY	Geo. W. Truett, TX	L.E. Barton, AL; W.D. Upshaw, GA; J.D. Mell, GA; R.J. Bateman, NC	Height C. Moore, TN; J. Henry Burnett, TN	Wallace Bassett, TX
1928	Chattanooga, TN	Geo. W. Truett, TX	W.A. Hagan, GA; G.E. Hays, KY; F.C. McConnell, GA; E. Levering, MD	Height C. Moore, TN; J. Henry Burnett, TN	J.R. Hobbs, AL
1929	Memphis, TN	3,999	W.A. Hewitt, MS; J.C. Hardy, TX; M.P. Lovell, MS; W.C. Reeves, AR	Height C. Moore, TN; J. Henry Burnett, GA	W.I. Ball, SC
1930	New Orleans, LA	3,342	M.E. Dodd, LA; J.E. White, GA; M.P.L. Love, MS; C.W. Daniel, VA	Height C. Moore, TN; J. Henry Burnett, GA	R.G. Lee, TN
1931	Birmingham, AL	3,195	A.J. Barton, NC; G.J. Burnett, TN; A.C. Cree, NC; J.J. Millford, AL	Height C. Moore, TN; J. Henry Burnett, GA	John W. Phillips, AL
1932	St. Petersburg, FL	2,178	W.J. McGlothlin, SC	Height C. Moore, TN; J. Henry Burnett, GA	W. Marshall Craig, TX
1933	Washington, DC	2,765	F.F. Brown, TN	Height C. Moore, TN; J. Henry Burnett, GA	J.L. White, FL
1934	Fort Worth, TX	4,435	M.E. Dodd, LA	Height C. Moore, TN; J. Henry Burnett, GA	T.L. Holcomb, OK
1935	Memphis, TN	4,268	M.E. Dodd, LA	Height C. Moore, TN; J. Henry Burnett, GA	J.B. Weatherspoon, KY
1936	St. Louis, MO	3,702	John R. Stumpey, KY	Height C. Moore, TN; J. Henry Burnett, GA	John A. Huff, LA
1937	New Orleans, LA	4,507	John R. Stumpey, KY	Height C. Moore, TN; J. Henry Burnett, GA	Solon B. Cousins, VA
1938	Richmond, VA	5,785	John R. Stumpey, KY	Height C. Moore, TN; J. Henry Burnett, GA	E.P.J. Garrett, AR
1939	Oklahoma City, OK	4,598	L. R. Scarborough, TX	Height C. Moore, TN; J. Henry Burnett, NC	Perry F. Webb, TX
1940	Baltimore, MD	3,776	L. R. Scarborough, TX	Height C. Moore, TN; J. Henry Burnett, NC	W.R. White, OK
1941	Birmingham, AL	5,884	W. W. Hamilton, LA	Height C. Moore, TN; J. Henry Burnett, NC	J. Clyde Turner, NC
1942	San Antonio, TX	4,774	W. W. Hamilton, LA	Height C. Moore, TN; J. Henry Burnett, NC	Ellis A. Fuller, GA
1944 <sup>1</sup>	Atlanta, GA	4,301	Pat M. Neff, TX	Height C. Moore, TN; J. Henry Burnett, NC	John H. Buchanan, AL
1946 <sup>1</sup>	Miami, FL	7,973	Pat M. Neff, TX	Height C. Moore, NC; J. Henry Burnett, NC	J.W. Storer, OK
1947	St. Louis, MO	8,508	Louie D. Newton, GA	Porter Routh, TN; Joe W. Burton, TN	W.A. Criswell, TX
1948	Memphis, TN	8,843	Louie D. Newton, GA	Porter Routh, TN; Joe W. Burton, TN	W.R. Pettigrew, KY
1949	Oklahoma City, OK	9,393	Louie D. Newton, GA	Porter Routh, TN; Joe W. Burton, TN	Norman W. Cox, MS
1950	Chicago, IL	8,151	Robert G. Lee, TN	Porter Routh, TN; Joe W. Burton, TN	R.C. Campbell, NC
1951	San Francisco, CA	6,493	Robert G. Lee, TN	Porter Routh, TN; Joe W. Burton, TN	C. Roy Angell, FL
