

By the Honorable Judge Robert Ulrich  
Chairman of the First Family Church Board of Directors

October 23, 2007

The Kansas City Star has published articles about First Family Church and its Senior Pastor Jerry Johnston. The thrust of the articles has been to excoriate Pastor Johnston and the church leadership by claiming a lack of financial accountability for contributions received by the church. For example, one article bore a headline, "Lack of Financial Accountability." Although the articles assert so offensive an allegation, they are void of factual evidence for their claims. The articles reference claims by disgruntled persons, gossipers, and "anonymous" individuals. The direct result of the unsubstantiated articles has been talk radio's venting of unknowing readers expressing anti conservative vitriol, blog sights that sentence the pastor and church board members to hell, and even Christians who adopt the articles as truth and reject the church and its pastor in spite of the extraordinary numbers of people who have committed their lives to Christ and who have found a place to learn of God's love for them made possible by the physical structure developed on the church site over the last few years.

The question that seems to have evaded many is whether the claims of the articles are true. What is the evidence to support the contention that the church leadership is financially irresponsible? If the claim is not true, why did reporter Judy Thomas and the Star publish the articles? This letter is an attempt to present enough evidence to answer these questions. It does not address every allegation contained in the articles although each can be refuted with substantial evidence. The evidence presented, however, addresses main points of the articles, and demonstrates that the articles are devoid of foundation. The letter then examines the author of the articles, suggesting that her motive may not be an objective evaluation of claims by persons with whom she has spoken but that her objective may be to harm a conservative Baptist preacher and a church that has spoken loudly the Christian message, has opposed abortion, and has advocated the traditional definition of marriage.

### **Structure of First Family Church**

First Family Church is a Kansas Not-for-Profit Corporation. Like all not-for-profit corporations, the legal authority for this one is a board of directors. Members of the Board include responsible successful lay people who are committed to advocating the Gospel of Christ and serving Him in the roles where God has placed them. They serve without remuneration and, like many other members of the church, are financial contributors. These men are among the many exceptional people who give their uncompensated time and energy to God's service by participating in the activities of the vibrant church. I have been privileged to serve as Chairman of the Board for approximately ten years. I have served our nation as a Marine officer, the United States

Attorney for the Western District of Missouri during the Reagan administration, and as an appellate judge for the last eighteen years. I served as a member of the faculty at Liberty University Law School.

None of the Board members would knowingly participate in or permit anyone to misuse church funds. The Board members have spent their lives building reputations for honesty and are not about to do anything that would impugn a lifetime of respectable conduct. The Star's implication that the Board is financially irresponsible without providing any factual support for its contention is odious and an unjustifiable slur on the members of the Board.

### **The assertions published by the Kansas City Star are groundless**

Judy L. Thomas wrote virtually all of the articles that appeared in the Star during the past several months. Judy Thomas called me and asked questions about the church before the first article appeared in the Star. We spoke for about thirty-five minutes. I provided factual responses to her questions that clearly refuted allegations that she related to me and that later appeared in her first article, yet she did not print my responses to her questions. An example of her inquiry pertained to the acquisition of the property purchased for construction of the church. She said that one or more persons who served on a committee that helped select the property claimed not to have been able to obtain needed information about the church finances that was required by the financial institution to facilitate a loan to the church and the purchase of the property. I responded that the institution loaned the required money to the church, the contract was signed, the money was paid to the sellers, and the church acquired the land. I asked her what type of information did her source claim was not provided. She did not discuss the matter further.

Additionally, Jeff Anderson spoke to Judy Thomas for more than forty-five minutes providing information about the church's finances in response to her questions. Despite being informed, Ms. Thomas printed the allegation without confirming the allegation or printing the response provided her. She enquired about over two hundred acres acquired by the church located in northern Miami County, Kansas. She had been informed that the church claimed it was a gift despite presence of a note having been signed by the church for four-hundred thousand dollars. She was told that the value of the acreage greatly exceeded four-hundred thousand dollars, that the owner of the land had transferred the property to the church for the note intending the value of the property in excess of the amount of the note to be a gift, and that a friend of the church was paying the note as an additional gift. Thus, although the implication of the article was that the church had bought the property and that it had not been a gift, the effective result was that two individuals were giving the property to the church, the former owner and friend who is paying the note. The church was paying nothing for it.

