

Deacon Subcommittee Questions 6/10/2020

Sean, attached are our initial questions/concerns. We expect this will take several hours. I hope we could have a preliminary report by July 1,2020.

1. Missions –
 - a. Have any designated funds for missions been spent somewhere else? What is the current balance in our Missions designated account?
 - b. How much has been paid to Vintage Church &, New Orleans?
 - c. How much has been paid to Vintage Church, Pittsburgh?
\$10k to each
 - d. How much have we sent to Nicaragua since 4/2019 – current. Why missed payments? **We committed \$5/month to Nicaragua times 16 months= \$80,000 has that been paid, are we caught?**

2. Guest Experience – Provide a breakdown of costs April 2019 to current

–costs of apple pie/ice cream/cup cakes/photography ???

3. JW Masters of Divinity – did James Welch fulfill his commitment to complete his Master of Divinity within his first 12 months at FBFTL?
4. Housing Benefits – Is JW receiving housing funds if he does not pay a mortgage or rent?

Is it legal to have a housing benefit if no mortgage/rent/or taxes?

5. JW Monthly Expense Account – what is the monthly spending by JW from April 2019 to current.
 - a. Ie: meals, travel, etc.
\$187000 -of which \$48000 housing(what is that? Different from housing benefits? Addition to his salary and housing - is this a perk? Are these the monthly expenses the Chair of BAT signs off on each month?

*****\$114,000 of Miscellaneous??**

6. James Welch Benefits breakdown – please provide all payments, NOT including salary, made to James and/or Amy Welch from April 2019 to current.
 - a. Ie: housing allowance, car allowance, phone, laundry, etc.
 - b. Does FBC pay anything for Welch children tuition?
 - c. Please provide details & totals

Where are the laptops expensed to in the budget?

7. James Welch Memberships – please provide a breakdown of 2019 & 2020 memberships
 - a. Ie: Ft Lauderdale Yacht Club, Tower Club, etc.

What memberships did you have? Lago Mar? church paying monthly expenses? How are they paid? Church pays James or club?

8. Photography – how much was paid to Adam Roberts for photography services? (April 2019 – current) Reason for this expense? **Answer: \$56000 events in the age of cell phones? Where is this expensed to in the budget?**

9. Cell Phone – do we pay for JW cell phone? Do we pay for any Welch family cell phones? If so, what is the monthly payment?

10. Sheldon Williams – who is this? What did we pay him & why?

11. Transition Fund – JW received a transition fund of \$250k. **Please provide a comprehensive breakdown of how it was spent. Where are the details?**

How did it get to be \$250k when the BAT planned \$100K?

12. Fund Transfer – a transfer of \$509,164.68 was made on 3/31/3030. What is this? **GAP money - in Deacons' Oct- Nov meeting - approx. \$600,000 for GAP why discrepancy?**

13. Page 438/ Ref #ap00003 – Debit of \$4083.00; Credit of \$2000.00. The notes indicate that this transfer is to help offset JW housing cost. Please explain this in detail.

This is a recurring entry in the ledger..where does this money come from?

14. Oct/Nov/Dec 2019 – please provide a comprehensive list of all expenditures, per month, during the last 3 months of 2019. (do not include utilities, insurance)

Ledgers - do you have it? Couldn't you and Ana take that from the stacks you printed?

15. Consultants – Provide full breakdown of payments & any expenses paid
 - a. Name of Company and/or individual paid (Matt Cooper?)
 - b. Did we pay for flights? Hotels? Meals? Any other expenses?

- c. **Approx \$113,000 for what??**
 - d. Was there any contract or written agreement with the consultant? If so, please provide.
 - e. Did we receive anything in writing from the consultant? Blueprints, renderings, written recommendations? If so, please provide.
16. Austrian Curtain –
- a. Cost of removal
 - b. Cost to rent a new curtain for Pageant 2019.
 - i. Rental costs
 - ii. Installation cost
 - iii. Motor rental & repair cost
17. Page 451 - \$36,000+ re-classed to a new account.
What is the description of the account and the entry?
18. Hospitality – who approves this budget?
19. Page 461 - \$15,000 re-classed to Cap X. What is this?
What is the expenditure?
20. Page 1065 – (line 9) 12/18/2019 \$22,274.81 What is this? Who authorized this?
Please provide a copy of the FBC check.
Want to see copy of check that covered it? Date of reimbursement - is this legal? Why is FBC involved in this? Shouldn't it be a personal matter?
21. Page 569 – PushPay withdrawals. What is this?
22. May 22, 2019 – Welch family north port. What is this?
23. Type A Consultants - \$5400 x 2. What is this?
**REBRANDING-\$38000 Why can't you tell us what you are doing?
Changing name of FBC - by dropping "church" from our branding**
24. (JE 00152) – what is this?
Description of account?
25. Trip to England (October 2019)
- a. Who attended? Purpose?
 - b. Cost breakdown: flights, hotels, conference, meals, transportation, etc.

26. Printing – Litho-Print Corporation. Total costs April 2019 – current. What items do they provide? **\$56,000 is this on top on monthly fixed printing costs of \$6700 for copier lease?**

27. Bill Slade /BSE – please provide monthly paid invoices for work done at FBC. April 2019 – current.

Did FBC staff make multiple stage changes without a budget?

