



UMA Action

BRIEFING

Spring 2004

A newsletter for United Methodists working for Scripture-based reform in our denomination. Circulation: 315,000

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UM CHURCH LOBBY VIOLATES TRUST AND DONORS' RESTRICTIONS

Has the management of the United Methodist General Board of Church and Society (BCS) wrongly spent on far-left political activism many millions of dollars that could lawfully be used only for work on alcohol problems?

Is BCS continuing its 38-year violation of its own Trust Agreement and its disrespect for Methodist donors who restricted their gifts for work on alcohol issues? Does this BCS violation threaten our church's integrity?

These issues are raised by the BCS's own audited financial statements for 2001 and 2000.

More questions are raised by four documents: the 1965 Trust Agreement (Declaration of Trust) for the Methodist Building Endowment Fund and three legal opinions to the BCS in 2002.

The 1965 Trust Agreement was signed by the Division of Alcohol Problems of the board that is now the BCS and by another Methodist temperance board.

The 1965 Trust Agreement created a Trust

Fund named "The Methodist Building Endowment Fund" that was "to be used and applied to work in the area of temperance and alcohol problems." The Trust Agreement includes a detailed history showing that this entire Trust Fund consisted of contributions restricted by the donors for work on temperance and alcohol problems.

The Trust Agreement lists Trust Fund net assets with a May 31, 1964 value of \$2,603,019 – approximately 40% in securities and 60% in real estate, primarily the Methodist Building in Washington, DC.

This building (now the United Methodist Building) on Capitol Hill is the headquarters of the BCS and its staff of 26 persons. The BCS rents space to several dozen organizations, mostly other mainline church lobbies or liberal advocacy groups. It rents residential space to individuals. Gross rental income from this building was nearly one-third of BCS's total

\$4,681,226 income in 2001.

The Trust Agreement firmly restricts the Trust Fund's entire "principal and accumulated income for the purposes for which the funds were originally given, that is to say, work in the areas of temperance and alcohol problems."

The BCS audited financial statements admit that until 2001 the BCS treated all of the Trust Fund's assets as "unrestricted,"



The United Methodist Building

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UM CONTROVERSIES DISCUSSED AT GENERAL CONFERENCE BRIEFING

Speakers at a media briefing for the UM General Conference (Pittsburgh, April 27-May 7, 2004) highlighted deep divisions within The United Methodist Church.

United Methodist evangelical theologian Billy Abraham warned against disruptive protests at church gatherings. He was clearly

referring to the tactics of the pro-homosexuality lobby at recent United Methodist General Conferences.

"It is very difficult to hear the Holy Spirit when we resort to practices that shut out the other person," Abraham said during a panel discussion

at the January 29-31 General Conference media briefing sponsored by United Methodist Communications.

Pro-homosexuality demonstrators at the 2000 General Conference in Cleveland performed disruptive acts both inside and outside the convention hall. Many demonstrators, including several Bishops, were arrested. More demonstrations are expected at the 2004 General Conference in Pittsburgh.

Despite the demonstrations, recent General Conferences have continued to reaffirm -- even by

a larger margin in 2000 -- United Methodism's support for Christian sexual morality and disapproval of homosexual behavior.

Homosexuality and other controversial issues were discussed by the panel which included Abraham, who teaches at Perkins Seminary, Joy Moore of Asbury Seminary, former Iliff Seminary President Don Messer, and Courtney Goto, who serves on the General Commission on Christian Unity and Interreligious Concerns. Retired Bishop Judith Craig was moderator.

Messer, an opponent of the traditional Christian and United Methodist teaching about homosexuality, defended demonstrations at church events. He attempted to link the campaign for approval of homosexuality with the civil rights movement, claiming pro-homosexuality demonstrators were like the civil rights advocates of 40 years ago. "We will not be silent," Messer asserted.

Moore, who is black, indirectly responded to Messer's comparison of the homosexual movement with the civil rights movement by asking, "Can a moral wrong be a civil right?"

Abraham warned that many in the church are still "acting out the 1960s and 1970s." He said that while many seminary professors were advocating "liberation theology" on behalf of the impoverished, the poor themselves were opting for Pentecostal Christianity around

the world. "Wesley is the father of Pentecostalism," Abraham added.

