

**New England Yearly Meeting of the Religious Society of Friends
Permanent Board Minutes
August 4, 2012
Bryant University – Smithfield, RI**

12-62 Opening Worship: We opened in waiting worship.

12-63 Roll Call: The Recording Clerk called the roll.

Present: Edward Baker, Holly Baldwin, Travis Belcher, Deana Chase, Susan Davies, Jeremiah Dickinson, Eric Hill Edwards, Ben Guaraldi, Galen Hamann, Jan Hoffman, John Humphries, Nancy Isaacs, Sandy Isaacs, Mary Knowlton, Allan Kohrman, Rebecca Leuchak, Dwight Lopes, Christopher McCandless, Robert Murray, Bruce Neumann, Sara Sue Pennell, Suzanna Schell, Carolyn Stone, Philip Stone, Jane Van Landingham, Donn Weinholtz, Fritz Weiss, Carl Williams, Rosemary Zimmermann

Regrets: Jennifer Baily (Personnel Committee, Clerk), Debbie Block, Sarah Gant, Linda Jenkins (Past YM Presiding Clerk), Karen Sanchez-Eppler, Patricia Shotwell, Ruah Swennerfelt

Ex-Officio: Ed Mair (Treasurer), Jacqueline Stillwell (YM Presiding Clerk), Jonathan Vogel-Borne (YM Secretary)

Guests: Marian Baker, Nancy Haines

The Clerk reported that Donald Mick has resigned from Permanent Board.

12-64 Minutes of 5/12/2012 and 7/14/2012 were **approved** with corrections.

12-65 Memorial Minutes: Friends heard memorial minutes read for Katherine Perry (Providence) and Ruth Virgadamo (Providence).

Friends approved forwarding the minute for Katherine Perry to Sessions.

12-66 Update on the Yearly Meeting Secretary position: The Clerk reported on his conversations with Noah Baker Merrill, following the July meeting of PB. Noah met with his Oversight Committee prior to stating his willingness to accept the position if PB's recommendation is approved at Sessions. He also asked that a public announcement of his decision be delayed for several days, allowing him to share the information personally with a number of people first. Noah agreed to an initial salary of \$58,000, with a step increase of \$2,000 in FY2014, followed by an additional \$1,000 step increase in each of the two subsequent years.

12-67 Report from Coordinating and Advisory Committee: YM Presiding Clerk Jacqueline Stillwell reported for the Coordinating and Advisory Committee (C&A).

YM Secretary transition: Personnel Committee will meet with C&A during the fall and then present a detailed transition plan at the November meeting of Permanent Board.

Continuation of Employment for Yearly Meeting Secretary: The Coordinating & Advisory Committee recommends continuing employment for Jonathan Vogel-Borne as the YM Secretary through January 31, 2013, providing for a one-month overlap with the incoming YM Secretary. **Friends expressed unity with that**

recommendation and approved bringing that recommendation to Sessions for approval.

Continuation of Employment for Friends Camp Director: The Friends Camp Committee recommends continuing employment of Nat Shed as the Camp Director. **Friends expressed unity with that recommendation and approved bringing that recommendation to Sessions for approval.**

Unity Agenda: Jacqueline reviewed the items in the Unity Agenda to be presented for approval by Sessions on Sunday evening. It was pointed out that the Nominating Committee report included in the advance documents for Sessions contains some errors. The decision was made to withhold the Nominating Committee report from the Unity Agenda, and allow the Committee to present a corrected and expanded list of nominations later in the week.

12-68 YM Nominating Committee Proposal: Christopher McCandless, Co-convenor of YM Nominating Committee, reviewed the Committee's minute presented at the May PB meeting (see PB Minute 12-49) and included in the advance documents for Sessions. He asked Friends to consider how to engage the YM in the process of discernment about changing the YM committee structure.

During the discussion that followed, Friends raised several concerns and questions:

- **Scope:** Changes in one part of the YM structure affect all the other parts; perhaps it would be best to have a single committee given the charge to review a broad range of structural issues, rather than an ad hoc committee focused just on the committees.
- **Participation:** How should we identify the areas that need attention? Some friends expressed concern about the prospect of a small group – or even PB – defining the scope of the charge to such a committee and wondered how we might use the opportunity of Sessions to gather input from Friends throughout the YM.
- **Urgency:** At the same time, several Friends expressed concern that the committee structure and nominating process require urgent attention, with one Friend sharing the image of a bucket with holes (if one fails to patch the holes, all the water may drain away before a new bucket can be constructed).
- **Stewardship of time:** Are our lives too busy to do God's work?

The Clerk and the YM Presiding Clerk will discern how to present these concerns to Sessions.

12-69 Report from the Yearly Meeting Secretary: Jonathan Vogel-Borne, YM Secretary, reported on recent and upcoming activities, including:

Sessions – Jonathan and three other staff (Kathleen Wooten, Sessions Coordinator; Jeffrey Hipp, Communications Director; and Abigail Kelly, Office Assistant) have been onsite since Tuesday, and along with the rest of the Sessions team, including about 45 youth programs volunteers, they are preparing for today's arrival of the participants. Overall attendance will be lower this year (registration is at 580, compared to 700 or more in some recent years); as a result, Sessions expenses may exceed income from registrations by as much as \$20,000. Part of the

explanation for the drop is the number of people from NEYM who attended the Friends General Conference Annual Gathering, held in RI in July.

New England Friends Home Property: Referencing the Progress Report distributed with the advance documents, Jonathan reviewed some of the developments since the May meeting, including:

- Jonathan has filed a request to have the MA Department of Unemployment Assistance (DUA) recognize the New England Friends Home as an unincorporated subsidiary of NEYM, making it a religious nonprofit organization not liable to pay unemployment insurance to the State. Once that designation has been obtained, we expect the DUA to rescind a bill of more than \$500,000 for past-due unemployment insurance premiums and interest, and instead require us to pay only about \$20,000 to cover unemployment compensation collected by former Friends Home employees.
- The former caretaker of the property has filed a lawsuit against the new property owner.

12-70 Approval for Closing Retirement Accounts: Jonathan Vogel-Borne, YM Secretary, reported on the need to close the 403b retirement accounts managed by ING for the New England Friends Home. **Friends approved** authorizing the YM Secretary to take the necessary steps to close these retirement accounts.

12-71 Discernment Regarding the Polly Starr Legacy Gift: Holly Baldwin, Convener of the ad hoc Committee established at the May meeting (see PB Minute 12-47), reported that the Committee met three times by conference call. The Committee has concluded that:

- 1) the process should include deep seasoning, starting with the MMs and working through the QMs, but also open to input from other channels; and
- 2) the conversation must begin with a focus on how we, individually and corporately, understand the role of money.

The Committee is prepared to initiate the dialogue during Sessions, with queries included in the anchor group facilitator's guide, feedback cards for individuals to fill out, and an evening interest group session that will seek input on the overall process. The Committee recommends appointing a new ad hoc committee that would serve as a resource for MMs and individuals, more fully design and oversee the discernment process, and also receive proposals for how the money might be used.

Friends approved forwarding these recommendations to Sessions and appointing a new ad hoc committee at next week's PB meeting. Suggestions for people to serve on the new committee will be received by the current and incoming PB Clerks and the YM Presiding Clerk.

12-72 Treasurer's Report: Ed Mair, YM Treasurer, reviewed the third quarter report printed in the advance documents for Sessions. Contributions from both individuals and monthly meetings are well below where they were at this time last year, while expenses are higher than at this time last year.

12-73 Report from Development Committee: Nancy Haines, Clerk of the Development Committee reported for the Committee. Recognizing the significant gap in individual

contributions this year, Nancy challenged PB to “lead by example,” noting that only 60% of PB members have made financial contributions in this fiscal year, while only 40% of Finance Committee members and 30% of YM committee clerks have done so. With 25% of the budgeted income anticipated from individual contributions, the current shortfall is of significant concern.

One Friend also reminded Friends of the need to advocate within their own MM for increasing the MM’s contribution to the YM.

12-74 Internal Nominating Committee Report: Donn Weinholtz, Clerk of Internal Nominating Committee, reported the following recommendations:

- Personnel – Jan Hoffman (Mount Toby), class 2013
- Internal Nominating – Sara Sue Pennell (Cambridge), class of 2015

Friends approved these recommendations.

12-75 Correspondence: The Clerk presented a minute approved by Northwest QM in support of a minute approved by Putney MM, addressing the current NEYM process providing for the withholding of funds from Friends United Meeting. Friends agreed that it would be appropriate to have the minute from Northwest QM read during Sessions and asked the YM Presiding Clerk to use the reading as an opportunity to remind Friends that the YM has requested MMs and QMs to engage with this concern and report on their discernment.

12-76 Travel Minute for Marian Baker: The Clerk read a letter from Marian Baker, reporting on her five months of ministry in Uganda, accompanying and helping Kenyan women “to work with and encourage their neighboring Ugandan women to be more active, to improve their leadership skills, and to empower themselves.” The Clerk also read a letter from Julius Nambafu, General Secretary of Uganda Yearly Meeting of Friends Church (Quakers), that served as an endorsement of Marian’s travel minute (see PB Minute 11-76). The letter expressed gratitude for NEYM’s support for the ministry of Marian, whom they had “crowned ‘Mother of Ugandan Yearly Meeting.’” The Clerk will forward these letters to the Finance Committee since they also contain a request for financial assistance for construction of a meetinghouse.

12-77 Temporary Recording Clerk for Sessions: Jacqueline Stillwell, YM Presiding Clerk, reported that Rebecca Leuchak, one of the Sessions Recording Clerks, has injured her hand and will be unable to take minutes this week. Will Taber, who has been approved as Recording Clerk for 2013 (see PB Minute 12-48), has offered to begin his service this year.

Friends approved Will Taber serving as Recording Clerk for this year’s Sessions.

12-78 Closing Worship: We closed in waiting worship, planning to meet again on Thursday, August 9, 2012, at Bryant University at 1:30 PM.

Edward Baker, Clerk

John Humphries, Recording Clerk

**New England Yearly Meeting of the Religious Society of Friends
Permanent Board Minutes
May 12, 2012
Putney Monthly Meeting – Putney, VT**

12-36 Opening Worship: We opened in waiting worship.

12-37 Roll Call: The Recording Clerk called the roll.

Present: Edward Baker, Holly Baldwin, Travis Belcher, Deana Chase, Jeremiah Dickinson, Sarah Gant, Ben Guaraldi, John Humphries, Nancy Isaacs, Sandy Isaacs, Mary Knowlton, Allan Kohrman, Dwight Lopes, Christopher McCandless, Robert Murray, Bruce Neumann, Karen Sanchez-Eppler, Elias Sanchez-Eppler, Carolyn Stone, Jane Van Landingham, Donn Weinholtz, Fritz Weiss, Carl Williams, Rosemary Zimmermann

Regrets: Jennifer Baily (Personnel Committee, Clerk), Debbie Block, Susan Davies, Galen Hamann, Jan Hoffman, Rebecca Leuchak, Donald Mick, Sarah Sue Pennell, Suzanna Schell, Patricia Shotwell, Jacqueline Stillwell (YM Presiding Clerk), Philip Stone, Ruah Swennerfelt

Ex-Officio: Maria Lamberto (Finance Committee, Clerk), Ed Mair (Treasurer), Jonathan Vogel-Borne (YM Secretary)

Staff: Nat Shed

Guests: Charlotte Fardelman, Nancy Moore, Luisa Facciolo, Kathleen Wooten

12-38 Minutes of 5/12/2012 were **approved** with corrections.

12-39 Memorial Minutes: Friends heard memorial minutes read for James Anthony (Cambridge), Shirley Leslie (Gonic), and Beverly Stamm (Hartford).

Friends approved forwarding these minutes to Sessions. Allan Kohrman and Patricia Shotwell agreed to serve as an ad hoc committee to review and edit all the memorial minutes in preparation for Sessions.