One of the articles published by Judy Thomas and the Star reported that funds were received by the church for the designated purpose of establishing a building for children and a school and that the funds were not spent for that purpose. A children's building of approximately 55,000 square feet was recently completed to accommodate several ministries including a children's school. Funds contributed for construction of the building and the school and other non-restricted funds totaling about three million dollars were spent for the building and school. The school opened this fall and is experiencing extraordinary success.

Another significant implication of the reporter's articles was that Jerry Johnston lives a lavish life style in southern Johnston County in a house worth several hundred thousand dollars. The implication was that the house was too expensive for a Baptist preacher and that Jerry Johnston must have used church funds to acquire the house. The house in which he and his wife, Christie, live in is quite comfortable, but it is not lavish for Johnson County, Kansas. Before becoming Pastor of First Family church, he was a very successful speaker, both as an evangelist of the Gospel message and as a nationally recognized and sought speaker to secular bodies about teen suicide. Additionally, he published several books that produced income. Before starting the church, Jerry and Christie Johnston had purchased a home in a prominent subdivision in Johnson County, Kansas. They sold that home, realized a profit, and with these and other funds acquired as a result of his publications purchased their current home.

Jerry Johnston's remuneration received for services rendered to the church, and all employee compensation, is determined exclusively by vote of the board of Directors. Neither Jerry Johnston nor any other church employee is present when the Board votes on the annual salaries of church employees. To assist the Board, a report from a reputable source is obtained to determine what pastors of like churches receive in compensation. The Board pays its Senior Pastor a percentage of the amount received by pastors of like size churches, and his salary neither meets nor exceeds the top level on the list. Also, as you are aware, the Internal Revenue Service guidelines are restrictive of what a church can pay pastors. The Board of First Family complies with IRS regulations.

I have addressed a few principal issues that Judy Thomas' articles in the Star have declared. Those that I have chosen are representative of others not specifically addressed, and each issue not specifically addressed is equally void of substance. None support Ms. Thomson's intended inference that the church is financially irresponsible.

### **The church's annual audits are additional proof of financial responsibility**

Further evidence attesting to financial responsibility by the church and its leadership are the annual audits commenced several years ago. The church continues to employ one of the most reputable accounting firms of not-for-profits in the Nation – The Guinn, Smith & Co. located in Irving, Texas. This accounting firm has an established history for

auditing many large respected not-for-profit entities throughout our country. Mr. Guinn, the firm's CEO was recently interviewed and video recorded regarding his firm's history of auditing First Family Church. He stated that the firm's audit of the church not only has included, and continues to include, identification of whether proper procedures are followed by the church but that he is directed by church authority to contact anyone that he wishes to interview regarding the churches financial responsibilities. He stated that firm's audits determine that proper accounting practices are followed and that the records show that church's money is properly accounted for. Additionally, he said that the audit determines whether funds raised for specific projects are spent on those projects. Specifically, Mr. Guinn's letter of October 3, 2007, reporting on the firm's on site audit for calendar 2006 stated that based on the audit, "it appears that accumulated fund contributions were spent entirely for the purposes of building costs related to the new children/youth building," thus refuting again the Star's article questioning the expenditure of designated funds for the children's building and school without evidence.

### **Additional Measures of financial Accountability**

Unrelated to the articles of the Star, the church continues to take other measures to insure financial responsibility. Recently a Chief Financial Officer was appointed as an additional measure to review day-to-day practices and to more efficiently utilize the church's assets. Also, for the last two years, a "Good Stewardship report" is provided to every member of the church.

#### **(a) Appointment of Chief Financial Officer**

He has a bachelor's degree and Masters of Business Administration. He, like members of the Board, has served on several boards of businesses and/or philanthropic organizations

#### **(b) Annual Financial Stewardship Report**

Finally, the church of has for the last two years provided members of the congregation with a Financial Stewardship report, which includes a general statement of how the funds entrusted to the church are spent, reference to the annual budget passed by the Board, and other information regarding the church's financial position. The report is provided to every church member, and any questions are invited by the Board.

