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BUREAU

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Baptist Church Struggles
With Debt, Insolvency Charge

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NEW ORLEANS (BP)--A federal judge here has appointed a conservator-receiver to manage the assets of Mid-City Baptist Church, which has been charged by the Securities and Exchange Commission (SEC) with the sale of fraudulent church bonds.

The 4,700 member church, largest Southern Baptist congregation in New Orleans, has been charged with insolvency, but it isn't giving up. According to the pastor, J. Paul Driscoll, the members have faith that they can pull through the financial crisis.

Some of the members feel they have been "taken," saying that many of their problems arose when two firms in Texas went into receivership while holding \$4 million worth of church bonds intended to be used to finance a high-rise apartment building and hotel.

The SEC said that the church had issued a total of \$12 million in church bonds in a "Ponzi-type scheme" in which proceeds of one bond issue are used to make interest and principal payments on previous bond issues.

The church has present bond obligations of about \$4.1 million in addition to its indebtedness on bonds issued to the two Texas corporations now in receivership. Of the \$4 million held by these corporations, about \$3 million has since been recovered.

Federal District Judge James A. Comiskey has issued an injunction preventing the church from issuing any more bonds, and has appointed New Orleans Attorney John L. Toler as "conservator-receiver" to go over the church's assets with a comprehensive audit and determine if the church is insolvent as charged.

The judge, in his ruling, granted the requests of the Securities and Exchange Commission but did not indicate that this was an admission of truth to any of its allegations.

The SEC injunction was against Mid-City Church, its pastor; Trinity Church Bonds, Inc., of Houston and its president, secretary, and regional representative who was bond director for Mid-City church, and Southland Church Contractors, Inc., of Houston and its president.

The SEC charged that the church, since 1956, has issued three different bond series to pay off earlier bond issues of \$1.3 million and \$2 million when the earlier bonds' graduated sinking fund payments became too high for the church to pay.

The allegation also charges that the church had issued \$5 million in bonds to be used to construct a high-rise apartment house and hotel adjacent to the church, but these funds actually have never been used for that purpose.

The Paden Corp., of Cleburn, Tex., had been awarded the construction contract on the proposed apartment-hotel, and in a package deal, one of its subsidiaries, World Oil and Gas Corp. of Delaware with offices in Fort Worth, was to hold the bonds and finance the construction. But both went into receivership before much was done on the building except excavations and a little foundation work.

Theoretically the apartment-hotel would have provided enough revenue to pay off the sinking funds and mature bonds on all previous issues. The original plan was for the church to construct a sanctuary or auditorium on the ground level, and conduct an intense evangelistic campaign among the hotel-apartment tenants.

The church, which reported about 335 baptisms (conversions) last year, has emphasized its evangelistic efforts. In 1966 it ranked third in baptisms in the Southern Baptist Convention, second in total property value, and third in missions giving.

According to the SEC, the church operates in addition to its regular church activities a kindergarten and nursery, an elementary school, a high school, a bookstore, a print shop, a cafeteria, and a bus company.

Driscoll said he was concerned that the publicity on the church might reflect on the entire Southern Baptist Convention, or undermine the confidence of other churches in some legitimate church bonds.

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He attributed the church's problems to "doing business with people who proved to be unreliable," but did not indicate who these people were.

According to an article in The National Observer, "the prevailing opinion in government and religious circles is that Mr. Driscoll is well-intentioned," and is "primarily interested in saving souls."

Driscoll told the Baptist Press that the church is, even in the midst of its financial woes, experiencing "a great revival." During the week the injunction was filed, a revival meeting at the church resulted in 200 professions of faith.

"Our people are taking the financial troubles wonderfully well," he said. "We all just hope and pray that the Lord will lead us out of this mess some way." Driscoll said that he and many of the church members have held numerous prayer meetings about the matter.

The conservator-receiver, Lawyer Toler, said however, that he feels Driscoll is a perennial optimist. "He thinks they can just pray and everything will be solved. Prayer will help," he conceded, "but it is going to take a lot of elbow grease too."

The church, Driscoll says, is working on it as well as praying. Eight of the church members who are accountants are donating their time to the receiver to conduct the audit.

