



Gospel to the Unreached Millions (GUM)

ECFA Terminated Membership Ties with GUM

What is Gospel to the Unreached Millions (GUM)?

Gospel to the Unreached Millions (GUM) is a ministry outgrowth of Dr. K.A. Paul. It provides financial and other support to Christian missionary efforts, including evangelistic crusades several times each year in strategic cities and countries throughout the 10/40 Window. This effort is concentrated primarily in the area between the 10th latitude north and the 40th latitude north, from Spain to Japan. In addition, GUM operates International Training Centers and Bible Schools, supports national church planters, evangelists, benevolent ministries to widows and orphans and conducts prayer initiatives.

The Issues

- The Evangelical Council for Financial Accountability (ECFA) terminated the membership of Gospel to the Unreached Millions for violations of ECFA Standard number two. ECFA Standard number two is stated as: "Board of Directors and Audit Committee: Every member organization shall be governed by a responsible board of not less than five individuals, a majority of whom shall be independent, which shall meet at least semi-annually to establish policy and review its accomplishments. The board or a committee consisting of a majority of independent members shall review the annual audit and maintain direct communication between the board and the independent certified public accountants." GUM had only one board meeting during 2004, instead of the requirement of two and did not meet the standard.
- The ECFA first suspended GUM's membership over a three month period while the ECFA initiated a compliance review in order to determine GUM's compliance with ECFA Standards number two and four. ECFA standard number four is stated as: "Use of Resources: Every member organization shall exercise management and financial controls necessary to provide reasonable assurance that all resources are used (nationally and internationally) in conformity with applicable federal and state laws and regulations to accomplish the exempt purposes for which they are intended."
- GUM did not provide follow-up detailed information concerning Standard number 4 to the ECFA and had already been out of compliance with Standard number 2, thus the ECFA terminated GUM's membership.

MinistryWatch.com Recommendation

- Board governance, use of ministry resources and ECFA membership termination are significant issues. Donors as good stewards of what the Lord has given them should prayerfully consider all the facts and circumstances surrounding GUM before they give.
- MinistryWatch.com has been in communication with GUM officials and is hopeful that GUM will address these issues raised by the ECFA and will align itself with the standards established by the ECFA for these areas.

What is the ECFA?

The Evangelical Council for Financial Accountability (ECFA) is a membership ministry advocate founded in 1979. It is a self regulator or peer accountability membership group. It has primary responsibility to about 1,150 organizations that pay dues to it thereby funding its operations. The members are charitable, religious, missionary, social, and educational tax-exempt, nonprofit 501(c)(3) organizations. For 2003 the ECFA took in \$1,091,543 in membership dues.

ECFA Mission Statement:

ECFA is committed to helping Christ-centered organizations earn the public's trust through developing and maintaining standards of accountability that convey God-honoring ethical practices.

ECFA's Seven Standards

Headings:

1. Doctrinal Statement
2. Board of Directors and Audit Committee
3. Audited Financial Statements
4. Use of Resources
5. Financial Disclosure
6. Conflicts of Interest
7. Fund-Raising
 - 7.1 Truthfulness in Communication
 - 7.2 Communication and Donor Expectations
 - 7.3 Communication and Donor Intent
 - 7.4 Projects unrelated to a Ministry's Primary Purpose
 - 7.5 Incentives and Premiums
 - 7.6 Financial Advice
 - 7.7 Percentage Compensation for Fund-Raisers
 - 7.8 Tax-Deductible Gifts for a Named Recipient's Personal Benefit
 - 7.9 Conflict of Interest on Royalties
 - 7.10 Acknowledgement of Gifts-in-Kind
 - 7.11 Acting in the Interest of the Donor

Contact Information and Resources

Government Contacts

Internal Revenue Service

Exempt organization customer service address:
Internal Revenue Service
TE/GE Customer Account Services
P.O. Box 2508
Cincinnati, OH 45201

- Tax-exempt assistance: 1-877-829-5500
- General tax questions: 1-800-829-1040
- Order forms and publications: 1-800-829-3676
- Website: www.irs.gov
- Verify tax-exempt status
- Verify tax deductibility
- Obtaining federal tax-exempt status
- Completing federal tax forms
- Specialized assistance to tax-exempt organizations

Attorneys General offices, or Departments of Justice, Charitable Activities Section

Most states have an active unit of the Attorney General's office that are willing to help consumers. Check with NASCO (National Association of State Charities Officials) at www.NASCO.net.org, look under US State Charity Offices and click on the state of interest.

