Report to the SBC Executive Committee

February 17, 2025 Nashville, TN Dr. Jeff Iorg, President

You may view video of this speech here.

(NOTE: There may be some minor variations in this draft and the transcript from the oral presentation.)

Thank you for the privilege of reporting to you on the work of the Executive Committee of the Southern Baptist Convention. Thank you, President Pressley, for the outstanding job you are doing leading us toward the annual meeting in Dallas, Texas. Your theme emphasizing our cooperation and our confession captures the moment as we celebrate the 100th anniversary of both the Cooperative Program and the Baptist Faith and Message. The preparations for the annual meeting are in good order as we anticipate more than 15,000 messengers and guests gathering in Dallas.

My report to you last September reminded us Southern Baptists are a force for good. It was a call-to-action based on our global partnership through the Cooperative Program. This report will be different, although hopefully inspirational in a different way. Tonight, I want to speak to you about three issues coming before the Executive Committee, all of which are of broad concern to our Southern Baptist family.

Sexual Abuse Prevention and Response

At the SBC annual meeting last year, the Executive Committee was assigned the responsibility for determining the organizational placement of sexual abuse prevention and response in the SBC ecosystem. After considering multiple options, the Executive Committee assigned itself that responsibility. We then launched a national search for a Director of Sexual

Abuse Prevention and Response – resulting in Jeff Dalrymple joining our team in January 2025.

Please join me in recognizing and thanking Jeff for taking on this significant role.

Under Jeff's leadership, we are working on six initiatives to finalize before the annual meeting in June. At that meeting, we will then announce additional plans for the next year.

These six initiatives include the following:

First, we are enhancing the Essentials curriculum and continuing to make it available free to all churches. We appreciate the ARITF creating the first version of this curriculum. Now that it has been field tested for almost a year, we are updating it, making it a more effective tool, and streamlining its distribution and availability.

Second, I am appointing an Advisory Committee on sexual abuse prevention and response strategies. This Committee will have a cross-section of people with a proven record of leading on these issues, serving cooperatively among Southern Baptists, and balancing the wide range of concerns related to abuse prevention and response.

Third, the Executive Committee has assumed operation of the sbcabuseprevention.com website and are enhancing and enlarging what is offered through the site.

Fourth, we are pursuing ways to improve the SBC hotline – both improving its administration and the services we offer persons who contact it.

Fifth, we are formalizing the network of state convention abuse prevention and response leaders. State conventions, as in every national effort, are vital partners who have direct contact with churches and church leaders. We foresee regular communication among this group as we customized responses in every state.

Finally, we will be hosting a training event – "Safeguarding the Next Generation" at the annual meeting in Dallas – along with raising the profile of abuse prevention and response with dedicated exhibit space in our booth area.

The Executive Committee is taking measured, intentional, proactive steps toward establishing sexual abuse prevention and response as a ministry responsibility. Part of defining the nature of this response is understanding the scope of the problem among Southern Baptists. We now have one important data source, the hotline results, which inform our planning. While it is not our only data source, it is a primary source of independently verified information. Here is what we have learned.

The hotline has been operational since May 2022. Since then, the hotline has received 1008 contacts by phone and email. Of those 1008 contacts, 334 (33%) were requests for information, opinions, or spam. The other 674 (67%) reported alleged abuse. Of the 674 reported allegations, 458 (68%) were among Southern Baptists; 216 (32%) were not among Southern Baptists. Of the 458 reported allegations among Southern Baptists, 187 (41%) were adult/adult incidents and 271 (59%) were adult/minor incidents.

While these overall data points are significant for the total picture, it is important to note that 513 (51%) of the hotline contacts came in the first four months it was open – as would be expected to account for a back log of concerns. When we look past the surge at the beginning and isolate the data for the last 24 months, it provides a better picture of the ongoing reporting we are receiving. Over the past 24 months (January 2023 through December 2024), the hotline received 315 contacts – an average of 13 per month. When the percentages above are applied to these 13 monthly contacts, it means about 4 people requested information and 9 reported alleged abuse. Of those 9, 2 were likely not Southern Baptists. Of the remaining 7 contacts, 2-3 cases

would involve adult/adult incidents and 4-5 cases would involve adult/minor incidents. Of these 315 total contacts over the previous 24 months, the hotline referred 128 cases – just over 5 per month - to the Credentials Committee for consideration of whether a church is in friendly cooperating with the Convention. The Credentials Committee has processed or is processing those referrals. Seven churches have been declared not in friendly cooperation and removed from the SBC based on their response related to these issues.

