



THE ETHICS & RELIGIOUS
LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION

THE ETHICS AND RELIGIOUS LIBERTY
COMMISSION OF THE SOUTHERN BAPTIST
CONVENTION

Financial Statements
With Independent Auditors' Report

September 30, 2023 and 2022

THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

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INDEPENDENT AUDITORS' REPORT

The Executive Committee of
The Ethics and Religious Liberty Commission
of the Southern Baptist Convention
Nashville, Tennessee

We have audited the accompanying financial statements of The Ethics and Religious Liberty Commission of the Southern Baptist Convention, which comprise the statements of financial position as of September 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Ethics and Religious Liberty Commission of the Southern Baptist Convention as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of The Ethics and Religious Liberty Commission of the Southern Baptist Convention and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Ethics and Religious Liberty Commission of the Southern Baptist Convention's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

The Executive Committee of
The Ethics and Religious Liberty Commission
of the Southern Baptist Convention
Nashville, Tennessee

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Ethics and Religious Liberty Commission of the Southern Baptist Convention's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Ethics and Religious Liberty Commission of the Southern Baptist Convention's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capin Crouse LLP

Lawrenceville, Georgia
November 29, 2023

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Statements of Financial Position

	September 30,	
	2023	2022
ASSETS:		
Cash and cash equivalents	\$ 1,339,083	\$ 2,840,343
Investments	2,425,643	2,049,696
Prepaid expenses and other assets	31,066	13,115
Property and equipment—net	393,092	440,255
Total Assets	\$ 4,188,884	\$ 5,343,409
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 134,622	\$ 113,382
Postretirement benefit obligation	368,319	385,854
Total liabilities	502,941	499,236
Net assets:		
Without donor restrictions	3,460,453	3,022,526
With donor restrictions	225,490	1,821,647
Total net assets	3,685,943	4,844,173
Total Liabilities and Net Assets	\$ 4,188,884	\$ 5,343,409

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Statement of Activities

Year Ended September 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
OPERATING SUPPORT AND REVENUE:			
Support:			
Southern Baptist Convention:			
Cooperative Program	\$ 3,162,257	\$ -	\$ 3,162,257
Other contributions	39,883	-	39,883
Direct contributions	21,700	339,777	361,477
Partnership grants	-	500,000	500,000
Revenue:			
Other income	8,913	-	8,913
Interest and investment income	140,114	-	140,114
Total Operating Support and Revenue	<u>3,372,867</u>	<u>839,777</u>	<u>4,212,644</u>
RECLASSIFICATIONS:			
Satisfaction of purpose restrictions	<u>2,435,934</u>	<u>(2,435,934)</u>	<u>-</u>
OPERATING EXPENSES:			
Program services	4,842,032	-	4,842,032
Supporting activities:			
General and administrative	515,871	-	515,871
Total Operating Expenses	<u>5,357,903</u>	<u>-</u>	<u>5,357,903</u>
Change in Net Assets from Operations	<u>450,898</u>	<u>(1,596,157)</u>	<u>(1,145,259)</u>
NON-OPERATING ACTIVITY:			
Other components of net periodic postretirement benefit cost	<u>(12,971)</u>	<u>-</u>	<u>(12,971)</u>
Total Non-Operating Change in Net Assets	<u>(12,971)</u>	<u>-</u>	<u>(12,971)</u>
Change in Net Assets	437,927	(1,596,157)	(1,158,230)
Net Assets, Beginning of Year	<u>3,022,526</u>	<u>1,821,647</u>	<u>4,844,173</u>
Net Assets, End of Year	<u>\$ 3,460,453</u>	<u>\$ 225,490</u>	<u>\$ 3,685,943</u>

