

December 1, 2017

Dr. Pio D. Baconga, Chairperson
 UCCP General Assembly
 877 EDSA, West Triangle
 Quezon City

Dear **Dr. Baconga**:

Warm greetings of Peace! I am writing you, as you are the Chair of the UCCP General Assembly, to express some thoughts that might be of help in response to the present exchanges that are circulating in the social media that raise concerns over leadership issues of our beloved United Church of Christ in the Philippines. I learned that as early as four months after the UCCP was organized in May 1948, the UCCP Executive Committee decided to continue the “GO” publication started by the United Evangelical Church, a pre-UCCP union of Evangelical Churches in the country. Norwood B. Tye, former UCCP General Secretary (1956-60) wrote, “the publication was helpful in cementing the bonds of the union by keeping the pastors and lay leaders informed of on-going developments in the Church. Within a few years ‘United Church Letter’ took over the function and was published by the office of the General Secretary.”¹

I know that the “United Church Letter” was revived lately via website. But I suppose NC’s major strategic decisions, National Secretariat’s executive summary of important subjects deliberated upon by the National Executive Council and a raft of different proposals and concerns coming from our Judicatories are examples that must take front seat in the gazette to inform our constituency. Currently, the gap of information was so wide as it now invites me to correct some inaccuracies and misconceptions which I will go into details below to disabuse the minds of our constituency, imputations and conclusions that are so excessive that are no longer good if left on their own.

ONGOING MEDICAL SERVICES

I am the Bishop of the East Visayas Jurisdictional Area based in Tacloban. The information that there is no more healing ministry in Tacloban is wrong. We have now 34 consultants in the Out Patient Department (OPD) and 1 Doctor in the Dialysis Department. Currently, the specialties available are the following: Surgery- 8 Doctors; OB-Gyne- 4 Doctors; Pediatrics- 3 Doctors; Medicine- 13 Doctors; Anesthesiology- 1 Doctor; Ophthalmology- 2 Doctors; Pathology- 1 Doctor; Dental Medicine- 1 Doctor; Alternative Medicine- 1 Doctor; and 2 Radiologists. We also have diagnostic and therapeutic facility in operation that offers the following: Laboratory Services; Microscopy/Parasitology; Hematology; Chemistry; Serology/Immunology, and other services like Pap Smear, ECG and Drug Test. Also in operation is a Birthing Clinic and a Dialysis Center. The latter stood currently as the most viable because its existing five (5) units dialyser can no longer absorb the number of patients in Tacloban coming in per day. So, forthcoming was a plan to put additional units.

1. Norwood B. Tye, *Journeying with the United Church of Christ in the Philippines: A History* (Published by the United Church of Christ in the Philippines, 877 EDSA, Quezon City, 1994) p. 59.

IMMEDIATE REOPENING OF BETHANY HOSPITAL

The action of the 2014 General Assembly in Legazpi to reopen immediately Bethany Hospital in Tacloban was in the minds of the elected officials of our Church. But only little of our constituency did know that after typhoon Yolanda devastated Eastern Visayas that affected our hospital, the UCCP had to face an expensive legal battle against hospital employees. This was after we informed DOLE, BIR, DOH, that there will be temporary closure so as to commence the huge recovery effort while be officially relieved from tax obligations and the real problem of retaining 300 plus regular hospital personnel with obviously no immediate work in sight. Some who understood the situation chose to accept the option of leaving and receiving separation pay while others who were unsympathetic to the plight of the owner who was also a victim chose to demand something that was quite onerous to the latter. Their demand was to have moratorium on their salary and once the hospital will become operational they will be hired back and be paid their back wages- wages that they did not work for. While this demand was unjust, where can we draw sources to pay them when no revenues are generated in the reconstitution process granting we succumb to their pressure? In fact, the reality was that the hospital incurred great losses, and we were able to prove that in court paving the way to reopen the healing ministry after it was officially closed based on the premise cited above under a new name- the United Shalom Medical Center (USMC). This is the answer to the question, why the new name? But while it was painful to leave behind the eminent name of Bethany Hospital, its unavoidable closure because of labor problem and severe financial loses was a prerequisite to opening a new one. I just comforted myself with the thought, *“Unless a seed falls into the ground and dies, it remains alone; but if it dies, it bears much fruit. John 12:24.*