1952	Miami, FL	10,960	J.D. Grey, LA	Porter Routh, TN; Joe W. Burton, TN	Ramsey Rollard, TN
1953	Houston, TX	12,976	J.D. Grey, LA	George B. Fraser, DC; Joe W. Burton, TN	J.H. Landes, TX
1954	St. Louis, MO	10,962	J. W. Storer, OK	Joe W. Burton, TN	Slater A. Murphy, TN
1955	Miami, FL	10,837	J. W. Storer, OK	James W. Merritt, GA; Joe W. Burton, TN	Monroe F. Swilley, GA
1956	Kansas City, MO	12,254	C. C. Warren, NC	James W. Merritt, GA; Joe W. Burton, TN	Harry P. Staagg, NM
1957	Chicago, IL	9,109	C. C. Warren, NC	James W. Merritt, GA; Joe W. Burton, TN	Herschel H. Hobbs, OK
1958	Houston, TX	11,966	Brooks Hays, AR	James W. Merritt, GA; Joe W. Burton, TN	Robert E. Naylor, TX
1959	Louisville, KY	12,326	Brooks Hays, AR	James W. Merritt, GA; Joe W. Burton, TN	R. Paul Caudill, TN

<sup>1</sup> The SBC Annual Meeting was deferred due to war in 1943 and 1945.

**ANNUAL MEETING INFORMATION  
of the Southern Baptist Convention Since 1845**

	<b>Date/Place/Registration</b>	<b>President</b>	<b>Vice Presidents</b>	<b>Secretaries (Recording/Registration)</b>	<b>Convention Preacher</b>
1960	Miami Beach, FL 13,612	Ramsey Pollard, TN	William R. Pettigrew, KY; Bruce H. Price, VA	James W. Merritt, GA; Joe W. Burton, TN	Ralph A. Herring, NC
1961	St. Louis, MO 11,140	Ramsey Pollard, TN	W.O. Vaught, Jr., AR; John L. Slaughter, SC	James W. Merritt, GA; Joe W. Burton, TN	A. B. Van Arsdale, AL
1962	San Francisco, CA 9,396	Herschel H. Hobbs, OK	Roland Q. Leavell, MS; William H. Ford, TX	James W. Merritt, GA; Joe W. Burton, TN	H. Franklin Paschall, TN
1963	Kansas City, MO 12,971	Herschel H. Hobbs, OK	Grady C. Cothen, CA; Ewing S. James, TX	James W. Merritt, GA; Joe W. Burton, TN	Carl Bates, NC
1964	Atlantic City, NJ 13,136	K. Owen White, TX	Paul S. James, NY; R.L. Mathis, AL	James W. Merritt, GA; Joe W. Burton, TN	Enoch C. Brown, SC
1965	Dallas, TX 16,053	W. Wayne Dehoney, TN	Roy D. Gresham, MD; Gregory Walcott, CA	Joe W. Burton, TN; W. Fred Kendall, TN	John H. Haldeman, FL
1966	Detroit, MI 10,414	W. Wayne Dehoney, TN	Moyes B. Carroll, TX; Leobardo Estrado, NY	Clifton J. Allen, TN; W. Fred Kendall, TN	Ray E. Roberts, OH
1967	Miami Beach, FL 14,794	H. Franklin Paschall, TN	Fredrich D. Hubbs, MI; Howard H. Aultman, MS	Clifton J. Allen, TN; W. Fred Kendall, TN	Landrum P. Leavell II, TX
1968	Houston, TX 15,071	H. Franklin Paschall, TN	Landrum P. Leavell, TX; John A. Abernathy, AR	Clifton J. Allen, TN; W. Fred Kendall, TN	W. Douglas Hudgins, MS
1969	New Orleans, LA 16,678	W. A. Criswell, TX	Owen Cooper, MS; Lee Porter, TX	Clifton J. Allen, TN; W. Fred Kendall, TN	Scott L. Tatum, LA
1970	Denver, CO 13,692	W. A. Criswell, TX	Lee Porter, TX; Harper Shannon, AL	Clifton J. Allen, TN; W. Fred Kendall, TN	Grady C. Cothen, OK
