



April 3, 2020

Newsletter for the Spring 2020

Recent newsletters from Members for Church Accountability (MCA) have focused on the Hope Center in India. This newsletter does not address the allegations of malfeasance among SDA administrators in India, but rather the inexcusable complacency of the General Conference (GC) concerning the allegations, and even more disturbing, the GC's seeming complicity in the "cover-up" of this financial malfeasance.

A group from the Williams Lake, British Columbia church, entered into a partnership with the Southeast Andhra Conference in India to build an evangelistic and educational complex. Several years into the project the donors began to suspect that the project wasn't going as expected, and were given good reason to believe that a substantial portion of the roughly \$1,000,000 donated hadn't gone into the project at all. Furthermore, the development had been built on land without a clear title, a circumstance not permitted by church policy or the agreement.

After realizing this, the representative of the group contacted many in the church organization on all levels around the world for assistance. One GC official reviewed 60 pages of documentation, but refused to engage. Repeated requests to the GC president's office yielded the advice to leave the matter with the Southern Asia Division, which had already demonstrated no interest in pursuing the allegations. The donors tried to make contacts, not only in the GC president's office, but also in offices of Mission and Finance, Legal offices, as well as with current and former GC vice presidents. In September, 2018 the donors received this communication from the office of the GC president: "Thank you for the email you sent to the General Conference, but regretfully we are not able to attend the meeting since their calendars are filled up for months in advance and they have other appointments scheduled."

Approximately one year later a meeting was announced for October 20, 2019 by the BC Conference President with the venue being the Williams Lake SDA Church. The donors met with SDA officials including:

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| GCAS Dept. Head | Paul Douglas |
| GCAS Officer | Dan Herzel |
| GC General Counsel | Karnik Doukmetzian (Canadian) |
| SUD President | Ezras Lakra (via skype) |
| SUD Secretary | Measapogu Wilson |
| SUD Treasurer | Selvin Moorthy |
| SDA Church in Canada | Legal Counsel Grace MacIntosh |
| SDA Church in Canada | Treasurer Paul Musafili |
| BC Conference Pres. | Wesley Torres |
| BC Conference VP | Em Brake (by Skype) |
| BC Conference Treasurer | Jeff Klam (by Skype) |

In addition: Williams Lake SDA Church Board members, Williams Lake SDA Church members, and donors who attended, actively engaged in the discussion.

It was discovered by a Williams Lake Board member that the meeting was secretly recorded by Jeff Klam, BC Conference Treasurer. Shortly after the October meeting he was promoted to the office of the General Conference Accounting Service (GCAS). Despite donors previously updating him on every aspect of the project as well as the allegations of misconduct, he terminated all communication with the donors.

Previously we were encouraged by the 2012 book titled: “Transparency and Accountability: A Global Commitment of Seventh-day Adventist Church Leaders,” by Paul Douglas, Director of the GC Auditing Service. The book received accolades from SDA administrative leadership as noted in the following quotations: Seventh-day Adventist Church officers said, “A new book promoting integrity among leadership will transform corporate culture within the church and inspire greater confidence among membership”.

“Top church leaders worldwide have pledged to embrace the book’s principles and model them back home. The commitment signals a move toward greater transparency, church officers said”. The book includes a code of conduct for “Adventist leaders anchored in humility, integrity, trust, respect, accountability, collaboration and excellence.....”

The book by Douglas could have truly been a guide to transparency and accountability within the SDA administration, rather than merely a cover for the unscrupulous. Such an ideal will never become a reality without leadership “from the top”.

The meeting of October 20, 2019 did not embody the principles in the Douglas book and neither did the author, Paul Douglas, who attended the meeting. While he claimed he would welcome “further evidence” the access to that very evidence had been blocked by church officials. A third-party fraud and forensic audit was requested by the donors, but rejected by church officials.

Donors believe they were intentionally deceived and their funds misused. The finances of the Hope Center had been hidden from them by all levels of church administration. Multiple church officers were untrustworthy and certainly not transparent. The resistance of leaders to investigate the allegations illustrated a serious, widespread deficiency in administrative oversight. Church leaders abrogated their responsibilities resulting in a meeting that was a waste of time and expense. The donors, church members and board members were greatly disappointed.

There appeared to be no interest from the hierarchy in working with donors who seek the promised openness, transparency and accountability. Trust in church leadership had been lost. The October meeting was clearly an attempt to “shut-down” the complaints rather than developing remedies for the Hope Center. Recently stated by the GC Treasurer, “The lay people shouldn't have to know where their money goes. That's the burden of leadership.” It appeared that the actions of corrupt leaders were being covered by the General Conference. If so, would that be considered a conspiracy?

An interview by *Adventist Today* with Rita Corbett on January 15, 2020 provides the most up to date information on the Hope Center. It is posted on the MCA website: advmca.org.

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