But let me help our constituents see the painful process. There were 3 labor cases that were lodged at the Regional Arbitration Board under NLRC (National Labor Relations Commission) from the rank and file, middle managers and senior manager against the old corporate name Bethany Hospital, alleging that the management/UCCP illegally dismissed them and that there was abuse of authority on the part of the owner. Of course, everyone knew it was not us that fired them. The world knew it was Yolanda who fired them. The hospital was rendered inoperable. Medical equipment damaged. Hospital records wiped out. Infrastructure and hospital fixtures were in shamble and yet the Labor Union wanted everyone of them reinstated. How could that be? The immediate reopening of the hospital, though a mandate from the General Assembly, had to be understood in this context. First, we had to answer these allegations in court, had to hire a legal counsel and spent legal fees to resolve the matter. The hospital being the subject of the legal questions through its management had to rationalize its operational plans to reconstitute until final resolutions of cases shall have been effected. Unfortunately, one of the FB reactors in Pagmata, in the person of Earl Viernes (FB account: AV Earl), was the former Medical Director of Bethany, who is now busy again sowing disinformation in the social media about Bethany Hospital. This guy was, beyond doubt, bitter. Why and what happened along the way, I will elaborate below.

TASK FORCE “TUKDAW”

One of the things that the UCCP leadership (NEC) did after typhoon Yolanda ravaged Tacloban City was to approve the recommendation of the Bethany Board to create Task Force “Tukdaw”

to respond to cleaning and clearing operations and to secure the hospital's premises (December 2013). They were also tasked to respond to expediencies like documentary needs, eg. Philhealth, SSS, hospital insurance claims, etc. AV Earl was a member of Task Force "Tukdaw." The UCCP was working that time to secure funding from UEM (United Evangelical Mission) that was later endorsed by UEM to Bread for the World (BfdW) in Germany. On August 20-22, 2014 two consultants from Germany came over to Tacloban to conduct a feasibility study on the rehabilitation plan in the person of Dr. Jochen Bitzer and Dr. Konrad Oberman commissioned by the Bread for the World (BfdW). Among the specific objectives of the study include structural design of future building plan, financial and human resource sustainability, improved access to marginalized clientele, and health care waste management. The study had one recommendation, among others, that stood out if the Church must reopen the hospital. And this is about streamlining the hospital's governance structure, management, and the development of the hospital's property under a comprehensive master plan.

During that time, it was natural that the National Executive Council was inclined to appoint someone to head the Task Force other than AV Earl for it was this time that the Union including AV Earl had marshaled their voice to resist acceptance of separation pay because as I mentioned above, they wanted reinstatement. This ambivalent combination between rank and file (Union) and AV Earl (management, being the senior manager) did not sit well with common sense and the provisions of law where the definition of employer-employee are spelled out to provide contrast. And here, you have a manager complementing with rank and file's demand for reinstatement when the latter in the old set up actually hated the former. Both were temporarily using each other to pursue their reinstatement demands. In fact, even if the UCCP will gloss over the issue of setting up a new structure and governance in case the hospital will be reopened immediately, the National Executive Council was not inclined to appoint him as administrator because of his past and present demeanor to use a very polite term. This is the reason why he is bitter.

And this is what ensued. It was really sad for the Church to know that AV Earl finally went out to sue UCCP for illegal dismissal to the Regional Arbitration Board (NLRC) asking for damages to the tune of 10 million pesos and 1 million pesos each for the rank and file and the middle managers. His real intent, through this case, was revealed. It must be clear that the Church had done nothing to sever his ties from the UCCP, but rather, it was his own doings that distanced him from the Church by virtue of the labor case he filed against the UCCP. I imagined, granting that the court would take side on his demand, where would he think the church get that amount to pay him? But since their demands were beyond common sense which was denied by the Regional Arbitration Board and later appealed to the Labor Appellate Court but same was denied two times, the church was spared from the excesses of AV Earl and company.