Driscoll has sent a letter to all church members, numerous friends, and parents of all school children pleading for contributions. Tuition at the school will probably be increased.

In addition, a group of wealthy men are considering purchasing the site for the hotel-apartment, and Driscoll feels this may be a part of the answer.

The church needs \$175,000 for its next sinking fund payment on Jan. 1, 1968. The SEC didn't think the church would make it when it issued the injunction. The last sinking fund payment was paid with a \$175,000 loan which is due in December.

Driscoll said in the letter that church members and friends are helping. Several will give \$1,000 to \$5,000, he said. One woman gave her two diamond rings, another her engagement ring.

Driscoll, who founded the church in 1943 at a barbershop, said that he and the members had worked hard for 25 years to build the church to what it is today. "On the first building, we dug the ditches ourselves," he said.

"Now it looks like almost 25 years of hard work might be lost. But even if we have to dig ditches again and have to work 25 more years, I'm convinced the Lord will see us through."

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Two Great Lakes Natives 1179
Named HMB Missionaries

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ATLANTA (BP)--Two natives of the Great Lakes area, subject of the Southern Baptist Home Mission Board's mission study in 1967, were appointed career missionaries at the board's annual fall meeting.

The appointees are Wade S. Hopkin of Eau Claire, Wisc., former pastor of First Baptist Church in Ft. Walton Beach, Fla., and Virgil Lee Clark of West Frankfort, Ill., former pastor of Indian Heights Baptist Church in Kokomo, Ind.

Hopkin, appointed by the department of Christian social ministries, is serving as director of the Baptist rescue mission in New Orleans, La.

Clark, a past president of the State Convention of Baptists in Indiana, is a pastoral missionary in Washington, Ind. He was appointed by the department of metropolitan missions.

Hopkin graduated from Ouachita Baptist College in Arkadelphia, Ark., and Southwestern Baptist Theological Seminary in Fort Worth.

Clark also is a graduate of Southwestern Seminary and Georgetown (Ky.) College. He has attended Southern Baptist Theological Seminary in Louisville, Ky.

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SBC President Chides
Critics Of The Church

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NASHVILLE (BP)--Taking a slap at critics of the church, the president of the Southern Baptist Convention issued a challenge for Baptists to go out and "possess the lands" for God.

Speaking to about 600 professional staff workers for state conventions and SBC agencies, H. Franklin Paschall of Nashville decried "a large company people who are whinning and crying like children with unfair and unwarranted judgement upon the churches."

These people, Paschall said, seem to think that because the church has not done everything, it has done nothing; and because all the problems have not been solved; none has been solved.

"There is no justification for saying that Christians are all phonies, that we're fossilized," the SBC President declared. "That's nonsense."

"But when a deacon says this about his church, it is no wonder that his children cannot be enlisted.

"We've been told we're no good, and we're beginning to believe it," he said. "But we've been shocked about all we can stand. If you get too much shock, you'll die."

"I'm getting tired of fighting those within our ranks who are making it more difficult for us," the Nashville pastor of First Baptist Church said.

"If we are phonies, then let's close our institutions, cut off our salaries, and go out of business," he said. "If we aren't then let's go out and conquer the lands."

Paschall said that Southern Baptists have never been "in more grand shape", and never had as many resources as they now have. He urged the Baptist leaders present to lead a Baptist effort to "go out and possess the land."

"We're not trying to do this because we want to build the institution (statistically), but to glorify God," Paschall said.

"If we are going to possess the land, we're going to have to get into action. We're not going to possess the land by reacting," he added.

"But there is a danger that in our frenzy, we shall just do something--right or wrong."

Paschall said that everything the church does must have a redemptive nature. "If we give a cup of water, we are responsible for doing it in the name of Jesus Christ."

The SBC President was critical of social workers who say they should not be judged on the basis of the number of converts they get. "Let's face it, a lot of people have substituted social action for evangelism.

"We need to act in terms of social action, but realize that man isn't what he ought to be until he comes to God through Jesus Christ."

Paschall delivered the closing address to the week-long meeting of Baptist state workers and SBC agency staff members.

