

# The Los Angeles Times Articles

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***In the summer of 1997, we learned that the Los Angeles Times had begun an investigation into dealings within ADRA (Adventist Development and Relief Agency International), and that its findings would be published that fall. Later we were told it would probably be a three-part series focusing on ADRA.***

Throughout the winter months, we continued to receive reports that the series would be published very soon. Such a release could be a significant event, for, those of our readers with long memories, will recall that it was the *Los Angeles Times* which initially released Walter Rea's false and misleading plagiarism charges against Ellen White on October 23, 1981. That article was then carried by newswire to newspapers all across the land and created quite a stir.

In anticipation of the forthcoming publication, ADRA sent out an announcement to many Adventists, warning them that the *Times* series was imminent, and should not be taken seriously.

Yet the months continued to pass and winter turned into summer—and still no *Times* release. Then, three days ago, a friend told me over the phone that someone close to the situation at the *Los Angeles Times* had confided that immense pressure had been applied by the General Conference through their high-priced lawyers for months, that the series had been shortened from three to two articles,—and that, now, it looked as if the series would not be printed at all.

However, he said another major news organization (I was told the name) had approached him—and was considering starting their own investigative report into the matter.

Then yesterday, Thursday, August 13, 1998, the first of a two-part series was released by the *Los Angeles Times*. It may be that it came out when they realized that another major news outlet might scoop them if they did not publish something—even though it might be a watered-down two-part presentation. Secular news organizations do not like to have someone else print *their story* first!

It is now Friday morning, and we have in hand both articles. The present report, which we will complete Sunday, will summarize the articles.

Advent believers should know what is happening in their denomination.

## **ADVENTIST NEWS NETWORK RELEASE THURSDAY, AUGUST 13, 1998**

Within a few hours after the release of Part One in this two-part series, the General Conference had its public relations department issue a news release, which was also placed on the internet, *Adventist News Network*.

This ANN News Release, entitled, “*A Response to Los Angeles Times Article*,” was prepared by Ray Dabrowski, Communication director, Seventh-day Adventist World Church headquarters. Here are the high points in this rather brief release:

Church leaders are here replying to the first of the two articles in the *Times*. “The . . . Church appreciates this opportunity to share its message and mission with a wider public.”

“We applaud media interest in the growth and development of the Adventist Church which now numbers almost 10 million members living in 207 countries.”

The first *Times* article “reflect[s] natural tensions,” and “while the Adventist Church is committed to excellence . . . it is the first to admit imperfections.”

“Ongoing debates on a variety of topics illustrate the open attitude of the Church’s administration.” “The Church strives to maintain fair and just procedures.”

Folkenberg “spent considerable time last summer with the *Times* reporters.” “His staff, as well as ADRA, Loma Linda University Medical Center, and the North American Division, have responded to the many requests for information . . . for a period of some sixteen months [This would be equivalent to mid-April 13, 1997 to mid-August 13, 1998], providing facts, resources and names of people to interview.”

“In a number of instances, we are disappointed that the reporters did not choose to balance their article” with positive material.

“Much of the . . . *Times* article relates to issues of the past, and is ‘old news.’ The Church remains committed to resolving any continuing difficulties.

“The perspective of the Church’s president, cited in the article, . . . expresses the Adventist position: ‘You can always find something you’d like to improve. But we remain a vibrant, positive, engaged church.’”

## OUR POSITION

Before continuing with this analysis, we need to state our own position:

Seventh-day Adventists need to plead with God for repentance and forgiveness, because of their increasing worldliness. They need to put away their sins and return to historic beliefs and standards.

Warnings and reproofs are certainly needed! But these reproofs are to be given to the church; they are not to be aired in worldly news media!

It is deplorable that conditions in our denomination have reached such a climactic level, that such facts are spilling over into the public press.

There is a world of difference between reproofs sent to the people of God, and worldlings laughing at the conduct of Seventh-day Adventists.

