Who Watches? Who Cares?

Misadventures in Stewardship

Douglas Hackleman

with concluding essays by

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A Tale of Two Institutions

Why are those who are set apart for the work of the ministry on committees and boards? Why are they called upon to attend so many business meetings, many times at great distance from their fields of labor? Why are not business matters placed in the hands of business men? The finances of the cause are to be properly managed by men of ability, but ministers are set apart for another line of work. Let the management of financial matters rest on others than those ordained to the ministry. —Ellen G. White[1]

Fuller Memorial Hospital's misadventure began at its address in Attleboro, Massachusetts, during the spring of 1977, when its administrator, Gerald Shampo, involved the 82-bed Seventh-day Adventist psychiatric hospital[2] in a limited partnership of his own devising that was created to finance, build and manage a 160-bed nursing home facility in nearby Pawtucket, Rhode Island.[3] The nursing home was funded by the Fuller Memorial Hospital, built by the limited partnership headed by the hospital's administrator and then sold to the very hospital that underwrote its erection.[4]

Nearly five years later (February 1982) an unofficial comment during a Southern New England Conference constituency session at the Worcester Seventh-day Adventist Church prompted an Adventist layman to investigate the nature of the relationship between the two institutions.[5] During that constituency session Cliff Turner, an elder of the Foxboro Seventh-day Adventist Church, overheard someone say that the Adventist Church did not own the Pawtucket Nursing Villa. Turner was puzzled by what he heard because the remark was at variance with articles that had appeared in the Atlantic Union *Gleaner* in 1979 and 1980 written by Fuller Memorial chaplain Alton Johnson[6] and Atlantic Union president Earl W. Amundson.[7] In his article, Amundson listed the Pawtucket Institute for Health Services (Pawtucket Nursing Villa) as one of the nine health-care institutions owned by the Atlantic Union via Adventist Health System/North, adding that "in 1972 the General Conference Annual Council voted to make possible the reorganization of Adventist hospitals into management corporations within the church organizational lines in order to retain complete and ultimate control in an age of rapid change."[8]

Sleuthing church elders

Seeking to resolve the contradiction between what he had heard and what he had read, Turner went on an independent fact-finding visit to the Rhode Island State House and the Pawtucket City Hall. As he examined an amended limited partnership agreement, Turner discovered that at the inception of the Pawtucket project four years earlier, Fuller Memorial Hospital—as a subordinate, limited partner—had owned only 24 percent of the nursing villa.[9]

The controlling general partner in this limited partnership was comprised of three individuals: Gerald Shampo (the Fuller Memorial Hospital administrator) and two Rhode Island developers, Eugene Sirois and Anthony Lawrence—with addresses, respectively, in Pawtucket and Cumberland. The general partners were teamed up on other questionable and much publicized ventures unrelated to the Adventist Church.[10]

Fuller Memorial Hospital, as limited partner, had invested $145,000 to acquire a 24 percent interest in the Pawtucket Nursing Villa. Inexplicable to this day, the general partners—Shampo, Sirois and Lawrence—were designated 76 percent (controlling) interest in the venture . . . *for an investment of $1.00 each*.[11]

On April 7, 1977, the three general partners executed the limited partnership—along with Stuart R. Jayne, then Southern New England Conference president (and vice president of the Fuller Memorial Hospital board of trustees), whose signature committed the hospital to this asymmetrical instrument.[12]

Construction of the Pawtucket Nursing Villa was financed through a Housing and Urban Development (HUD) mortgage of $3,163,000.00 acquired by Fuller Memorial Hospital,[13] and the villa opened for business on April 23, 1978.[14]

It might appear that some reasonable equity would define the relationships—that the general partners, who acquired 76 percent of the facility for three dollars, would now owe 76 percent of the $3.2 million construction mortgage, while Fuller Memorial Hospital would be liable for 24 percent of the loan. But appearances would be deceiving.