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Allen Chosen Pastor
Of Texas Congregation

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SAN ANTONIO, Tex. (BP)--Jimmy R. Allen, secretary of the Christian Life Commission of the Baptist General Convention of Texas, has been named pastor of the 7,600-member First Baptist Church of San Antonio.

Allen will assume duties on Jan. 28, 1968, succeeding the late Charles C. Bowles, who died early May of this year.

The 40-year-old minister was pastor of the Cockrell Hill Baptist Church of Dallas from 1956 until his selection to head the Texas Baptist Christian Life Commission in 1960.

A native of Hope, Ark., he is a 1948 graduate of Howard Payne College, Brownwood, Tex., and holds the bachelor of divinity and doctor of theology degrees from the Southwestern Baptist Theological Seminary, Fort Worth.

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Allen is also former pastor of Baptist churches in Evant, Hico, Van Alstyne, and Wills Point, Tex., and associate pastor in Dublin, Tex.

Allen served as Royal Ambassador secretary for Texas Baptists from 1948 to 1950.

He is married to the former Wanda Massey of Brownwood, Tex. The couple has three sons, Mike, Skipper and Scotty.

He has been active in the Americans United for Separation of Church and State; Texas Alcohol Narcotics Education Inc., and was an observer at the United Nations in 1966 for the Southern Baptist Convention.

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McCartney Named To Church
Public Relations Firm 1182

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DALLAS (BP)--R. T. (Dick) McCartney, director of public relations for the Baptist General Convention of Texas since 1962, has resigned, effective Dec. 31, to become general manager of Arthur Davenport Associates Inc., of Oklahoma City, Okla.

The 40-year-old public relations specialist served four years as director of public relations for the Baptist General Convention of Oklahoma in Oklahoma City immediately before accepting the Texas position.

The firm which McCartney will join on Jan. 1, 1968 is a producer of church promotion materials.

McCartney, an ordained minister, has a varied background in radio, television and public relations assignments. He is a 1947 graduate of John Brown University, Siloan Springs, Ark., and a 1956 graduate of Southwestern Baptist Theological Seminary, Fort Worth.

He has held pastorates in Texas, Oklahoma and Missouri.

McCartney received an honorary doctor of humane letters degree from John Brown University this past May, an institution which he serves as national alumni president. He is a former president of the Baptist Public Relations Association and has been a leader in the Texas Baptist Public Relations Association.

He is current president of the Religious Public Relations Council, Dallas chapter, and holds membership in the Public Relations Society of America and the Dallas Press Club.

He also has received the Silver Medal for excellence in broadcasting in 1947 and received the Lambda, Lambda, Lambda award for distinguished service in religious journalism from Oklahoma University in 1958.

He served as assistant director of public relations for Oklahoma Baptists until being named to the top post and has served as a radio and television announcer, radio news director, television newscaster, reporter and photographer and has also been engaged in station management and advertising sales.

McCartney also serves as a member of the Southern Baptist Inter-Agency Council.

He is married to the former Barbara Anne Treadwell, whose parents live at Duncanville, Tex. The couple has three children, Judith Anne, 18, Mary Kathleen, 15, and Michael David, 13.

T. A. Patterson, executive secretary of the Texas convention, praised McCartney for his sincerity, dedication, and spirit of cooperation. He pointed out that many of the materials he has produced have received nation-wide recognition.

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State Leaders Request
Study of Student Work 1183

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NASHVILLE (BP)--Baptist state executive secretaries and student leaders have asked the Southern Baptist Sunday School Board to recommend a study of the Southern Baptist Convention's program of student work.

This request came following a joint meeting of the two groups called by James L. Sullivan, executive secretary of the Sunday School Board of the Southern Baptist Convention.

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Opening the meeting Sullivan said, "There is a need for a definition of the program of student work. Student work has largely dealt with projects rather than a unified program.

"American college campuses will never be conquered by guerrilla warfare," Sullivan stated. "It must be done by mass blitzing--unified under one purpose."

Participants in the meeting agreed that the program of Baptist student work on campuses across the nation needs to be defined and clarified. Approach, and purpose, and the organizational placement should be reviewed in an important depth study by a Southern Baptist Convention committee.

As a part of the discussion some of the leaders expressed a feeling that the student work program was "too bound by the present church program organizations."