God sends His people reproofs and warnings because they are His children. These reproofs are not to be shared with worldlings. The world is searching for ways to destroy Sabbathkeepers, and we must be on our guard and hold a decided front against them.

### THE FIRST LOS ANGELES TIMES ARTICLE THURSDAY, AUGUST 13, 1998

This article carries the following title and subtitle: *“Currents of Change Roil Seventh-day Adventists. Faith: Grass-roots revolts, financial controversies hit growing church. Leader blames disgruntled few for strife.”*

Looking over both articles, we are inclined to agree with the report given us a few days earlier, that the *Times* articles had been heavily condensed. They give that appearance to the reader. This initial article is a collection of brief, sketchy comments on many matters—without saying much about any of them.

Nowhere in this article do we favorably find any concerns by conservative Adventists. We, instead, only find brief mentions of various church problems, plus comments by liberals who are dissatisfied that the church is not moving rapidly enough into deeper liberalism.

This first article briefly mentions sixteen items, thirteen of which our readers are already acquainted with. Relatively little of the information in this first article is news to most of us. Most of them you already know. (We have prefaced “*New:*” to the three newly-disclosed items.)

1 - The article begins by noting the Fall 1844 experience, and then says, “Ask some Adventists about the Great Disappointment and the response might well be; Which one? . . . Where there once was strict obedience to the hierarchy of the multibillion-dollar church, there is now sometimes grass-roots rebellion.”

2 - Several objections by liberals are mentioned: “Some educators at Adventist colleges have joined the

fray as well, resentful that church leaders want to formally assess their and their students’ ‘total commitment to God’ with annual reports and outside evaluators. Some women, meanwhile, are voicing objections to the irony that a church co-founded by a woman, although it allows women to serve as pastors, limits their duties and refuses to fully ordain them.”

3 - Robert Folkenber admits that the church is encountering some problems.

4 - *New:* The General Conference sent a public relations team to Waco “to make sure the media knew that the Davidians were not affiliated” with the denomination.

5 - One of the few comments about the conservative faction in the church is, expectedly, negative: “With almost paranoid fervor, some hard-liners in the church believe that other Christian denominations are intent on forcing them to fall in line with Sunday observances. The more extreme deride the pope as the ‘antichrist.’ ” (Did you know that only “the more extreme” Adventists consider the pope to be the antichrist?)

6 - Mention is made of the false charge that Ellen White copied her writings from other sources. (That error has since been discredited, see our 84-page book, *Ellen White Did Not Plagiarize.*)

7 - Our denomination has 5,400 schools and 87 colleges and universities.

8 - There are about 828,000 Adventists in the U.S., including 110,000 in southern California—the largest concentration in the nation,—and over 9 million worldwide.

9 - Many in the denomination are complaining that the church only wants money. Others about lack of corporate responsibility and accountability to the members.

10 - The David Dennis suit against the General Conference is briefly reviewed. (See our various disclosures on this matter.)

“Dennis sued the church over his controversial 1994 firing, simultaneously placing in the court record an assortment of allegations of financial and ethical misconduct. Among them: that Adventist leaders misused millions of dollars in charitable donations and overseas government relief, received ‘unauthorized perks,’ doled out powerful positions in exchange for internal support and gave pastoral titles—and considerable tax breaks—to administrators—who did little or no ministering.”

“Members as far away as Australia signed a petition demanding that a full investigation of Dennis’ ‘alarming’ allegations be launched to prevent further ‘erosion of trust in church leadership.’ Rep. Roscoe Bartlett (R-MD), an Adventist, joined the appeal, calling for ‘a quick and thor-

ough resolution so that God's church can get on with her appointed mission."

11 - The Donald Davenport financial scheme is mentioned, which cost the church \$40 million is pointed out.

12 - The laundering of money to Robert Folkenberg and Al McClure is considered. (For a broad coverage of charges made by David Dennis regarding this and other serious problems, see our 8½x11 56-page book, *Collision Course*.)