Another asymmetrical agreement

Five weeks after the Pawtucket Nursing Villa opened for business (May 30, 1978), the Fuller Memorial Hospital Executive Committee voted to purchase the Pawtucket Nursing Villa—the nursing home that Fuller Memorial Hospital had just capitalized and financed—from the three-dollar general partnership of Shampo, Sirois and Lawrence for $560,000. The sale "Agreement" was finalized on December 29, 1978.[15]

"Neither trifle nor tragedy"[1]

In Matthew 25:14-30 Jesus relates the parable of three servants entrusted by their master with various sums of money while he was away on extended travel. When the master returned he rewarded two of his servants for their stewardship—for doubling the money he left in their care. The third servant simply safeguarded his master's principle. Because he had not invested the money in an interest-bearing account, the master ordered that "the unprofitable servant" be cast "into outer darkness."

Imagine what would have befallen the unprofitable servant had he lost part of his master's principle while making a profit on his own money invested with the same speculator.

In the third week of April 1977, General Conference president Robert H. Pierson received an unusual letter. As the Seventh-day Adventist denomination's chief executive, Pierson regularly received copious correspondence; but this letter was different. It was sent from Long Beach, California, by certified, return-receipt-requested mail. It was seven-pages long, and the letterhead announced:

DONALD J. DAVENPORT M.D.
GENERAL CONTRACTOR REAL ESTATE
INVESTMENTS

The correspondent was familiar to Elder Pierson, if for no other reason than that the General Conference president was the most powerfully positioned of the many Adventist Church regional administrators on the doctor's roster of creditors.[2] In his letter Davenport reviewed facts and repeated complaints with which Pierson was, to varying degrees, familiar. Two sentences in the doctor's letter described quite clearly financial arrangements that created an ethical dilemma to which both men seemed oblivious.

> . . . . I have managed the Church's money for the different Conferences for a period of approximately twenty-one or twenty-two years, going back to 1956.
>
> I have been . . . handling and investing millions of dollars for the Seventh-day Adventist Church as a corporate entity *as well as for many officers* and individuals *of the Seventh-day Adventist Church on an individual basis.*[3]

The "officers and individuals" included quite a few who were also making decisions to loan Davenport money from the union and local conference trusts funds.[4]

Davenport spent most of a page specifying church institutions he had helped financially through building projects that included "the shopping center for Pacific Union College," "a post office in Angwin" and "a post office at La Sierra College"; as well as contributions (totaling more than $250,000) to the Georgia-Cumberland Conference, the Carolina Conference and the Garden Grove Seventh-day Adventist Church.[5]

The doctor wasn't so much boasting as he was preparing Pierson for his complaint about a problem that he believed could put the "millions of dollars" various church entities had invested with him in jeopardy, not to mention the roughly $7,000 Pierson had sitting in Davenport's "Capital Loan Account."

> For the last several years a short statured Napoleonic complexed individual in your office has seen fit to run hither and thither in the United States . . . demeaning me and casting doubt and bringing disreputable thoughts into the various Church organizations that have invested with me.
>
> . . . . Elder Pierson, I am tired of this back handed, character assassination, low dealing tactics of this employee in your organization.

Davenport surmised that "one of the reasons that I am suspect is because I don't give out a balance sheet." A reason he offered for that refusal might have seemed understandable, but it also provided an excuse (if he needed one) to maintain the confidentiality of individual investors, including some who should not have had a dual financial relationship with the doctor.

> I have several Ministers and workers and Conference officers, including yourself, who have invested with me on my Capital Loan Account and my Current Income Account and I have been asked by all of these Ministers at one time or another not to divulge the amount of money that they had with me and for that reason . . . I would never give a balance sheet because a balance sheet would have to represent the names of the people and the amounts that they had.

Knotty Boards at Harris Pine

I had been kept up-to-date in recent months and knew that something was terribly wrong. It is not believable that the Board did not know. They did know, but did not give management the direction they so much needed. . . . The most severe step possible was taken, the filing of Chapter 7. The question has to be asked, "How could so few be permitted to affect the lives of so many?"

—Mary V. Harris, "Wife of HPM Founder Shares Feelings,"
Atlantic Union *Gleaner* (February 16, 1987), p. 8.