Answering this charge, W. L. Howse, director of the board's education division, expressed his willingness for a convention study to determine the placement of the program, and added: "As long as the program of student work is assigned to the Sunday School Board, it will be related to the programs of the churches."

The request of the state executive secretaries and the state student leaders will be considered when the elected Sunday School Board meets in January.

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New SBC Training Union 1184
Name May Be Presented

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NASHVILLE (BP)--A new name for Training Union will probably be requested when the elected Sunday School Board meets here in January.

Philip B. Harris has announced that he intends to propose a new name for the present Training Union organization at the elected board's annual meeting.

Harris, secretary of the Sunday School Board's Training Union department, made this announcement during the recent meeting of state Training Union secretaries and their associates.

Expanded concepts of training and the organization's present role in the church have brought about study of the name. The present tasks of Training Union include new church member orientation, leadership training and church member training.

Baptist leaders attending the Training Union secretaries' meeting here discussed the need for changing the name of the organization, the appropriateness of the name Training Union, and criteria for selecting a new name.

A report of a survey conducted at Ridgecrest and Glorieta Baptist Assemblies last summer showed that the sentiment of 800 participants was strongly in favor of a name change.

Questionnaires regarding the appropriateness of the name Training Union and seeking suggestions for a new name have also been circulated to a selected group of Southern Baptist Convention leaders.

Names suggested on the questionnaire reflect the expanded program of the organization. Names include Church Training Program, Christian Training Program, and Church Training Fellowship.

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SBC, State Staff Members 1185
Discuss Plans For Future

12/18/67

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NASHVILLE (BP)--More than 600 Southern Baptist Convention agency staff members and Baptist state convention workers met here for the first time in a joint session to discuss overall convention plans for the remaining years of the 1960's, and for the 1970's.

Never before in Southern Baptist history had the state convention workers met with their SBC-wide counterparts in such a big joint session to discuss the convention's long-range plans.

Convention plans for 1968-70, and for 1970 Onward were presented in panel discussions by SBC leaders. Then the 600 Baptist workers divided into 14 smaller groups to discuss the plans and draft reports back to final plenary sessions.

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Small group sessions were held for state convention and SBC workers in the areas of Sunday School, Training Union, church music, student work, Brotherhood, Woman's Missionary Union, evangelism, missions, church architecture, church services, National Baptist (work with Negroes), and stewardship.

The executive secretaries of state conventions meeting with SBC agency heads, and editors of Baptist state papers, also held meetings.

During two of the small group sessions, Training Union workers discussed the possibility of changing the name of the Sunday evening training program at Southern Baptist churches; and student workers asked the SBC Sunday School board to request an overall study on the total program of SBC student work.

Most of the four-day sessions, however, were devoted to discussions of Southern Baptist plans for the Crusade of the Americas, to a new planning process by state and SBC workers called Cooperative Promotion Planning, and to the themes of the convention for the years of the 1970's.

Cooperative Promotion Planning made its debut before the state convention workers and SBC workers. It is a plan developed by the Inter-Agency Council of the SBC setting up a process for SBC and state convention program leaders to cooperate in planning selected denominational emphases, goals, and projects to assist the churches.

Under the plan, which is a simplified version of a former program called State Strategy, program planning staff members from the SBC agencies would meet with state convention program planners to outline the promotional emphases and plans for promotion.

Major Crusade of the Americas plans presented include Project 500, a plan to establish 500 new churches and church-type missions in key, strategically-located sites as part of the crusade; and a plan called Pact, a process of pairing churches, families and individuals as prayer partners during the crusade.

Another plan presented for the first time for discussion was a proposed outline for a process for planning the convention's emphases for the years, 1974-80. Heart of the plan was a proposal to involve 40 "grass-roots" conferences composed of one-third each of SBC leaders, state leaders, and local church leaders.

During the reports of the small groups to the full conference, several state leaders observed that they felt the need to be involved in planning SBC programs at an earlier stage.

Next year the meeting will be expanded to involve not only state convention workers, but also leaders on the associational level. About 1,200 Baptist workers are expected for the session next year. The meeting will be held Dec. 9-13.