

A Guest Article

Kennedy Smartt

The Truth About Cecil Brooks and the Investor's Fund

An article appeared in the *Christian Observer* [see May 20] which questioned the veracity of the Stated Clerk of the PCA, the Investors Fund for Building and Development, and several non-profit, and for-profit corporations started by Cecil Brooks, in the interest of mercy ministries and senior adult ministries. Though the story was only a report on a conference, it nevertheless quoted a California lawyer, not a member of the PCA, who gave worst case scenarios on the men and ministries. Worst case scenarios can make scoundrels of the best of men.

The impression was given that the Stated Clerk of the PCA had arbitrarily withheld the publication of a legal audit of the PCA committees and agencies, as though he and they had something to hide. The truth was that the previous General Assembly had instructed these legal audits to be opened to the Committees of Commissioners for each committee and agency, and that they study them and report to the Assembly. These committees went over them with a fine tooth comb and reported to the Assembly that they had found nothing amiss.

The Assembly passed a motion reaffirming its support for the Stated Clerk, asking that the *Observer* publish it [see July 1]. In this way I believe the Assembly answered the implied charges of wrongdoing by Dr. Paul Gilchrist. But I am concerned that the implied charges of wrongdoing against the Rev. Cecil Brooks, the Investors Fund, and the corporations he founded to promote church planting, mercy ministries, and senior adult ministries, be answered. I believe the editors of the *Observer* are fair men of good will and are as interested in the truth as am I.

Rev. Cecil Brooks, a member of the staff at Mission to North America (MNA) at the time, saw needs that he, with a

background in business and finance, could meet. He saw new churches were often denied conventional financing for land and buildings. He saw the tremendous need in the inner city for people in the welfare trap to be trained and equipped to form their own businesses.

And Cecil saw the need for senior adult retirement communities which the PCA Assembly voted not to provide.

Cecil and some of his friends, nearly all well-known names in the PCA, set up corporations from which they themselves could not and would not receive salary or profit.

The Investor's Fund was designed to receive funds from investors who were interested in seeing new churches get land and buildings. The funds were then loaned to churches at an interest rate that was half to one percent above the returns paid the investors. That small difference covered administrative costs and the cost of holding the money before it was put in the hands of the borrowers.

And to make these loans attractive to the borrowers, Cecil set up *for-profit* corporations to advise and assist in the purchase of land and the building of churches. These corporations were set up so their profits were either donated to the MNA church planting department for new church development, or were returned to the participating churches themselves. Over \$100,000 was returned to churches participating in the program.

The second type of corporation which Cecil formed was for the purpose of benefiting mercy ministries in the inner city. And though they were *for-profit* corporations, none ever returned a profit.

Christian Advocate Ministry (CAM) is an example of one of these corporations. In this program individuals were recruited and trained to operate their own janitorial service companies. These businessmen and the people they

employed escaped the welfare trap and provided stability and support to inner-city church planting efforts.

The third type of corporation was for the development of senior adult retirement communities and these were set up in such a way that the profits from these were reinvested in the centers themselves. Cecil and his boards were forbidden by the articles of incorporation from receiving any salary or profit from the development.

In fact the start-up money for some of these corporations came out of Cecil's pocket and he has never even asked that it be returned to him.

The Permanent Committee on Mission to North America and also the Committees of Commissioners at several General Assemblies studied all these matters carefully and were satisfied about all aspects.

Sadly, the article that appeared earlier in this magazine implied that Cecil Brooks' motives were selfish, when in reality just the opposite was the case. All of these corporations were designed to help the PCA accomplish its mission, and were set up so that Cecil would not profit at all, except in the satisfaction of seeing them succeed.

Though there are people who are unhappy with these programs, I am familiar with them all and am convinced everything was done decently and above board. Steps have been taken to see that there will never be any future cause for suspicion.

The church has a right to expect designated gifts will be used as they are designated. Fear that this had not happened, I am sure, motivated the investigators. All Christians must be above reproach and even the appearance of reproach.

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