*New:* "Moreover, the church's North American [Division] president, Al McClure, received a \$140,000 interest-free loan that also was channeled through the scholarship ["Worthy Student"] fund. Jerry Lastine, then an officer in the church's mid-Atlantic region, remembers hand-delivering a check for more than \$100,000 to a real estate broker in the deal. Lastine says he thought little of the transaction until auditor Dennis began raising questions about possible financial wrongdoing. Lastine says he soon came to resent the 'total injustice' of the perks, and he quit his post. 'I thought of my wife sitting at home without a salary," he said. 'I was disappointed to think that as a church, we would allow money to dictate so many policies. I expected it to be more spiritually driven, rather than money talking.' "

13 - The colporteur fund loss is noted. (See our *Financial Loss in the Columbia Union—Part 1-2 [WM-749-750]* for extended coverage of the background of these losses.)

14 - Reference is made by name to pastors which have quit or been fired. (These were liberals who, defiant of church authority, were not sending tithes in to the conference. Their theology and celebration-style worship services were not at issue; only the withholding of funds. See *Celebration Leads to Separation [WM-833]* for much more on those pastors and their congregations.)

"Risking their jobs, some pastors have refused to turn over the 10% tithe to the larger church organization as required of all employees."

"Recent research by the church has shown that they [local congregations] are increasingly earmarking their tithes for use by local congregations to pay for such necessities as an organist or youth leader."

Those pastors did not send in most or all of their own tithe to the conference, and eventually got the board to do the same with the local church tithe receipts.

15 - *New:* In 1996, the General Conference released a document titled, "*Total Commitment to God*." In the process of interviewing for this article, those who by their comments were obviously liberals, the *Los Angeles Times* reporters found strong reaction against that "commitment." Interviewed Adventists

were upset that church leadership wanted them to dedicate their lives to deeper levels of spirituality.

Here is an example of the anxiety the liberals have, lest they have to deepen their religious experience, or return to earlier beliefs:

"In a sermon given in October at Andrews University, the Adventists' seminary in Michigan, Folkenberg demanded that graduates 'give evidence to indicate that they know Christ as their personal Saviour and Lord.' In addition, he said, 'any hint of skepticism with regard to our fundamental beliefs or our heritage is out of order.'

"But the idea of 'proving' something as personal and intangible as one's faith has met with outspoken resistance in some quarters."

The present writer does not consider it improper for Folkenberg to ask for a deepening of our faith and a return to earlier beliefs. We only wish he had expressed that viewpoint about six years ago at Southern College, when he gave a sermon (reprinted in the college newspaper) about how it was all right to wear jewelry and maintain a good Christian experience.

16 - There are some Adventists who do not wish to become involved in the squabbling over positions and beliefs. They would rather just go to church and then go home again.

This first *Los Angeles Times* article concludes with a brief paragraph, quoted below, designed to encourage the reader to be sure and read the next day's article.

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A hint of what was to come in the second *Times* article was given early in the first article:

"Questions about the church's use of international relief money have mounted."

Partway through the article, there was this comment, which we earlier quoted more fully:

"Dennis sued the church over his controversial 1994 firing, simultaneously placing in the court record . . . allegations of financial and ethical misconduct. Among them: that Adventist leaders misused millions of dollars in charitable donations and overseas government relief, received 'unauthorized perks,' doled out powerful positions in exchange for internal support and gave pastoral titles—and considerable tax breaks—to administrators who did little or no ministering."

The last paragraph in the first article was this:

"Next: The Adventists' overseas relief operations have caught the eye of federal regulators."

Upon reading that second article, we find it to be a bombshell.

It is this article which could bring our leaders in Maryland much grief in the days ahead.

