

ROMAN CATHOLIC ARCHDIOCESE OF ST. JOHN'S RELEASES RESULTS OF FINANCIAL IRREGULARITIES ANALYSIS

Monday, January 24, 2011

The analysis of the finances of the Archdiocese of St. John's is complete. We engaged Ernst & Young to review specific transactions, dating back as far as 2003. This review uncovered significant discrepancies in the operating account of the Archdiocese. We determined that our former Comptroller and Business Manager made unauthorized payments to himself, and to his pension account, throughout this period. The amount has been determined to be in excess of \$ 500,000.00.

One of our guiding principles in coming to a decision about what course of action to pursue has been our concern for the intentions of the many good people who gave this money to the Church. Clearly, the Archdiocese values that trust, and holds the money in stewardship and trust.

The money given to the Archdiocese is used to help us to discharge our obligations and to provide programs and services to the People of God in the Archdiocese. The Archdiocese of St. John's covers most of the Avalon Peninsula and also the Burin Peninsula. Money donated to the Archdiocese is used to fund chaplaincy services in hospitals—for example the Janeway, St. Clare's, The Health Sciences Centre, the Burin Peninsula Health Care Centre and the Miller Centre-- and in seniors' homes and long-term care facilities. Because of peoples' generosity, the Archdiocese can provide spiritual counselling and care through our Family Life Bureau, and in prisons and correctional facilities. We also use the money given to us to provide chaplaincy services at Memorial University and the Marine Institute. This money helps us to do charitable outreach-- to feed and clothe the needy. Misappropriation not only compromises public trust, but has the potential to compromise our ability to serve the poor and most vulnerable, those who most urgently need our care, our outreach, and our compassion.

Over the past few months, since we first discovered evidence of misappropriation, the Archdiocese has put in place policies and procedures that ensure, as much as possible, that a situation such as this one will never arise again. Working with our interim Finance Director and a team of advisors, we have put in place a number of more stringent guidelines and new safeguards.

In light of all of this, the Archdiocese of St. John's has decided to give the matter over to the Royal Newfoundland Constabulary, for them to take whatever action they deem appropriate.

Let me close by expressing my sorrow at this unfortunate turn of events. Our former Business Manager was a trusted colleague. I want to express my personal gratitude to him for his kindness to me. And I express compassion for his family and loved ones. This cannot be an easy time for them.

I want to reassure the people of this Archdiocese that we will pursue every appropriate means to recoup as much of the loss as possible, and thus to ensure that the pastoral services of this Archdiocese may continue and, through them, that the most vulnerable of our Church and society are served and assisted.