"I'm not sure all of us can share in the Wesleyan identity," Goto said, responding to both Abraham's and Moore's suggestion that church unity might be found through rediscovering Wesley. "Maybe I'm being heretical by saying they don't need to." She asserted that people of diverse cultural backgrounds see the faith through "different lenses."

Moore responded that Christian unity is possible across racial, gender, cultural, and economic boundaries. "Have you read the Book?" she asked rhetorically. "Aren't you excited that the Author will show up? Our race and our political party don't matter." Moore suggested, "We need to read the story for itself. It might change how we see ourselves."

But Messer said the church disagrees on the doctrine of revelation, or at least on emphasis. "Liberals lean more on reason and experience," he said. "Has God finished with revelation?" Messer asked. "Or are there new insights?"

Responding to Bishop Craig's question as to why some people are more "fixed in their opinions," Abraham asked her if she is still "fixed" in her opinion that there is "new revelation" outside of the Bible. Referring to the belief in new

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The Rev. Joy Moore

ACTION: Be sure to follow events at the United Methodist General Conference in Pittsburgh, April 27-May 7. Check out www.umd.org and www.ird-renew.org. *UMAction* will sponsor two luncheon meetings in Pittsburgh: Friday, April 30 on persecution of Christians (Paul Marshall, speaker), and Monday, May 3 on homosexuality and the Bible (Robert Gagnon, speaker). Contact *UMAction* for more details: jlomperis@ird-renew.org.

SHOULD UM PUBLISHING HOUSE BECOME MORE INCLUSIVE?

Observing that United Methodism's second largest agency has no representation from Africa, Director Joe Kilpatrick from North Georgia nominated an African to serve on the United Methodist Publishing House Board.

At the Fall 2003 Board meeting, Kilpatrick noted that 16 percent of United Methodists live in Africa. These African church members tend to affirm traditional Christian theology. But none serve on the 58-member Board.

"This is a simple justice issue," Kilpatrick explained. "I am con-

cerned that our UMPH Board will appear strange to the General Conference, and indeed to the whole church, if we have not ended our exclusion of Africans."

The Board's Executive Committee rejected Kilpatrick's nomination of Kiluba Nkulu, a United Methodist teacher from the Congo, instead nominating two more U.S. persons, who were approved by the full Board. However, the Board did agree to form an advisory committee that will determine how the Publishing House can better serve United Methodists in Africa. Nkulu will serve on that committee. †

ACTION: Contact Publishing House Board Chairman Myron McCoy and respectfully urge representation for African United Methodists: McCoy is President of Saint Paul School of Theology, 5123 Truman Road, Kansas City, MO 64127. E-mail: myron@spst.edu.

GOOD NEWS! BILL HINSON SHARES CAMBODIAN WITNESS

One of several evangelicals who serve on the liberal-dominated, New York-based Board of Global Ministries shared a unique testimony about his visit last year to Cambodia at the Board's October 2003 meeting.

The Rev. Bill Hinson, retired pastor of United Methodism's largest congregation, described his visit with a Methodist mission worker in Cambodia.

Known as "Paul," this Cambodian as a teenager survived the communist holocaust in the mid-1970s by hiding in a small hole beneath a floor. Unable to move, eat, drink, or properly relieve himself for

days at a time, he nearly went insane.

In desperation, Paul cried out, "If there is a God, please help me." Though he had never heard of the Bible or Jesus, he recalls that a great light filled that cramped space and a small voice whispered, "Don't be afraid. I will never leave you or forsake you." Now Paul works at the Methodist mission, testifying to the power of Jesus Christ.

"How can you defeat a God like that?" Hinson asked his fellow Global Ministries Directors. "If He can do that for a Buddhist who has never heard His name,



The Rev. Bill Hinson

what can He do for us if we cry out?"