- Reporting illegal activity by nonprofit organizations
- Information about charitable organizations and copies of annual reports
- Questions about professional fundraising reporting requirements
- Registrations of charitable corporations or trusts
- Questions about annual reports for charitable organizations
- Merging nonprofit organizations
- Serving as a board member of a nonprofit organization
- Dissolving nonprofit organizations

Secretary of State, Corporation Division

Check phone number on the Internet or your local phonebook under state government.

- Verifying that a nonprofit corporation is in fact incorporated and current in its filing
- Obtaining copies of filed articles of incorporation and amendments
- Forming a new corporation
- Obtaining state identification numbers
- Merging nonprofit corporations
- Amending articles of incorporation
- Dissolving nonprofit corporations

Federal Trade Commission

Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-382-4357
Website: www.ftc.gov

- Information on fraudulent, deceptive and unfair business practices
- How to file a complaint

Christian Ministry Marketplace

MinistryWatch.com

1 (866) 324-7097
www.ministrywatch.com
A free donor advocate service. Aid donors in understanding the key issues concerning a ministry's operations.

The Evangelical Council for Financial Accountability (ECFA)

1 (800) 323-9473
www.ecfa.org
A membership ministry advocate. A peer accountability membership group. Primary responsibility to the ministries that pay dues to the ECFA and thereby fund its operations.

WWW.thegoodsteward.com

Growing source of information on all areas of stewardship.

Generous Giving

www.generousgiving.org
Nonprofit that seeks to encourage givers of all income levels to experience the joy of giving and embrace a lifestyle of generosity, according to God's word and Christ's example. It was launched in 2000 by the Maclellan Foundation.

Royal Treasure

1 (770) 977-4502
www.royaltreasure.org
Nonprofit teaching Biblical Stewardship to women.

The Gathering

www.gatheringweb.com
Conferences, email forums, conference calls and other activities for those that give a minimum of \$200,000 annually to Christian ministries or have the capacity to do so.

National Christian Foundation

1 (800) 681-6223
www.nationalchristian.com
Facilitates Christian stewardship. Helps donors set up a Stewardship Fund, a donor advised fund, liquidate assets, provide gift annuities, trusts, scholarships, and endowments.

Calvin Edwards, & Co.

1 (770)-395-9425
Info@calvinedwardscompany.com
For profit organization providing philanthropic counsel to high-capacity Christian donors.

Geneva Global

1 (610) 254-8202
info@GenevaGlobal.com
www.genevaglobal.com
For profit organization assisting individual donors.

Excellence in Giving

1 (719) 329-1515
www.excellenceingiving.com
For profit organization with tailored services of affluent families and individuals.

The Legacy Group

1 (262) 789-3160
www.philanthropyatwork.com
For profit organization to assist private wealth management and those to achieve charitable goals.

The Eternity Portfolio

www.eternityportfolio.com
Book by Alan Gotthardt that shows how to get the ultimate return on your investments through investing in eternity.

Secular Resources

GuideStar

www.guidestar.org
Largest public search engine of nonprofit organizations. Provides access to many tax-exempt organization's IRS Form 990s. Some knowledge of accounting may be necessary to understand the documents found on this site.

BBB Wise Giving Alliance

www.give.org
A charitable watchdog site. The Alliance reports on nationally soliciting charitable organizations that are the subject of donor inquiries. These reports include an evaluation of the subject charity in relation to the voluntary BBB charity standards.

Charity Navigator

www.charitynavigator.org
Helps guide intelligent giving by evaluating the financial health of each charity in its database.

Charity Channel

www.charitychannel.com
Known best for its nonprofit email arena discussion forums.

The American Institute of Philanthropy

www.charitywatch.org
A charitable watchdog group that rates US charities in different categories. Fee for reports. They also provide tips to insure safe giving.

The Charities Review Council

www.crcmn.org
Conducts detailed reviews of national and local charitable organizations soliciting in the State of Minnesota. They also provide tips and guides for donors to help them make wise giving decisions.

Internet Nonprofit Center

www.nonprofits.org
Provides an extensive array of nonprofit topics.

Independent Sector

www.independentsector.org
A national leadership forum, working to encourage philanthropy, volunteering, nonprofit initiative and citizen action that help to better serve people and communities. There is a section on ethics and accountability, including donor's bill of rights, related publications, articles and other resources.

Chronicle of Philanthropy

www.philanthropy.com
Biweekly newspaper of the nonprofit world.

The Nonprofit Times

www.nptimes.com
Articles and topics related to nonprofits.

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www.ministrywatch.com
www.wallwatchers.org
www.thegoodsteward.com