### **Why is the Star assailing First Family Church?**

Few churches of any size have adopted the accounting procedures that First Family Church has to maintain financial responsibility. The evidence is unequivocal that the church and its leadership are financially responsible despite the implications of the

articles written by Judy Thomas and published by the Star. Facts refuting assertions and implications of Judy Thomas' articles provided to her and easily proven by substantial evidence were excluded from the articles of unsupported claims, essentially gossip. Despite knowing the truth, the thrust of the articles has been that the leadership of the church is financially irresponsible. Why? Understanding Judy Thomas' background may help answer that question.

Judy Thomas graduated from college in 1988. She lived and worked for the local newspaper in Wichita, Kansas where she reported on Operation Rescue's abortion protests that resulted in national attention. She is reported to have called a number of groups opposing abortion, "right wing extremist groups." She moved to Kansas City in 1995 and began her employment with the Kansas City Star as a general assignment reporter on the metro desk. She continued to write about abortion and covered breaking news. In January 2000 she wrote a series entitled, "Aids in the Priesthood," and is reported to have later collaborated in the writing of a book with coauthor Risen entitled, *Wrath of Angels: The American Abortion War*.

The series of articles in the Kansas City Star regarding priests with AIDS was assailed by author and Catholic apologist L. Brent Bozell III. He noted that the poll conducted by the Judy Thomas to arrive at her statistical conclusion stated in the articles that "[Catholic] priests are dying of AIDS at a rate at least four times that of the general population" was flawed. For example, he noted that the Star survey was sent to 3,000 of America's Catholic priests, and only 800 responded. That is a 27 percent response rate. He also stated that statistical analysts David Murray and Robert Lichter rejected the Star survey noting, "the pitfalls awaiting news organizations that conduct surveys in order to create news." Bozell. "A Catholic-Bashing Fiasco." February 15, 2000. Bozell noted that Murray and Lichter wrote that when three out of four recipients of a poll fail to respond, "follow-up surveys are conducted to increase the returns or at least to learn whether the minority who responded were representative." *Id.* Bozell also writes:

[Judy Thomas'] pro-abortion book "*The Wrath of Angels: The American Abortion War*," cannot disguise her contempt for the Catholic Church. For example, take this sentence; "Many priests and behavioral experts argue that the church's adherence to 12<sup>th</sup>-century doctrine about the virtues of celibacy and its teachings on homosexuality have contributed to the spread of AIDS within the clergy." Her series is full of pro-gay priests blaming the church for creating 'a tremendous amount of homophobia' which kills priests. Christianity is turned on its head: the wages of righteousness are death. Accuracy wasn't the point of Thomas's Kansas City Star series: overthrowing traditional Catholicism was. *Id.*

Jerry Johnston is an advocate for a conservative definition of marriage as the union of "one man and one woman." He asserted a leadership role in advocating that Kansas pastors encourage their congregations to support the opportunity to vote to define

marriage within the Kansas Constitution. In the process he no doubt offended many who would define marriage more inclusively. The effort of Kansas pastors was successful, and Kansas voters passed overwhelmingly a constitutional amendment that defines marriage as a relationship between one man and one woman. Judy Thomas' articles commenced after Kansas voters defined marriage.

Noteworthy, First Family Church has for several years conducted a ministry for persons who believe themselves to be homosexual and endeavors to encourage and support them in their struggle. Thus, the church and Jerry Johnston are chastised by those who oppose the church's position on the issue.

### **Conclusion**

The assault First Family Church leadership is essentially gossip irresponsibly published by a newspaper that seems to advocate a world view conflicting with a Christian perspective. Periodic articles defaming the church and its leadership may appear again. The pastor's weekly sermons are preached through the media throughout the Kansas City area, across the nation, and internationally (Israel and China).

Hopefully this letter will convince any who unknowingly accepted the Star's comments for more than mere gossip to reject the contention that the church is financially irresponsible. And I suggest that a reasonable person, aware of the limited facts that I am able to provide by this letter, could only conclude that the funds entrusted to the church are properly accounted for. Secondly, considering the evidence, a reasonable person must question the Star's motive for assailing the Church and its leadership.

If you have questions, inform me, and I shall be pleased to respond.

