The Mid-America Outlook on Davenport

by Bonnie Dwyer

To the Mid-America Union Committee, administrators should not be gauged by whether the conferences over which they presided invested in Davenport projects. The fact that an administrator has received a letter of reprimand for lack of fiduciary responsibility in connection with the Davenport affair is not the only consideration taken into account when a union committee elects its officers.

August 1, 1983, Ellsworth S. Reile resigned his position as president of the Mid-America Union and accepted an appointment with the Adventist Health Systems, Eastern and Middle America, thus ending the stalemate which had developed between the Union Committee and the General Conference over how he should be disciplined for his connections with the bankrupt Donald Davenport. The Union Committee wanted to lower his level of discipline so he could retain his presidency. The General Conference did not.

Later in August, Mid-America's Union Committee elected Joel O. Tompkins as its new president. He had previously served as president of the Kansas-Nebraska Conference and received a letter of discipline from General Conference President Neal C. Wilson for the loans the Kansas conference made to Dr. Davenport.

"Elder Tompkins' involvement with Davenport funds was not a major point one way or the other during his election," said Darrell Huenergardt, the union's attorney. "The comment was made that he had no personal funds involved, and that he had delegated the responsibility of following up on conference loans to the treasurer. It was considered an appropriate way to handle the task. 'Do we want someone who knows how to delegate responsibility or not?' was a question we discussed."

North American Division President Charles Bradford chaired the committee meeting. He noted that the Kansas loans to Davenport had been thoroughly discussed with the constituency at the time the Kansas conference was merged with Nebraska. The constituency meeting had occurred a few months after Davenport filed for bankruptcy.

Members of the 1983 Mid-America Union committee meeting got the feeling from Bradford's comments that the statement about conference investments in Davenport's projects, made to the constituency meeting of the Kansas-Nebraska Conference in 1980, had served as adequate discipline for Elder Tompkins. For whatever reason, the General Conference has not conducted a discipline session in Kansas-Nebraska despite the fact that three people were on the discipline list at Level II, which by definition required a public session. Former Kansas Treasurer Dan Peckham and a retiree were also on the discipline list.

William R. Bothe, who attended all other discipline sessions as a representative of the General Conference and the President's Review Commission, refused to comment on the discipline in Kansas-Nebraska.

"I think in Mid-America we've put the thing in perspective," said Huenergardt. "The topic is not overly or underly discussed. It has been my hope that we would not become a one-issue church, so that

Davenport investments end up outweighing other considerations in evaluating administrators."

Tompkins' election came after several ballots, in a process that lasted about seven hours. The committee started out with approximately 30 names. A couple of other people who had been disciplined for involvement with Davenport money were also considered. However, Tompkins led all the way, according to Union College president Dean Hubbard.

Tompkins estimates that the Kansas-Nebraska Conference will break even on its Davenport investments, which totaled $1.2 million. He says $600,000 has been returned through insurance.

It was in Kansas that Davenport funds were used to hire an evangelist one year. Davenport also contributed to the endowment of the conference academy. The letters between Davenport and Treasurer Dan Peckham were as much about evangelism plans as they were about investment monies. In May 1977, Peckham wrote, "There is one item I especially want to report to you regarding our evangelism. Because of a large meeting we had here in Topeka at the beginning of 1976, our total baptisms thus far this year are a little behind last year, but with the plans for the rest of the year, we feel quite certain that we will be very close to 400 baptisms for the year and this will be a big increase over last year—1976—which is the best year we have had."

Davenport funded the evangelist's salary in 1976. He wrote back to Peckham that he was "thrilled with the prospects" of Kansas' evangelism and hoped "to have a small part in it." In addition he told Peckham he wanted to provide some funds for needy academy students.

Peckham never invested personally with Davenport, and he went from the position of conference treasurer to assistant treasurer when Kansas and Nebraska merged.

Reile will be remembered, in Mid-America at least, for his role in the merger of the Northern and Central Unions into the present Mid-America Union as well as the subsequent merger of several conferences. In the September *Mid-America Outlook*, Ellsworth Reile's shift from president of the Union to an officer in the Adventist Health System/Eastern and Mid-America was announced with a full-page story summarizing his accomplishments.

The article by *Outlook* editor Halle G. Crowson noted the conference mergers and the Union merger and the savings which have resulted from them. "There were ten conferences in the two unions prior to merger. Today there are six conferences in the Mid-America Union. The Mid-America Union office is operating with one less man in the office than were in the former Central Union office," the article said. "These mergers have now resulted in a saving of more than one million dollars annually. These funds are now being channeled back into the conferences to help at the local level."

In discussing his plans for Mid-America, Tompkins says he plans to carry out suggestions made in a report initiated by Reile and compiled by Dean Hubbard, president of Union College.

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Closing Small Boarding Academies: The Pioneer Valley Case

by Terri Dopp Aamodt

The 1982–1983 school year had been a series of financial crises: 112 students instead of the budgeted-for 125; a monthly cash flow shortage of over $18,000; over a million dollars of loans payable; utility bills that ran