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**ADVENTIST NEWS NETWORK RELEASE  
FRIDAY, AUGUST 14, 1998**

Unlike the first *Times* article, no General Conference comment is immediately forthcoming on this second one. By the afternoon of August 14, the General Conference public relations department still had not found adequate words in which to respond to the this blockbuster, second *Times* article. (Another check on Sunday, the 16th, still revealed no comment.)

**THE SECOND  
LOS ANGELES TIMES ARTICLE  
FRIDAY, AUGUST 14, 1998**

This article carries this title and sub-title: *"A History of Complaints Dogs Adventist Aid Agency. Relief: Questionable spending, poor oversight alleged. Group, which gets U.S. funds, says controls are tighter now."*

The opening words are these:

"Back and forth they volleyed under the Rwandan sun, the minister and the church auditor. Too distracted to finish the match, the minister idled to the net. Pained, he began to reveal to the auditor what had gone so terribly wrong in the African nation's Seventh-day Adventist hunger relief program—the purloined food, the misappropriated U.S. taxpayer money, the wasted hopes."

Unlike the first *Times* article, which provided little new information to historic believers, this second one contained a number of new insights. Here is a brief summary of the lessons contained in this second article:

The tennis court these church officers were playing on, was one of two which were built with U.S. government relief aid. After the first was completed, a second was then built. Why? so the churchmen would not have to look into the sun as they hit balls to one another.

As if that was not enough, U.S. investigators later discovered that money was kicked back to the Adventist group by "local Rwandans who had improperly received huge amounts of government food intended for the needy."

The auditor, Wayne Vail, was disgusted when he learned that, in spite of the terrific needs in Africa, money had been so diverted. In 1993, ADRA settled the case with the government by promising to do better in the future. (One would also expect that a fine was levied, but this was not mentioned in the article.)

In the summer of 1997, Vail journeyed to pov-

erty-racked Haiti to investigate another rip-off: U.S. government officials wanted "to know, among other things, why employees had repeatedly visited Miami at government expense to buy supplies apparently available on the island." U.S. government funds are being misappropriated.

During the last two years, for which reports are available, ADRA has received "\$85 million in federal cash, food and freight, plus tens of millions more from other nations and donors." The United States Government funds over 400 different relief programs of various types, carried on by private organizations. Of these, "ADRA was given more direct U.S. funding than all but three groups."

The accusations range from "corruption to complaints of unlawful proselytizing." ("Unlawful proselytizing" would mean that our church is using government funds to pay for Adventist evangelistic work.)

Such problems have continued for years. *The Agency for International Development* (AID, also referred to as USAID) is the U.S. government agency which funnels money to ADRA. AID "records and interviews show a vexing pattern of warnings, upbraidings, and occasional funding suspensions of ADRA during the last decade."

In 1995 alone, AID auditors discovered \$2.8 million in improper ADRA billings, and suspected that ADRA "had charged the government twice for the same items, amounting to hundreds of thousands of dollars in possible double-billings."

Fellow Advent believers, this is something to weep over! What is our church coming to? Surely, the end must be near!

When *Times* reporters asked "Adventist officials" to comment on these matters, they were told that "any lapses are insignificant compared to the help their relief organization has provided to millions of impoverished people."

They also pointed proudly to wells and greenhouses they have built, loans given to native merchants, and infant mortality combated. They also declare that they "have worked hard to tighten fiscal controls so the church's relief arm can expand beyond the 140 foreign regions it now serves."

"Church president Robert H. Folkenberg proclaims ADRA to be '99.44% clean, like Ivory soap.' "

In some respects, government agencies declare, ADRA has done a good job working with "the poorest of the poor." Yet decided problems still exist, including those revealed in a private auditor's report only last year.

In order to portray an image as "benevolent bene-

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Continued from the preceding tract in this series

factor to the world's needy," the U.S. government, through AID, annually channels \$1.4 billion into 417 private groups.

But even the *Los Angeles Times* reporters recognized that there is something strange in such overwhelming Adventist Church involvement in these government-sponsored projects.