Sincerely,

The Honorable Robert G. Ulrich  
Chairman, Board of Directors, first Family Church

## **Judge Robert G. Ulrich - Chairman of the Board**

Missouri Western District Court of Appeals and former U.S. District Attorney  
Chairman, First Family Church Board of Directors

Judge Robert G. Ulrich has with him many years of distinguished experience, including his most recent 18-year service as an appellate judge for the Missouri Court of Appeals, Western District. It was during this time that he authored approximately 1000 opinions resolving civil, criminal, administrative, extraordinary remedy, and domestic relations cases. Some of his other former roles in state service include: Chairman, Appellate Reapportionment Commission; Chairman, Supreme Court of Missouri Ad Hoc Committee, Court Security in Missouri; and Chairman, Supreme Court of Missouri Ad Hoc Committee to Study Judicial Center Concept.

Judge Ulrich has much experience on a federal level as well. He was appointed Assistant U.S. Attorney once by President Nixon's U.S. Attorney and once by President Carter's, representing the United States of America in many criminal and civil cases. He was then appointed U.S. Attorney for the Western District of Missouri by President Reagan. During this tenure, he was appointed to the Attorney General's Advisory committee of U.S. Attorneys and was elected Chairman for three terms. In addition, he was appointed by the Attorney General to various boards and commissions that set policies and budget guidelines for the Department of Justice. He also served on several other boards within the Department of Justice that, with the Department of the Treasury, set national law enforcement policy for the government.

Before teaching at Liberty University School of Law, he assumed other positions in education, including Instructor for Missouri Judicial College, and Judge/Instructor for the Attorney General's Advocacy Institute, then in Washington, D.C.

As a retired Colonel with the U.S. Marine Corps Reserve, Judge Ulrich has had extensive assignments, including command of artillery and infantry units. He served for almost three years on active duty, bringing his total service to nearly 31 years.

He has years of private practice experience and he is admitted to practice in the Supreme Court of Missouri and all inferior courts of Missouri; the United States Supreme Court; the United States Court of Appeals, Eighth Circuit; the United States District Court, Western District of Missouri; and the United States District Court, Eastern District of Missouri.

### **Dates of Judicial Service:**

- Appointed in March 1989 to the Court of Appeals; retained at the general elections of November 1990 and 2002
- Current term expires December 31, 2014

### **Education:**

- Bachelor of Arts (major – history), William Jewell College
- Juris Doctor, University of Missouri-Kansas City
- Master of Letters of Law (LL.M.), University of Missouri-Kansas City
- Master of Letters of Law (LL.M.), University of Virginia

**Prior employment:**

- U.S. Marine Corps Reserve, Colonel
- Practiced law
- Assistant U.S. attorney
- U.S. attorney, Western District, 1981 to 1989

**Professional memberships and activities:**

- Attorney General's Advisory Committee of U.S. Attorneys, 1984, chair, 1986 to 1989
- Department of Justice Economic Crime Council
- Department of Justice Resource Board; Personnel Management Board
- National Executive Review Board, Organized Crime Drug Enforcement Task Force
- Served on advisory committee, U.S. Court of Appeals, Eighth Circuit and Sentencing Guidelines Education Committee

**Member:**

- The Missouri Bar
- Kansas City Metropolitan Bar Association
- American Judicature Society
- National Association of Former U.S. Attorneys
- Association of Judicial Administration

**Civic and charitable activities:**

- President, University of Missouri-Kansas City Alumni Association, 1999 to 2001
- Board of Trustees, University of Missouri-Kansas City
- Missouri University Alliance
- Personnel Management Board
- National Executive Review Board
- Organized Crime Drug Enforcement Task Force

**Additional information:**

- Born in St. Louis
- Married JoAnn Demark



## **Liberty University Biography**

When Judge Robert G. Ulrich came to the School of Law in 2007 he brought with him many years of distinguished experience, including his most recent 18-year service as an appellate judge for the Missouri Court of Appeals, Western District. It was during this time that he authored approximately 1000 opinions resolving civil, criminal, administrative, extraordinary remedy, and domestic relations cases. Some of his other former roles in state service include: Chairman, Appellate Reapportionment Commission; Chairman, Supreme Court of Missouri Ad Hoc Committee, Court Security in Missouri; and Chairman, Supreme Court of Missouri Ad Hoc Committee to Study Judicial Center Concept.

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