

Televangelists Pass Senate Probe, But New Commission Formed

Sen. Church Grassley's probe into high-profile television ministries may be over, but the ranking member of the Committee on Finance's investigation has led to the formation of a new commission on accountability and policy issues for churches and other religious organizations.

Grassley reviewed the activities and practices of six media-based ministries—Joyce Meyer Ministries, Kenneth Copeland Ministries, Creflo Dollar Ministries, Bishop Eddie Long Ministries, Benny Hinn Ministries, and Paula White Ministries—and found no wrongdoing.

One of the six ministries, Joyce Meyer Ministries, responded fully to Grassley's inquiry and joined the ECFA in March 2009. Benny Hinn of World Healing Center Church also provided complete answers to all questions. Four ministries either did not provide any information or provided incomplete information, according to the Senator's office.

"The tax-exempt sector is so big that from time to time, certain practices draw public concern," Grassley says. "My goal is to help improve accountability and good governance so tax-exempt groups maintain public confidence in their operations."

Grassley then asked the Evangelical Council for Financial Accountability (ECFA) to lead an independent, national effort to review and provide input on major accountability and policy issues affecting such organizations. The ECFA created the Commission on Accountability and Policy for Religious Organizations in response.

The commission aims to address some of the most challenging tax and policy issues involving religious organizations, such as whether churches should file the same highly-detailed annual information return that other nonprofits must file (Form 990); whether legislation is needed to curb abuses of the clergy housing allowance exclusion; whether the current prohibition against political campaign intervention by churches and other nonprofits should be repealed or modified; and whether legislation is needed to clarify tax rules covering "love offerings" received by some clergy.

"ECFA is honored and humbled to be asked by Senator Grassley to lead the independent effort to obtain input from the religious and nonprofit community on these issues," says Michael Batts, a CPA with extensive experience in board governance, financial reporting and tax compliance issues for nonprofit organizations. Batts been appointed by ECFA's board to chair the commission.

"The conversation that will ensue in the coming months will focus on the significance of the issues raised by the senator's staff and effective ways to address them. It is our hope, as well as the senator's, that solutions will be found without the need for burdensome legislation that creates excessive entanglement between the church and the government. One obvious area that will be explored carefully is the concept of self-regulation."

Batts, who is also a managing shareholder of Batts Morrison Wales & Lee, PA, an Orlando-based accounting firm dedicated exclusively to serving nonprofit organizations and the former chair of the board of ECFA and is currently a member of ECFA's board and executive committee, says a variety of groups will be consulted in the work of the commission. The commission has not yet determined a timetable for the completion of its work.