What does this hotline data mean? Two broad conclusions. First, sexual abuse is a serious and real problem. And when it happens, it is devastating for the survivors, the church, the community, and every person connected to anyone involved. Survivor stories are particularly gut-wrenching and heart-breaking. Every church must make every reasonable effort to prevent sexual abuse and respond proactively if it happens. We are committed to these standards at the Executive Committee: no tolerance for abuse and every church a safe place for the vulnerable.

We also acknowledge the hotline data does not define the full scope of the problem. The explosion of child pornography, rising licentiousness across our culture, and predatory nature of offenders means we must be ever vigilant. I say again, even one case is one too many. That's why we are taking proactive steps like those already mentioned and creating ongoing processes – beyond resolutions or study committees – to equip churches to protect the vulnerable. We can and we will do this together.

The second conclusion, according to the hotline data, is that abuse is not frequently reported in Southern Baptist churches. We have widely publicized this issue for the past five years and encouraged people to come forward with information and allegations. We now have verified, third-party data, from which we can draw information and develop strategies. While we fully acknowledge reported incidents of sexual abuse, we also reject the false narrative Southern

Baptist churches are dangerous places for children, are protecting predators, and are uncaring in responding to survivors. The data indicates a continuing problem – 13 total contacts and five referrals per month are too many – but it also puts the problem in perspective among more than 12 million Southern Baptists in more than 47,000 churches.

Some may twist my words, accusing me of minimizing the problem. That's simply not true. We are responding to this problem now and creating an ongoing response framework for the future. Thousands of SBC churches have implemented prevention measures over the past five years. With 7 rare exceptions, Southern Baptist churches – even those contacted by the Credentials Committee – are cooperating to prevent abuse and address abuse allegations. Sexual abuse – no matter how few incidents are reported among 47,000 churches - is an evil we want stopped. The Executive Committee is working with state convention partners and entity partners to provide the resources, support, and training necessary to strengthen churches in this battle. And, when a church refuses to respond appropriately, we will declare them not in friendly cooperation with the Southern Baptist Convention.

Business and Financial Plan

One of the Executive Committee's responsibilities is receiving and responding to various motions and recommendations by messengers at each annual meeting. Counting the ones we will address at this meeting, the Executive Committee has processed more than 35 referrals since last June. Our role is to study each issue carefully and make the decision we believe best serves the overall mission of the SBC.

Over the past two years, several referrals have related to various business and financial components of the Convention and its entities. After considering them, it became clear the best

response – rather than respond to them individually – was to incorporate an overall response through revising the SBC Business and Financial Plan.

The Business and Financial Plan is a general statement of policies for the Convention, its entities, and the Executive Committee. It is not a comprehensive statement of everything required, every law or rule that must be followed, or every business or financial standard that must be met. It is, instead, a general outline of Convention expectations.

The current plan is a dated, cumbersome document which was not easily amendable. Revising it required a different approach than the strikethrough and underline process often used to amend official documents. We have worked for several months to produce the proposed revision – involving the Executive Committee staff and officers, entity presidents, entity chief financial officers, entity attorneys, Executive Committee attorneys, and Executive Committee members. Here are five convictions, perspectives, or goals which have guided us in creating the new document.

First, Southern Baptists govern their entities by electing trustees who are expected to fulfill the Business and Financial Plan. The Convention does not govern its entities by messenger action, media pressure, or public opinion. Southern Baptists require, however, their Boards – and the Presidents they supervise - to account for their fulfillment of the Business and Financial Plan and report those results publicly. We have enhanced those reporting requirements in the proposed revision.

This first point is the crux of the matter in the current debates about governing the SBC and its entities. The original SBC constitution included these instructions, "The Convention shall elect...as many Boards of Managers, as in its judgment will be necessary for carrying out the benevolent objects it many determine to promote.... To each Board shall be committed,

during the recess of the Convention, the entire management of all the affairs relating to the object with whose interest it shall be charged." Since our founding, we have governed entities by electing trustees (or managers as they were called in 1845) and allowing them to lead the entities. While this system – like all human-created systems - has shortcomings, it is far superior to the alternative of attempting to run a multi-billion-dollar enterprise on motions, short debates, and rushed votes.