RESTORED TO THE LORD is the title of a 1953 *Life* Magazine photo that featured the gift by Clyde and Mary Harris of their then $5 million outdoor furniture manufacturing business to the General Conference of Seventh-day Adventists.[1]

Fortune and *Time* magazines covered the event as well.[2] At Harris Pine's Pendleton, Oregon, headquarters, General Conference president W. H. Branson and North Pacific Union secretary-treasurer Charles Nagele, presided over the transfer of stock to the General Conference Corporation. *Time* quoted Branson's pithy transition prayer: "We know, dear Lord, that all the silver and gold is thine; we pray to thee to bless this plant, the people who work in it, the brother and sister who have given it back to thee, and to bless its profits. Amen."[3]

Harris Pine Mills was an integrated industry that operated tree farms, built and maintained roads, cut timber, hauled logs with its own fleet of trucks and operated saw mills that seasoned, surfaced and produced lumber from which it manufactured finished and unfinished furniture.[4] Beginning in 1952, 75 percent of its profits would accrue to the General

Conference, 15 percent to the North Pacific Union Conference and 10 percent to Washington's Upper Columbia Conference.[5]

The Mill also began to provide mostly Adventist young people an opportunity to work their way through academy and college. This student labor farmed out to Adventist academies across the United States—such as Mt. Pisgah Academy,[6] Cedar Lake Academy,[7] Rio Lindo Academy[8] Adelphian Academy[9] Indiana Academy,[10] Wisconsin Academy,[11] Monterey Bay Academy,[12] Thunderbird Academy[13]—provided Harris with low-rent plants, sometimes at no cost. On the other side of the ledger, the work force was constantly revolving with new workers needing training and all with class schedules to accommodate.

The American dream

The eighth of nine children (six of them sons) belonging to James and Bertha Harris, Clyde Harris was born March 9, 1890, in newly incorporated Milton, Oregon—part of the Walla Walla River Valley, where his parents had moved from Waupun, Wisconsin, four years earlier. [14]

As poor as the Harris family was, Clyde's entrepreneurial nature became obvious in grade school when he began selling the trout he regularly caught in the Walla Walla River to Milton locals. He also picked fruit and sold it to passengers riding trains that passed through the area, and a little later began raising flowers that he boxed and marketed. By his middle teens, Clyde had saved enough money to purchase, improve and resell small plots of orchard property.[15]

While on a fishing trip with a friend, Clyde made the acquaintance of a man in Cove who explained to him how much money he was making in the manufacture and sale of fruit boxes. Clyde convinced an older brother, Clarence, to join him, and in 1912 the two started the Milton Box Company.[16]

In 1914 as the startup limped along suffering from a dearth of capital, Clyde met and married a local seventeen-year-old named Mary Coe. The couple spent their first year of married life living in a 10-by-12-foot tent between the box company and the river. They also began attending the local church of Clyde's mother's conviction—the only Seventh-day Adventist church in Washington State.[17]

By 1929, diligence and thrift had paid off; and the Milton Box

Company had 100 employees, shipped boxes across the United States and grossed more than $300,000 a year.[18]

The Great Depression almost got the better of the Harris brothers' company as it showed its only loss in 1932, the result of writing off $75,000 in bad debts.[19]

Persuaded by thirty-six free acres and a $10,000 moving bonus, in 1940 the Milton Box Company moved thirty miles southwest to Pendleton, Oregon (thirty miles closer to its timber holdings and more accessible to rail service), and changed its name to the Harris Pine Mills. Two years later Clyde bought out his brother, Clarence, whose health was failing.[20]

In 1946 the mill began making furniture, and by 1949 Harris was the largest manufacturer of unfinished furniture in the world.[21]

So much success and the approach of his sixtieth birthday led Clyde Harris to serious contemplation about Christian stewardship and its ultimate reward.[22] Clyde and Mary began to talk about giving their $10 million plant to the church. Harris also discussed the idea with some close friends who counseled him against it: "Now, Clyde, I wouldn't do this if I were you. Those preachers can't run this plant. They will lose it all and a lot more money with it. You are doing a good job, and you ought to keep it and operate it."[23]

Risk for God

$18 million of non-Adventist money has been dedicated to developing and marketing this series of 15 videos. The Animated Bible Story *will be seen on infomercials across the country. When literature evangelists knock on the doors of homes anywhere in North America, families will be familiar with* The Animated Bible Story—*our story.*

—Harold F. Otis, Jr., "Risk for God," Columbia Union *Visitor* (March 1, 1996), p. 2.