12-40 Report from the Yearly Meeting Secretary: Jonathan Vogel-Borne, YM Secretary, reported on recent and upcoming events:

Sixth World Conference of Friends – With 890 people from 51 countries and more than 100 yearly meetings, this gathering provided a stunning and profound experience of the diversity of the worldwide Quaker movement. More than 400 participants were from Africa and only 170 from North America. Friends who have only experienced one expression of “the Quaker way” were challenged by the interaction and the contrasts. A different Section of Friends World Committee on Consultation led each of the morning sessions. In the small groups where most of the interaction happened, Friends discovered that talking about “spiritual experience” can mean very different things. Jonathan spoke about the Conference epistle and the “Kabarak Call for Peace and Ecojustice” that were distributed to PB with the advance documents. Despite the differences, the gathering provided points of incredible unity, connection and poignancy.

Sessions Planning – Following our jubilee years, we are moving toward putting everything back in, including workshops. Sessions information and registration

materials are online. Unfortunately, Richard Frechette will not be able to serve as sessions coordinator as he did last year.

Mid-year Gathering – Good attendance meant that we filled the space at the Episcopal church. The facility worked well. Following the “Awakening the Dreamer” program in the morning, there were 16 breakout groups in the afternoon, with some focus on climate change concerns. This gathering was not intended to make any decisions, but it might lead to things that are brought to Sessions. We still have work to do to figure out where a mid-year gathering fits within the YM governance and structure.

- 12-41 Report on New England Friends Home Property:** Jonathan Vogel-Borne reported on behalf of the ad hoc Friends Home Property Committee (see PB Minute 11-78). Referencing the Progress Report distributed with the advance documents, he reviewed some of the developments since the March meeting.

Discrimination Complaint – The complaint was settled for \$4000 in back pay (see PB Minute 12-22), following four hours of mediation. Jonathan and Holly Baldwin represented the YM and Friends Home; Barbara Rugg, former director of the Friends Home who was named in the complaint, also participated.

CPA's Report – Steve Snow has all the documents needed to file IRS Form 990 by the May 15 deadline. Then he will begin work on a final, closing 990.

Caretaker and Missing Items – The buyer asked Barry Corbin, whom the YM had hired as a live-in caretaker, to leave the premises on very short notice, following the discovery that several items were missing from the Home on the day of the closing. This has been one more challenging situation for Jonathan to deal with, and it is not yet fully resolved.

- 12-42 Sale of New England Friends Home Property:** Ed Mair, YM Treasurer, reviewed the financial report distributed with the advance documents, providing a detailed accounting of the allocation of funds received from the sale of the New England Friends Home. The sale price was \$1.625 million. After covering all fees, mortgages, operating expenses, and settlements, the net proceeds, totaling \$1.125 million, was placed on deposit into a new, separate account of the NEYM Pooled Funds.

Friends expressed their deep gratitude for all the Friends who have given so much time and energy to this challenging process, as well as an appreciation for the lessons we have learned about identifying and attending to risks and liabilities - lessons which could inform a periodic review of structures and procedures at the Friends Camp.

- 12-43 Friends Camp Report:** Nat Shed, Friends Camp Director, spoke of traveling with his wife during his five-month sabbatical, often finding opportunity to worship with Friends along the way.

Preparations for this summer's sessions are going well, with a wonderful group of 25 counselors lined up. Nat is still looking for a part-time nurse and seeking money to install a new set of docks.

He reviewed the report he had prepared, outlining infrastructure investment needs, but he clarified that his greatest worry is related to the potential damage to the

camp's reputation due to an accident or inappropriate conduct by a member of the staff. The Finance Committee has asked whether the YM has sufficient liability insurance to cover a serious injury claim. Jonathan Vogel-Borne reviewed the similar concerns raised by Moses Brown School prior to its separate incorporation, and he noted that the YM is considering a \$5 million policy.

Nat addressed a question about the interest being paid on the mortgage for the recently purchased lakefront property, and he noted that the Camp is also currently paying taxes on the property since it is being rented out as an income-generating business.

12-44 Report from YM Secretary Search Committee: Bruce Neumann, Clerk of the YM Secretary Search Committee, reported for the Committee. With the application deadline three days away, the Committee has received applications from six candidates, including two people from outside the YM. Bruce reported that, although this number was lower than expected, there were some very qualified candidates already and that he is expecting to receive additional applications before the deadline. The Committee will gather later in the month to discuss the applications and identify candidates for initial interviews.

Bruce reviewed the decision, encouraged by Coordinating and Advisory Committee, not to focus the search on an interim appointment. If the current search process does not yield a candidate on which the YM finds unity, then it may be necessary to identify someone to fill an interim position through a process which has not yet been identified.

Bruce reminded Friends that the timeline for the search process was outlined at the March meeting (see PB Minute 12-26). The Clerk suggested that Saturday, July 14, 2012, be reserved as the possible date for a "called meeting" of Permanent board to consider recommendations of the Search Committee.

12-45 Treasurer's Report: Ed Mair, YM Treasurer, reviewed the report provided with the advance documents, noting that the figures are not fully up to date since both the YM Secretary and the bookkeeper were in Kenya during the latter half of April. While it is normal for us to have a deficit at this point in the year, Ed noted that the deficit is about \$4,000 higher than at this time last year. With sale of the Friends Home, the YM has recovered the \$116,500 loan made to the Home to cover operating expenses and Friends Home closing costs, so our working capital is in a good position.

12-46 Finance Committee Report: Maria Lamberto, Clerk of Finance Committee, reported that the Committee met last week to finalize the budget proposal.

Only one YM committee clerk had provided comments on committee budget needs in the draft budget, prompting the Finance Committee to recommend a reduction in the overall budget line item for committee expenses. Friends discussed the dilemma of maintaining a line item for committee expenses when most of it is never spent. How can we encourage committee members to track in-kind donations and to make use of allocated funds if they will help ensure the committee's vitality?

Maria noted that anticipated income from individual contributions has been reduced in this budget, but the Committee included a \$38,000 "Funding Challenge," highlighting the need for additional contributions to balance the budget.

Edward Baker clarified that Finance Committee's proposed budget includes "Level 2.5" expenses from the Process Priorities Budget, building in funding for increasing the Religious Education Coordinator's time to 32 hours per week, hiring a part-time Administrative Assistant, and for an increase in salary for the Young Friends/Young Adult Friends Coordinator (see PB Minute 12-6).

Jonathan clarified that the reduction in the line item for minute book expenses reflects the decision to publish the Yearly Meeting minutes online, and to no longer print the minutes from Sessions. However, the YM will continue to print meeting and committee directories.

Funding Our Vision Day – Maria reported that the recent gathering at Winthrop Center Friends Church included 23 people at one point during the day. Two other meetings were scheduled for the same day, and those Friends participated in the "Funding Our Vision" discussion during the morning. Maria found it very useful to listen to different experiences of meetings facing similar challenges. Jeff Perkins of Friends Fiduciary presented information to the participants about the services available from his organization.

12-47 Discernment Regarding the Polly Starr Legacy Gift: The Clerk reminded Friends that Sessions has asked PB to bring recommendations for using the proceeds of the sale of the Friends Home:

YM Minute 2011-32: In due time, if the Friends Home property is sold, Permanent Board is asked to bring recommendations, subject to legal advice and to consultation within the Yearly Meeting, about possible appropriate use of the proceeds.

Friends expressed the hope that the search for such uses be imaginative as well as careful...

The Clerk asked Friends to settle into silence to consider how PB might initiate a process of discernment concerning the use of the funds received from the sale.

A number of concerns and considerations arose in the discussion that followed:

- The Finance Committee recommends that the YM refrain from using any of the funds (possibly not even the interest) during the coming year, instead taking the time for threshing and seeking input from MMs in a focused process of discernment.
- Questions concerning our relationship to money, as well as our relationships with each other, with other MMs and the YM, should be an early focus of the discernment process.
- Recalling the Minute of Sending Forth (YM Minute 10-30), one Friend suggested that the query "What is God calling us to do with this money?" should be central to our discernment. Another Friend, however, cautioned that we must also remember that we can respond to God's call with or without money; these funds should not become the way for us to be faithful.
- One Friend suggested a strong role for the Quarterly Meetings in this process.
- How can we ensure that the process is structured to lead to an outcome and not "fizzle out" or wrap up inconclusively?

- Responding to a concern that we not forget the ministry to the elderly that the Friends Home embodied, one Friend described the danger of undervaluing the ability of the current generation to discern the vision and guidance of the Spirit: we need to be clear about process before we impose any boundaries on the outcome. Another Friend expressed the opinion that Polly Starr did not have a vision for helping elderly people; rather she inherited a house and wanted it to be useful.
- One Friend suggested that rather than seeking unity on a single focus or use of the funds, we could consider incorporating a more secular “request for proposals” process that would involve listening for which proposals have Life.

Friends approved the appointment of an ad hoc committee to develop a process proposal to be reported back to PB at its meeting prior to Sessions, with the intent that PB would then be able to propose a process recommendation to Sessions. The ad hoc committee is encouraged to consider the possibility of identifying outside resources (e.g. a nonprofit organization that specializes in such matters) that might be engaged to help guide such a process in the coming year. The following Friends agreed to serve on the ad hoc committee: Holly Baldwin (convener), Jeremiah Dickinson, Karen Sanchez-Eppler, Robert Murray, Ben Guaraldi, Ed Mair, and Travis Belcher.

12-48 Clerks Nominating Committee Report: Allan Kohrman, Clerk of Clerks Nominating Committee, reported the following recommendations for Clerks to serve at Sessions in August 2013:

- Presiding Clerk: Jacqueline Stilwell (Monadnock)
- Recording Clerks: Karen Sanchez-Eppler (Northampton), Will Taber (Fresh Pond)
- Reading Clerks: Susan Davies (Vassalboro), Will Jennings (Beacon Hill)

Friends approved these recommendations.

12-49 YM Nominating Committee Report: Christopher McCandless, Co-convener of YM Nominating Committee, reported the following minute approved by the Committee at its last meeting:

NEYM Nominating Committee Minute 2012-4:

We believe there is a better structure to serve the life of New England Yearly Meeting in doing God’s work. We envision a structure that enables our YM committees to better know each others’ missions and to work more closely together.

Our traditional process asks Nominating Committee to match gifts and leadings to committee service. We are concerned for carrying out this charge with care. We envision broadening the ability of our system to discern emerging gifts and leadings by increasing the involvement of monthly meetings and connections among our committee volunteers.

Nominating Committee recommends the appointment of an *ad hoc* committee who will thresh the issues of reorganizing the YM committee and volunteer system and make recommendations to the 2013 Sessions.

The Committee welcomes input from PB and other bodies within the YM.

12-50 Internal Nominating Committee Report: Donn Weinholtz, Clerk of Internal Nominating Committee, reported the following recommendations:

- Personnel – Edward Baker (Westerly), class 2015; Carolyn Stone (Wellesley), class of 2015
- YM Nominating (At-Large) – Delia Windwalker (Framingham), class of 2015

Friends approved these recommendations.

12-51 Recommendations from Puente de Amigos Committee: Edward Baker reported on behalf of the Committee, reading a request to approve these Young Adult Friends for travel to Cuba as YM representatives to participate in Cuba Yearly Meeting's Young Adults gathering in August 2012: Noah Baker Merrill (Putney), Ben Guaraldi (Beacon Hill), Will Jennings (Beacon Hill), Alma Sanchez-Eppler (Northampton), Andrew Thompson (Framingham), and Honor Woodrow (Framingham).

Edward also read a minute of support for these Friends from NEYM Young Adult Friends, approved at their business session in January 2012.

Friends approved these Friends for travel to Cuba.

Edward read a letter of introduction for Alma Sanchez-Eppler. Letters of introduction for the remaining five friends had been provided with the advanced documents.