The most important role of messengers is to elect trustees – people they trust – to do the hard work of governing the entities. Another important role of messenger is surfacing ideas worth considering, which are then referred to appropriate Boards of Trustees for consideration.

Any resulting actions can then be taken after reflective deliberation and careful decision-making.

Second, the Business and Financial Plan must emerge from the Constitution and Bylaws of the Convention. The proposed document underscores those connections by including those notations. Business and financial practices – like revealing proprietary information - cannot be demanded of the entities if it conflicts with their responsibility to fulfil those legal requirements.

Third, the Business and Financial Plan must focus on general principles rather than specific methodologies. SBC entities vary widely – from an entity focused on public policy, to six large seminaries, to a multi-million-dollar publishing company, to billion-dollar missionary enterprises, to a multi-billion-dollar financial services company. All these entities have distinct legal, professional, financial, and accrediting standards they must meet. The Business and Financial Plan must be general enough to encompass all of this, yet specific enough to accomplish its purpose.

Fourth, the Plan must call for transparency by the entities in their business and financial decisions. The revised plan includes at least fifteen instances where the Board of Trustees of

each entity must report their compliance. These include Cooperative Program promotion, Board oversight, audit practices, use of restricted funds, reporting indebtedness, conflicts of interest, budget oversight, presidential compensation, staff compensation, executive expenses, constituent responsiveness, fundraising practices, fundraising reports, and internal controls. Each entity will report on these issues in an annual Accountability Letter addressed to Southern Baptists and published in the Convention Annual.

Finally, the revised Business and Financial Plan uses plain language – not technical or legal language unless necessary for clarity. We have also eliminated redundant sections and archaic practices. In doing this, we were also able to shorten the document, standardize language, and simplify the formatting.

In adopting this new plan and recommending it to the annual meeting in Dallas, you are not setting anything in stone. If we discover deficiencies, the Business and Financial Plan can be amended until we feel it is adequate for its purpose. My hope is we will adopt the revised plan, live with it for the next two years, and then adjust any deficiencies or shortcomings.

Budget and Financial Challenges

Budgeting and resource management are two financial challenges the SBC and Executive Committee have faced in the past few years. Let me summarize how we arrived at this point, the current steps we are taking, and plans we are proposing to solve these problems.

In 2021, the SBC adopted a consequential motion with several key components. First, the messengers commissioned an independent investigation of the Executive Committee's handling of sexual abuse allegations. Second, the Executive Committee was instructed to surrender attorney/client privilege related to the investigation. Third, the motion called for the

investigation and its aftermath to be paid for with Cooperative Program funds. As the Executive Committee implemented this motion, the controversial subject matter, coupled with waiving privilege, and significant pressure from some leaders resulted in the Executive Committee indemnifying the investigator, Guidepost Solutions.

These decisions were controversial at the time, resulting in resignations by Executive Committee members and employees. Some voices objected to Cooperative Program funds being used as included in the motion. The Executive Committee made a good faith effort to respond to those concerns and protect the Cooperative Program by paying the costs from their reserves – which were about \$14 million at the time.

Now, four years later, we know the financial cost of those decisions. Through December 2024, the Executive Committee has spent \$13 million to fulfill the directives of the original motion and its results. To do this, the Executive Committee has reduced staff (now down to 22 full-time employees), cut programs, curtailed expenses, and spent its unrestricted reserves (which are now about \$1 million). For the current fiscal year, the Executive Committee is working to secure a \$3 million loan to meet its financial obligations.

Looking ahead, we anticipate at least another \$3 million in legal expenses next year as we defend against multiple lawsuits resulting from the decisions made in 2021. Since we cannot predict the outcome or timeline for these legal processes, we do not know the total legal expenses we may face. But here is our present reality. Decisions were made by the messengers in 2021. Those decisions had consequences. Those consequences have costs. And those bills must be paid. The pressing question is, "how we do fund an estimated \$3 million legal expenses in 2025-26?"

One possible answer is to sell the SBC building in Nashville. We are currently marketing the building for sale for \$35 million. We do not know if or when the building will sell, however, so we must have a more definite alternative. For that reason, we are recommending a \$190 million national Cooperative Program budget for 2025-26 with a \$3 million priority allocation for SBC legal expenses.