Nonetheless, NLRC in its decision mandated UCCP to give to the workers what was due them and the UCCP happily complied with the order because right from the very beginning it was already the position of the Church to grant them separation pay. The resolution of this case was only reached last December of 2016.

FUNDING PROPOSAL

UCCP management through Dr. Miguel T. Udtohan prepared a Project Proposal for submission to Bread for the World (BfdW) in Germany to fund the construction of the new medical facility. The process of getting a nod for funding from our funding partner was not an easy one. This started last 2014 while we were at the same time attending to our labor cases. Many times over our proposal was returned to us to meet fundamental requirements from the funder for policy compliance. In fact, their Clearing House in the Philippines headed by a Filipino counterpart in Manila had to go over to Tacloban to engage us in the visioning process and a strategic planning was conducted to repackage the proposal based on the output of the plan. The architectural design was the most tedious part because it had to undergo revisions many times over because while we have to meet their standards as per recommendation by our German architect counterpart, we also have to adjust it based on the building accreditation standard of the Department of Health (DOH), Philippines. Last November 27, we were informed that the funding was approved in the amount of €850,000.00 (European Money). Those who were asking where is that money now? The answer is, it is not yet released by Bread for the World (BfdW) and not until the new German government could normalize leadership transition. As we all know, West Germany had just held their national elections last September 2017 and they have now a new Chancellor. But on our end, after that official notice of funding approval, management will be informing the funder that we commence work this January 2018 by using our counterpart to start the preliminary phase of the construction to hasten the work pending release of said fund from them. If no impediments to said agreement, the management is set to begin work on first day of 2018. The Permit to Construct (PTC) was already released last November 14, 2017.

It may help our constituents to understand that this is only in so far as the construction of the new medical facility is concerned. As narrated above, our medical services have already begun right after we finished the renovation of the old 3-storey Medical Arts facility including the structures behind it where we housed the Medical Laboratory, Dialysis Center and the Out Patient Department (OPD). To augment our income generation activity, we utilized the third floor of the Medical Arts building to sustain our hospitality ministry for transients to have home away from home in Tacloban by renting out rooms for lodging and for activities that cater to small group trainings and seminars with reasonable and discounted rates for Church members. Though these are stand alone services because we are still in the process of completing our application for the Level 1 hospital accreditation from the Department of Health (DOH) we, nonetheless, consider these as significant steps toward reviving the healing ministry in Tacloban. At the moment, we already have about 30 personnel. Our application for a level 1 hospital accreditation is looking forward to a 100- bed capacity medical facility.

ON THE GAISANO LEASE

I believe it is instructive for our constituents to know that Tacloban Bethany property is a 4 hectare property. In the last 93 years of Bethany Hospital's existence until typhoon Yolanda came or since its birth as a mission hospital, only half of its property has been utilized and the rest for 93 years remained idle. Why this was so? I think it's not difficult to guess. We don't need 4 hectares or that huge size to operate a hospital. Or, maybe it's more safe to just keep a

portion of one's treasure idle so when the master comes and makes an accounting, we will be found controversial- free. But no! We exercise well our stewardship in the area. One strategic corner was leased to Jolibee that continues up until today, and a more bigger chunk parallel to the then busy Bethany hospital was rented out by the Remedios T. Romualdez School of Medicine. The RTR School of Medicine put up a 3 storey Medical School facility under a Build Operate Transfer (BOT) scheme good for 20 years. The agreement has expired, and now we owned the building and for many years it housed the Medical Arts of Bethany hospital that survived until today.