Hinson added: "If one of our Bishops who doesn't believe in the resurrection were to tell this to Cambodians who are having visions of the risen Christ and hearing Scripture that they've never read before, they would have him arrested for indecent mental exposure." †

ACTION: Thank Rev. Hinson for his witness and faithful service on the Board of Global Ministries, assuring him of your prayers for him. 264 Terry Drake Rd., Owens Cross Roads, AL 35763. E-mail: wmhins@comcast.net.

CORRECTION: The Winter 2003-2004 *UMAction* Briefing incorrectly reported that the Methodist Federation for Social Action (MFSA) was an official sponsor of the WOW 2003 pro-homosexuality conference. The Executive Director of MFSA attended WOW 2003 but MFSA was not an official sponsor. We regret the error.

UM PASTOR DOES SAME-SEX “MARRIAGES”

Joining in the homosexual “wedding” frenzy in San Francisco, a United Methodist pastor conducted several of these ceremonies after the Mayor decided to ignore California law and issue marriage licenses to same-sex couples. The pastor conducted one ceremony in her UM church and the others at City Hall.

The Rev. Karen Oliveto announced in her own news releases that she had officiated over the “first gay couple ever married in the sanctuary of a United Methodist church” on February 15 and also presided over five “marriage” ceremonies in San Francisco City Hall. Most of the couples were from Oliveto’s Bethany United Methodist Church.

Oliveto is a long-time activist in the pro-homosexuality lobby within The United Methodist Church. Our church prohibits its clergy and churches from celebrating same-sex unions and affirms the Bible’s clear message that homosexual practice is “incompatible with Christian teaching.”

In the past, Oliveto has claimed to have conducted dozens of same-sex union ceremonies, in defiance of the United Methodist church law.

This time, Oliveto claims she is not violating the United Methodist *Book of Discipline* because it prohibits “same-sex unions” and does not expressly mention same-sex “marriage”.

Same-sex unions and “marriage,” along with other sexual is-



The Rev. Karen Oliveto (Courtesy San Francisco Chronicle)

sues (including even sex change operations for clergy), will be debated once again at the United Methodist Church’s General Conference, which meets April 27-May 7.

Most observers believe the UM General Conference in Pittsburgh (April 27-May 7) will again reaffirm the church’s stand on homosexuality. The church’s demographic shift — growing in Africa and in the U.S. South while declining in the U.S. West and Northeast — is helping the church to be more faithful on moral and theological issues.

The Western Jurisdiction of United Methodism (West Coast and Rocky Mountain area) is the region most supportive of homosexual behavior. It is also the fastest-declining part of the denomination. Only

about 4 percent of United Methodists reside there. There are nearly 10 million United Methodists, including 8.3 million in the U.S.

However, the two big questions now are: (1) Will church officials take effective action to stop this blatant violation of church law and of Christian Scriptural truth? (2) Will the 2004 General Conference strengthen the *Discipline* enforcement process to halt this defiance and anarchy within our church?

In a news release, Bishop Beverly Shamana of the California-Nevada Conference declined to endorse or criticize Oliveto’s defiance of church law. “As people of faith we are not of one mind on issues related to gay, lesbian, and bisexual and transgendered persons,” Shamana said. “As a Bishop of the church, I have been entrusted with upholding the Book of Discipline as it currently stands, a mantle that I embrace prayerfully, God being my helper.”

A complaint has been filed against Oliveto, which may result in a church trial. †

ACTION: Graciously and respectfully encourage Bishop Beverly Shamana to enforce our church’s *Discipline*. PO Box 980250, West Sacramento, CA 95798-0250. Fax: 916-372-9062. E-mail: bishop@calnevumc.org.

*Trust Fund Violations...
...continued from page 1*

meaning “available for the overall operations of the Board.”

The statements reveal that during 2001 the BCS “reclassified” \$2,603,019 of its net assets as “permanently restricted” because of the Trust Agreement as interpreted by a “2002 legal inquiry.” This is the exact amount of the May 31, 1964 value of the assets in the Trust Fund.

Why doesn’t the BCS admit that the growth in value of the Trust Fund since 1964 is likewise “permanently restricted” for alcohol work? If the \$2,603,039 Trust Fund has grown even conservatively since 1964, its current value is probably a large share of BCS’s \$21,283,655 net assets (2001 total).