"The Adventist partnership with the government is perhaps ironic. The church's 19th century founders often equated the U.S. republic with a biblical two-horned 'beast' that threatened . . . the devout . . . Now, says Queens College sociologist Ronald Lawson, an Adventist, the church has become 'an arm of American foreign policy.' "

The implications of this are worthy of careful pondering. What will the General Conference—which lays claim to ownership and ultimate directorship of the denomination—do when the National Sunday Law is enacted a few miles away on Capital Hill?

In view of such a situation, how many of us really believe that the organizational structure will weather the NSL storm—and continue to exist as a faithful Sabbathkeeping organization after enactment of that law?

There is no doubt that the "church" (defined by the Spirit of Prophecy as the "faithful commandment-keeping people of God) will go through to the end, but, in addition to those faithful souls, will the structure also continue to exist, much less effectively operate?

Three years ago (1995) ADRA workers in Bolivia "solicited Christmas gifts for their children from contractors employed in a U.S.-sponsored food program, creating the appearance of a possible kickback scheme."

A year earlier (1994), ADRA employees in Mozambique stole commodities, and then "profited by selling food 'unfit for human consumption' to unsuspecting villagers."

Meanwhile, government auditors discovered that "\$105,000 in U.S. funding [was] forwarded to an Adventist-owned university in Michigan for hunger research—including some money that appeared to be pure 'profit' for the school."

Then there was ADRA's Sudan operation. Adventist auditor, Wayne Vail (a life-long Adventist) expressed total shock when he found that "substan-

tial sums for humanitarian work were untraceable because a supervisor there had 'just ignored standard accounting procedures.' "

Vail, apparently a very conscientious person, added this comment: " 'What angered me was I told [church officials] this would happen if they left this individual in charge; I warned ADRA about this!' "

In addition to building tennis courts in Rwanda, access to information obtained under the federal *Freedom of Information Act* disclosed that ADRA workers "were accused of looting massive amounts of American food and relief assistance provided for the U.S. government's *Food for Peace* program."

As if that were not enough, similar schemes to steal U.S. government money had been carried on in that nation since the mid-1980s. "ADRA workers in Rwanda had diverted truckloads of goods meant for the poor, selling them for personal profit or trading them for 'favors'."

It would appear that, if you want to get rich quick, you need only become an ADRA worker. "One ADRA employee built a house with the money he made [from stolen goods]." "Another opened a restaurant. A third bought a van."

It was not until *after* ADRA was warned about what was happening, that the second tennis court was built! Vail, in a letter to top church officials, called this a "deliberate act of defiance."

A different ADRA official sent an internal memo, divulging that employees "withheld documents from church auditors until 'the pressure was on,' creating the appearance of a 'cover-up.' "

Happy times for thieving ADRA workers continued unabated. In 1989, "more than two dozen" workers were fired for " 'misconduct and embezzlement.' " This at the demand of the U.S. federal government, which "suspended the program's funding and demanded the return of \$1.66 million."

Because of difficulties in resolving this particular problem, five years later (1993), AID dropped the \$1.66 million demand and instead required ADRA "to help build several health clinics in Africa and donate \$800,000 to development programs."

And what happened to the ADRA worker in charge of that 1989 mess? The U.S. government considered bringing criminal charges against him, but decided not to. Then the minister, who had been fired by church leaders, decided that he had been unduly injured—so he demanded that the church reimburse

### WHAT IS ADRA?

The solicitation of Ingathering funds from the public has been continued every year since 1903 for missions and to help the poor and needy. For a number of years, this help was primarily provided by local congregations.

In 1918, a special offering was taken in Adventist churches to help workers, missionaries, and members experiencing difficulties because of the first world war.

Because of the unprecedented devastation in World War II to Europe, parts of Asia, and North Africa, entire nations were threatened with starvation. In 1944 and 1945 warehouses were established in New York and San Francisco to process materials for overseas shipment.

During the 1940s, 2.8 million pounds of clothing were shipped to 41 countries and island groups.