I am telling you this, Mr. Chair, just to show that leasing is not entirely new to this Mission property in Tacloban. In fact, the newer ramification of leasing agreement must not surprise us because time has changed. We were not thinking of malls before with multi-million peso investments. We were only thinking then of not so big time investment where lessee's ROI can be recovered in 20 years' time. We believe that no one today would make a multi-million investment for only 20 years leasing contract. We believe that 40 years is reasonable enough while the next generation will inherit the commercial mammoth structure of Gaisano for mission purposes. They say, it's a violation to the CSRD (Christian Stewardship and Resource Development) Commission's policy of 20 years leasing contract. Not entirely correct. Because while the leasing contract was discussed by the CSRD in one of their official meetings, they agreed to amend the policy from 20 to 40 years with only one dissenting vote coming from the Chair of the Commission. The CSRD is a Commission of 5 members. What happened to our democratic process when words, before long, were circulating that we should listen to the CSRD chair instead to the other 4 members?

"BEGGING THE QUESTION"

Generally, the earthshaking allegations that the National Treasurer is evil and including the General Secretary is corrupt, and therefore they should resign including the National Officers and Incumbent Bishops having no more moral ascendancy to lead is *"Begging the Question."* Begging the question is a logical fallacy that uses the premise to justify its conclusion like *"they are corrupt... therefore they should resign;" "the NC members have no time to study the proposal, they are just there to say 'yes' or 'no' when voting comes... therefore their actions are devoid of any real meaningful participation;" "the national leadership is violating the Constitution and By-Laws of the UCCP... therefore they don't deserve respect and support."* (I was just getting the sense of the statements I read on Facebook just to give an example. This is not a literal quotation.) I hope somebody could fill in the gap in-between the premise and the conclusion, otherwise, the sample statements would just be tautological. Of course, tautology by its very nature is bereft with facts. That's why it was but natural that some were challenging those who are disturbed by the current actions of the national leadership to bring the matter to the National Commission on Dispute and Conflict Resolution (NCDCCR) to bridge the gap, so that these allegations can be substantiated and be resolved with finality.

THE NEED TO ASSERT OWNERSHIP AND COHESION TO OUR CHURCH INSTITUTIONS

When we renew the corporate life of the College of Maasin, Maasin City, So. Leyte after it expired in the early part of the year 2000, one of the questions raised by the lawyer in the

Securities and Exchange Commission (SEC) was, “how could the College of Maasin, an independent corporation, be under another corporation (the lawyer was referring to the UCCP as another corporate independent body who owns the College of Maasin)?” This question is not an issue to us because it doesn’t make any difference, or if there is a difference we are not also interested to discover it. In fact, this is just the way things are since time immemorial. But slowly, when we were grappling this quadrennium with the question, how could we organize our Church Institutions in such a way that the Church- the United Church of Christ in the Philippines can exercise direct management and control with the former? I will provide the context to this question below.

In the 15th National Council meeting on August 24-27, 2012 held in UCCP Malaybalay City, Bukidnon, there was a motion duly seconded that the UCCP take positive steps to assert ownership of Bethany Hospital, La Union, and the Northern Christian College in Laoag City now privately claimed and run by Dr. Orenca and Dr. Agnir respectively. These institutions are wholly owned by the United Church of Christ in the Philippines and yet the UCCP has lost its control to these institutions. Suggestions were rife to file a legal case to recover them. In the 2013 National Council same problem was tackled but this time the question was raised in a more technical manner when someone asked, “who is the owner of Bethany Hospital and Northern Christian College? Is it the Corporation under its name? Or the United Church of Christ in the Philippines?” The General Secretary answered, since Bethany Hospital and Northern Christian College are not subsidiary corporations of the UCCP, then GA’s direct authority and influence to these institutions are only limited to the GA representatives sitting in the Board. Beyond them, the Church cannot assert its interest.

