

CVA Report to 2021 Annual Conference
Executive Summary

As part of the Conference Board of Trustees Report to Annual Conference, the CVA Committee, comprised of representatives of conference administrative and financial teams, will share the conference's legal response to the Child Victims Act. This executive summary is provided in advance of the CVA Committee's report.

The Child Victims Act, signed into law in August 2019, opened a window for otherwise time-barred filing of civil cases by victims of childhood sexual abuse against entities and organizations like schools, churches and annual conferences. The window for filing such claims is scheduled to close this August. Multiple cases have been filed against the conference and/or local churches under this law. Several additional cases have been filed against local churches under other statutes for alleged abuse by leaders of church-sponsored Boy Scout troops.

The challenges faced by the conference and affected local churches are several. First, the allegations stem from as long as forty to fifty years ago, making it difficult to locate relevant records and witnesses. Second, applicable conference and church insurance policies are lacking, leaving the conference and affected local churches entirely responsible for legal and settlement costs. Third, the moral and ethical challenge of seeking justice for victims while safeguarding conference resources is significant. There are no easy answers.

The Book of Discipline authorizes the conference Board of Trustees to lead the response to these challenges. ¶2512.4 states “[t]he board may intervene and take all necessary legal steps to safeguard and protect the interests and rights of the annual conference anywhere and in all matters relating to property and rights to property whether arising by gift, devise, or otherwise, or were held in trust or established for the benefit of the annual conference or its membership.”

The board has worked consultatively through the CVA Committee and has adopted a legal approach which seeks to amicably resolve the CVA claims whenever possible. In implementing this approach, it will be necessary to utilize some of the conferences' precious resources for attorneys' fees, third-party mediators, and, ultimately, settlement payments to deserving victims. As a critical part of the conference's handling of the CVA claims, the CVA Committee has determined it is imperative each case be assessed for credibility, culpability, severity, and financial valuation.

The CVA Committee has identified potential assets to underwrite the costs of our legal defense, including internally designated funds administered by the Conference Board of Trustees, the operating reserve overseen by the Council on Finance and Administration, and the supplemental pension and health funds overseen by the Conference Board of Pensions and Health Benefits. Vested pension funds held by Wespath, including in-plan accounts of both individuals and the

conference, are not available as possible resources to remediate CVA claims because of the restricted nature of such funds.

Other assets, such as real estate, offices, district parsonages, camp and retreat ministry centers, could be leveraged to generate funds to support healing and reconciliation of CVA claims if necessary. To the extent such measures were required, the conference ministries could be severely diminished.

The CVA Committee has been advised of the range of total costs which might be incurred but has not established a public budget. Wanting to achieve a just resolution for claimants which stewards conference resources for the long haul, the CVA Committee has prioritized treating each claimant fairly and equitably, no matter when their claim was filed within the CVA window.

It could take 2-3 years to fully resolve the cases currently before us. Throughout this entire time, the CVA Committee will provide conference members regular updates as new information and needs arise.

We pray for the survivors of child sexual abuse and for the wisdom and courage to be guardians and advocates for the most vulnerable among us. For to such as these belong the Kingdom of God.