In 1956, the General Conference established the *Seventh-day Adventist Welfare Service, Inc.* It became known as SAWS. An additional source of funding was the North American Division Disaster and Famine Relief Offering, which was taken in every church one Sabbath every two years. In 1973, the name was modified to *Seventh-day Adventist World Service*.

How much money was involved back then? In the three years from 1960 to 1962, all SAWS activities amounted to \$5,533,470. The 1963 biennial offering was \$232,319.

By 1980, the SAWS budget was \$19,931,179, and SAWS was active in 26 countries. The total estimated value of all SAWS activities in 1980 was close to \$28 million.

The first utilization of U.S. government funds to help subsidize such work began in 1960 for projects in South America.

By the late 1970s, the Australian Development Assistance Bureau and the Canadian government were also becoming involved in helping to fund ADRA projects. In Europe, Odd Jordal was instrumental in obtaining grants from European funders as early as 1978, with money coming in from Holland, Germany, and several other countries. The first grant from European funders to Africa was in 1980 to Rwanda, Ethiopia, and Zambia.

In 1983, the SAWS was reorganized under the name, *Adventist Development and Relief Agency International* (ADRA). As the humanitarian arm of the church, it works in more than 90 countries around the world. Legally incorporated in Maryland, ADRA is one of the largest international non-governmental organizations distributing food to underdeveloped countries. It has offices in nearly 100 countries.

ADRA is registered with USAID (the *U.S. Agency for International Development*) of the United States government, and is eligible to receive food for distribution to needy people in developing countries. It also receives reimbursement for ocean freight for shipment of food, clothing, bedding, medicines, and hospital and vocational equipment. ADRA's many programs include agricultural training, mother/child health care, commodity-supported development, small enterprise development, water resources, and disaster relief.

In addition to USAID, ADRA receives funding from other governments and humanitarian organizations around the world. These include the *Australian Development Assistance Bureau, Canadian International Development Agency, CARE, Church World Service, Danish International Development Agency, the European Community, United Nations High Commission for Refugees, United Nations International Children and Education Fund, and World Vision*, among others.

You did not know we were so deeply involved with governments all over the world, did you?

There are two needy fundraising coalitions in which ADRA has membership: *Interaction*, an association of U.S. private voluntary organizations engaged in international humanitarian efforts, and the *International Council of Voluntary Agencies*.

ADRA maintains warehouses in Germany, Australia, Japan, Canada, the Philippines, and in the U.S., in California and Maryland. These warehouses process, store, and ship supplies such as clothing and food to ADRA projects around the world.

ADRA headquarters in Maryland works through 15 regional offices elsewhere to raise and distribute funds for ADRA projects. Some of the donor countries include Japan, Germany, Italy, Australia, Switzerland, the Netherlands, Canada, Sweden, Norway, and Denmark. Donor countries work closely with the governments and local relief organizations to deliver donated funds and goods to ADRA projects internationally.

Here are some sample statistics for 1992 alone: ADRA received 1.2 million pounds of food from the World Food Program and USAID for distribution. ADRA received \$41,302,207 from the U.S. government in commodities, excess property, ocean and inland freight, and grants. It received \$1,875,000 from the biennial Disaster and Famine Relief Offering, taken in Adventist churches throughout the world.

There are 60 members of the board which has oversight over ADRA, but it only meets once a year (at the time of the Annual Council) and, very likely, spends the greater portion of its time hearing reports on the previous year's activities.

him for his hurt feelings and lost paychecks.

“He secured a settlement from the church estimated at tens of thousands of dollars in benefits he said he was owed.”

(Similar deals have been worked out in North America to keep former workers, who have done wrong, to not divulge to the public facts they know about the activities of fellow leaders.)

Stanton Parker, former director of the General Conference Risk Management Agency, commented:

“I was very disappointed that a settlement was made with a person who allegedly had his hand in some skulduggery. The settlement was an attempt to avoid exposure . . . You take the easy way out.”