'Twas the day after Christmas 1995, and all through the North American Division pastors and leaders of the Seventh-day Adventist Church were about to be stirred by their weekly newsletter from General Conference president Robert Folkenberg.

Touting spectacularly good news about the continent's literature evangelism, Folkenberg wrote: "In 1991, the North American Division suspended its policies governing the sales of 'subscription literature' (books sold by literature evangelists [LEs]) to facilitate innovative methods to expand sales . . . more cost effectively."[1] As a result of this deregulation, the world church leader explained, "in January 1992 . . . all but two conferences in the Atlantic Union, all but two conferences in the Columbia Union, and all of the conferences in the Pacific Union formed a consolidated distribution system for the three unions called Family Enrichment Resources (FER)."[2]

Taking advantage of the permissive new division policies, the Pacific Union Conference Executive Committee voted in October of

1991 to reorganize its publishing department. "When the Columbia and Atlantic Unions heard of this progressive step," FER's president, Harold F. (Bud) Otis wrote in the Pacific Union *Recorder*, "they asked to join in the venture."[3] But it was the General Conference president's leadership newsletter that four years later specified the awesome results: "The percentage of tithe funds used to underwrite some support services of LEs," Folkenberg wrote, "was reduced: in the Atlantic Union conferences from 4.07 percent to 1 percent;[4] in the Columbia Union from 2.86 percent to 1 percent; and in the Pacific Union from 2.2 percent to 1 percent. As a result," Folkenberg continued,

> during the last four years the three unions . . . saved a total of $6,695,199 in addition to not paying for publishing directors, secretaries, office expenses, and related programs!
>
> During the same period, combined annual sales increased from $4.4 million to $7.3 million.
>
> At the close of 1991, there were 69 LEs of which 12 qualified for benefits [compared with] 269 LEs [in 1995] . . . with between 220 to 269 qualifying for benefits.
>
> The ratio of leadership staff to LEs in 1991 was 1 to 1; but in 1995 it is 1 to 8.[5]

"I am so thankful," Folkenberg enthused as the New Year of 1996 approached, "that this process . . . has so effectively increased the number of literature evangelists, their total sales, as well as their average income while reducing the total dependence on each conference and union's tithe."[6] Between the $7 million saved and the $3 million sales increase, the General Conference president seemed to be celebrating a $10 million victory.

Animating the Bible stories

But the most exciting prospect for Family Enrichment Resources, Folkenberg announced, was just three months away. "[T]he first [of] three videos are expected to be launched across North America in March of 1996," the forerunners of "a series of 15 videotapes with animated Bible stories ranging from creation to redemption."[7] FER's president, Bud Otis, added delicious details in the Columbia Union *Visitor* about what were to be "Walt Disney quality"[8] videos that "will be seen on infomercials across the country."[9]

Some of the enthusiasm Folkenberg, Otis and FER's successive board chair (consecutive Columbia Union presidents Ron Wisbey and Ralph Martin) felt for the videotape series was based on history and some on market projections. The history involved what "Uncle" Arthur S. Maxwell's ten-volume *Bible Stories* had meant to literature evangelists for four decades. Introduced consecutively between 1953 and 1957, the ten volumes often were bundled with Ellen White's "Conflict of the Ages" series and *Bible Readings for the Home*, and were "among the best sellers" of all Adventist subscription literature, wrote former General Conference publishing director, Bruce M. Wickwire.[10]

In 1958, volume one of the *Bible Stories* was "set as a 'lead book' in professional waiting rooms." An inside cover pocket carried "15 postal cards (printed by the millions) advertising the 10-volume . . . set and other subscription volumes." This sales strategy was so successful, Wickwire wrote, that "over 250,000 of these sample volumes were stationed in" professional waiting rooms in succeeding years.[11]