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Statement of Activities

Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUE:			
Support:			
Southern Baptist Convention:			
Cooperative Program	\$ 3,286,921	\$ -	\$ 3,286,921
Other contributions	14,948	-	14,948
Direct contributions	19,021	957,662	976,683
Partnership grants	-	4,051,650	4,051,650
Revenue:			
Other income	12,694	-	12,694
Interest and investment income	44,121	-	44,121
Total Operating Support and Revenue	3,377,705	5,009,312	8,387,017
RECLASSIFICATIONS:			
Satisfaction of purpose restrictions	3,961,555	(3,961,555)	-
OPERATING EXPENSES:			
Program services	6,149,460	-	6,149,460
Supporting activities:			
General and administrative	504,304	-	504,304
Total Operating Expenses	6,653,764	-	6,653,764
Change in Net Assets from Operations	685,496	1,047,757	1,733,253
NON-OPERATING ACTIVITY:			
Other components of net periodic postretirement benefit cost	(13,563)	-	(13,563)
Total Non-Operating Change in Net Assets	(13,563)	-	(13,563)
Change in Net Assets	671,933	1,047,757	1,719,690
Net Assets, Beginning of Year	2,350,593	773,890	3,124,483
Net Assets, End of Year	\$ 3,022,526	\$ 1,821,647	\$ 4,844,173

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Statement of Functional Expenses

Year Ended September 30, 2023

	Program Services	<u>Supporting Activities</u> General and Administrative	Total Expenses
Salary and benefits	\$ 1,551,965	\$ 241,071	\$ 1,793,036
Travel (hotel, transportation)	122,746	5,750	128,496
Executive office (trustee & research meetings and marketing)	22,332	68,507	90,839
Business and finance office (utilities, insurance, technology, and supplies)	-	200,543	200,543
Events and strategic initiatives (conferences, honorariums, and travel)	103,390	-	103,390
Communications (print resources, web design, freelance creative)	208,753	-	208,753
Public policy and research (research, consultants, convening, and international)	28,869	-	28,869
Designated expenses (ultrasound machines, technology and <i>Life Collective</i> (see Note 7) expenses)	2,745,168	-	2,745,168
Depreciation	58,809	-	58,809
	<u>4,842,032</u>	<u>515,871</u>	<u>5,357,903</u>
Other components of net periodic postretirement benefit cost	12,971	-	12,971
	<u>12,971</u>	<u>-</u>	<u>12,971</u>
Total Expenses	<u>\$ 4,855,003</u>	<u>\$ 515,871</u>	<u>\$ 5,370,874</u>

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Statement of Functional Expenses

Year Ended September 30, 2022

	Program Services	<u>Supporting Activities</u> General and Administrative	Total Expenses
Salary and benefits	\$ 1,599,597	\$ 239,629	\$ 1,839,226
Travel (hotel, transportation)	143,844	8,198	152,042
Executive office (trustee & research meetings and marketing)	57,009	55,357	112,366
Business and finance office (utilities, insurance, technology, and supplies)	-	201,120	201,120
Events and strategic initiatives (conferences, honorariums, and travel)	133,175	-	133,175
Communications (print resources, web design, freelance creative)	143,029	-	143,029
Public policy and research (research, consultants, convening, and international)	25,280	-	25,280
Designated expenses (ultrasound machines, technology and <i>Life Collective</i> (see Note 7) expenses)	3,989,302	-	3,989,302
Depreciation	58,224	-	58,224
	<u>6,149,460</u>	<u>504,304</u>	<u>6,653,764</u>
Other components of net periodic postretirement benefit cost	13,563	-	13,563
	<u>13,563</u>	<u>-</u>	<u>13,563</u>
Total Expenses	<u>\$ 6,163,023</u>	<u>\$ 504,304</u>	<u>\$ 6,667,327</u>