The *Times* reporters put it this way: “Historically, [the church] has worked to keep its controversies from public view.”

Some of our readers may recall another Rwandan scandal involving our church:

“In 1994 . . . one of the church’s top Rwandan ministers allegedly participated in the slaughter of thousands of ethnic Tutsi’s after the outbreak of civil war. A U.S. judge in Texas, where the minister fled after the war, last week ordered that he be surrendered to a United Nations tribunal to face charges of genocide.”

So the first Adventist has been charged with “genocide.” Elizaphan Ntakirutimana was a 73-year-old Adventist minister, in charge of an Adventist compound (walled-in workers’ barracks). When Rwandans entered for protection, “the minister allegedly held them at gunpoint, later leading murderous militia members to them.”

At this juncture in the *Times* article, reference is made to the David Dennis lawsuit against the General Conference. He said that he was fired because he spoke up too frequently about such problems as existed in ADRA.

“The Maryland accountant, who has filed a defamation suit against the church, says he was ousted in 1994 after repeatedly complaining about potential financial abuses, including excessive ADRA overhead and extravagant overseas trips. In his pending suit, Dennis alleges that church officials pressured his [auditing department] staff to steer clear of ADRA’s finances. ‘Many, many times they told me, “Look, Dave, this is none of your business.” ’ ”

(The present writer earlier reported the astounding fact that the General Conference Adventist Auditing Service is not permitted to audit any monies handled by ADRA! Yet, in a given year, more money passes through the hands of ADRA—than through all of the rest of the Seventh-day Adventist Church!)

Adventist officials deny Dennis’ charges. *Times* reporters carried on a year-long investigation into

ADRA and noted no evidence they turned up which went contrary to Dennis charges. One interesting corroboration of his charges, was the matter of excessive overhead by ADRA. “Overhead” is the amount of government money spent on workers’ salaries, travel, housing, etc.

“According to a *Times* computer analysis of data in a 1997 AID report, ADRA’s rate of overhead—reflecting salaries, travel and other administrative expenses subsidized by the government—ranked second among the 10 biggest recipients of direct U.S. AID support. The group’s 11.1% overhead rate is just behind that of *Pathfinder International*, a family planning [abortion] group, and well above the average among the 10 of 7.4%.”

(Simple mathematics reveals that 11.1% of \$85 million, received by ADRA over the past two years, is \$9,435,000 for overhead!)

It is a known fact that AID auditors have questioned ADRA’s bookkeeping and overhead.

“Federal records show that in some cases, documentation to substantiate the expenditure of millions of U.S. dollars was found to be ‘inadequate or nonexistent.’ When money could be tracked, the results were sometimes disturbing.”

Yet this is exactly what David Dennis has charged in his suit. (For more on the Dennis charges, see our 8½x11 56-page book, *Collision Course*; also the astonishing list in *David Dennis Legal Requests—Part 1-4 [WM-739-742]*.)

In the last four years, government auditors “have questioned nearly \$5 million in ADRA billings for public relations, fund-raising and rent.” That is an immense amount—for just four years. What is going on at the General Conference? Why were they so insistent that Dennis be told it was “none of his business” what they did? He was the head auditor of the denomination!

A year after U.S. auditors said that ADRA could not bill for rent on its offices at the General Conference,—ADRA sent in a bill for \$920,000 for “rent at the church’s Maryland headquarters.”

Is everything in the church for rent or sale? Floyd Murdock is a former ADRA administrator (until 1995). He is probably retired now, for he candidly told *Times* reporters that ADRA’s accounting practices were, at best, “creative”; but also “slippery.”

He added that “the agency sometimes misled various governments to garner as much money as possible.” He noted that “ADRA would request funds from two countries for the same project. If both projects came through, the group would double the project’s size,”—lest the money go to “other programs for the needy.”