12-52 Travel Minutes: Friends attended to the following travel minutes:

The Clerk read a travel minute for Benigno Sanchez-Eppler (Northampton), who will travel in the ministry among MMs in North Pacific YM in July 2012, forwarded by Connecticut Valley Quarter. **Friends approved** endorsing this travel minute.

The Clerk read travel minute for Gerald Sazama (Storrs), who is traveling among Friends with a concern he has called "Quaker Spirituality: Hope for Troubled Times," forwarded by Connecticut Valley Quarter. **Friends approved** endorsing this travel minute.

The Clerk read a travel minute for Virginia Bainbridge (New London), who is engaged in ministry in Liberia, providing support for orphans and Alternatives to Violence Project training, forwarded by Connecticut Valley Quarter. **Friends approved** endorsing this travel minute.

The Clerk read the endorsements on travel minutes returned to us by Nancy Shippen (Fresh Pond), following her travel to Kenya; Kristna Evans and Elizabeth Cazden, following their travel to Cuba; and Mary Ann and Leonard Cadwallader, following their travel to Cuba. Friends received these endorsements with gratitude for their faithful service.

12-53 Report on Strengthening Relationships between the YM and MMs: Holly Baldwin reviewed the report, provided with the advance documents, from an ad hoc group that gathered in April to discuss the relationship between the YM and MMs (see PB Minute 11-104 and 12-11). The response to the call for the meeting revealed life for this concern among Friends. PB has an opportunity to give this ongoing conversation some structure.

Holly reviewed the specific requests to PB, as outlined in the report:

- 1) If we are to carry this work further, we should have a more robust committee, and perhaps a more specific charge. Suggested number of committee members: 5. Suggested charge: Meet with other NEYM Committees and with Monthly Meetings and Quarterly Meetings to explore how to make the relationship between Monthly Meetings and Yearly Meeting more vital
- 2) Approve the holding of a consultation to broaden the discussion at the YM level. This might be a day-long gathering with broad representation from across the
- 3) Revive the question of governance structure - and explain to MMs that PB's intent, in part, is to seek a governance structure that can serve to better bind us together, in recognition of our interdependence and send to monthly meetings for feedback.
- 4) Encourage all members to travel to less active meetings in the name of Permanent Board, inviting conversation and feedback about yearly meeting.

In addition to these requests, Holly encouraged the Clerk to continue communicating to MMs the highlights of PB discussions and to be even more intentional in arranging the location for PB meetings to facilitate connections with isolated MMs.

The Clerk suggested that we might also consider adopting a practice of sending a welcome letter to new members of MMs, recognizing that they have also joined the YM.

Friends accepted the report, deciding to hold further discussion until August, when it might be considered in connection with the proposal presented earlier by the YM Nominating Committee (see PB Minute 12-49).

12-54 Closing Worship: We closed in waiting worship, planning to meet again on Saturday, August 4, 2012, at Bryant University at 9:30 AM.

Edward Baker, Clerk

John Humphries, Recording Clerk

**New England Yearly Meeting of the Religious Society of Friends
Permanent Board Minutes
July 14, 2012
Worcester Friends Meeting—Worcester, MA**

12-55 Opening Worship: We opened in waiting worship.

12-56 Roll Call: The Recording Clerk called the roll.

Present: Edward Baker, Holly Baldwin, Aimee Belanger, Travis Belcher, Jeremiah Dickinson, Eric Hill Edwards, Sarah Gant, Galen Hamann, Jan Hoffman, Sandy Isaacs, Nancy Isaacs, Dwight Lopes, Christopher McCandless, Robert Murray, Bruce Neumann, Sarah Sue Pennell, Karen Sanchez-Eppler, Philip Stone, Donn Weinholtz, Carl Williams

Regrets: Debbie Block, Deana Chase, John Humphries, Allan Kohrman, Rebecca Leuchak, Elias Sanchez-Eppler, Suzanna Schell, Patricia Shotwell, Carolyn Stone, Ruah Swennerfelt, Jane Van Landingham, Fritz Weiss, Rosemary Zimmermann,

Ex-Officio: Ed Mair (Treasurer), Jacqueline Stillwell (YM Presiding Clerk), Jonathan Vogel-Borne (YM Secretary)

Guests: Hannah Zwirner, Beacon Hill Friends Meeting, Member of the Search Committee; Margaret Cooley, Mt. Toby, Clerk of Ministry and Counsel

12-57 Memorial Minutes: During our opening worship Friends heard memorial minutes read for Arletta Bailey, Nash Bascom and Don Booth.

Friends approved forwarding the minute for Don Booth to Sessions and requested that the editing committee add his Yearly Meeting involvement.

12-58 Report from YM Secretary Search Committee: Permanent Board gathered on this day for a special called meeting in order to receive the recommendation of the YM Secretary Search Committee, following completion of the interview process. We heard a report from Bruce Neumann, Clerk of the ad hoc Search Committee. The committee was comprised of a diverse group of eight New England Friends, including a young adult Friend, a Friend from a programmed meeting, and equal numbers of women and men.

The committee received 14 applications, three of which withdrew before the selection process proceeded. Of the eleven remaining applications, three candidates were selected for interviews, and two candidates were selected for second interviews. Bruce described in some detail the process the committee went through in examining the qualifications and the qualities of the final two candidates because they felt that both could fulfill the requirements of the position. The committee brought forward the name of Noah Baker Merrill as their recommended candidate for the position of Yearly Meeting Secretary.

After a period of worship and discernment we joyfully accepted the recommendation of the ad hoc committee, and recommend to Yearly Meeting Sessions that Noah Baker Merrill be appointed as the next Yearly Meeting Secretary starting January 1, 2012. In accordance with our Personnel Policy Manual, Noah would be appointed for a six-month probationary period. After that point, he would receive a letter of continuing employment annually, pending a successful performance appraisal.

We authorized the clerk to contact Noah to inform him of our recommendation to the Yearly Meeting and to ascertain Noah's willingness to accept the position. In the event that Noah would not accept the appointment by the Yearly Meeting, we authorize the Clerk to bring forward the name of the second candidate at the next meeting of the Permanent Board.

12-59 Support for new YM Secretary: In discussion of the hiring of a new Yearly Meeting Secretary, Friends expressed strong concerns about the amount of work required and the need for support. In order to support the transition of the new Yearly Meeting Secretary, we united on the following measures:

- 1) We should accept Jonathan Vogel-Borne's willingness to postpone his departure until the end of January, to allow for a month's overlap with the new Secretary in January.
- 2) We recommend that Coordinating and Advisory work with Personnel Committee to look at the question of how best to supervise the Yearly Meeting Secretary to ensure a smooth transition as the new Secretary grows into the job.
- 3) We recommend that professional executive coaching be made available as the new Secretary begins this work, preferably from a Friend who can offer these services.

12-60 Salary for new YM Secretary: We spent some time in discussion regarding the salary for the new Secretary including a review of the salary range for the position, and the amounts budgeted for the position most recently and in the proposed FY2013 budget. We authorized the clerk to discuss starting salary with the candidate so that in his own decision-making he would be clear of what benefits would be offered to the position.

12-61 Closing Worship: We closed in waiting worship, planning to meet again on Saturday, August 4, 2012, at Bryant University at 9:30 AM.

Edward Baker, Clerk
Holly Baldwin, Substitute Recording Clerk

MEMORIAL MINUTE for KATHERINE PERRY

Our Friend Katherine McFadden Bushnell Perry was born August 17, 1918 in Sydney Australia where her father worked as a civil engineer on the new transcontinental railway. She was a young child when the family returned to Rochester, New York where she grew up. Summers were always spent in Weekapaug, Rhode Island where the family delighted in swimming, sailing and hosting all the extended family that could fit into their aunts' summer house, affectionately named Spray Rock Cottage and the Ant Hill. Family was always her first joy and priority, whether it was in supporting her husband and daughters or the far extended family of aunts, uncles, cousins, and forebears. She was always the one to help where needed and keep the family connected as well as keep track of family history. Though Katherine was not brought up as a Quaker, one can easily imagine how those early experiences summering with, and later caring for, the whole extended family led to her natural ease in the Quaker community.

She was introduced to Quakerism while attending Westtown School in Pennsylvania. In 1941, shortly after graduating from Mt. Holyoke, she married an old summer friend, Tom Perry. Two weeks after he was sent overseas for medical duty in Burma during World War II, their first child, Carol, was born. Upon his return from the war, the family returned to Providence where they raised their three daughters; Carol, Margaret, and Phebe. Katherine joined Providence Meeting because of Tom's strong commitment to Quakerism and the importance she felt of families going to church together.

While Tom's was the voice in the family that stood out at Meeting. Mackie's contributions to the Meeting were equally significant "behind the scenes," Her generous, thorough, and capable work as Membership Recorder continues to guide the way we do it now. Countless other examples could be enumerated in any area of the meeting's life where she took part, be it in planning for a well equipped kitchen or designing cushions for benches in the Meetinghouse. Recognizing its particular significance in the life of the meeting, she loved her work with the Hospitality Committee. In the wider Quaker community she served on the boards of both Moses Brown and Lincoln Schools and acted as New England Yearly Meeting's registrar for many years.

She contributed to the larger Providence Community where she was on the founding board of the Mount Hope Day Care Center. She was also on the board of the Providence Shelter for Colored Children and worked for the Rhode Island Philharmonic Children's Concerts during the 1950s and 1960s. After moving to the Laurelmead retirement community, she

served on that Board and again on their hospitality committee. Though such contributions generally go without saying, it is abundantly clear how Mackie's natural supporting presence made her busy doctor-husband's significant community contributions possible.

Mackie's connections within the meeting community deepened and widened after her husband's death. As her own health deteriorated, contacts with friends from the meeting helped keep her spirits up. Her death on Feb. 22, 2011 left us with challenging models of conscientious attention to detail, caring for others and support for the whole meeting community. As we seek to follow in her footsteps, we take inspiration from her sweet, quiet, loving, welcoming style, infecting us all, and from her way of reminding us of unexpected tidbits with an impish and joyful sense of humor.

MEMORIAL MINUTE FOR RUTH VIRGADAMO

Ruth (Ploettner) Virgadamo, a beloved member of Providence Meeting, passed away peacefully July 6, 2011.

Born on May 13, 1942, she first came to Friends in 1981 with her family in tow. She is the mother of Sarah Bryan and Paul Virgadamo, Jr. and grandmother of Russell and Phillip Bryan and Sophia and Liam Virgadamo. A person with a strong social conscience, even before she came to Friends, she became very active, demonstrating those beliefs within the Meeting and the community in areas that included universal equality, reading to youth, and becoming an advocate for senior citizens.

A nurse by profession, she was educated at Deaconess Hospital, Boston, Massachusetts, something that she was very proud of throughout her life. Her career included working at the Boston Children's Medical Center in the Cardiac and Neuro-Intensive Care Unit, being head nurse at Boston's Lahey Clinic's Neurosurgical Unit, and as a private duty nurse at the Jane Brown Unit at Rhode Island Hospital in Providence, Rhode Island.

Once Sarah and Paul were born she worked many summers as camp nurse at various summer camps. From as early as she could remember she felt destined to be a nurse, telling of being a very young child walking with her grandmother and making her stop so that Ruth could look at each baby in each carriage they passed. Throughout her life if any person or animal she knew was sick, everything else was put aside and her energies were focused on making them comfortable and well again.

In her personal life passions for gardening, camping and small boat were second only to her devotion to Sarah and Paul. Ruth's intense love for all children could be seen by her caring of the infants and young children in the meetinghouse nursery for many years. A gifted singer, she enjoyed singing throughout her life, be it for her children, others, or her own enjoyment. She loved music from the musicals of the 1930's, music that was perfect for the special delicate trill in her trained voice.

Giving was the hallmark of Ruth's life; she said it rejuvenated her spirit and she will be greatly missed by her children, family, friends and Providence Monthly Meeting.