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Statements of Cash Flows

	Year Ended September 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Southern Baptist Convention:		
Cooperative Program contributions received	\$ 3,162,257	\$ 3,286,921
Other contributions received	39,883	14,948
Direct contributions received	361,477	1,002,808
Partnership grants received	500,000	4,006,650
Other revenue received	8,913	12,694
Interest income received	58,806	38,162
Payments to employees	(1,832,241)	(1,857,085)
Payments to vendors and others	(3,495,515)	(4,761,506)
Net Cash Provided (Used) by Operating Activities	(1,196,420)	1,743,592
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Southern Baptist Foundation (SBF) common fund investments (see Notes 2 and 5)	(1,000,000)	(200,000)
Proceeds from sales of Southern Baptist Foundation (SBF) common fund investments (see Notes 2 and 5)	706,806	-
Purchases of property and equipment	(11,646)	-
Net Cash Used by Investing Activities	(304,840)	(200,000)
Net Change in Cash and Cash Equivalents	(1,501,260)	1,543,592
Cash and Cash Equivalents, Beginning of Year	2,840,343	1,296,751
Cash and Cash Equivalents, End of Year	\$ 1,339,083	\$ 2,840,343

See accompanying notes to the financial statements

THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

Notes to Financial Statements

September 30, 2023 and 2022

1. NATURE OF ORGANIZATION:

The Ethics and Religious Liberty Commission of the Southern Baptist Convention (the Commission) was incorporated in 1947 as a Tennessee not-for-profit corporation and is exempt from federal income tax on related activities under Section 501(c)(3) of the Internal Revenue Code (the Code) and comparable State law. The Commission operates under the auspices of the Southern Baptist Convention (SBC). The Commission is classified as a publicly supported organization, which is not a private foundation under Section 509(a)(1) of the Code, and contributions to it are tax deductible within the limitations prescribed by the Code.

The Commission exists to assist churches by helping them understand the moral demands of the gospel, apply Christian principles to moral and social problems and questions of public policy, and to promote religious liberty in cooperation with the churches and other Southern Baptist entities. The Commission's primary revenue source is contributions from the SBC Cooperative Program and other donors.

The Commission is a member corporation, with the SBC being the sole member. As the sole member, the SBC appoints the Commission's board of trustees. All Commission net assets would revert to the SBC upon dissolution of the Commission. The accompanying financial statements do not include the net assets or activities of the SBC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

USE OF ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash held in checking, savings, money market accounts, and all other highly liquid accounts with original maturities of less than 90 days. The Commission maintains its cash and cash equivalents with high credit, quality financial institutions, which, at times, may exceed federally insured limits. The Commission has not experienced any losses in such accounts. At September 30, 2023 and 2022, the Commission's cash balances exceeded federally insured limits by \$969,355 and \$2,613,090, respectively.

THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

Notes to Financial Statements

September 30, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS

Investments consist entirely of an invested interest in the Southern Baptist Foundation (SBF) common funds, which are carried at the fair market value of the underlying investments. Income on these investments is included in the change in net assets.

PROPERTY AND EQUIPMENT—NET

Items capitalized as property and equipment are stated at cost or, if donated, at market value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 3 to 40 years. Repairs and maintenance and small equipment purchases are expensed as incurred. Expenditures that significantly increase asset value or extend useful lives are capitalized. Acquisitions of property and equipment in excess of \$3,000 that meet the capitalization requirements are capitalized. Upon retirement, sale or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and gains or losses are included on the statements of activities.

CLASSES OF NET ASSETS

The financial statements report amounts separately by class of net assets:

Net assets without donor restrictions are currently available at the discretion of the trustees of the Commission for use in operations, designated by the trustees of the Commission for other specific projects determined by the board, or invested in property and equipment net of accumulated depreciation.

Net assets with donor restrictions are stipulated by donors for specific operating purposes or programs, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

All contributions are considered available for use without restriction unless specifically restricted by the donor or subject to other legal restrictions.

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Contributions are recognized when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met.

THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

Notes to Financial Statements

September 30, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES, continued

The Commission recognizes revenue from events during the year in which the related events are held. The performance obligation of delivering events is simultaneously received and consumed by the attendees. All amounts received prior to the commencement of the event are deferred to the applicable period. All other exchange revenue is recognized when earned.