This is a controversial and difficult recommendation to make. No mission-centered Southern Baptist wants to take this action. I don't; you don't; none of us do. But we have exhausted other options – using Executive Committee reserves, cutting staff and programs, borrowing money, and attempting to sell the SBC building. We have reached a point where the instructions from the original motion must be implemented – directly paying for the investigation and its results with Cooperative Program funds.

If this budget recommendation is adopted, some pastors my consider redirecting Cooperative Program gifts because they, "Don't want CP going to pay legal bills." Speaking to pastors now, please consider these observations as you make your final decision.

First, paying legal bills with Cooperative Program funds is not a new practice. Our current situation is just more public than most. All SBC entities and state conventions employ attorneys or contract with law firms to represent them. We live in a litigious world – and its only getting worse. We have always paid and will continue to pay legal costs from Cooperative Program funds.

Second, the ethical dilemma for Southern Baptists is not centered on using funds to pay legal bills but keeping our word and paying our debts. While the messengers who voted for the investigation may not have understood the full cost of their decision and most Southern Baptists were not in the room when the vote was taken, the resulting bills must now be paid.

Third, the Executive Committee is defending the SBC in all these legal actions. We have not initiated any legal action against anyone. We are defendants – defending the SBC, the Executive Committee, and SBC officers and personnel. We cannot control who sues us, but for the sake of our mission we must provide a robust defense when lawsuits are filed.

Fourth, we are spending a small fraction of SBC resources on legal expenses. Southern Baptist churches will receive more than \$10 billion – billion with a B – in offerings in 2025. They will forward about \$450 million through the Cooperative Program and give another \$275 to SBC mission offerings and causes. While \$3 million seems like a lot to most Southern Baptists, it is a relatively small part of our overall financial resources as Southern Baptists.

Despite these perspectives, I am still being asked if we can push through this challenge and return to a more resolute focus on our eternal mission. My answer is an unequivocal yes – for two reasons. First, I believe God is still using Southern Baptists as a force for good and will sustain us. And second, I believe in Southern Baptist pastors.

Southern Baptist pastors do not run from trouble. They walk toward it. They specialize in holding steady in messy situations – especially those caused by choices of others. On a local level, they step into church conflicts, marital strife, family dysfunctions, and community turmoil. On a national level, they step forward to support their leaders in solving serious problems.

Our current financial and legal challenges are not the first time Southern Baptist have faced major public challenges. In the 1920's, both our mission boards discovered embezzlement of more than \$18 million in today's dollars. Seminaries have paid to terminate employees and recover enrollment after theological drift. We have made poor decisions on civil rights and racial issues – to our public shame, with resulting financial losses like withdrawing or reprinting

curriculum as well as other financial repercussions. We have had to fire a few entity presidents along the way – usually with financial setbacks to the entities involved.

In all these cases, Southern Baptist pastors held steady in their giving, bore the embarrassment of public failures, trusted their leaders to fix the problems, and ultimately emerged on the other side with reforms, changes, and newfound wisdom about doing our work together. Southern Baptist pastors will do it again this time.

Over the past few weeks, I have asked God why – with at least 12 million other Southern Baptists available – he assigned me to make this speech tonight. I'm still not sure of all the reasons, but in God's providential plan – here I stand. This is not how I envisioned this season of my life. I am frustrated by reading legal briefs, consulting with attorneys, and paying legal costs. I am saddened I live in a world where I must develop strategies and spend money stopping sexual predators. I get angry when enemies and critics spread misinformation about us. Somedays, getting on with retirement looks pretty good.

But then I remember the overwhelming good Southern Baptists are accomplishing through churches, colleges, seminaries, hospitals, retirement centers, children's services and crisis pregnancy centers, collegiate ministries, camps, conference centers, state conventions, foundations, associations, Sunday Schools, Vacation Bible Schools, Bible and curriculum production, retirement services and benevolent care for ministers, public advocacy, and – of course – the largest international missionary force and domestic church planting movements in the United States. Southern Baptists are still a force for good.

Some critics persistently claim we are corrupt, and the entire Southern Baptist enterprise needs to be dismantled. They are wrong. All that's required to keep that from happening is thousands of Southern Baptist pastors and other leaders saying, "Not on my watch."

I signed on to guide us through these current challenges. That's where I'm going – not around these problems but through them. My hope is the leaders in this room, thousands of pastors, and millions of Southern Baptists will resolve to go through them together. Southern Baptists are still a force for good! May God sustain us as we press on together.