Since we no longer have a Personnel committee, who vets the new hires? Who establishes wages and benefit packages? Are salaries over \$10,000/\$75,000 approved by the Trustees and Deacon Body? Salaries over \$210,000 should be voted on by the members to the 5% clause. **Where is Pastor's full package located today? Who has access to the details?**

28. The new line of credit \$350,000 needed an approval by members due to the 5% clause. This was not brought before the Deacons – were the Trustees aware of the need? **Who on the Trustee Board approved Line of Credit usage BEFORE Feb 24 meeting?**

29. Cost of Tree Lightning, who gave approval, which line item. NOTE: It had nothing to do with the Pageant. **Where is it logged since not in budget? Who authorized it?**

30. Itemized accounting of GAP money.

31. Where are the donations for the Porte cochere being held? When will it be operational? **Where is it? Is that Shine Money? When will it be up? Is it in Designated funds? If in general operating account needs to be moved to designated funds. How much?**

32. Did the church pay for a computer that was given to one of the Welch kids?

33. Did the church pay for repairs for William's car?

34. Did the church pay for lodging, etc for James's parents during Pageant?

35. Why so many guest speakers in James's first 9 months? \$5,000-what additional expenses besides the honorarium?

36. Matt Cooper's consulting fee? Lodging, meals, travel etc. Scope and cost of his work. What are his credentials? Who authorized his fee? Is it memorialized in the Trustee Notes?

37. Jim Wollums consulting fee? Lodging, meals, travel etc. Who authorized his salary/fee? Is it memorialized in the Trustee Notes?

38. Any other Consultants?

39. Who approved the refinishing of the pews? Cost? Is it memorialized in the Trustee notes?

40. Did we receive money from the City for Tax Refund? How much?
What budget line item was it credited to?
How was it spent?
41. Who authorizes James's expenses? If any were over \$10,000 was the Request brought to the Trustees? **Does anyone do it prior to? Sean – procedure**
Is there a monthly limit?
42. Is the BA Team receiving a full disclosure of all the expenses and privy to receipts?
Were PO's authorized in advance of all expenditure? **Huge question – how do we end up with over \$500000 in unpaid POs as we did this year? Now we have loans**
43. Why are we behind in giving to Nicaragua? How will that be made up?
44. Who authorized \$16,000 for the church plant? Is that memorialized in the Trustee notes? **Where did this money come from?**
45. When was the \$250,000 Transition Fee voted on?

Feb 2019 BA Team budgeted \$100k for Transition and requested separate accounting of it. How did it change?

46. When was Romney Rogers voted on by members to become BAC Chairman?
47. Who authorized the removal of the Austrian Curtain; then purchase anew one for Pageant? What line item paid for the new curtain – hopefully not Pageant.
48. Who had an FBC credit card and made inappropriate charges on behalf of Pageant? What was charged to the Pageant and the amounts?
49. **Ledger Pages** Entry Date Question
- 120** 3/31/2020 Designated Funds: transfer to help offset church expenses: \$509,164. Please explain if the expenses are in agreement with the designation of funds. **GAP**
- 137** 1/20/2020 Car benevolence for \$10,000. **Please explain what account did it come from?**
- 451** JJ Credit Card reimbursements, reclassification \$30,547. Explain
- 463** Lead Pastor Total \$378,511.50. Was this Transition fund or is this his total budget? **Need details**
- 466** Check 22357 to JJ \$10,004.26 books, supply and consultants. What are the consultants for?
- 468** Possible categorization issue: 2 entries for Pr.'s children tuition of \$2414.65 and \$1,573.23 don't seem to belong in this specific ledger.
- 1203** Entry for Forward by Faith for \$135.20 and then it says funds total \$575,943 and company total \$33,530,764.53– please clarify what's funds total and company total. **What's this all about?**

A) Can we receive an itemized list that breaks out where the spend had taken place that is specific to the GAP fund that amounts to \$600K+? Can we have details that are specific to how much was paid to specific companies for services, products, etc. that will amount to and will show specifics on how \$600K+ was spent?

The Church body had sacrificially given more than \$600K to the GAP fund with close to a \$1M in pledges. The Church body wants to know how the money that had been sacrificially given to the GAP fund had been spent. We have been informed that it was on a number of things that included painting, pressure washing, landscaping, lights, security, microphones, staging, etc. The Church body wants details. In the ledger from page 653 - 686 there is a whole section on facilities, utilities, supplies, landscaping, etc. It's tough to read through all of these numbers.

B) Who attended the Passion Conference? The Passion Conference was held in Atlanta in 2020. On page 305 it lists a Reclax Limousine for \$1,375, an Ingrid Limousine for \$4,125, as well as SunTrust Bank Lodging for \$9,972 for the Passion Conference spent in January of 2020.

How many kids went? Why so much money?

Sean are these assumptions close?

Gross income:

\$4 million in tithes and offerings

\$1.7 million from NGLC

\$1.5 million from Pageant

\$646k collected from gap pledges

\$120K refund from the WAVE

Starting with \$600,000 in operating fund when James started

Liability:

\$1.2 million in additional debt

:

- a. What, where, and how does \$646,000 in "Gap" collections just disappears?
- b. What are live checks?
- c. What are the costs associated with ADP?
- d. Do we seek bids from vendors? **3 bids on every project? In the file?**
- e. Are we in danger of losing our 501-C3 status?
- f. Check for \$128,938.80 on page 10, 7/17/19. **What was it for?**
- g. What was Family Limousine used for? Why not Uber or Lyft?
- h. Cost of Workers Compensation?

- i. James Welch insurance on page 501, \$4,057.65 on 11/27/19. What is this for? This is a huge cost even for a family of 5. **Explain**
- j. What is the Wave Cart and what is the cost associated for or was it income?
- k. FBC is paying around \$6,000/month in association fees. **explain**
- l. Is ECFA aware of the misappropriation of funds?
- m. What is FBC's standing with ECFA?

Sean,

The Deacon Subcommittee and the Deacon Body are thanking you in advance for this information. We would like a clarification meeting afterwards.

Sincerely,

Jerry Upthegrove