The Commission reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as reclassifications.

The Commission reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Commission reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated goods (including securities) are recorded at fair value at the date of the gift.

Expenses are reported when costs are incurred in accordance with the accrual basis of accounting. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Commission. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses include salaries and benefits. Salaries and benefits have been allocated based on the programmatic purpose of the employee incurring the expense.

CONCENTRATIONS

The Commission receives a substantial amount of support from the SBC. A significant reduction in the level of this support, if this were to occur, may have a significant affect on the Commission. The organizational implications of these concentrations are recognized by the Commission.

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Commission's financial assets as of September 30, 2023 and 2022, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Commission considers general expenditures to be all expenditures related to its ongoing activities to achieve its vision as well as the conduct of services undertaken to support those activities to be general expenditures.

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Notes to Financial Statements

September 30, 2023 and 2022

3. LIQUIDITY AND FUNDS AVAILABLE, continued:

	September 30,	
	2023	2022
Financial assets:		
Cash and cash equivalents	\$ 1,339,083	\$ 2,840,343
Investments	2,425,643	2,049,696
	3,764,726	4,890,039
Less those unavailable for general expenditures within one year due to:		
Board designations	(800,000)	(581,709)
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,964,726	\$ 4,308,330

As part of the Commission's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Board-designated reserves can be released upon resolution of the board and used for general expenditures. The Commission has \$225,490 in net assets with donor restrictions for various project support. These funds are considered available to meet needs of those restricted purposes within one year.

4. PROPERTY AND EQUIPMENT—NET:

Property and equipment—net, consist of:

	September 30,	
	2023	2022
Leasehold improvements	\$ 349,333	\$ 337,687
Building and improvements	955,730	955,730
Furniture and equipment	1,124,090	1,139,601
	2,429,153	2,433,018
Less accumulated depreciation	(2,036,061)	(1,992,763)
Property and equipment—net	\$ 393,092	\$ 440,255

THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

Notes to Financial Statements

September 30, 2023 and 2022

5. FAIR VALUE MEASUREMENTS:

The *Fair Value* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Commission uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Commission measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 and Level 2 inputs were not available.

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy at September 30, 2023 and 2022:

	Fair Value Measurements at September 30, 2023			
	Total	(Level 1)	(Level 2)	(Level 3)
Investments, at fair value:				
Interest in common funds of the SBF	\$ 2,425,643	\$ -	\$ 2,425,643	\$ -
	\$ 2,425,643	\$ -	\$ 2,425,643	\$ -
	Fair Value Measurements at September 30, 2022			
	Total	(Level 1)	(Level 2)	(Level 3)
Investments, at fair value:				
Interest in common funds of the SBF	\$ 2,049,696	\$ -	\$ 2,049,696	\$ -
	\$ 2,049,696	\$ -	\$ 2,049,696	\$ -

THE ETHICS AND RELIGIOUS LIBERTY COMMISSION OF THE SOUTHERN BAPTIST CONVENTION

Notes to Financial Statements

September 30, 2023 and 2022

5. FAIR VALUE MEASUREMENTS, continued:

Valuation techniques used by the Commission in estimating fair value are as follows:

Interest in common funds of the SBF—The common funds of the SBF consisted of an equity fund, income fund, flexible income fund, and short-term money market fund as of September 30, 2023 and 2022. The equity fund is made up of various publicly traded equity securities. The income fund and flexible income fund are both made up of U.S. Treasury obligations and high quality corporate bonds. The short-term money market fund consists of certificates of deposit, corporate bonds, and money market funds meant to provide liquidity. The value of investments in common funds are based on the value of the Commission's per share interest in the pooled fund as reported by the SBF. The Commission is able to redeem its investment in the pool at the reporting date.

Changes in valuation techniques—None.

