

December 13, 2018

To Our Scouting Family,

The national council of the Boy Scouts of America – a separate financial entity from the Indian Waters Council – has been in the news lately for its exploration of possible financial restructuring in light of lawsuits from decades-old abuse cases. I write to provide you with information on that and a local perspective, having heard from the National BSA on these matters.

Late yesterday, the National BSA sent a communication reaffirming its focus on keeping children safe in delivering our nation's foremost program of character development and values-based leadership training. BSA stated its commitment to the social and moral responsibility to fairly compensate victims who suffered abuse during their time in Scouting, and the deep care and concern for all victims of child sex abuse and the proactive steps to help victims heal and prevent future abuse. BSA stresses that at no time in BSA history has the organization knowingly allowed a sexual predator to work with youth, and will always seek to act swiftly when alerted to abuse allegations. The national organization also stated its commitment to communicate transparently and stated there are no imminent actions or immediate decisions expected by BSA in light of the news story.

To that end, this afternoon, Chief Scout Executive Mike Surbaugh conducted a conference call with me and all local council Scout Executives (there are over 260 local councils) in which he reaffirmed those points and shared more information. I am passing them on to you from a local perspective, as you are important to Scouting in our area:

First, on the National BSA:

- **The national BSA organization is a separate corporation from the Indian Waters Council (IWC), which operates financially independently from it.**
- **BSA is led by a national board of directors made up leaders of the nation's largest and most complex business and financial entities** who give the direction and leadership to national BSA issues - including this. They are guided by Scouting's principles of "being prepared" and being "trustworthy." That board includes the current national president Jim Turley, who is immediate past Chairman and CEO of Ernst & Young; Randall Stephenson, Chairman & CEO of AT&T; John Cushman, Chairman of Cushman & Wakefield; former ExxonMobil CEO and U.S. Secretary of State Rex Tillerson; and U.S. Secretary of Defense Robert Gates.
- **National BSA provides no funding to local councils.**
- **In fact, our Indian Waters Council pays about \$33,000 annually to National BSA** to help cover several insurance programs, services for IT and expertise related to camping, training, youth protection, and so on. Importantly, all local council employee compensation is funded by the local council. That includes employee benefits such as healthcare and retirement, which are provided through programs controlled and operated by National BSA. We also contract with them to provide data entry of our advancement and registration (as opposed hiring someone locally) for an extra \$15,000 annually.
- **IWC serves as pass-through for the national BSA registration fee** of \$33 per youth or adult member and we keep a \$7 more to help offset insurance fees that our council pays locally (which covers only about half of what we pay locally).
- **IWC leases a large part of our service center to the National BSA** to run our retail Scout Shop and we receive 8% of its revenue, which amounts to about \$36,000 we receive annually. We were making more money when we ran our own Scout shop, but invested in the current shop 4 ½ years ago because it was a much better service to our Scouting Family and we believe it is a worthwhile investment.
- **National BSA owns and operates facilities and programs that our Scouts attend and participate in every year.** Nothing has been stated about their future and I know BSA is working to ensure those continue. They include Philmont Scout Ranch in New Mexico (between 60-120 of our Scouts attend annually, both on their own and through our council); Florida SeaBase (about 15-30 or so of our Scouts go annually); the Summit Bechtel Reserve in West Virginia (home to the National BSA Jamboree every four years, the World Jamboree in 2019, and annual high adventure programs such as kayaking, ATV's, and shooting sports), and the Northern Tier High Adventure Base in Minnesota (usually a very small number of our Scouts attend there annually).

Second, related to BSA's financial position:

- The National BSA has been conducting due diligence to address the rising costs of its general liability insurance premiums, changing legal landscape, and rising costs of defending abuse lawsuits stemming mostly from decades-old cases.
- The BSA is committed to fairly compensate those who suffered abuse in their time in Scouting, and is recognized as a leader among youth organizations in protecting youth and preventing abuse. BSA programs are the safest youth program around and its youth protection policies and practices are second to none.
- In conducting its due diligence and good governance, the BSA is seeking advice from outside experts to guide the process of pursuing all options, and the Wall Street Journal caught wind of that and published that fact.
- **The BSA has stated clearly that no decisions have been made on what next steps may be taken. No immediate steps are expected, nor are any actions imminent. They are in an exploratory phase.**

Third and last....Scouting happens locally.