Progress Report on the disposition of the NEYM property, the former NE Friends Home, 86 Turkey Hill Lane, Hingham, MA

To: Ad Hoc Property Committee, Finance Committee, Coordinating & Advisory Committee
and Permanent Board

From: Jonathan Vogel-Borne

Updated: 25 July 2012 (*new material after the 9 May 2012 update begins on page 17*)

With the last of the residents moving out to a new situation, the New England Friends Home officially closed operations on Friday, September 2, 2011. The following is an update on subsequent events and decisions:

- **9/2/2011:** Barry Corbin, a friend of Alice Schaefer's (former clerk of the Friends Home Committee) moved into the Home as our contracted live-in caretaker that same Friday. Barry and Jonathan Vogel-Borne signed a letter of agreement outlining terms of service. The agreement was for one month trial period, ending on September 30, 2011.
- Alice Schaefer spent time in the Home's office, sorting papers, handling phone calls, cancelling no longer needed insurance, working with Barry to close down various systems in the house (heat, automatic lighting, etc.) and generally closing out the Friends Home operations.
- Jonathan Vogel-Borne took over the administration of the Friends Mutual Health Group insurance serviced by Everence.
- **9/10/2011:** Friends Home Committee held its last meeting. It minuted a request to NEYM that the Friends Home Committee be laid down. After lunch, Permanent Board's ad hoc Property Committee took up its charge, minuted (#11-78) at the Board's August 11, 2011:

New England Friends Home Update: Edward Baker reported that the entire Home may be vacated by September 1. The last 3 residents are close to finding other accommodations, so it may not be necessary to hire an interim director.

Friends reviewed the authorization from Sessions for PB to move forward with creating an ad hoc committee to oversee disposal of the property:

YM Minute 11-30. Edward Baker then outlined a process for the sale or lease of the property to take place, under the care of an *ad hoc* Friends Home Property Committee to plan and supervise this transition under the oversight of Permanent Board. Friends approved the creation of the *ad hoc* committee.

Volunteers are needed to serve on the Property Committee and those interested are invited to speak to any member of the Permanent Board. It is expected that the Yearly Meeting Treasurer and Yearly Meeting Secretary will serve on it *ex officio*, and that 3-5 additional members will be needed. This committee would create a request for proposals for the property, distribute the Request for Proposals to companies managing retirement homes or communities and other interested parties, supervise at least one showing of the property, receive proposals, and share the proposals with their recommendation for the most advantageous course of action with the Permanent Board.

YM Minute 11-31. We authorize the Permanent Board to select the most appropriate proposal for sale or lease of the Friends Home property and to take all necessary actions to transfer the property to a new owner, or lessee, as the case may be, and to report to Sessions next year on the matter. We authorize the Permanent Board to determine the "best use" for the property, and not necessarily be bound to take the highest offer, in their discernment.

Friends approved the appointment of an Ad Hoc Friends Home Property Committee, consisting of the YM Secretary, YM Treasurer and PB Clerk as ex-officio members, along with Trish Hogan,

Travis Belcher, and Chris Doehlert, who have agreed to serve on the committee. Betsy Kantt, Judith Shea, and possibly other Friends, will also be asked to serve on the Committee. Phil Stone, who has experience with closing down facilities, has offered his services as a resource.

Friends approved authorizing the ex-officio members of the committee (Jonathan Vogel-Borne, Ed Mair and Edward Baker) to make decisions with regard to issues that arise that cannot wait for an initial meeting of the full ad hoc committee.

Friends approved the hiring of Kopelman and Paige LLC (the law firm which Jeanne McKnight works with) to provide legal services for the sale of the Friends Home property, including review of any responses to a Request for Proposal, and disposal of antiques or other property. The firm has offered their services at \$165/hr (their lowest rate).

- The ad hoc Property Committee members are Edward Baker (clerk, Permanent Board and convener), Trish Hogan (Finance Committee), Jonathan Vogel-Borne (YM Sec), and Ed Mair (Treasurer), Zona Douthit (Lawyer, and from Providence Meeting), Travis Belcher (Former clerk of Finance Committee), Barry Corbin (Caretaker), Chris Doehlert (NEFH Treasurer), Betsy Kantt (NEFH Committee), Jeanne McKnight (Legal Counsel).
- The Committee decided to:
 - obtain an appraisal of the property
 - engage a commercial real estate broker, if that seemed advisable
 - arrange for an auction house to sell certain contents of the Home
 - contact Friends Services for the Aging for general advice
 - create a Request for Proposals to circulate among parties interested in buying the property
 - assure that Friends Home accounts have sufficient funds available to maintain the property until it is sold. Loans from the NEYM operating reserves, to be repaid upon sale of the property, are to be transferred as needed to the Friends Home accounts to cover the property's expenses.
 - work with Barry Corbin, the live-in caretaker, to assess the immediate and long-term maintenance needs of the property.
 - not formally show the property until the appraisal was completed, a Request for Proposals was written, and we had decided about whether or not to engage a commercial realtor.
 - to meet again on October 9, 2011 at Wellesley (MA) Meetinghouse.
- **9/13/2011:** A \$20,000 check from NEYM's operating reserves sent to the NE Friends Home accounts to cover closing and ongoing expenses.
- **9/21/2011:** Barry Corbin and Jonathan Vogel-Borne develop a comprehensive list of immediate and long-term maintenance needs.
- Alice Schaefer adjusted our insurance coverage through Church Mutual to reflect our current condition.
- **9/28/2011:** Upon Jeanne McKnight's recommendation, Jonathan Vogel-Borne engaged T.H. Reenstierna, LLC, Real Estate Appraisers and Consultants to conduct a commercial appraisal of the property. Total cost \$3,000 to be completed in four to five weeks.
- **9/29/2011:** A second check for \$20,000 from NEYM's operating reserves sent to the NE Friends Home accounts to cover ongoing expenses.
- **9/30/2011:** Barry Corbin and Jonathan Vogel-Borne sign a letter of agreement that Barry's contracted service as live-in caretaker would continue until the property is sold.
- **10/1/2011:** Trish Hogan, Jonathan Vogel-Borne, and Ed Mair update the Finance Committee on progress towards sale of the Hingham property. The Committee instructed Ed Mair and

Jonathan Vogel-Borne to seek advice as to how to show in the NEYM operations accounts, the loans to Friends Home accounts and the anticipated expenses related to the sale of the property (i.e., appraisal, legal services, etc.).

END OF 7 OCTOBER 2011 UPDATE

- **10/9/2011:** Ad Hoc Committee holds second meeting, where we:
 - Agreed on general principles of accounting transparency
 - *NEYM operations books*: Fees for the appraisal, brokers fee, legal fees, and anything else to do with sale of the property
 - *NE Friends Home Books*: All expenses related to the maintenance of the property.
 - Jonathan Vogel-Borne (YM Secretary), Chris Doehlert (NE Friends Home Treasurer), and Ed Mair (NEYM Treasurer) will develop budgets for the ongoing maintenance and sale of the property.
 - Assigned Barry Corbin, Jonathan Vogel-Borne, and Travis Belcher to develop a triage list of maintenance items that need our urgent attention with priority given to security, safety, cost lowering tasks (weatherizing, broken windows, etc.), tasks that if not attended in the next couple of months will incur large costs in the future (water entering the house, etc.), and other tasks that may negatively affect the sale of the property.
 - Heard a report from Edward Baker that Willis Henry Auctions, Inc. who has agreed to conduct an auction of Friends Home items sometime this fall, perhaps November.
 - Learned that Amesbury (MA) Meeting has asked for items related to John Greenleaf Whittier to be indentified and transferred to the care of the Amesbury Meeting.
 - Asked Chris Doehlert to pursue his contacts of commercial real estate brokers and Jonathan Vogel-Borne to use the content from the commercial appraisal to work on a draft Requests for Proposals.
- **10/14/2011:** Mark Reenstierna, a commercial appraiser with TH Reenstierna, LLC, visits the property.
- **10/20/2011:** NE Friends Home property insurance cancelled and transferred to the NEYM operations Church Mutual Insurance policy for an additional fee of \$2,761 (paid 11/8/2011).
- **11/1/2011:** A third check for \$12,500 from NEYM's operating reserves sent to the NE Friends Home accounts to cover ongoing expenses, hopefully taking us into December 2011.
- **11/3/2001:** Chris Doehlert, Ed Mair, Jonathan Vogel-Borne and Tenneysa Hughes (Coughlin Consulting, NE Friends Home bookkeeping service) have a conference call to determine estimates of non-recurring and ongoing monthly costs. A bill from the NE Friends Home accounting firm, Joseph P Costello, CPA, for \$7,881 surprised us. It was for FY2009 (unbilled due to clerical error) and FY2010 tax filings and a large fee for QuickBooks consultations. Chris is in conversation with the firm to see if we can put off payment for this bill until the sale of the property. We also looked at how to reduce the high costs for utilities now that there is only one person living at the home.
- **11/10/2011:** Kevin Delaney, a prospective commercial real estate broker, visits the property.
- **11/10/2011:** Mark Reenstierna delivers a DRAFT appraisal for our review.
- **11/10/2011:** Jonathan Vogel-Borne has an extensive conversation with Joanne Heffernan of South Shore Preparative Meeting. The Meeting meets at the Home and is very concerned

about both the Meeting's and the Home's future. They were distressed to have only heard about the closing through reports in the local papers. Joanne conveyed the Meetings sense that NEYM should not sell the property but should turn it into a retreat center or find some other use consistent with Friends ways.

- **11/13/2011:** Ad Hoc Committee holds second meeting. We took action on the following items:
 - **Kevin Delaney** a commercial broker with Coldwell Banker attended the open segment of our meeting. He sees the highest and best use of the property is to continue operations in elder services. We discussed the various methods in which the property would be marketed and the terms of a potential listing agreement. Given that we have already been approached by a number of interested parties, we asked whether we would need to be bound by Coldwell Banker's exclusive listing. Kevin assured us that within a mutually agreed time period, NEYM could obtain sale proposals from any potential buyers who have already approached us and proceed with a sale on our own. **We agreed to engage Kevin Delaney as our broker.** Kevin's rate for the sale is 6%. We will offer him 3% if the sale of the property is from a party that has already approached NEYM. Edward and Jonathan will finalize a list of interested parties and convey that information to Kevin Delaney. Since Coldwell Banker is prepared to do extensive marketing of the property, we will not pursue writing a separate Requests for Proposals.
 - **Appraisal:** We were disappointed with many aspects of the appraisal, such as:
 - The final market value is based on sales of properties that we feel are not comparable with the NE Friends Home's facility and operation.
 - Rather than just an "as is" appraisal of the property, we wanted to see analyses for other potential uses, including such information as the sale of 1 acre lots in Hingham, assuming 3 one-acre lots on the property would pass septic system requirements.With Kevin Delaney as our broker, we see no need to continue development of the appraisal and **we will seek to terminate the contract** with T.H. Reenstierna.
 - **Finances:** We reviewed the ongoing expenses of the property. As of this date, NEYM has sent \$52,500 to subsidized the property's expenses
 - **South Shore Preparative Meeting:** Jonathan Vogel-Borne, Betsy Kantt, and Barry Corbin reported on their contacts with the Meeting. Jonathan and Barry will keep in touch with the Meeting so as to keep them informed.
 - **Hanson/Hill Fund:** NEYM operations carry the Hanson/Hill fund, a fund restricted for the support of the NE Friends Home with an approximate value of \$24,000. **We will ask Permanent Board to approve the liquidation of this fund** to support the ongoing expenses of the home until sale.
 - **Amesbury Meeting request:** Permanent Board will take up the question of returning items at the home related to John Greenleaf Whittier.
 - **Contents of the Home:** Willis Henry Auctions, Inc. did not find many items of value at the home. They would include some items in a general auction, but would not hold a separate auction at the Home. A local Hingham business is interested in doing an inventory of the Home's contents and would then offer to buy some of the items. Any purchase offer will need to be presented to the ad hoc Property Committee. The South Shore Preparative Meeting is making a list of books that belong to them.