The BCS financial statements assert that “income generated from the Trust is unrestricted income” and “all income from operations (i.e., rental income)” of the United Methodist Building “is considered an increase in unrestricted net assets.” This policy ignores the Trust

Agreement, which requires that all this income is restricted “for work in the field of temperance and alcohol problems.”

Conflicting language in the same financial statements says the Trust requires its income “be used to support programs addressing problems involving alcohol, public morals, gambling, drug abuse, and general welfare in these areas.” The BCS apparently tries to justify this wide expansion of the Trust Fund’s purposes by citing a 1974 legal opinion which UMAction has not yet obtained – but it directly conflicts with the Trust Agreement’s specific restriction for “temperance and alcohol problems.”

The “2002 legal inquiry” included three letters from the Caplin & Drysdale law firm to BCS staffers. Those letters show that BCS management was seeking ways to evade the Trust Fund restrictions.

According to the attorneys’ November 20, 2002 letter, the BCS “wishes to use income from the Fund for the Board’s general purposes rather than being restricted to using these resources for ‘work in the areas of temperance and al-

cohol problems,’ as prescribed by the Declaration of Trust by which the Fund was established.” The attorneys warned, “The language of the Declaration of Trust is quite specific. We doubt that it could realistically be interpreted to stretch any further.”

The United Methodist Church has a strong position on temperance and alcohol, and alcohol abuse is a major U.S. and world problem, but the BCS gives it a low priority. The BCS spent \$4,578,121 in 2001, including 23 program line items, none of which had any identifiable concern with temperance or alcohol.

In contrast, the BCS lobbies actively for a wide array of politically liberal causes, including abortion rights, socialized medicine, expanded welfare programs, and opposition to U.S. military programs. †

*Convention Controversies...
...continued from page 2*

revelation and the current focus on “diversity” in the church, Abraham warned that these concepts mean “the essence of the church is us, not God.”

“Pluralism is not true to our heritage in Wesley,” Abraham said. “It is incoherent; it is a stopgap experiment with a precarious shelf life; and it is unworkable in practice.”

Moore affirmed that the church listens to the stories of the oppressed. “But these narratives begin in the world that the Biblical narrative describes as less than it was intended to be,” she warned. “When nationality, employment, marital status, or anything else calls into question God’s Word, non-essentials have replaced the tradition, reason, and experience of the historical Church.” †

UMAction calls on BCS management to answer these questions now:

1. Will you make a complete public accounting for the Trust Fund from 1965 to date, including its principal, income, appreciation, assets at fair market value, and what was done with each of these?
2. Will you start complying fully with the 1965 Trust Agreement and stop seeking ways to evade it?
3. Do you agree that the integrity of a Christian church requires strict compliance with donors’ restrictions and lawful agreements, including the 1965 Trust Agreement?

UMAction

BRIEFING

Spring 2004

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Don't Leave Our Church! Stay and Work for Reform!

We tell you the painful truth about what has gone wrong with the United Methodist Church: unfaithfulness and far-left partisan politics by too many high church officials. We don't enjoy bringing you bad news, but we must tell the truth.

The good news is the growing movement to restore Scriptural faithfulness in our church. More and more United Methodists are working together for reform and renewal.

Don't leave! Our great Methodist heritage is too valuable to be abandoned. Join with us to help the United Methodist Church return to its Wesleyan roots as a growing, evangelical, Christian church living Christ's Great Commission: "Go and make disciples of all nations." (Matthew 28:19)

Help Us Reach A Million Homes!

Yes, I (we) want to help UMAction inform one million United Methodists and their families about the urgent need for church reform and faithfulness. Enclosed is my tax-deductible gift of:

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YOUR OPINION, PLEASE!

1. Should all proceeds from the Methodist Building go towards fighting alcohol abuse, as the original building trust agreement requires?

YES NO

2. Should United Methodists in Africa have at least one representative on the United Methodist Publishing House board?

YES NO

3. Should Bishop Beverly Shamana enforce the church's Discipline and prevent Rev. Karen Oliveto from celebrating same-sex "marriages"?

YES NO