Follow the Money: The Archdiocese of Boston's Fundraising Practices After the 2002 Clergy Abuse Crisis

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The Archdiocese of Boston’s Fundraising Practices After the 2002 Clergy Abuse Crisis

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One of the most rewarding aspects of this project was the opportunity to talk with two of the scholars whose work I have read and reread multiple times over the past year. It was an honor to speak on the phone with Charles Zech and Paul Schervish, and ask them questions about their research and its relationship to my work.

My thesis advisor, Stephen Marini, provided me with immeasurable support in arriving at this final product. The members of my Reading Committee—Sharon Elkins and Edward Silver—also spent time talking with me about certain aspects of this project on numerous occasions. Thank you also to Alice Friedman for agreeing to sit on my Honors Committee. Finally, I would also like to especially acknowledge and thank my family for their ceaseless encouragement and support.
List of Key Figures

(in alphabetical order)

**Jack Connors:** Influential Boston philanthropist. Co-founder of advertising firm Hill, Holliday, Connors and Cosmopolus, Inc.

**Damien DeVasto:** Director of the Cardinal’s Appeal (renamed Catholic Appeal) until 2010. Currently the Chief Leadership Giving Officer at the Archdiocese.

**John J. Geoghan:** Priest accused of sexually abusing over 130 children during his thirty year career. Impetus for the Boston clergy abuse scandal.

**Kenneth Hokenson:** Chief Development Officer at the Archdiocese of Boston from 2001 to 2006.

**Scot Landry:** Secretary of Institutional Advancement at the Archdiocese of Boston from 2005 to 2010. Currently the Secretary for Catholic Media.

**Cardinal Bernard Law:** Archbishop of Boston from 1984 to 2002.

**Bishop Richard Lennon:** Apostolic Administrator for the Archdiocese of Boston from December 2002 to July 2003.

**James McDonough:** Chancellor at the Archdiocese of Boston from 2005 to March 2012.

**Cardinal Sean O’Malley:** Archbishop of the Archdiocese of Boston since 2003. Elevated to the rank of cardinal by Pope Benedict XVI in 2006.

**Paul Schervish:** Director of Boston College’s Center on Wealth and Philanthropy.

**Charles Zech:** Professor of economics and Director of the Center for the Study of Church Management at Villanova University. Author of *Why Catholics Don’t Give and What Can Be Done About It.*
Introduction

In 2000, approximately 98,000 donors contributed more than $17 million to the Archdiocese of Boston’s Cardinal’s Appeal, marking the campaign’s most successful year to date.¹ This annual appeal constitutes the principal source of income for the Archdiocese’s “Central Ministry” fund, which supports diocesan operations, faith formation and evangelization, outreach programs, social services for the disadvantaged and the poor, religious education programs, and low-income parishes. In 2001, the economic recession and the launching of a capital campaign in June 2001 led to a slight decrease in donors and contributions, but still more than 84,000 donors contributed nearly $16 million to the Cardinal’s Appeal.² In 2002, however, the revenue raised by the Cardinal’s Appeal was literally cut in half, yielding only $8.6 million; in the course of one year, the Archdiocese lost over 39,000 donors.³

The dramatic reduction in both revenue and number of donors to the Cardinal’s Appeal in 2002 indisputably resulted from the clergy sexual abuse scandal, which first came to light in January 2002. A decade later, however, the annual appeal has nearly returned to pre-crisis revenue levels, and the Archdiocese has regained thousands of donors. This thesis examines the ways in which the Archdiocese of Boston achieved this turn-around in its fundraising efforts. As the ensuing chapters demonstrate, the clergy abuse crisis forced the Archdiocese to confront traditional Catholic attitudes toward money and fundraising, attitudes that have historically limited the success of Catholic

¹ The capitalization of “archdiocese” was inconsistent in my sources. For the purposes of consistency, “archdiocese” will be capitalized in this thesis.
² Roman Catholic Archdiocese of Boston, “Ten Year Giving Summary, CA97 to CA05.”
³ “Ten Year Giving Summary, CA10 v. CA09 YTD.”
fundraising. In doing so, the Archdiocese took a number of unprecedented steps aimed at regaining the trust of donors; many of the changes the Archdiocese implemented represent the best practices in Catholic fundraising as well as in nonprofit fundraising. The thesis concludes by arguing that the Archdiocese’s implementation of best practices in Catholic fundraising—more specifically, an emphasis on ecclesiastical stewardship or, on giving as a theological duty—does not account for the recovery of the Cardinal’s Appeal. Instead, the Archdiocese’s commitment to best practices in nonprofit fundraising directly resulted in the impressive resurgence of the Cardinal’s Appeal.