The *Bible Story* set sold for $93.25 in 1961, rising with inflation to $299.95 in 1982 and on up to "about $400" in 1991.[12]

Beyond the thoroughly demonstrated proof that many people were willing to pay heavily for illustrated Bible stories, marketing consultants retained by FER "projected that the [Animated Bible Story] video sales would produce a revenue stream of up to $40 million, which would allow FER to become a financially secure ministry and provide full medical and other benefits to the literature evangelists."[13]

Evergreens at Shady Grove

If we should adopt the policy of allowing workers to set their own wages, we would soon be in a strange condition. We cannot consent to any such proposition, because it is not in harmony with God's plan for the conduct of His work. . . . God would be greatly displeased, if we were to permit men to set their own wages. And if men threaten to go elsewhere to labor, unless we yield to their requests for special consideration and wages above others, let us allow them to go. . . . Our brethren in positions of responsibility must come into harmony on this matter, and not regard any man as so indispensable that he must be allowed whatever he thinks his services are worth. —Ellen G. White[1]

A series of fourteen investigative reports published by the *Washington Post* in the last three months of the second millennium questioned clinical competence at Shady Grove Adventist Hospital and the executive compensation of those who administered its parent corporation, Adventist HealthCare. Inc. The *Post* pieces attracted considerable interest from the Seventh-day Adventist members of the Columbia Union Conference and from Adventist Church leaders at the nearby headquarters of the denomination's General Conference world (and North American Division) headquarters.[2]

Shady Grove and Adventist HealthCare

Shady Grove Adventist Hospital is one of about 60 hospitals throughout North America that during the 1990s were owned and operated by Seventh-day Adventist (SDA)-affiliated organizations. With few exceptions, Adventist healthcare institutions are owned and operated by several regional, nonprofithospital-management corporations that were created in the mid-1970s ostensibly to provide more efficient management and economies of scale through the purchase of equipment and supplies.[3]

When the *Post* stories broke in late 1999, there were eight such regional corporate entities, with confusingly similar names: Adventist Health Mid-America, Inc; Adventist Health System Sunbelt Healthcare Corporation; Adventist Health System/West or Adventist Health; Adventist HealthCare, Inc.; Atlantic Adventist Healthcare Corporation; Kettering Adventist HealthCare; Loma Linda University Adventist Health Sciences Center and PorterCare Adventist Health System.

Despite the fact that senior level Adventist Church administrators dominate their boards, with the exception of Loma Linda, each of the nonprofit corporations is financially independent of the General Conference of Seventh-day Adventists, and of each other.[4] These regional healthcare management corporations are usually referred to by their even more difficult to distinguish acronyms: AHSMA, AHS, AHS/W, AHC, AAHC, KAHC, LLUASC, PCAHS.

At the very close of the twentieth century, Adventist HealthCare Inc. (AHC), headquartered in Rockville, Maryland, owned and operated Shady Grove Adventist Hospital, Washington Adventist Hospital and Hackettstown (New Jersey) Community Hospital; as well as a large home healthcare agency and seven nursing centers.[5]

Adventist HealthCare, in turn, was "owned" by the Columbia Union Conference of Seventh-day Adventists—owned in the sense that the Columbia Union included a legal entity called the Columbia Union HealthCare Corporation that (according to its bylaws and the bylaws of AHC) shared a specified and substantial number of officers and members with the AHC board of directors (see below "Who owns Adventist healthcare?").[6]

Clinical lapses

Shady Grove Adventist Hospital, Adventist HealthCare's 263-bed acute-care facility, also located in Rockville, Maryland, made headlines in late 1999 when a *Washington Post* article alleged unprofessional lapses in patient care at the hospital.[7] The story triggered a next-day investigation by Maryland State Health Department inspectors and an October 22 site visit by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO).[8] The article that set the inquiries in motion was based on complaints by Shady Grove physicians, nurses and patients about poor quality of care that was attributed to unwarranted cutbacks in hospital staffing.