Just as our council is owned and operated locally, local troops are owned and operated by the community organizations to whom the Indian Waters Council grants a charter.

- **The Indian Waters Council is a 501(c)(3) entity incorporated in South Carolina.** Our Camp Barstow, the Fant Scout Service Center, and our bank funds and investments are owned and controlled by the Indian Waters Council. In total, they make up about \$4.2 million in assets that we control locally to provide Scouting's character-building programs locally.
- **We partner with over 150 community organizations** – overwhelmingly faith-based – who use Scouting to further their own mission of youth outreach. **They own and operate the BSA program.**
- Annually, our council applies for and has been granted a charter from the National BSA council to conduct the Boy Scouts of America programs in our defined territory, which covers eight counties in South Carolina's Midlands.
- Like the board of the national council of the BSA, our local governing board is made up of numerous Eagle Scouts, the very top business leaders, law and law enforcement officials, school superintendents, and other community leaders, all who have a passion for Scouting and adeptly oversee its governance and operations here in the Midlands.

The Indian Waters Council of the BSA is Local:

- **All donations given locally STAY LOCALLY.** We are a private South Carolina non-profit and depend upon community support – no financial support from National BSA.
- **The Indian Waters Council annually spends nearly \$30,000 to help families of local Scouts who can't afford to participate** in Scouting! That money pays for things like summer camp, uniforms and handbooks, national BSA youth and leader BSA registration fees, and to help leaders get trained, provide their insurance, etc.
- **To operate locally and independently, the Indian Waters Council needs involvement of local Scout units** (like Cub Scout packs and Boy Scout troops) to participate in council activities like Boy Scout summer camp, popcorn sales, camporees, cuborees, shooting sports weekends, haunted forest weekend, Klondike, Cub Scout day camp, Friends of Scouting, Webelos Woods, camp card sales, and leader trainings such as Wood Badge.
- **Among services we provide locally are:** a small but amazing and dedicated staff of support -pretty much around the clock, 24-7; extensive training for leaders; guidance and support for our chartered partners and their units in areas of finance, membership, service, and program; school and community outreach to grow Scouting; processing of advancement; recognition; and remarkable year-round camping offerings at Camp Barstow on Lake Murray.

Locally, we are GROWING and are making a MAJOR IMPACT:

- This fall, **Cub Scout membership recruitment in our council grew a whopping 20% over last year.**
- 251 new girls have joined Cub Scouts – **a major success story** in adapting to changes in family structure and needs.
- Our youth membership growth is among the **strongest nationwide**. In November, membership was up 6.8% over November of 2017.
- **All leaders are required to complete an extensive Youth Protection Training program** (found at www.my.scouting.org) and are put through a national background check. They operate Scouting within youth protection guidelines that are looked upon as the best among youth programs. That includes regulations such as never allowing adults to be alone with a youth other than their own child.
- Scouts in the Indian Waters Council provide over **44,000 service hours** to the community every year.
- We have an amazing number of young people who earn the Eagle Scout award– the pinnacle of Scouting – about 170 annually.
- We serve about **6,000 youth members** during the course of the year, currently 5,500 (not including those who have aged-out of the program, graduated high school, etc.).
- About **2,000 volunteers** devote their time and talents to helping young people in the Indian Waters Council.
- **Camp Barstow** is 340 acres on Lake Murray and is owned and operated locally by the Indian Waters Council, with a year-round resident camp ranger and activities taking place practically every weekend of the year. It is among the greatest camp facilities – and programs – anywhere. www.campbarstowsc.com

It is our hope that the national organization can navigate the difficult waters that many organizations face in over a century of existence. In the Indian Waters Council, we stand ready to help and will continue to focus on bringing high-quality Boy Scouts of America programs to the thousands of youth and families we serve. These are critically important life-changing positive activities and they are all owned and operated locally. They have been around for 108 years and are here to stay for at least another 108 years.

Please feel free to contact me directly at douglas.stone@scouting.org or 803-750-9840 or refer to the national website at www.scouting.org or contact the National BSA at pr@scouting.org

Thank you for your interest in and support and leadership of our local Scouting programs.

Yours in Scouting,

Douglas W. Stone, Scout Executive, Indian Waters Council, BSA