6. EMPLOYEE BENEFIT OBLIGATIONS:

DEFINED CONTRIBUTION PLAN

The Commission participates in the retirement program of GuideStone Financial Resources of the SBC. The plan is a 403(b)(9) defined contribution plan, not subject to the Employee Retirement Income Security Act of 1974 (ERISA), providing a contribution-matching contribution to its employees. Employer contribution to the plan for the years ended September 30, 2023 and 2022, were \$93,281 and \$85,837, respectively.

DEFINED BENEFIT PLAN

Under a separate program, the Commission also provides certain retirement gift and Christmas bonus benefits for all retired employees that meet certain eligibility requirements which qualifies as a defined benefit plan (the Plan). In 2017, the executive committee of the Commission froze the plan to any additional participants. The defined benefit plan's current and future benefits are funded by net assets without donor restrictions. The status of the benefit obligations of the program at September 30, 2023 and 2022, are as follows:

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
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Notes to Financial Statements

September 30, 2023 and 2022

6. EMPLOYEE BENEFIT OBLIGATIONS, continued:

DEFINED BENEFIT PLAN, continued

	September 30,	
	2023	2022
Retired participants	\$ 368,319	\$ 385,854
Active fully eligible participants	-	-
Active other participants	-	-
	\$ 368,319	\$ 385,854

The following tables provide a reconciliation of the changes in the postretirement benefit obligation and the assumptions used in the actuarial calculations.

	September 30,	
	2023	2022
Postretirement benefit obligation at beginning of year:	\$ 385,854	\$ 402,760
Net periodic postretirement benefit costs	12,971	13,563
Postretirement benefit related changes other than net periodic postretirement benefit cost	-	-
Benefits paid	(30,506)	(30,469)
	\$ 368,319	\$ 385,854
Postretirement benefit obligation at end of year	\$ 368,319	\$ 385,854
Net periodic postretirement benefit cost, included in functional expenses:		
Service cost	\$ -	\$ -
Interest cost	12,971	13,563
Net periodic postretirement benefit cost other than service cost	12,971	13,563
Net periodic postretirement benefit costs	\$ 12,971	\$ 13,563

Net periodic postretirement cost other than service cost is reported as other components of net periodic postretirement cost on the statements of activities.

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Notes to Financial Statements

September 30, 2023 and 2022

6. EMPLOYEE BENEFIT OBLIGATIONS, continued:

DEFINED BENEFIT PLAN, continued

Postretirement benefit related changes other than net periodic postretirement cost, included in nonoperating activities, are as follows:

	September 30,	
	2023	2022
Actuarial gain (loss)	\$ -	\$ -
Postretirement benefit related changes other than net periodic postretirement benefit cost	\$ -	\$ -
Assumptions:		
Weighted average discount rate	3.50%	3.50%
Average future lifetime of retired participants	10.65	11.65

The mortality basis is based upon RPH-2014 separate employee, retiree and contingent annuitant tables, projected forward with the MP-2019 improvement scale.

Future benefits are expected to be paid as follows:

	Year Ended September 30,
2024	\$ 30,235
2025	29,924
2026	29,613
2027	29,302
2028	28,991
Thereafter	220,254
	\$ 368,319

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Notes to Financial Statements

September 30, 2023 and 2022

7. NET ASSETS:

Net assets consist of:

	September 30,	
	2023	2022
Without donor restrictions:		
Undesignated	\$ 2,660,453	\$ 2,440,817
Board-designated for:		
Strategic Projects	400,000	-
Sexual Abuse Study Project	250,000	250,000
Other Board Approved Expenses	150,000	-
Transitional Expenses	-	81,709
Stand for Life Event	-	250,000
	3,460,453	3,022,526
With donor restrictions:		
Civility Project	108,296	107,633
Psalm 139 Project	98,274	468,402
Artificial Intelligence	18,920	29,305
Life Collective/Stand for Life	-	1,216,307
	225,490	1,821,647
	\$ 3,685,943	\$ 4,844,173

As of September 30, 2022 the Commission had designated \$250,000 for the Stand for Life project. During the year ended September 30, 2023, these designated funds were expended for that specific purpose.