Through Cheryl Winchell, a former Shady Grove medical staff chief and seasoned board member for Adventist HealthCare, hospital management disputed the allegations. Blasting the doctors who comprised the executive committee of Shady Grove's medical staff, Winchell said: "I see a group of very dedicated hospital administrators just being faced with another obstacle because of a peevish medical staff that can point a finger but doesn't have a solution." Winchell added: "If you can tell a hospital how to run better with less money and less staff, come in and tell me how to do it."[9] Within six weeks Winchell would be far less sympathetic to AHC's executives.

In the meantime, on October 18, "Maryland hospital inspectors began . . . a full-scale investigation into complaints that the safety of patients at Shady Grove" was "being threatened because of mistakes by overworked nurses."[10]

"A team of three nursing inspectors from the state health department . . . converged on the Rockville hospital" to interview healthcare personnel and scrutinize documents "related to several incidents reported . . . in *The Washington Post*."[11]

On October 22, 1999, JCAHO representatives conducted a site visit at Shady Grove Hospital. Less than a month later the accreditation agency placed the hospital on "preliminary Nonaccreditation" status. The Maryland Office of Health Care Quality concurred by recommending that the hospital's "deemed status" be revoked, portending further scrutiny from United States federal and state regulators.[12] Rather than losing its JCAHO accreditation—and Medicare and Medicaid funding, Shady Grove was placed on "conditional" status in mid-February 2000, which meant it was subject to continued close scrutiny and surprise inspections for the next three months.[13]

Compensation figures divulged

If greater-Washington D.C. and suburban-Maryland-area Adventists had been disturbed by the *Washington Post* articles exposing clinical errors and omissions at Shady Grove Adventist Hospital, they were incensed by what the newspaper's December 1 issue revealed was being paid senior executives of Adventist HealthCare to manage the hospital.

Filthy Lucre[1]

For the assertions of so many facts in this chapter that are not referenced by an endnote, the author is indebted to the very professional journalism contained in the team report, "A Kanaka Valley Tragedy," that appeared in Spectrum *27:2 (Spring 1999), pages 58-67. I am particularly grateful to the journal's editor, Bonnie Dwyer, for the access I was given to stacks of Folkenberg-related business, legal and miscellaneous documents that the* Spectrum *team gathered for its report. Material from several of those documents significantly enhanced this chapter.*

EARLY IN THE SIXTH AND PIVOTAL DECADE of the twentieth century, the comparatively clean-cut young graduate students attending C. Mervyn Maxwell's church history classes at Andrews University Theological Seminary heard their professor ask the then-startling question: "What do we Adventists do if we should find ourselves with a *bad* General Conference president?"[2] Three decades later, the election of Robert Stanley Folkenberg to the General Conference presidency seemed to some an act of faith rewarded and to others the unintended consequence of reckless presumption.

Except as the very tall, baby-faced man with the good baritone voice so ably chairing the nominating committee of the 55th General Conference Session at Indianapolis in the summer of 1990, very few of the committee's 226 members were familiar with the middle-aged Carolina Conference president. He was the first local conference president in the twentieth century to vault over union conference and division heads, as well as General Conference vice presidents, to become chief executive officer of the world-wide Seventh-day Adventist Church.[3] The leap was tantamount to a North Carolina state assemblyman being elected president of the United States; or, to keep the analogy sectarian, as if a diocesan bishop had hurdled archbishops, cardinals and major archbishops to become pope. But it was even more interesting than that.

In the process of skipping levels of administrative hierarchy, Folkenberg found himself in a position of authority over the two men who had most recently been his immediate superior officers. During the quinquennium ending in 1985, Folkenberg was field secretary[4] under George Brown,[5] the man who became president of the Inter-American Division at the 1980 General Conference session in Dallas—winning by one vote over . . . Robert Folkenberg.[6] And just an hour or so before Folkenberg's heady shock, he was presiding over the committee that nominated the same George Brown (130 to Neal Wilson's 81)[7] to be General Conference president—a man whose nomination went unreported in the *Adventist Review*'s blanket coverage of the session.[8]

Another reversal of fortune occurred when Southern Union Conference president Al McClure, Folkenberg's immediate administrative up-line for the previous five years, was elevated to North American Division president, only to find himself looking up—now figuratively as well as literally—at his former Carolina Conference subordinate.