THE HOLDING COMPANY

With this situation, the question raised by the lawyer that I mentioned above now made sense. A corporation cannot exercise full management and control over another corporation unless the latter is a subsidiary. This is how a Holding Corporation works. I remember that in our previous dialogue with FOC, I said we are actually dealing not one or two or three or four or five corporations in the Church. We are actually dealing more than 250 corporations within UCCP because all our schools, hospitals, service centers, other ECE (Elementary Christian Education) centers, not to mention some of our Conferences and Local Churches, are registered with the Securities and Exchange Commission (SEC). This was not an exaggeration because this is true, but my interest for sharing that time was on how to provide guidance and management to our schools, hospitals, service centers wholly owned by UCCP General Assembly. Absolutely, the Judicatories of our Church (Local Churches, Conferences, General Assembly) are not included in this arrangement because they are essentially covered by the structure and governance provided for in our UCCP Constitution and By-Laws.

While some look at Holding Company as a purely investment company, and true enough, it is an investment company- it is not to me, however, a be-all-and-end-all replacement model that would wipe out our existing governance structure of our church. To me, this is only one aspect of the Church’s ability to manage its institutions which the Holding Company can provide. The aspects of correlation and alignment of various roles, functions and structures of our institutions toward unity and coherence is objective number one of our strategic plan in 2015. And this is

what I presume a Holding Company can help us achieve this objective. Under a Holding Company, the parent management company (which is the Holding Company) will oversee the Board of Trustees of all the institutions of our Church, being “subsidiaries,” to see to it that their decisions cohere, reflect, embody the vision, mission and goals of the Church. In such an arrangement, the problems of Bethany Hospital in San Fernando, La Union and Northern Christian College in Laoag City (to mention some, and I know there are others), theoretically, can easily be remedied. You will notice that in my listing below of the UCCP General Assembly properties, there appears one of our Schools in Cebu City, the Philippine Christian Gospel School, formerly, Cebu Christian School, which is now taken over by our Chinese counterpart. The UCCP, in this case, lost again a very strategic piece of property in the heart of Cebu City. Certainly, we can recover this if we go to court, but we must be ready over huge litigation expense. In the meantime, the matter of putting up a Holding Company is not yet consummated, Mr.Chair. I am just expressing my personal view on the matter to show that this is not as evil as others perceived it to be when the time comes when this will be deliberated upon for final resolution whether in the National Council or in the General Assembly.

“THE WILSON SURVEY”

In 1959 there was a survey conducted by the Church for the schools to improve their quality and allow the Church to maximize its resources by concentrating assistance to schools who are most deserving and sustainable. The goal was to assess their viability and long-term impact to where they are located. The survey was conducted by Dr. Frank Wilson and his team. The recommendation of the survey grouped the schools in 4 categories. I quote, “Category I: Institutions whose circumstances and resources warrant closing or changing program. These institutions should be closed or their programs changed by action of the responsible official body. Category II: Institutions that should be released to their individual or corporate owners (directors, stockholders, and trustees) without official relationship to the Department of Christian Education. These institutions should relinquish the appearance of Church-related status and should not be considered officially connected with the Department of Christian Education of the UCCP. Category III: Institutions meeting local need, but not likely to increase in size or program. These institutions should remain in the list of Church-Related Schools and should receive service, supervision, and subsidy through the Department of Christian Education and its related body. Category IV: Institutions strategically located with credible programs, acceptable physical plants, competent administration and teaching personnel, with real potentialities for maximum development and useful service. These institutions should be given maximum undergirding and expansion with emphasis upon teachers’ salaries, instructional materials and equipment, libraries, classrooms, dormitories, and scholarships for students,”² As a sample, those who belonged to Category IV, I’d like to randomly choose from among properties in Luzon, Visayas and Mindanao:

1. Union Christian College, San Fernando, La Union
2. Northern Christian College, Laoag City
3. Cebu Christian School (now Philippine Christian Gospel School), Cebu City
4. Southern Christian College, Midsayap, Cotabato
5. Dansalan Junior College, Marawi City

2. Ibid. pp. 187-88

Among UCCP General Assembly hospitals are the following:

1. Bethany Hospital, San Fernando, La Union
2. Cebu Community Hospital (now VCMC), Cebu City
3. Graham Memorial Hospital, Tagbilaran City, Bohol
4. Bethany Hospital, Tacloban City, Leyte
5. Brokenshire Memorial Hospital (now BIHMI), Davao City

These properties are what we call UCCP General Assembly properties which are mission properties turned-over by the American Foreign Mission Boards to the United Church of Christ in the Philippines. Why is this information consequential?