8. RELATED PARTIES:

Substantial assistance is received from the SBC. The Commission is an independent organization, but acts under the auspices of the SBC. Total Cooperative Program contributions from the SBC were \$3,162,257 and \$3,286,921 for the years ending September 30, 2023 and 2022, respectively. Total other contributions from the SBC were \$39,883 and \$14,948 for the years ending September 30, 2023 and 2022, respectively.

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Notes to Financial Statements

September 30, 2023 and 2022

8. RELATED PARTIES, continued:

The Commission occupies office facilities on the 5th floor of the SBC Building at 901 Commerce Street in Nashville, TN for which no rent is charged to the Commission. Title is held by the Executive Committee of the SBC as “trustee for the beneficial use of the Ethics and Religious Liberty Commission of the Southern Baptist Convention” and for the other entities occupying the premises.

9. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through November 29, 2023, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION**

The Executive Committee of
The Ethics and Religious Liberty Commission
of the Southern Baptist Convention
Nashville, Tennessee

We have audited the financial statements of The Ethics and Religious Liberty Commission of the Southern Baptist Convention as of and for the years ended September 30, 2023 and 2022, and our report thereon dated November 29, 2023, which expressed an unmodified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of support, revenue, and expenses—compared to budget and the schedule of contributions without donor restrictions receipts by state (the information), which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information, except for that portion marked “unaudited,” was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked “unaudited” has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Capin Crouse LLP

Lawrenceville, Georgia
November 29, 2023

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Support, Revenue, and Expenses—Compared to Budget

Year Ended September 30, 2023

	Budget (Unaudited)	Actual	Favorable (Unfavorable)
SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS:			
Support:			
Southern Baptist Convention:			
Cooperative Program	\$ 3,389,637	\$ 3,162,257	\$ (227,380)
Other contributions	15,000	39,883	24,883
Direct contributions	80,000	21,700	(58,300)
Revenue:			
Other income	15,900	8,913	(6,987)
Interest and investment income	7,855	140,114	132,259
Total Support and Revenue Without Donor Restrictions	3,508,392	3,372,867	(135,525)
EXPENSES:			
Salary and benefits	2,638,493	1,793,036	845,457
Travel (hotel, transportation)	235,610	128,496	107,114
Executive office (trustee & research meetings and marketing)	85,100	90,839	(5,739)
Business and finance office (utilities, insurance, technology, and supplies)	199,011	200,543	(1,532)
Events and strategic initiatives (conferences, honorariums, and travel)	152,362	103,390	48,972
Communications (print resources, web design, freelance creative)	299,896	208,753	91,143
Public policy and research (research, consultants, convening, and international)	77,920	28,869	49,051
Total Expenses Without Donor Restrictions	3,688,392	2,553,926	1,134,466
Net Support Without Donor Restrictions and Revenue	(180,000)	818,941	998,941

(continued)

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Support, Revenue, and Expenses—Compared to Budget

Year Ended September 30, 2023
(continued)

	Actual
SUPPORT WITH DONOR RESTRICTIONS:	
Support:	
Direct contributions	339,777
Partnership grants	500,000
Total Support With Donor Restrictions	839,777
Expenses:	
Designated expenses (ultrasound machines, technology and <i>Life</i> <i>Collective</i> (see Note 7) expenses)	2,745,168
Total Expenses With Donor Restrictions	2,745,168
Net Support With Donor Restrictions	(1,905,391)
Non-Cash Activity:	
Change in postretirement benefits, net	12,971
Depreciation	58,809
Net Non-Cash Activity	71,780
Change in Net Assets	\$ (1,158,230)

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Support, Revenue, and Expenses—Compared to Budget