Nothing more than innocent curiosity is required to wonder how the first-term, Carolina Conference president came to be chairing such a crucial GC session committee. A reasonable deduction from what is known suggests that he was an unusually capable and well-connected insider. When as a fledgling singing evangelist Folkenberg served in the Columbia Union (1964-1966),[9] Neal C. Wilson was his union president. His parents were overseas workers; his uncle, Elman J. Folkenberg, was co-developer in 1960 (with Wayne J. McFarland) of The Five-Day Plan to Stop Smoking.[10] Perhaps just as important, his wife, Anita Emmerson Folkenberg, was the daughter of retired General Conference treasurer Kenneth H. Emmerson, who had worked closely with Neal Wilson during all of Wilson's dozen years (1966 through 1978) as General Conference vice president for North America.[11]

Periodically during his twenty-five years in "the work," Folkenberg had sought Wilson's counsel about taking various calls he had been offered to other denominational positions.[12] When he left Central America for the Carolina Conference in 1985, Wilson involved Folkenberg "in formulating Global Strategy and the McBride Report,"[13] which was "the basis for plans to downsize the General Conference"—in fact he was one of three subcommittee members who returned the findings to General Conference officers.[14] Utilizing much that he had learned participating in those unique assignments, Folkenberg had written just a year earlier (June 1989) a wide-ranging *Ministry* Magazine article that incisively analyzed essential components of the world church operations and suggested cost-saving, efficiency-targeted reforms in both structure and governance.[15] Further evidence of his closeness to Wilson was the inclusion of Robert and Anita Folkenberg with Wilson and his wife, Eleanor, in a very small party that flew to Moscow on its way to the December 2, 1988, dedication of the first Adventist seminary in the former Soviet Union.[16] Rumor had it that Wilson wanted Folkenberg to serve as his assistant in what he expected would be his third presidential term.

Chairman Folkenberg

Late on the first July and Thursday evening of the 1990 Indianapolis General Conference session, Wilson met with the nominating committee to facilitate the choice of its chair. Among seven candidates for the role, Folkenberg's only real competition turned out to be Pacific Union President Thomas Mostert and Andrews University president Richard Lesher.[17] Mostert may have been taken less seriously after someone wondered aloud if he had overseas mission experience and Neal Wilson evoked laughter with his quip that Tom had served for a time in Hawaii.[18] On the third ballot, Folkenberg was the last man standing, garnering 102 votes to Lesher's 53. If Wilson wanted Folkenberg to chair the nominating committee, it may have been the last time he got his way as General Conference president. The two men talked late into Thursday night before the nominating committee reconvened on Friday morning July 6.[19]

Political inertia almost always favors the reelection of an incumbent officer at a General Conference session. At least theoretically no one campaigns in advance for an office (and certainly not explicitly), and the nominating committee receives no slate of candidates to consider before the day they choose the nominees.[2]

Reserved for Us

This place is the most nearly perfect location for a sanitarium that I have ever seen. This place, and several other places, were presented to me some time ago. This place was pointed out as a most desirable site for the sanitarium work that should be carried on near Boston. It has the attractiveness that will bring to it wealthly people from Boston. It has been reserved for us, that we may reach the people of that city. It is in the providence of God that the Sanitarium is here, and we should appreciate the advantages thus placed within our reach.

—Ellen G. White, "The New England Sanitarium," MS-86-04
(written at Melrose, MA, August 21, 1904).

What was born April 28, 1899, as the New England Sanitarium and Benevolent Association died February 4, 1999,[1] as Boston Regional Medical Center—just three months short of its 100th birthday.