This information is consequential on 2 grounds. First, the “Wilson Survey” showed the magnitude of the task that our UCCP General Assembly national leadership is committed to viably manage mission properties that were entrusted to us by the American missionaries on a national scale. Like when Graham Memorial Hospital in Tagbilaran was closed in the late 1950’s due to labor problem, the Graham Memorial Hospital Fund, assets from the closure, were able to fund a 30-bed nursing unit at Bethany Hospital in Tacloban, Leyte, and also helped rebuild Brokenshire Memorial Hospital in Davao City which was gutted by fire. Realignment of limited resources was always a reasonable response to different needs and changing demands of our mission work through our church institutions across the country. We may have regretted closing one, but opportunities were opened in another. These are the kind of properties that our national leadership is preoccupied with when we meet: management problem, alignment of resources to address the difficulty of other needy institutions, lease agreement, property development to augment the budget of our national program to sustain its mission and ministry

Second, the listing of UCCP General Assembly mission properties provides a clear delineation over against properties owned by Local UCCP units (Local Church) acquired locally either through donation by a generous church member or benefactor, or purchased them over time. The latter has never been the concern of the General Assembly, at least to my recollection, in my almost 8 years in the episcopacy for property development. Ergo, Local Churches must never entertain the thought that one day the UCCP national office will just barge into their property and declare such for expropriation or for whatever good reason utilize it for income generation. That will never absolutely happen.

Unless a Local Church wants to develop a certain area of its property and call the attention of the national leadership to help them develop the area, the policy of the CSRD in this respect applies. Like, if the project is fully funded by UCCP 10% goes to the Conference, 10% goes to the Administrator of the property (Local Church), 80% goes to the General Assembly. Or, if the project is fully funded by the Administrator of the property (meaning, the Local Church) 10% goes to the Conference, 10% goes to the General Assembly, 80% goes to the Administrator of the property (Local Church).

Unfortunately, Bethany Hospital in Tacloban is never under the Local UCCP unit of Tacloban (Local Church), for this healing ministry, turned over by the American Foreign Mission Boards is wholly owned by the United Church of Christ in the Philippines General Assembly. In fact, historically, it never had an incorporation papers which certainly indicate that their operation was

fully entrusted to the United Church of Christ in the Philippines from the very beginning. That's why their concerns after typhoon Yolanda were directly brought to the General Assembly. So, it's not entirely correct to say that the national leadership acted arbitrarily without the consent of the Local Church in the decision-making process to rehabilitate Bethany Hospital for, in the first place, this institution was originally, and is always under the direct management of the UCCP General Assembly.

We are now in a situation, Mr. Chair, that our beloved United Church of Christ in the Philippines is tested. But this also indicates that we are not monolith in so far as issues of national importance are concerned. I believed, the UCCP is essentially diverse as the motley collection of Pilgrims in *Geoffrey Chaucer's "Canterbury Tales."* The uproar that stirs some sectors of our church right now, to me, is just a manifestation of the diverse texture of UCCP's colorful journey as a church. As I am reflecting the thoughts that I am writing down here, Mr. Chair, I have a feeling that whatever happens to our beloved United Church of Christ in the Philippines, its image can still be largely shaped by the people who can tell the best stories. The "*Canterbury Tales*" after all, I recalled, is itself about a storytelling contest. The Pilgrims are free to express what they want to say anything under the sun, and nobody censors anybody else. For the UCCP, this could be a fascinating journey.

My best wishes for a Happy Holidays, Mr. Chair!

Sincerely in Christ,


Bishop Jaime R. Moriles
Jurisdictional Area Bishop, East Visayas Jurisdictional Area