END OF 14 NOVEMBER 2011 UPDATE

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- **11/18/2011:** Jonathan Vogel-Borne circulates an email to parties that had expressed interested in property with a flyer describing the property, "Property available for Elder Services Provider." These parties were: 1) Benchmark Senior Living, 2) Atlantic Retirement Group, 3) Montessori Secondary School, 4) The Horizon Group (consulting group), 5) Norwell Visiting Nurses Association and Hospice, and 6) a couple in Hingham looking to buy the Home and move in with their elder parents.
 - **11/18/2011:** Permanent Board approves the liquidation of the Hanson/Hill Fund to support the ongoing expenses of the home until sale.
 - **11/21/2011:** Jonathan Vogel-Borne receives the proposed listing agreement from Kevin Delaney. Jonathan passes the agreement on to Jeanne McKnight, who sends back an extensive revision, mostly to clarify and strengthen language enabling us to seek proposals for a long-term lease as well as for sale of the property.
 - **11/21/2011:** Kevin Delaney asks Jonathan Vogel-Borne for a copy of the appraisal. Jonathan telephones Kevin to tell him that the Committee had agreed not to share the appraisal for the reasons listed in the notes from our 11/13/2011 committee meeting. Kevin asks the Committee to complete the appraisal, noting that he, as a broker, can only give an opinion of value, where a licensed appraiser can offer an actual value. For Kevin, having a commercial appraisal in hand is a tool that would help him to sell the property. Jonathan consults with other Committee members and ask the Committee to re-open whether or no we would ask Mark Reenstierna to complete the appraisal for a final decision at the next Ad Hoc Committee meeting.
 - **11/30/2011:** Jonathan Vogel-Borne and Kevin Delany sign the revised listing agreement engaging the services of Kevin Delaney, with Coldwell Banker, as our broker.
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Email sent December 20, 2011 with a chronology of the NE Friends Home bookkeeper fraud

November 29, 2011: We find that close to \$23,000 has been embezzled from the NE Friends Home accounts by a bookkeeper, subcontracted by a firm we hired on June 27, 2011. Below is a chronology what's happened and where we are as of December 20, 2011. This document was sent by email to the Ad Hoc Property Committee, Finance Committee, and Coordinating & Advisory Committee, with the following attached: 1) the referenced email string (available from Jonathan Vogel-Borne upon request); 2) a spreadsheet prepared by Chris Doehlert showing comparative transaction details between bank statements and QuickBooks; 3) Chris Doehlert's cover letter of a fax to the Hingham Police Department sending images of fraudulent checks; and 4) Letter of intent between Coughlin Consulting Services and NE Friends Home, dated June 23, 2011.

- **November 29, 2011:** Chris Doehlert (the NE Friends Home Treasurer) receives a late evening call from Kim Coughlin (principal of Coughlin Consulting Services which had been engaged as an outside bookkeeper) indicating that Tenneysa Hughes (an independent contractor engaged to support NEFH) had admitted to stealing \$4,000 from the Home. The admission had been made in the context of investigating other fraud.
- **November 30, 2011:** Jonathan Vogel-Borne receives a call and an email from Chris Doehlert letting Jonathan know of the situation (see 11/30/2011 email from Chris Doehlert, subject: "another (serious) problem").
- **November 30, 2011:** Chris Doehlert spends the day in Hingham meeting with Kim Coughlin, officials at the Hingham Institution for Savings (HIS), and filing a report with the Hingham Police Department.

- **December 1, 2011:** Chris Doehlert asks Hingham Institution for Savings (HIS) for past bank statements and front and back images of cancelled checks, dating back to before the beginning of Tenneysa Hughes' hire date, June 27, 2011 (see 12/1/2011 email from Chris Doehlert to Mary Lambert, subject: "old statements").
- **December 1, 2011:** Chris Doehlert alerts the rest of the ad hoc Property Committee of the theft (see two emails dated 12/1/2011 from Chris Doehlert, subject: "bookkeeping incident at the NEFH - update").
- **December 5, 2011:** Chris Doehlert receives bank statements and check images from HIS and finds that the fraud from 9 checks Tenneysa Hughes wrote to herself amounted to much more money than we had originally thought, slightly more than \$20,000. Comparing the bank statements with the QuickBooks report, Chris found a few other questionable checks made out to unknown individuals or vendors, amounting to an additional \$3,000 in possible fraud (see 12/5/2011 email from Chris Doehlert, subject "re: need for cash," where Chris outlines his preliminary findings).
- **December 6, 2011:** Jonathan Vogel-Borne files an insurance claim, informing Church Mutual, our insurance provider, of the loss. They will send Jonathan a package with forms to fill out and procedures to follow.
- **December 7, 2011:** Jonathan Vogel-Borne drives to Hingham and deposits \$30,000 into the NE Friends Home account at Hingham Institution for Savings. The bank closes the account and transfers the money into a new account without requiring a corporate resolution to open a new account. Signatories on the account are Chris Doehlert, Alice Schaefer (the last clerk of the NE Friends Home Committee), and Laura Leventhal (the last NE Friends Home Director).
- **December 7, 2011:** Chris sends an email to update the ad Hoc Property Committee (see 12/7/2011 email from Chris Doehlert, subject: "update on NEFH bookkeeping/finance issues").
- **December 8, 2011:** Chris obtains online access to the bank account (see 12/8/2011 email from Chris Doehlert, subject: "Business Online Banking").
- **December 9, 2011:** Chris sends Jonathan Vogel-Borne and Ed Mair an updated spreadsheet showing the suspected fraud (see 12/9/2011 email from Chris Doehlert, subject: "fraud update." The spreadsheet attached to this email accompanied the "fraud update").
- **December 9, 2011:** Chris sends the Hingham police (copies to Jonathan Vogel-Borne) a PDF including a cover letter (attached to this email), check images (front and back) of NE Friends Home checks made out to Tenneysa Hughes, images of a few other suspected checks, and the letter of intent with Coughlin Consulting Services (attached to this email).
- **December 11, 2011:** Jonathan Vogel-Borne attends the South Shore Preparative Meeting at the former NE Friends Home in Hingham. Jonathan meets with Barry Corbin the live-in caretaker at the Home. Jonathan picks up the computer used by the administrators of the NE Friends Home to take back to the NEYM Office in Worcester.
- **December 13, 2011:** Jonathan Vogel-Borne and Ed Mair have conference calls with Chris Doehlert and Trish Hogan (Finance Committee representative on the ad Hoc Property Committee) to assess where we are and what next steps to take.
- **December 16, 2011:** Jonathan Vogel-Borne receives the QuickBooks portable file that was exported from Tenneysa Hughes' computer with the current NE Friends Home QuickBooks

accounts. Jonathan successfully loads the QuickBooks file as a new company on the NE Friends Home computer with the stand-alone version of QuickBooks 2010 Pro software.

- **December 16, 2011:** Jonathan Vogel-Borne calls Trish Hogan to consult with her about next steps. As an experienced bookkeeper, Trish might be available to clean up the books and help us through this period until the sale of the property. We are all very clear that the person creating the checks should NOT be signing the checks. In that conversation, upon Trish's recommendation, Jonathan is exploring the idea of hiring an outside Certified Public Accountant to clean up the books, bring them up to date and recommend accounting procedures for the NE Friends Home accounts until the property is sold (*see continuation of this item in December 28, 2011 and January 3, 2012 entries below the fraud chronology*).
- **December 19, 2011:** Upon receipt of the "Dishonesty Proof of Loss Form" in regard to our claim (#1163435) with Church Mutual Insurance, Jonathan Vogel-Borne calls Michelle Thimm at Church Mutual and determines that our coverage relates only to employee dishonesty, and by definition Tenneysa Hughes is NOT an employee. In Church Mutual's language of our insurance policy's "Employee Dishonesty" coverage, "'employee' does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character." Tenneysa Hughes was an independent contractor hired by Coughlin Consulting Services, yet another independent contractor. While Church Mutual agents will not deny a claim over the phone, Michelle Thimm did confirm that because our coverage is only for employee dishonesty, our insurance policy will not cover this loss. We need to decide whether or not to file Church Mutual's "Dishonesty Proof of Loss Form," which requires sworn/affirmed testimony in front of a notary public.
- **December 19 2011:** Until the books are brought up to date, Chris Doehlert will create checks to pay the bills and send the checks with copies of the documentation to Alice Schaefer for her to sign and mail.

END OF FRAUD CHRONOLOGY SENT BY EMAIL, DECEMBER 20, 2011

- **12/6/2011:** Dan Podolsky, a former Church Mutual Insurance representative now an independent broker, reviews our insurance policy for the home and points out to Jonathan Vogel-Borne that the Turkey Hill building is listed as "vacant" and is therefore underinsured. Jonathan contacts Church Mutual to find out what would be required for the building to be insured as "occupied." Church Mutual underwriters say that short of the building being back in partial or full operation, they will not underwrite a policy giving us full coverage as an occupied building. They say one person—our contracted, live-in caretaker—inhabiting a 15,000 square foot building is vacant, whether or not that person is an NEYM employee or an independent contractor (*see December 29, 2011 below, for more about insurance coverage*).
- **12/9/2011:** Kevin Delaney shows the property to a prospective buyer. The buyers ask for architectural drawings of the building. Barry Corbin is asked to look for them.
- **12/16/2011:** Jonathan Vogel-Borne sends an email to Benchmark Senior Living, Atlantic Retirement Group, Montessori Secondary School, and the Horizon Group inviting them to bring a proposal for purchase of the property to the table by December 31, 2011. After that date, we would still welcome a proposal, but the groups would be dealing directly with Kevin Delaney through Coldwell Banker. The Visiting Nurses Association and Hospice never got back to Jonathan and the couple in Hingham had decided not pursue the purchase. Benchmark

Senior Living returned Jonathan's email saying they were withdrawing their interest in the property.

- **12/28/2011:** Brian Clark, NEYM Pooled Funds treasurer who runs a business in Hingham, assists Jonathan Vogel-Borne find a South Shore-based CPA to help us clear up the Home's books, close last fiscal year 2011 (Sept 30), do government filings, and advise us in best practices for the way forward. Consulting with Ed Mair and Edward Baker, Jonathan begins the process of engaging the services of Steve Snow a CPA with the Braintree accounting firm, Leonard, Mulherin, and Greene (lmgpc.com).
- **12/29/2011:** Jonathan Vogel-Borne receives final confirmation from Church Mutual Insurance that they will not fully insure what they consider is an unoccupied building. The email from Church Mutual is as follows:

Our Underwriting Department has reviewed the Vacant Building located at 86 Turkey Hill Lane Hingham, MA 02043. They have determined that this building will need to remain as a Vacant Building. Our underwriting department has also restricted the perils covered to our Basic Form. I have enclosed a copy of the Basic Form here for you to review.

Also included in your Multi Peril Policy under the Property Conditions Form (See below) is our Vacancy Clause. This clause clearly states that if a building where loss or damage occurs has been vacant for more than 60 consecutive days before the loss or damage, we will: **not pay** for any loss or damage caused by any of the following, even if they are covered causes of Loss: (1) Vandalism (2) Sprinkler Leakage (unless protected against freezing) (3) Building Glass Breakage (4) Water Damage (5) Theft or (6) Attempted Theft. Also, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

During our telephone conversation, you had also stated that a small religious organization is also using this location every Sunday for meetings. We will need to know the full legal name of this organization and receive a Certificate of Insurance from them, naming your organization as an Additional Insured. Once this is received, we will exclude coverage from your organizations policy for this outside group. They need to be carrying their own insurance for their operations.

Jonathan Vogel-Borne consults with Dan Podolsky about next steps.