1971	St. Louis, MO 13,716	Carl E. Bates, NC	Fred B. Rhodes, DC; Russell H. Dilday, Jr., GA	Clifton J. Allen, TN; W. Fred Kendall, TN	John R. Claypool, KY
1972	Philadelphia, PA 13,153	Carl E. Bates, NC	James H. Landes, TX; Warren C. Hultgren, OK	Clifton J. Allen, TN; W. Fred Kendall, TN	E. Hemond Westmoreland, TX
1973	Portland, OR 8,871	Owen Cooper, MS	James E. Coggm, TX; George W. Bullard, PA	Clifton J. Allen, TN; W. Fred Kendall, TN	Doison M. Nelson, Jr., AL
1974	Dallas, TX 18,190	Owen Cooper, MS	James G. Harris, TX; Clifford Brannon, TX	Clifton J. Allen, NC; Fred Kendall, TN	R. J. Robinson, GA
1975	Miami Beach, FL 16,421	Jaroy Weber, TX	Stewart B. Simms, SC; Charles N. King, KY	Clifton J. Allen, NC; Fred Kendall, TN	Jimmy Allen, TX
1976	Norfolk, VA 18,637	Jaroy Weber, TX	M. Hunter Riggins, Jr., VA; James L. Monroe, FL	Clifton J. Allen, NC; Fred Kendall, TN	Warren Hultgren, OK
1977	Kansas City, MO 16,271	James L. Sullivan, TN	Doison M. Nelson, Jr., AL; Mrs. Carl E. Bates, NC	Clifton J. Allen, NC; Fred Kendall, TN	William Self, GA
1978	Atlanta, GA 22,872	Jimmy R. Allen, TX	Olan H. Rummels, MO; Richard O. Sutton, KS	Martin B. Bradley, TN; Lee Porter, TN	Jesse Fletcher, TX
1979	Houston, TX 15,760	Jimmy R. Allen, TX	Aulton D. Watterson, Jr., TN; William L. Self, GA	Martin B. Bradley, TN; Lee Porter, TN	William Hinson, LA
1980	St. Louis, MO 13,844	Adrian P. Rogers, TN	Abner V. McCall, TX; A. Don Touchton, FL	Martin B. Bradley, TN; Lee Porter, TN	H. Edwin Young, TX
1981	Los Angeles, CA 13,529	Bailey E. Smith, OK	Jack R. Taylor, TX; C. Wade Freeman, TX	Martin B. Bradley, TN; Lee Porter, TN	James L. Monroe, FL
1982	New Orleans, LA 20,456	Bailey E. Smith, OK	Christine Gregory, VA; Don M. Kim, CA	Martin B. Bradley, TN; Lee Porter, TN	William E. Hull, LA
1983	Pittsburgh, PA 13,740	James T. Draper, Jr., TX	John Sullivan, LA; Gene Garrison, OK	Martin B. Bradley, TN; Lee Porter, TN	James L. Pleitz, TX
1984	Kansas City, MO 17,101	James T. Draper, Jr., TX	John Sullivan, LA; C. Edward Price, PA	Martin B. Bradley, TN; Lee Porter, TN	Russell H. Dilday, Jr., TX
1985	Dallas, TX 45,519	Charles F. Stanley, GA	Zig Ziglar, TX; Donald V. Wideman, MO	Martin B. Bradley, TN; Lee Porter, TN	Charles G. Fuller, VA
1986	Atlanta, GA 40,987	Charles F. Stanley, GA	W. Winfred Moore, TX; Henry Huff, KY	Martin B. Bradley, TN; Lee Porter, TN	Adrian P. Rogers, TN
1987	St. Louis, MO 25,607	Adrian P. Rogers, TN	Jack Stanton, MO; Ray E. Roberts, NC	Martin B. Bradley, TN; Lee Porter, TN	Jerry Vines, FL
1988	San Antonio, TX 32,727	Adrian P. Rogers, TN	Jack Stanton, MO; Victor M. Kanaboe, AZ	Martin B. Bradley, TN; Lee Porter, TN	Joel Gregory, TX