Sometimes the government would reject ADRA’s reimbursement requests as improper. ADRA officials

would then present newly-found papers justifying those expenses.

When asked about such matters, Mario Ochoa, ADRA's executive vice president, said that organizations working in many different countries are confronted by many different challenges.

Then there is the possibility that ADRA funds have been illegally used to forward Adventist evangelistic work (under the direction of "Global Mission") in foreign countries. Both the U.S. and other nations ban the use of their money for religious purposes.

It is a fact that the church has distinctly increased its membership since its government-funded relief efforts began. Of course, part of this increase would be expected. Ochoa denies any connection.

According to a 1996 report to the church by the General Conference, "ADRA is a bona fide ministry of Jesus Christ and the Seventh-day Adventist Church" and it "provides a strategy to reach people previously untouched by other church institutions. The church's mission is incomplete without ADRA's distinctive ministry."

One ADRA worker in Africa told Ronald Lawson: "If I'm going to build a road, I'm going to have it go past an Adventist church."

Donald Folkenberg, the president's brother, is a highly-placed executive in Global Mission, an organization started by Robert Folkenberg soon after his presidential election in 1990. Donald Folkenberg notes that several clinics have been turned over to ADRA to operate. Both organizations, of course, are owned by the church. So ADRA is now paying the bills, with government money, to keep those medical institutions operating.

Hal Butler, former Global Mission administrator, admitted that his agency would frequently meet in planning sessions with ADRA "to plan potential joint projects" where there was existing or planned Adventist activity. "If ADRA went in there first," Butler said, "and had some health program or whatever to get things going, we might be able to come in later."

Butler admits that, at times, the dividing line between the two organizations is blurred. But, "at times it's very difficult to separate the two," he added.

ADRA recently suspended operations in Nepal after allegations of illegal proselytizing. Jogenra Jha, secretary general of the *World Hindu Federation*, commented, "They [the Adventists] do education and health services, but then they start conversions by offering better treatment if they accept Christianity."

This second *Times* article concluded with one

example, among many, of a crisis in an overseas nation, in which Adventists are feuding over one thing or another.

"Adventists . . . [in Ethiopia] have turned on one another in a bitter power struggle, forcing the closure of one of the country's largest churches."

The Ethiopian Union Mission (with headquarters in Addis Ababa) has over 360 churches and 120,000 members. It is a part of the East African Union Mission (headquarters in Nairobi, Kenya).

In the late fall of 1996, a church election was held in Addis Ababa; the results of which upset many of the church members. They had reason to not like the man whom leadership had selected to head the union.

"Opponents declared the election a sham. Large-scale demonstrations were held at the main church in Addis Ababa . . . There have been dozens of arrests and reports of violence between opposing Adventists."

(Such problems occur much more frequently, throughout world Adventism today, because church leaders like three-week evangelistic efforts. People are baptized who know little of our beliefs. Many are hardly converted.)

(A closely-related problem is the fact that, whenever problems develop locally—whether in a U.S. congregation, in Hungary, or somewhere else in the world—church leaders will invariably side with lower-echelon ministers.)

"[Ethiopian] protesters say they have been particularly troubled by the lack of intervention by Adventist executives in Maryland. But church liaison Maurice Battle said Adventist leaders fear 'undermining' Ethiopian [church] authority. So for now, the gate to the Addis Ababa church is padlocked."

This concludes our overview of Part Two of this two-part series on the Adventist Church, published in the *Los Angeles Times* on August 13 and 14, 1998.

The following quotation appeared in last week's *Senior Sabbath School Lesson Quarterly*:

"Let not God's people in any of our institutions sign a truce with the enemy of God and man. The duty of the church to the world is not to come down to their ideas and accept their opinions, their suggestions, but to heed the words of Christ through His servant Paul, 'Be ye not unequally yoked together with unbelievers: for what fellowship hath righteousness with unrighteousness? and what communion hath light with darkness.'—*Testimonies to Ministers*, 271.