- **12/30/2011:** Jody Maxwell from the Montessori Secondary School Board emails Jonathan Vogel-Borne a business plan proposing a 60-month lease to buy the property.
- **12/31/2011:** John James of the Horizon Group phones and emails Jonathan Vogel-Borne to say a proposal to continue the property as a provider for elder services is on the way. As of December 31, 2011 Jonathan has not heard back from the Atlantic Retirement Group. This leaves us just two proposals, one in hand from the Montessori Secondary School and the other, from the Horizon Group, promised.
- **1/3/2012:** Jonathan Vogel-Borne sends Steve Snow, CPA with Leonard, Mulherin, and Greene, the NE Friends Home QuickBooks file and other financial information. Steve will look over our situation and get back to Jonathan on Friday, January 6, 2012 with his recommendations on the scope of the work. These recommendations will be forwarded to the Ad Hoc Committee to review at its 1/8/2012 meeting.
- **1/4/2012:** Jonathan Vogel-Borne and Barry Corbin meet to consult about the ongoing maintenance of the building. Barry has found architectural drawings of the building and has scanned them for distribution at the 1/8/2012 meeting. Barry also updates Jonathan that the leak in the furnace has been repaired.
- **1/6/2012:** Steve Snow sends Jonathan Vogel-Borne a letter of understanding, specifying the work he would do for us: 1) Compile information to produce financial statements for the fiscal

year ending September 2011; 2) Prepare NEFH Federal Form 990 for the fiscal year ending September 30, 2011; 3) Review NEFH financial records in an effort to identify any improperly recorded or unauthorized transactions; 4) Assist in updating NEFH QuickBooks file for activity from October 1, 2011 forward.

- **1/8/2012:** Ad Hoc Committee holds third meeting. We took action on the following items:

- **Montessori Secondary School:** The School's Board proposes a 5 year lease to buy at \$1.1 million. The lease would cover the carrying expenses, but what about costs to modify/improve the property, maintain it and cover unexpected costs? The committee felt that a purchase instead of a lease would be preferable, even if it meant that we gave them a mortgage. Barry Corbin reported that he has shown the home to the school several times and that they have the support of the Trustees and the other abutters. Jeanne McKnight asked if the Trustees could be part of the plan and buy a restriction on the property to prevent future development. Would the Trustees consider buying the land and leasing the building to the school? There are many details missing from their plan, but the committee likes the idea of the school and would like to ask Jonathan to continue a discussion with them.
- **Disposition of appraisal:** The appraiser wants to finish his work. He only looked at continuing to use the property as a healthcare facility and did not explore or consider any other options. Kevin Delaney feels that a complete appraisal would be beneficial. The committee agreed we should have the appraisal completed and pay the balance due.
- **New CPA:** The committee approved using Steve Snow as CPA. The committee will ask Jonathan to discuss with Steve the benefits of doing a complete audit. Is there a reason for us to do this? How expensive will it be?
- **Litigation:** Chris Doehlert will be speaking with the Assistant District Attorney (ADA) on January 9, 2012 and will have the opportunity to provide the ADA with details about the fraud.
 - Tenneysa Hughes is to be arraigned on January 11, 2012 and the charges against her will be formalized at that time. Chris reported that he understands that there is no benefit to us being present. If this case proceeds any further, we may need to be present.
 - Coughlin Consulting Services: Tenneysa Hughes worked for Kim Coughlin, principal, as a independent contractor. Although Kim has insurance, it covers only employees and not contractors. There was clear negligence on Kim's part. Do we want to pursue a civil case against Kim? Jeanne's firm could represent us and will get an estimate. The committee felt that because this is NEYM's money, we have an obligation to protect it and try to recover it.
- **Insurance:** Church Mutual considers the building to be vacant and will not provide us with the coverage that we need. We have some liability insurance, but very limited, it doesn't include theft, damage by sprinkler, etc.... The committee agrees that Jonathan should pursue getting adequate insurance.
- **Whittier Items:** Permanent Board approved transferring the Whittier items to Amesbury. Barry Corbin and Ed Mair will coordinate this.

- **1/12/2012:** Following up on the Ad Hoc Property Committee meeting, Jonathan Vogel-Borne contacts the following people:
 - Kevin Delaney who urges the Committee to set an asking price so that he can more fully market the property. Jonathan sends an email to the Committee suggesting that we set the price at \$1.5 million.
 - Mark Reenstierna, the commercial appraiser, asking him to finish the appraisal. Mark expects to have a final draft of the appraisal by early February
 - Steve Snow, CPA, to formally engage his services.
 - Dan Podolsky to check-in about fully insuring the building. Dan is still looking for companies that will insure us.

END OF 17 JANUARY 2012 UPDATE

- **1/21/2012:** Permanent Board meets, Hartford CT

Report on New England Friends Home Property: Jonathan Vogel-Borne reported on behalf of the Ad Hoc Friends Home Property Committee (see PB Minute 11-78). Referencing the Progress Report distributed with the advance documents, he reviewed the major developments since the November meeting, including: the solicitation of proposals and the decision to decline an initial lease-to-buy offer from a Montessori school, which is now working to identify funding and submit a revised proposal; establishing a formal asking price of \$1.5 million while deciding to complete the process of securing an appraisal; the challenge of securing adequate insurance coverage for the property; and steps taken to address the bookkeeper fraud discovered at the end of November.

Jonathan reported that the YM has engaged Steve Snow, a CPA, to help clear up the Friends Home books, close out FY2011, and help to implement best practices moving forward. Current procedures involve Chris Doehlert, who is serving as treasurer for the ad hoc committee, filling out the checks and send them to Alice Schaefer, along with appropriate documents. Alice signs the checks and mails them.

Jonathan clarified the details of the bookkeeper fraud:

- Coughlin Consulting Services (CCS) is the independent contractor hired by NEYM in June 2011 to handle the bookkeeping for the Friends Home following the resignation of the Friends Home's director. Kim Coughlin is the principal and sole employee of the company.
- CCS subcontracted the work to Tenneysa Hughes, an independent contractor, who is the mother of three young children and performed the work at home.
- Sometime during the summer, Ms. Hughes acquired the rubber stamp signature from the CCS office, contrary to YM's agreement with CCS that the stamp would remain at the office. Over the next four months, Ms. Hughes wrote 14 fraudulent checks, amounting to roughly \$23,000.
- Because the fraud involves independent contractors rather than employees, neither the YM's insurance nor CCS's insurance will cover the loss, and due to the use of a signature stamp, the bank will not cover it.
- Ms. Hughes was arraigned in court on January 19, and a warrant for her arrest was issued when she failed to appear.
- It seems unlikely that CCS will survive as a business in the face of the fraud, which also involves other clients in addition to NEYM.
- NEYM has paid CCS \$4,159 for the services rendered since June.
- Jeanne McKnight, serving as counsel for the YM, has advised that if we were to file a civil suit against CCS, seeking to recover damages, the expenses of doing so will likely exceed the funds we might recover. A criminal proceeding against Ms. Hughes may provide a greater likelihood of financial compensation.

Friends addressed the question of whether to pursue legal action against Kim Coughlin for negligence. Several Friends expressed discomfort with pursuing the course of legal action, especially since it seems unlikely to lead to recovering NEYM funds. Friends were also uncomfortable with doing nothing, raising concerns about our responsibility to protect potential future clients from a similar loss and wanting to explore options that could lead to both reconciliation and restitution. Friends recognized the human costs already faced by both Ms. Coughlin and Ms. Hughes.

Friends asked Jonathan and the ad hoc Committee to pursue a face-to-face meeting with Kim Coughlin to explore opportunities for reconciliation and restitution, perhaps at least seeking the return of the fees NEYM paid to CCS. Jonathan intends to gather more information about our options for seeking some compensation within the context of the criminal proceedings against Ms. Hughes.

- **1/22/2012:** Jonathan Vogel-Borne receives a letter from the Massachusetts Commission Against Discrimination giving notice of a discrimination complaint filed on December 2, 2011 by Robin Kizito, alleging racial discrimination and wrongful termination of employment against Barbara Rugg (a former NE Friends Home Director), individually, and the NE Friends Home, and NEYM. Since NE Friends Home is not separately incorporated, the NEYM operations is the named organizational defendant.
- **1/23/2012:** The complaint was also sent to Barbara Rugg. Jonathan Vogel-Borne contacts Barbara Rugg to let her know that he is looking into our insurance coverage and that she should not do anything until she hears back from him.
- **1/23/2012 to 2/8/2012:** Jonathan Vogel-Borne contacts our two different insurance agencies (Church Mutual Insurance with our Multi-Peril coverage and the Mount Vernon Fire Insurance Company, carrying the NE Friends Home Directors and Officers' and Professional Liability insurance policy) to find that we were not covered for a discrimination complaint. In order to be covered for such claims, we needed to have carried Employment Practices insurance. Our Multi-Peril policy, though, will cover the first \$5,000 of legal fees in a defensible claim.
- **1/31/2012:** Jonathan Vogel-Borne sends a letter/PDF to the Massachusetts Commission Against Discrimination to ask that the submission date for our Position Statement be extended to 2/24/2012.
- **2/2/2012:** Jonathan Vogel-Borne puts the NE Friend Home QuickBooks account online, giving access to Steve Snow, Chris Doehlert, and Frederick Martin.
- **2/6/2012:** Hearing back from both insurance companies that we likely do not have coverage for the discrimination complaint, Jonathan Vogel-Borne contacts Barbara Rugg, asking her to prepare her response to the allegations in a Position Statement
- **2/7/2012:** Dan Podolsky, an independent insurance broker, secures a new insurance policy for the property, with full coverage, through Central Mutual Insurance Company, Van Wert, OH. The annual premium is \$6,907. Our underinsured policy with Church Mutual had an annual premium of \$2,761. We will be reimbursed on a pro-rated basis for the remainder of the annual premium when the coverage is cancelled.
- **2/7/2012:** Mark Reenstierna, commercial appraiser, sends Jonathan and Jeanne McKnight the final version of the appraisal. Jonathan authorizes a check for \$1500 to be sent to T.H. Reenstierna LLC, completing payment for the appraisal.

- **2/7/2012:** Jonathan Vogel-Borne contacts Steve Snow, CPA, asking him to obtain an extension for filing the NE Friends Home's federal form 990.
- **2/8/2012:** Jonathan Vogel-Borne contacts Fran Barbieri of the Andover, MA law firm, Schwartz Hannum PC about representing us in the discrimination complaint. This was the lawyer and the firm that handled Barbara Rugg's several employee terminations in late 2010 and early 2011. The firm also represented the Home at appeal hearings for former employees with the Department of Unemployment Assistance. Robin Kizito worked for the NE Friend Home from June of 2010 to February of 2011, at which date her employment was terminated.
- **2/9/2012:** Jonathan receives Barbara Rugg's answers to Robin Kizito's allegations and forwards them to Fran Barbieri.
- **2/11/2012:** Finance Committee is updated on the disposition of the NE Friends home property. Friends expressed concern about the ±\$6,000/month of ongoing expenses NEYM carries on the property.
- **2/12/2012:** Kevin Delaney informs Jonathan Vogel-Borne that we have an offer for \$1.1 million on the property from an assisted living developer/organization. Kevin also lets us know that another interested party is likely to make an offer on the following day. Jonathan convenes a conference call with available members of the ad hoc Committee and, on Kevin Delaney's advice, we decide to counter offer at \$1.4 million (our asking price was \$1.5 million). The assisted living developer/organization returns with a "split the difference" of \$1.25 million. We do not answer.
- **2/13/2012:** We receive an offer of \$1.625 million from Campus of Caring, an organization looking to establish the first residential hospice on Boston's south shore area. The Horizon Group, with whom we have been in conversation since November 2011, interested in continuing the property as an assisted living facility, gives us an informal offer of \$1.3 million. The Montessori Secondary School group asks us once more to consider whether we would agree to lease to buy arrangement for the property
- **2/13/2012:** Schwartz Hannum PC is engaged to represent NEYM and Barbara Rugg in a joint defense. Jonathan instructs Fran Barbieri to contact MCAD to arrange for mediation, rather than a formal hearing. Robin Kizito is being represented pro bono by the Boston University Civil Litigation Program. Fran Barbieri informs us that our willingness to enter into the mediation setting provided by the MCAD means that we are prepared to make a cash settlement with Robin Kizito. A cash settlement, however, does not legally mean that we or Barbara Rugg are admitting to having discriminated against Robin Kizito. Given the costs of a formal hearing and perhaps further litigation, Jonathan Vogel-Borne in consultation with Edward Baker, Ed Mair, and Barbara Rugg, decides that NEYM's best interest is served by attempting to resolve the complaint through mediation.
- **2/14/2012:** Ad Hoc Property Committee meets via conference call and accepts Campus of Caring's offer of \$1.625 million with no mortgage contingency and a closing date in early April.
- **2/15/2012:** On behalf of NEYM, Jonathan Vogel-Borne signs the formal offer with Campus of Caring. Edward Baker, clerk of Permanent Board, sends the following message to the members of Permanent Board and to the Finance Committee:

Greetings Members of Permanent Board,
The Friends Home Ad Hoc Property Committee held a conference call on Tuesday evening

(14 February) to make a decision regarding three active offers for Thayer House (the former Friends Home). We have accepted a cash offer of \$1,625,000 from the Campus of Caring, a 501(c)3, not-for profit corporation, proposing to use the facility as a hospice care center to be operated by the Norwell Visiting Nurse Association and Hospice. We received letters of support for accepting this offer from both Dinah and Vickie Starr, daughters of the donor of the property, Polly Starr. The only contingency on the offer is a structural walkthrough by a member of the organization's board who is a contractor. This group has been in existence for seven years with a mission to build the first hospice care facility on the South Shore. (A reminder: our asking price had been \$1,500,000.)

In the process, we rejected an offer from Landmark Senior Living Group for \$1,600,000. Landmark, a commercial venture, owns and operates four assisted living facilities (some with memory care units) with from 105 to 75 beds across the state.

We also rejected an offer from Horizon Group of \$1,300,000 who were planning to continue to run the facility as an assisted living facility.

In addition we have been actively communicating with the (yet to be established) Montessori Secondary School of New England (MSSNE) which has a fully visualized plan for using the property in conjunction with the surrounding Trustees of Reservations property and CSA to create a secondary school program based on agriculture. They have progressed far in the past several months, but they have no cash at this point to bring to the table. They proposed a long-term partnership with the Yearly Meeting, taking ownership and responsibility for the property and sharing a percentage of their net profits. Although many of us felt the MSSNE vision would indeed be a good use for the property, we agreed that it simply wouldn't be prudent to transfer the property to a start-up private school with no guarantee of return.

We agreed the "highest and best use" to be the Campus of Care proposal – which was also offering us the highest price, with the added feature that it is a not-for-profit. The broker reported that the Campus of Care board has been in contact with the Town of Hingham and they have no concerns about having the property rezoned for their intended use.

We authorized Jonathan to sign the documents accepting the deposit today. The purchase and sales agreement will be signed on the 27th of February, and the closing is scheduled for 6 April [**Note: at the Purchase and Sale, that date was changed to 24th of April**]. At the 17 March Permanent Board meeting we will have an opportunity to review this further and we expect that you will affirm the decision to accept this offer.

This is a wonderful development which we believe the Yearly Meeting will also find to be very appropriate.

- **2/21/2012:** In January we were served a subpoena for the employment records of a former and deceased NE Friends Home employee, who last worked there in 2007. Jonathan Vogel-Borne, with Barry Corbin's help in locating the documents, sent a copy of this person's employment records to the law firm of Foster & Eldridge, LLP. I was assured by the law firm that this subpoena had nothing to do with Home, per se, but with another former employee.
- **2/22/2012:** Jonathan Vogel-Borne applies for Employment Practices Liability coverage with Church Mutual Insurance. The underwriters will get back to Jonathan with their determination.
- **2/25/2012:** Dinah Starr, in her role on the Friends Meeting at Cambridge (FMC) Ministry and Counsel speaks with Jonathan Vogel-Borne about visiting with the South Shore Preparative Meeting. The Preparative Meeting is under the care of FMC and Dinah has been charged with contacting the Meeting to help them think through possible next steps. Dinah, Jonathan, and Anne Thompson (also of FMC Ministry & Counsel) are scheduled to meet with South Shore Preparative Meeting on Friday evening 3/23/2012.
- **2/27/2012:** The Purchase and Sale agreement with Campus of Caring is signed by Edward Baker on behalf of NEYM and Walter Sullivan on behalf of the Campus of Caring. NEYM stipulated a contingency that the sale would need Permanent Board approval at its meeting on

3/17/2012 and that all personal property, with the exception of a painting over the library fireplace, go to the buyer as part of the sale. The closing date is set for April 24, 2012.

- **2/28/2012:** MCAD sets 1pm, March 26, 2012 as the mediation date for Robin Kizito's discrimination complaint.
- **3/1/2012:** Steve Snow, CPA, returns Jonathan's calls to say that he had filed for an extension of the submission date for the NE Friends Home 990 and he is ready to begin engagement with us.
- **3/5/2012:** Steve Snow sends Jonathan a list of administrative and financial items needed for filing the 990 form. He also sends Jonathan PDF copies of the NE Friends Home's 990s for the prior two years. Jonathan asks Chris Doehlert to obtain the financial items necessary (bank and investment statements). Jonathan will see to obtaining the administrative items needed.
- **3/8/2012:** Jonathan contacts Kim Coughlin of Coughlin Consulting Services, beginning the conversation with her to set up a face-to-face meeting to "to explore opportunities for reconciliation and restitution." Kim Coughlin will think about this possibility and get back to Jonathan in a week or two. Jonathan will follow up, nonetheless.
- **3/8/2012:** Hingham Institution for Savings (\$227,000 original mortgage amount) and the Providence Friends Meeting (\$30,000 original mortgage amount) are listed on the new insurance policy with Central Mutual Insurance as holders of the first and second mortgages respectively. Jonathan contacts the Hingham Institution for Savings to let them know we have changed insurers and sends them a PDF of the binder listing them as holders of the first mortgage. Jonathan cancels the NE Friends Home property segment of the NEYM insurance policy with Church Mutual Insurance.
- **3/9/2012:** Jeanne McKnight hears from Campus of Caring's Walter Sullivan that the board of the Norwell Visiting Nurses Association (NVNA) voted to purchase the property itself, and that the buyer, Campus of Caring, Inc., anticipates assigning its rights under the Purchase & Sale (P&S) to purchase the property, to NVNA." Jeanne also discloses that a partner in her firm is a member of the Board of Directors of the NVNA, and that she needs to obtain Edward Baker's consent as clerk of the Permanent Board to allow her firm to continue representing NEYM in this transaction, now that NVNA is to be the buyer. She goes on to say that "since the terms of the P&S have already been negotiated, I do not believe that continuing to work on this matter is a violation of professional ethics, provided that formal written disclosure is made and signed approval is obtained, from both NEYM and from NVNA." Edward agrees to sign such a letter of consent.

END OF 13 MARCH 2012 UPDATE

- **3/17/2012:** Permanent Board meets at Putney, VT and approves the following minutes regarding the property:

12-22 Report on New England Friends Home Property: Jonathan Vogel-Borne reported on behalf of the ad hoc Friends Home Property Committee (see PB Minute 11-78). Referencing the Progress Report distributed with the advance documents, he reviewed two developments since the January meeting:

Bookkeeper Fraud – Jonathan followed up on PB's request "to pursue a face-to-face meeting with Kim Coughlin to explore opportunities for reconciliation and restitution" (see PB Minute 12-9). In a phone conversation, Ms. Coughlin expressed strong reluctance to meet and

wanted to consult her attorney. She indicated that she has no money and has lost most of her business. Since we have decided not to pursue litigation, it is unclear what recourse we would have if Ms. Coughlin decides she does not want to meet. Friends are comfortable letting Jonathan and Chris Doehlert discern how and whether to pursue further interaction with Ms. Coughlin.

Discrimination Complaint – Jonathan reviewed the circumstances of the complaint, noting that it provides further confirmation that in the absence of resources for stronger oversight, getting out of the business of running an assisted living facility was a wise decision for the YM. Since the YM did not have “Employment Practices” insurance, only the first \$5,000 in legal fees was covered by our policy with Church Mutual. While the YM’s attorneys agree that the case has no merit, the decision was made to pursue mediation, as the least costly way to reach a resolution. A mediated settlement does not mean that the YM is admitting culpability, but it will likely result in a cash settlement to the complainant.

Friends approved authorizing Jonathan to reach a settlement involving up to \$4,000 in compensation to the former employee, beyond which he will need to consult with the members of Coordinating and Advisory Committee.

Friends identified some remaining concerns arising from these two challenging incidents:

- What responsibility does the YM have to inform future clients of Ms. Coughlin?
- What lessons should we learn from these experiences, so we can ensure that all YM entities (e.g. Friends Camp) have adequate insurance, as well as training and guidance, to avoid such difficulties in the future?
- How do we ensure that the next YM Secretary has adequate knowledge and experience in these areas?
- Do we need “board training” for PB members?

12-23 Sale of New England Friends Home Property: The Clerk reviewed the Purchase & Sale agreement accepted by the ad hoc Friends Home Property Committee, pending the approval of Permanent Board. The cash offer of \$1,625,000 is from Campus of Caring, a 501(c)3, not-for profit corporation, proposing to use the facility as a hospice care center to be operated by the Norwell Visiting Nurse Association (VNA).

The ad hoc committee recommends accepting this offer for several reasons: 1) it is higher than our asking price of \$1.5 million; 2) it is being made by a non-profit organization; 3) the property would be continuing in its use to serve the elderly (and others) as they face the end of their lives; and 4) the facility will be operated by professional health care providers.

Friends approved the sale of the New England Friends Home property, authorizing Edward Baker to sign for the Yearly Meeting any documents required for closing.

The Clerk then reviewed the decision by Campus of Caring to assign its rights, under the Purchase & Sale agreement, to the Norwell VNA. He also reviewed the potential conflict of interest arising from the fact one of the partners at Jeanne McKnight’s law firm serves on the Board of Directors of the Norwell VNA. Friends agreed with Jeanne’s assessment that since the terms of the agreement had been negotiated prior to the decision to transfer the sale to Norwell VNA, no professional ethics will be violated. **Friends approved** having Edward Baker sign a letter of consent, allowing the transfer of the sale to Norwell VNA.

The closing is scheduled for Tuesday, April 24, 2012. Mortgages, legal fees, brokers’ commissions, and the costs of closing the Friends Home will be subtracted from the sale price. The Treasurer will provide a full financial report on the transaction at the May PB meeting. The agenda for that meeting will include time for initial discernment about the potential use(s) for the funds received from the sale.

Friends expressed deep gratitude to the ad hoc committee for its faithfulness in carrying out its charge.

12-24 Transfer of Whittier Items by Amesbury MM: The Clerk reported that Amesbury MM had sought to loan the historical items related to John Greenleaf Whittier obtained from the

Friends Home (see PB Minute 11-94) to a local museum. However, the museum (the Whittier Home Association) would rather not have them as a loan.

Friends approved having Amesbury MM transfer these items to the Whittier Home Association, with the following stipulations: 1) should the Association ever fold or dissolve, these articles would be returned to Amesbury MM; 2) appropriate curatorial care shall be given to the items; and 3) the gift shall be attributed to NEYM.