1989	Las Vegas, NV 20,411	Jerry Vines, FL	Darrell W. Robinson, AL; Rudy Hernandez, TX	Martin B. Bradley, TN; Lee Porter, TN	Morris Chapman, TX
1990	New Orleans, LA 38,403	Jerry Vines, FL	Junior Hill, AL; Ernest B. Myers, NV	Martin B. Bradley, TN; Lee Porter, TN	Fred Wolfe, AL
1991	Atlanta, GA 23,465	Morris H. Chapman, TX	Douglas Knapp, FL; Fred Lowery, LA	David W. Atchison, TN; Lee Porter, TN	Tom D. Elliff, OK
1992	Indianapolis, IN 17,956	Morris H. Chapman, TX	Nelson Price, GA; Ed Harrison, Jr., AR	David W. Atchison, TN; Lee Porter, TN	Lewis A. Drummond, NC
1993	Houston, TX 17,768	H. Edwin Young, TX	Jay Strack, TX; Joe Aults, LA	David W. Atchison, TN; Lee Porter, FL	Jack N. Graham, TX
1994	Orlando, FL 20,370	H. Edwin Young, TX	Jay Strack, TX; Bobby Welch, FL	David W. Atchison, TN; Lee Porter, FL	Bobby N. Boyles, OK

## ANNUAL MEETING INFORMATION of the Southern Baptist Convention Since 1845

	Date/Place/Registration		President	Vice Presidents		Secretaries (Recording/Registration)		Convention Preacher
1995	Atlanta, GA	20,654	James B. (Jim) Henry, FL	Simon H.L. Tsou, AZ; Gary L. Frost, OH	David W. Atchison, TN; Lee Porter, FL	R. Albert Mohler, Jr., KY		
1996	New Orleans, LA	13,706	James B. (Jim) Henry, FL	Larry W. Wynn, GA; Gary L. Frost, OH	David W. Atchison, TN; Lee Porter, GA	Ronnie Floyd, AR		
1997	Dallas, TX	12,420	Thomas D. (Tom) Elliff, OK	Robert E. (Bob) Anderson, LA; Fred Luter, Jr., LA	David W. Atchison, TN; Lee Porter, GA	Richard D. Land, TN		
1998	Salt Lake City, UT	8,582	Thomas D. (Tom) Elliff, OK	Miles Seaborn, TX; David Galvan, TX	John L. Yeats, OK; Lee Porter, GA	James G. Merritt, GA		
1999	Atlanta, GA	11,608	Paige Patterson, NC	Rick E. Ferguson, CO; Mike Gray, UT	John L. Yeats, OK; Lee Porter, GA	Ralph Smith, TX		
2000	Orlando, FL	11,951	Paige Patterson, NC	D. Franklin (Frank) Cox, GA; Jerry L. Spencer, AL	John L. Yeats, OK; Lee Porter, GA	Bailey E. Smith, GA		
2001	New Orleans, LA	9,584	James Merritt, GA	Ted H. Traylor, FL; Tommy French, LA	John L. Yeats, OK; Lee Porter, GA	Fred Luter, Jr., LA		
2002	St. Louis, MO	9,645	James Merritt, GA	Ed Litton, AL; T.C. Pinconey, VA	John L. Yeats, OK; Lee Porter, GA	Claude Thomas, TX		
2003	Phoenix, AZ	7,077	Jack Graham, TX	Paul Pressler, TX; E.W. McCall, Sr., CA	John L. Yeats, OK; Jim Wells, MO	O.S. Hawkins, TX		
2004	Indianapolis, IN	8,600	Jack Graham, TX	Robb Zinn, CA; William (Bill) Wagner, CA	John L. Yeats, OK; Jim Wells, MO	Steve Gaines, AL		
2005	Nashville, TN	11,641	Bobby Welch, FL	Gerald Davidson, MO; David Gill, CA	John L. Yeats, OK; Jim Wells, MO	Ken Whitten, FL		
2006	Greensboro, NC	11,639	Bobby Welch, FL	Jerry Sutton, TN; Roy J. Fish, TX	John L. Yeats, LA; Jim Wells, MO	Donald Wilton, SC		
