

Otto Arango's earnings claims disputed by directors of missions

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In 2004,
Charles
Wade,
BGCT
executive
director,
speaks to
an
[audience](#)
[of](#)
[Mexican](#)
[church](#)
[starters](#)
as Otto
Arango,
director of
the
Church
Starting
Institute,
translates.
Arango is
now a
central
figure in a
misuse of
funds
scandal.

Otto Arango's earnings claims disputed by directors of missions

By Ken Camp

Managing Editor

Investigators who probed misuse of Texas Baptist church starting funds in the Rio Grande Valley reported Otto Arango—one of the central figures around whom allegations swirled—claimed he earned at least \$14,000 a month from Baptist associations in Texas. But leaders of associations named in the report dispute that assertion.

Arango's lifestyle—living in an expensive home in an exclusive neighborhood and driving luxury cars—raised questions among some fellow pastors in the Rio Grande Valley about the sources of his income. In part, their suspicions triggered the investigation that uncovered evidence of misused Texas Baptist church starting funds in the region.

When pressed by investigators acting on behalf of the Baptist General Convention of Texas Executive Board and its officers, the investigating attorneys said Arango replied that he “had made a lot of money promoting his vision of planting churches.”



Otto Arango

When pressed by investigators acting on behalf of the Baptist General Convention of Texas Executive Board and its officers, the investigating attorneys said Arango defended himself against assertions of fraud by saying he “had made a lot of money promoting his vision of planting churches.”

Arango asserted the BGCT had paid him at least \$500,000 in honorarium and reimbursement expenses for consulting between 1997 and 2003, investigators reported.

E.B. Brooks, retired director of the BGCT missions, evangelism and ministry area, estimated the convention provided up to \$700,000 to Arango’s consulting work, travel expenses and costs incurred in reprinting training materials he wrote. Brooks noted this not only involved Arango’s church starting efforts in the Valley, but also included his work around the state and in Mexico.

The full report is [available here](#) as a pdf document.

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- [EDITORIAL: Executive Board must rise to the occasion](#)
- Charles Wade has posted a response to the report [here](#).

In addition to his \$64,000 salary as pastor of Iglesia Bautista Getsemani in McAllen, Arango said he also received \$4,400 per month from the BGCT and an additional \$9,100 in consulting fees from four Baptist associations with whom he contracted his services—Del Rio-Uvalde (identified in the report as Eagle Pass Association), Tri-River Area, Dallas and Cooke (identified as Gainesville) the investigators' report said.

He did not provide an estimate of payments received from contracts he said he had with Union, Johnson, Gulf Coast and Coastal Bend associations. But he told investigators he received \$14,000 per month from associations—an amount that may have included the \$9,100.

In their report, investigators noted they had not verified the figures Arango quoted.

Subsequent interviews with associational leaders after the report became public paint a different picture of the associations' relationship with Arango.

Tim Randolph, former director of missions for Tri-Rivers Area and now a BGCT congregational strategist, said his three-association area initially talked with Arango about a one-year working arrangement, but it never developed.

"We were going to pay him \$1,500 or \$1,700 a month, and he was supposed to give us four days a month working with our Hispanic churches in teaching methods to start new churches," Randolph said, noting the associations set a goal to start four churches a year.

But before Arango's scheduled first visit with Hispanic leaders in the Gatesville area, he called to say he was "too busy" and to ask if an associate, Gustavo Lopez, could serve in his place, Randolph recalled.

"Otto Arango never met with our pastors. It was Gustavo," he said.

For the first couple of months, Lopez fulfilled his commitment, and pastors of small Hispanic churches who previously felt unequipped to start new congregations began to see the possibilities, Randolph said.

But before long, Lopez failed to keep his scheduled appointments, and the association cancelled its agreement, Randolph added.

Arango said Dallas Baptist Association paid him \$3,200 a month, the investigators reported. Bob Dean, who became associational director of missions position in August, checked with the former director of missions and the former associate for church planting. Neither recalled any relationship with Arango. Dean also asked the association's accountant to check employee records, and no payment to Arango was discovered.

However, further queries of another former staff member confirmed Arango was on retainer for one year to help lead Dallas Baptist Association church starting training. But Tim Ahlen, the former associate with Dallas Baptist Association, told Dean the payment was "not anywhere near \$3,200 a month. He could not confirm the exact amount."

Many of Union Association's records only go back to 2001, when the office was flooded. But Director of Missions Tom Billings said according to his recollections and the records on hand, the only financial relationship the association had with Arango was purchasing copies of his training materials on a one-time basis.

The investigators reported Arango told them the association in Gainesville paid him \$2,200 a month. But J.L. Williams, former director of missions and current treasurer for Cooke Association, said that kind of payment would have been far beyond what his association could afford, and he was unaware of any contract between the association and Arango. However, he noted until about five years ago, Cooke Association was part of North Central Baptist Area, and that might account for any confusion.

Milton Ertelt, director of missions for Southwest Metroplex Baptist Association, confirmed Arango met once or twice in 1999 with leaders of Johnson Baptist Association, as it then was known. But the association declined to enter into any financial or contractual relationship with him, Ertelt said.

Donald Hintze, director of Gulf Coast Association, reported one meeting with Arango several years ago.

“[David Guel](#) introduced us,” Hintze recalled. Guel was the regional church starting representative for the BGCT in South Texas.

Gulf Coast Association bought multiple copies of Arango’s training materials, but it had no ongoing contact with him, Hintze said.

“We had one visit—no contract, no relationship other than ordering books, nothing,” he said.

After business hours Nov. 1, the *Baptist Standard* received an e-mail from Arango stating the investigators’ report contained 13 to 15 mistakes or contradictions. He did not specify their nature, and he did not respond to a request for additional information prior to press time.

Notice: This story was originally posted Nov. 1, and then taken down for editing when additional information was received. It will be updated as new information becomes available.