Year Ended September 30, 2022

	Budget (Unaudited)	Actual	Favorable (Unfavorable)
SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS:			
Support:			
Southern Baptist Convention:			
Cooperative Program	\$ 3,150,000	\$ 3,286,921	\$ 136,921
Other contributions	14,000	14,948	948
Direct contributions	60,000	19,021	(40,979)
Revenue:			
Events fees	248,000	-	(248,000)
Other income	71,200	12,694	(58,506)
Interest and investment income	9,000	44,121	35,121
Total Support and Revenue Without Donor Restrictions	3,552,200	3,377,705	(174,495)
EXPENSES:			
Salary and benefits	2,679,115	1,839,226	839,889
Travel (hotel, transportation)	279,655	152,042	127,613
Executive office (trustee & research meetings and marketing)	87,750	72,231	15,519
Business and finance office (utilities, insurance, technology, and supplies)	185,902	198,781	(12,879)
Events and strategic initiatives (conferences, honorariums, and travel)	354,487	133,175	221,312
Communications (print resources, web design, freelance creative)	259,371	185,503	73,868
Public policy and research (research, consultants, convening, and international)	65,920	25,280	40,640
Total Expenses Without Donor Restrictions	3,912,200	2,606,238	1,305,962
Net Support Without Donor Restrictions and Revenue	(360,000)	771,467	1,131,467

(continued)

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Support, Revenue, and Expenses—Compared to Budget

Year Ended September 30, 2022
(continued)

	Actual
SUPPORT WITH DONOR RESTRICTIONS:	
Support:	
Direct contributions	957,662
Partnership grants	4,051,650
Total Support With Donor Restrictions	5,009,312
Expenses:	
Designated expenses (ultrasound machines, technology and <i>Life</i> <i>Collective</i> (see Note 7) expenses)	3,989,302
Total Expenses With Donor Restrictions	3,989,302
Net Support With Donor Restrictions	1,020,010
Non-Cash Activity:	
Change in postretirement benefits, net	13,563
Depreciation	58,224
Net Non-Cash Activity	71,787
Change in Net Assets	\$ 1,719,690

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Contributions Receipts Without Donor Restrictions by State

Year Ended September 30, 2023

	Southern Baptist Convention		Received Directly by the Commission	Total
	Cooperative Program	Other Contributions		
Alabama	\$ 316,292	\$ -	\$ 6,817	\$ 323,109
Alaska	1,967	-	-	1,967
Arizona	23,263	914	52	24,229
Arkansas	160,823	358	-	161,181
California	32,629	-	-	32,629
Colorado	11,970	-	300	12,270
Dakota	1,579	-	-	1,579
Florida	236,849	3,855	-	240,704
Georgia	234,931	1,654	1,878	238,463
Hawaii	3,584	-	-	3,584
Illinois	35,468	-	-	35,468
Indiana	10,583	1,542	-	12,125
Iowa	14,437	-	-	14,437
Kansas-Nebraska	13,607	1	-	13,608
Kentucky	163,542	309	703	164,554
Louisiana	111,339	-	-	111,339
Maryland-Delaware	20,413	-	1,978	22,391
Michigan	7,133	-	-	7,133
Minnesota-Wisconsin	3,024	-	-	3,024
Mississippi	196,807	-	-	196,807
Missouri	80,843	24,542	-	105,385
Montana	2,742	-	101	2,843
Nevada	6,281	-	-	6,281
New England	2,473	-	-	2,473
New Mexico	15,794	-	-	15,794
New York	3,638	-	-	3,638
North Carolina	217,855	3,013	-	220,868
Northwest	8,214	-	50	8,264
Ohio	37,877	-	-	37,877

(continued)

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Contributions Receipts Without Donor Restrictions by State

Year Ended September 30, 2023

(continued)