For no doubt altruistic reasons, in 1895 eight Seventh-day Adventists[2] arranged to convert a dormitory of South Lancaster Academy into a "health center to serve all races, creeds and nationalities, regardless of ability to pay, and give health restoring treatment and wise instruction from Christian nurses and physicians."[3]

Four years later (April 28, 1899) the four-story renovation was chartered as the eastern branch of Michigan's famous Battle Creek Sanitarium.[4] It was such a success from the outset that in 1901 the New England Sanitarium served 501 patients from twenty-two states and graduated its first two-year class of seven nursing students.[5] Seated front and center in the graduating class picture is Dr. John Harvey Kellogg who most likely gave the late November commencement address.[6]

Recently returned from nearly a decade of Australian quasi exile, Ellen White "groaned in spirit when" she "saw the [initial] sanitarium site in South Lancaster. I knew," she wrote later, "that the work ought to be carried on in a more favorable place."[7]

Also groaning about the Sanitarium's location was its wealthy neighbor, Ruth Thayer.[8] Whenever she looked out the front window of her mansion, she saw patients in wheelchairs and on blankets decorating the Sanitarium lawn. Her chivalrous husband, Bayard Thayer, approached Dr. C. C. Nicola, sanitarium superintendent, and "offered to buy the sanitarium property."[9]

Mr. Thayer's offer created an alignment of interest between the esthetic concerns of the institution's neighbors and a timely Ellen White admonition that "[o]ur sanitariums should not be situated near the residences of rich men, where they will be looked upon as . . . an eyesore, and unfavorably commented upon, because they receive suffering humanity of all classes."[10]

Mrs. White believed "the providence of God was guiding," when Thayer not only "gave our people a good price for it," but then gave them the sanitarium building "if they would move it off the land."[11]

Another congenial confluence of concerns enabled the sanitarium to relocate in Stoneham, Massachusetts, approximately thirty miles due east of South Lancaster and nine miles north of Boston, to what Ellen White regarded as "the most nearly perfect location for a sanitarium that I have ever seen."[12] For $39,000 the Sanitarium acquired the only private (not to mention commercial) property within the several thousand acre Middlesex Fells state reservation—forty-five (of 3,500) wooded acres with considerable shoreline on picturesque, 340-acre Spot Pond.[13] "There are medicinal properties in the fragrance of these trees," wrote Mrs. White after touring the property.[14]

The Stoneham acreage came with a 150-room, four-story hotel—an 1850s stone chateau built by William Lang for his personal residence. Thirty years later a new owner added a wing and opened the Langwood Hotel. It became a center for illegal gambling, cockfights and illicit boxing matches staged on one of Spot Pond's several islands from which shoreline lookouts could warn of approaching authorities. By the time the Adventists took an interest in the location, the property was under more respectable ownership.[15]

Heir to major holdings in Boston financial institutions and several railroad companies,[16] the generous Mr. Thayer transported the deconstructed four-story South Lancaster Sanitarium building by rail (at no charge to the Adventists) to the village of Melrose—so close to Stoneham and Spot Pond that the conveyance was completed by oxcart.[17]

In August 1904 Ellen White urged that work on a new building at the Langwood property begin "soon, so that patients of the wealthy class may be accommodated." And she suggested that the salvaged lumber from the South Lancaster site "now lying in the barn can be utilized. Remember," she added, "this material was a gift."[18] Specifying "the barns and stables" associated with the Langwood Hotel building, Mrs. White cautioned: "[T]here must be no laxness or looseness in the care of the premises."[19] Three months later, New Year's day 1905, a fire destroyed "the stables and many horses," and damaged the engine room and more than twenty patient rooms in the north wing.[20]

When the Adventists moved their sanitarium to Stoneham, they were preceded there by the Baptists, Congregationalists, Unitarians, Methodists and Roman Catholics—who by the turn of the nineteenth century each had a church edifice in the 3,441-acre town of 1,138 dwellings.[21] Nevertheless, Ellen White's preference for the salubrious location was not difficult to understand—especially since she had been "instructed that [nearby] Boston must be worked," and "that it was in the providence of God that our people obtained this place."[22]

Continual expansion

Repairs to the fire damage and the addition of an east wing from the South Lancaster dismantling, along with the erection of a new building in 1906, brought the institution's capacity to 65 beds.[23] It most likely was Ellen White's firm directive to C. C. Nicola (May 1906) that brought about the transfer in 1907 of legal responsibility from the Benevolent Association to the New England Conference of Seventh-day Adventists—a constituent of the nascent Atlantic Union Conference:[24] "I now say to you, in the name of the Lord, Cut loose from Battle Creek. Sever every connection."[25]