2007	San Antonio, TX	8,630	Frank Page, SC	Jimmy Jackson, AL; Wiley Drake, Sr., CA	John L. Yeats, LA; Jim Wells, MO	Rob Zinn, CA		
2008	Indianapolis, IN	7,277	Frank Page, SC	James W. (Jim) Richards, TX; Eric C. Redmond, MD	John L. Yeats, LA; Jim Wells, MO	Al Gilbert, NC		
2009	Louisville, KY	8,795	Johnny Hunt, GA	Bill Henard, KY; John D. Newland, IN	John L. Yeats, LA; Jim Wells, MO	John Marshall, MO		
2010	Orlando, FL	11,075	Johnny Hunt, GA	John Mark Toby, KY; Stephen N. Rummage, FL	John L. Yeats, LA; Jim Wells, MO	Mac Brunson, FL		
2011	Phoenix, AZ	4,852	Bryant Wright, GA	Ron Herrod, TN; Eric Moffett, AR	John L. Yeats, LA; Jim Wells, MO	David Platt, AL		
2012	New Orleans, LA	7,874	Bryant Wright, GA	Fred Luter, LA; Eric Thomas, VA	John L. Yeats, LA; Jim Wells, MO	David Uth, FL		
2013	Houston, TX	5,103	Fred Luter, Jr., LA	Nathan Lino, TX; Dave Miller, IA	John L. Yeats, MO; Jim Wells, MO	Danny Akin, NC		
2014	Baltimore, MD	5,298	Fred Luter, Jr., LA	Bart Barber, TX; Jared Moore, KY	John L. Yeats, OK; Jim Wells, MO	John Meador, TX		
2015	Columbus, OH	5,407	Ronnie Floyd, AR	Clint Pressley, NC; Hance Dilbeck, OK	John L. Yeats, MO; Jim Wells, MO	Eddie Bumpers, MO		
2016	St. Louis, MO	7,321	Ronnie Floyd, AR	Steve Dighton, KS; Chad Keek, OH	John L. Yeats, MO; Jim Wells, MO	Ted Traylor, FL		
2017	Phoenix, AZ	5,015	Steve Gaines, TN	Doug Munton, MO; Malachi O'Brien, MO	John L. Yeats, MO; Jim Wells, MO	Roger Spradlin, CA		
2018	Dallas, TX	9,632	Steve Gaines, TN	Walter Strickland, NC; Jose Abella, FL	John L. Yeats, MO; Don Currence, MO	Kie Bowman, TX		
2019	Birmingham, AL	8,183	J.D. Greear, NC	A.B. Vines, CA; Felix Cabrera, PR	John L. Yeats, MO; Don Currence, MO	Stephen Rummage, OK		
2021* 1	Nashville, TN		J.D. Greear, NC	Marshal Ausbury, VA; Noe Garcia, AZ	John L. Yeats, MO; Kathy Litton, AL	Willy Rice, FL		

The following persons were the treasurers of the Southern Baptist Convention for the year or years indicated: M. T. Mendenhall, SC (1845-56); J. J. Toon, SC (1853-56); B. C. Pressley, SC (1856-60); W. Y. Letch, SC (1861-62); C. Y. Ellford, SC (1863-66); George Washington Norton (KY) - 1866\*-89; George Washington Norton II (KY) - 1890-1924; George Washington Norton III (KY) - 1925-28; Hight C. Moore (TN) - 1929-33; Walter M. Gilmore (TN) - 1934-46; Duke Kimbrough McCall (TN) - 1947-51; Porter Wroe Routh (TN) - 1952-79; Harold Clark Bennett (TN) - 1979-92; Morris H. Chapman (TN) - 1992-10; Frank S. Page (TN) - 2010-18; Ronnie W. Floyd - 2019-present.

\* The SBC Annual Meeting was cancelled due to the COVID-19 global pandemic in 2020.

\*As adapted at the 2019 SBC Annual Meeting