	Southern Baptist Convention		Received Directly by the Commission	Total
	Cooperative Program	Other Contributions		
Oklahoma	173,549	59	1,000	174,608
Pennsylvania-South Jersey	5,810	-	257	6,067
Puerto Rico-U.S. Virgin Island	140	-	-	140
South Carolina	171,624	3,085	3,739	178,448
Tennessee	267,190	-	278	267,468
Texas	-	-	52	52
Texas-BGCT	145,485	551	-	146,036
Texas-SBTC	244,150	-	-	244,150
Utah-Idaho	3,681	-	-	3,681
Virginia	-	-	51	51
Virginia-BGAV	14,647	-	2,644	17,291
Virginia-SBCV	77,926	-	-	77,926
West Virginia	8,233	-	-	8,233
Wyoming	610	-	-	610
	3,089,002	39,883	19,900	3,148,785
Church and individuals	73,255	-	-	73,255
Online contributions (no address)	-	-	1,800	1,800
	-	-	1,800	1,800
Total contributions	\$ 3,162,257	\$ 39,883	\$ 21,700	\$ 3,223,840

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Contributions Receipts Without Donor Restrictions by State

Year Ended September 30, 2022

	Southern Baptist Convention		Received Directly by the Commission	Total
	Cooperative Program	Other Contributions		
Alabama	\$ 318,437	\$ -	\$ -	\$ 318,437
Alaska	2,052	-	-	2,052
Arizona	23,837	396	-	24,233
Arkansas	155,282	86	-	155,368
California	35,501	-	350	35,851
Colorado	9,837	12	883	10,732
Connecticut	-	-	172	172
Dakota	1,774	-	-	1,774
Florida	243,834	1,184	-	245,018
Georgia	251,196	1,124	686	253,006
Hawaii	3,659	-	-	3,659
Illinois	38,960	-	-	38,960
Indiana	12,201	-	-	12,201
Iowa	13,226	-	-	13,226
Kansas-Nebraska	13,675	-	-	13,675
Kentucky	164,807	4,690	600	170,097
Louisiana	109,129	-	-	109,129
Maryland-Delaware	26,521	-	1,826	28,347
Michigan	6,956	-	-	6,956
Minnesota-Wisconsin	4,461	-	-	4,461
Mississippi	220,835	-	-	220,835
Missouri	92,524	3,360	-	95,884
Montana	2,964	-	-	2,964
Nevada	7,005	-	-	7,005
New England	2,789	-	-	2,789
New Mexico	15,467	-	-	15,467
New York	3,759	-	-	3,759
North Carolina	202,241	3,023	640	205,904
Northwest	8,792	-	-	8,792
Ohio	45,115	478	-	45,593

(continued)

See accompanying notes to the financial statements

**THE ETHICS AND RELIGIOUS LIBERTY COMMISSION
OF THE SOUTHERN BAPTIST CONVENTION**

Schedule of Contributions Receipts Without Donor Restrictions by State

Year Ended September 30, 2022

(continued)

	Southern Baptist Convention		Received Directly by the Commission	Total
	Cooperative Program	Other Contributions		
Oklahoma	175,501	13	538	176,052
Pennsylvania-South Jersey	5,311	-	250	5,561
Puerto Rico-U.S. Virgin Island	298	-	-	298
South Carolina	178,015	32	1,259	179,306
Tennessee	300,448	-	-	300,448
Texas	-	-	11	11
Texas-BGCT	162,896	550	-	163,446
Texas-SBTC	249,786	-	-	249,786
Utah-Idaho	3,819	-	-	3,819
Virginia	-	-	25	25
Virginia-BGAV	13,478	-	2,277	15,755
Virginia-SBCV	77,500	-	-	77,500
West Virginia	7,795	-	-	7,795
Wyoming	603	-	-	603
	3,212,286	14,948	9,517	3,236,751
Church and individuals	74,635	-	-	74,635
Online contributions (no address)	-	-	9,504	9,504
	-	-	9,504	9,504
Total contributions	\$ 3,286,921	\$ 14,948	\$ 19,021	\$ 3,320,890

See accompanying notes to the financial statements