- **3/21/2012:** Jonathan Vogel-Borne, Barbie Rugg and Fran Barbieri have a conference call to prepare for the 3/26/2012 discrimination complaint mediation session.
- **3/23/2012:** Jonathan Vogel-Borne goes to 86 Turkey Hill Lane to obtain various records from the Home, including Friends Home Committee minutes and the financial records, client records, and employment records for the last several years. He takes 10 file boxes of records to the NEYM Office.
- **3/23/2012:** Jonathan Vogel-Borne, with Dinah Starr and Anne Thompson of the Cambridge Monthly Meeting Ministry & Counsel, have a potluck and meeting with Friends from the South Shore Preparative Meeting (which is under the care of Cambridge MM) regarding the future of the meeting, particularly where the meeting will worship following the sale of the property. We agree to formally ask the new owners if the meeting could continue meeting at the home until the end of May. This request is approved by the Norwell VNA and written into the closing documents. South Shore Preparative Meeting has a summer meeting place at the historic Pembroke meetinghouse. They are looking for a suitable meeting place come this fall.
- **3/26/2012:** Barbie Rugg, Fran Barbieri (attorney with Schwartz Hannum PC), Jonathan Vogel-Borne and Holly Baldwin meet in mediation with Robin Kizito and her legal team, a law student Nicholas Mason with Boston University Civil Litigation Program and his faculty advisor, Robert Burdick. The mediation was conducted by Eleanor Druckman, appointed by the Massachusetts Commission Against Discrimination. After hearing each other's sides of the story, we eventually settled with Robin Kizito by agreeing to compensate her for \$4,000 in back pay. The total amount of money paid out to Schwartz Hannum PC for their services was \$11,888 plus another \$5,000 paid by our insurance company as the maximum payment under our policy for a "defensible claim."
- **4/3/2012:** Church Mutual Insurance Company determines that it will add "Employment Practices" coverage to our policy, retroactive to 2/27/2012, for an additional premium of \$356/year. Jonathan Vogel-Borne accepts this change in our policy.
- **4/4/2012:** The closing date is changed from 4/24/2012 to 4/26/2012 to accommodate the presence of the new president of the Norwell VNA.
- **4/4–10/2012:** Barry Corbin goes to Colorado to visit his dying mother. Barry leaves John Pitt, a local Hingham person, to look after the property for the week.
- **4/9/2012:** Jonathan Vogel-Borne sends a letter to Barry Corbin thanking him for his service, noting that his contract ends with the sale of the property, and stating that we have asked the Norwell VNA to be in touch with him about continuing his service as a maintenance person. Unfortunately Jonathan sends the letter to one of Barry's outdated email addresses. Finding out about this mistake, Jonathan sends Barry the letter on 5/1/2012.
- **4/10–30/2012:** Jonathan Vogel-Borne goes to Kenya to attend the 6th World Conference of Friends.

- **4/21/2012:** Betsy Kantt and Alice Schaefer go the house to finish collecting and shredding the New England Friends Home paperwork. Betsy takes 6 file boxes of records home with her. She is in touch with the Massachusetts Executive Office on Elder Affairs to determine the appropriate protocol for storing our records.
- **4/26/2012:** The closing takes place. Edward Baker signs the documents on behalf of New England Yearly Meeting. During the final walkthrough, Norwell VNA people discover that some items in the house are missing, including the grandfather clock in the lobby. The Norwell VNA people demand that all items be returned. They also let Barry know that they have decided not to engage his services, and give Barry until Sunday afternoon, 4/29/2012 to leave the premises.
- **4/27/2012:** On the advice of our attorney, Jeanne McKnight, Edward Baker signs a “post closing agreement” regarding the missing property. NEYM agrees to these terms: “In the event that Seller does not cause such items to be returned promptly, Buyer shall have the right to determine the value of the missing items and Seller shall reimburse Buyer for the cost to replace such items.” Some of the missing items taken from the house are returned.
- **4/29/2012:** Barry Corbin is unable to move all of his belongings from the house, but he vacates the premises, planning to return on a subsequent day to retrieve his possessions.
- **5/1/2012:** A check in the amount of \$1,280,064.92 arrives at the NEYM Office. This represents the net proceeds from the sale of the former New England Friends Home property at 86 Turkey Hill Lane, Hingham, MA. The check is deposited in NEYM’s TD Bank Account on the following day. The bulk of this money will be transferred into the NEYM Pooled Funds, leaving sufficient funds in the operations accounts to reimburse our reserves, covering all costs related to the closing of the Friends Home operations and the sale of the property.
- **5/2/2012:** After some confusion around obtaining a signature for the payroll check, Robin Kizito deposits the agreed upon back-pay settlement money, to conclude the discrimination complaint.
- **5/8/2012:** A check in the amount of \$1,125,000 is sent to the NEYM Pooled Funds.

END OF 9 MAY 2012 UPDATE

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- **5/14/2012 (approx.):** Steve Snow our new accountant files an extension for the NEFH-Thayer House 990 report to the IRS for fiscal year 2011. The new file date is 15 August 2012.
 - **5/15/2012:** Jonathan contacts the NEFH–Thayer House retirement service, ING to find out how to close our retirement account. All former employee’s 403b retirement savings must be moved into new retirement accounts of the given employees own choosing. We need to hire a third party administrator to insure that all account closing requirements are properly fulfilled.
 - **5/16/2012:** After trying to contact Barry Corbin for some time, Jonathan has a long telephone conversation with him. Barry expresses his disappointment in how he was treated by the Norwell Visiting Nurses Association (VNA) Executive in charge of buying the property. He is considering obtaining legal counsel to sue the Norwell VNA.

- **5/16/2012:** Jonathan sends a fax to the Massachusetts Department of Unemployment Assistance asking for the New England Friends Home – Thayer House to receive its correct designation as an unincorporated subsidiary of NEYM and therefore a religious non-profit organization not liable to pay unemployment insurance to the state of Massachusetts.

A complicating wrinkle in our relationship to the DUA is that for some time now, former employees of the NEFH–Thayer House have been collecting unemployment insurance payments. In the Spring 2011 interviews conducted by Permanent Board’s Ad Hoc Committee on Friends Home Care, we were informed about former terminated for cause employees requesting appeal hearings to the DUA. NEFH was represented by Schwartz Hannum P, the same law firm that helped us with the discrimination complaint. To date, there is still one former employee collecting unemployment insurance payments. Consulting with Chris Doehlert, Jonathan guesses that the total unemployment insurance payouts to date amount to less than \$20,000.

- **5/22/2016:** Jonathan authorizes Chris Doehlert to send Barry Corbin his last payment, which included full payment for Barry’s week-long leave to Colorado. Barry had a number of outstanding unreimbursed out-of-pocket expenses that were likely less than \$600. Jonathan saw that paying for Barry’s week in Colorado would more than offset any unreimbursed expenses owed.
- **5/29/2012:** We receive a “Cumulative Statement of Amounts Past Due” from the Mass. Department of Unemployment Assistance (DUA), dated 22 May 2012. The bill, payable on receipt, is for \$527,735.04 in outstanding amounts for unemployment insurance premiums and interest, dating back to the 3rd Quarter of 2007. Having just sent a fax asking for a re-determination of the NEFH–Thayer House, Jonathan calls the DUA for advice on what to do. After speaking to a second person who could not directly help him, Jonathan decides to wait for a response to his fax from someone at the DUA.
- **6/12/2012:** Jonathan returns a faxed form, requesting to be appointed as a “Employer Systems Administrator” in the Mass. DUA’s employer QUEST (Quality UnEmployment System Transformation). This is the only way that the DUA will accept notice that the Home is closed.
- **7/3/2012:** Jonathan gains access to the Mass. DUA’s employer QUEST website to notify the DUA that the Friends Home closed on 2 September 2011.
- **7/10/2012:** Jonathan finds a second “Cumulative Statement of Amounts Past Due” from the Mass. DUA, dated 20 June 2012, for the amount of \$531,638.54. Has another set of phone calls with the DUA. They tell Jonathan to fax the 16 May 2012 letter again. This time to the attention of the “Status Unit.”
- **7/10/2012:** Jonathan sends Chris Doehlert what we hope is the very last of the Home’s bills.
- **7/11/2012:** Jonathan receives a phone call from David Delong of the Philadelphia Insurance Corporation representing the Norwell VNA. Barry Corbin is suing the Norwell VNA for damages resulting from his leaving the Friends Home property. David Delong wanted to know my understanding of what Barry Corbin was told about the disposition of the Friends Home personal property (furniture, etc.) upon the sale of the property. As noted in the Purchase and Sale agreement (see 2/27/2012 above), I conveyed David Delong that on at least two occasions, I let Barry know that all personal property, except for the 19th Century Hudson-School-like painting, would go to the new owners.

- **7/17/2012:** Jonathan leaves a phone message for Steve Snow, our accountant, reminding him that we have a 15 August 2012 filing date for the Homes federal 990 form. Jonathan also notes that due to the NEYM annual Sessions, he will not have a lot of time to assist Steve Snow, if that becomes necessary.
- **7/17/2012:** After a few attempts and vacations intervening, Jonathan has a phone consultation with Elliot Wise, a retirement specialist, third party administrator (TPA), about the steps necessary to close the Home's ING retirement account. Elliot Wise is concerned that the Home's 403b plan had been correctly updated with the new government regulations. If the plan was not updated, it is now not a legal plan and there could be costly IRS penalties and legal complications for NEYM and the former employees retirement money would then have to be treated as compensation. Elliot Wise asks to see a copy of the plan. Jonathan finds the plan and sees that Elliot Wise himself was the TPA who helped the Home update its plan.

Minute of Northwest Quarterly Meeting of New England Yearly Meeting of the Religious Society of Friends

Approved June 3, 2012

2012-2 Northwest Quarterly Meeting affirms our experience of the full equality, value, dignity, and spiritual gifts of members of our community regardless of sexual orientation or gender identity. God calls us to witness, celebrate, nurture and care for all loving committed partnerships in our Meeting community.

The Quarterly Meeting is united in deep concern about the current Friends United Meeting personnel policy, which in our understanding denies committed lesbian, gay, and unmarried heterosexual couples the opportunity to express their gifts as Friends United Meeting staff or volunteers unless they are celibate. We believe the invitation before us as Friends is to explore how we can share with Friends United Meeting what we have been taught by the Spirit in a way that is helpful to others as we seek to do what Love requires of us on this issue.

We have come to clarity that withholding funds from Friends United Meeting excludes our voice of concern on this issue with Friends United Meeting and does not seem to us consistent with the Way and Spirit of Love. It does not seem right to us to seek to exercise power over Friends United Meeting in this manner. Our desire is that Northwest Quarterly Meeting and New England Yearly Meeting remain engaged with Friends United Meeting and seek unity concerning a new Friends United Meeting personnel policy. It is only by a shared sense of Truth that hearts can be changed.

Recognizing that not all the Monthly Meetings in Northwest Quarter are in Unity with this approach to change, those gathered here today are moved by the Spirit of the minute presented by Putney Friends Meeting and approve forwarding it to Yearly Meeting.

Draft Minute on NEYM policy concerning the Friends United Meeting (FUM) personnel policy

Putney Friends Meeting affirms our experience of the full equality, value, dignity, and spiritual gifts of members of our community regardless of sexual orientation or gender identity. God calls us to witness, celebrate, nurture and care for all loving committed partnerships in our Meeting community.

The Meeting is united in deep concern about the current Friends United Meeting personnel policy, which in our understanding denies lesbian, gay, and unmarried heterosexual Friends the opportunity to express their gifts as Friends United Meeting staff or volunteers unless they are celibate. We believe the invitation before us as Friends is to explore how we can share with Friends United Meeting what we have been taught by the Spirit in a way that is helpful to others as we seek to do what Love requires of us on this issue.

We have come to clarity that withholding funds from Friends United Meeting excludes our voice of concern on this issue with Friends United Meeting and does not seem to us consistent with the Way and Spirit of Love. It does not seem right to us to seek to exercise power over Friends United Meeting in this manner. Our desire is that Putney Friends Meeting and New England Yearly Meeting remain engaged with Friends United Meeting and seek unity concerning the Friends United Meeting personnel policy. It is only by a shared sense of Truth that hearts can be changed.