**Origins of a Fundraising Disaster**

When asked to explain the basis for the immense losses in the Cardinal’s Appeal between 2001 and 2002, Ken Hokenson, the Chief Development Officer for the Archdiocese of Boston from 2001 to 2006, stated: “The biggest single negative has been the sexual misconduct situation. I wouldn’t be honest if I didn’t say that that is the most important factor.” The “situation” Hokenson references began for most Boston-area Catholics on January 6, 2002 when *The Boston Globe* published a front-page story entitled, “Church allowed abuse by priest for years.” According to the article, Cardinal Bernard F. Law, then Archbishop of Boston, and several bishops had repeatedly allowed former priest John J. Geoghan to transfer parishes despite their knowledge that Geoghan had previously sexually abused young parish members.

Through examining public files of 84 pending lawsuits against Geoghan, the *Globe* was able to establish that Geoghan had been reassigned to six different parishes in

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34 years and had been accused of molesting upwards of 130 children.\textsuperscript{5} Geoghan’s abusive behavior began at Blessed Sacrament in Saugus, his first parish assignment following his 1962 ordination.\textsuperscript{6} In 1966, Geoghan received his second assignment at St. Bernard’s in Concord; this assignment only lasted seven months with no public explanation of the reason for his sudden departure.\textsuperscript{7} In 1967, Geoghan arrived at St. Paul’s in Hingham and abused young boys from several families during his seven-year tenure at the parish.\textsuperscript{8} When an uncle of one of the boys complained to Geoghan’s superiors, Geoghan was sent to Seton Institute in Baltimore as an in-patient for “sex abuse.”\textsuperscript{9} Yet, in 1974, after receiving a “clean bill of health” from Seton, Geoghan went to his fourth parish, St. Andrew’s in Jamaica Plain. Responsible for overseeing the altar boys and the Boy Scouts program, Geoghan molested seven boys from the same family.\textsuperscript{10} When the pastor of another parish in the area confronted Geoghan in regard to the allegation made by a relative of the boys, Geoghan apparently simply said, “Yes, that’s all true.”\textsuperscript{11} Although Geoghan was forced to leave St. Andrew’s and spend the next year on sick leave “for his compulsion,” the pastor of Saint Andrew’s at the time of Geoghan’s assignment at the parish told the \textit{Globe} that Church officials never specified why Geoghan left St. Andrew’s.\textsuperscript{12}

In 1981, Geoghan was again medically cleared to return to parish service. While some psychiatrists still believed at the time that child molestation was curable, current

\textsuperscript{7} Spotlight Team, “Church allowed abuse.”
\textsuperscript{8} Ibid.
\textsuperscript{9} Ibid.
\textsuperscript{10} Ibid.
\textsuperscript{11} Ibid.
\textsuperscript{12} Spotlight Team, “Church allowed abuse.”
specialists in child sexual abuse maintain that “it ought to have been apparent to the Archdiocese…that someone with Geoghan’s record of habitual sexual abuse should not have been returned to a parish.”\textsuperscript{13} Nonetheless, the Archdiocese sent him to his fifth parish, St. Brendan’s in Dorchester. According to a \textit{Globe} interview with a teacher who worked at St. Brendan’s at this time, Geoghan was allowed to work chiefly with the parish’s children and First Communicants because Archdiocesan officials did not inform St. Brendan’s pastor about Geoghan’s history of sexual abuse.\textsuperscript{14}

In 1984, Cardinal Law removed Geoghan from St. Brendan’s after receiving complaints that Geoghan had abused children at the parish. Law then transferred Geoghan to St. Julia’s in Weston despite receiving a letter from Bishop John M. D’Arcy, one of his “top subordinates,” expressing concern with the assignment: “Fr. Geoghan has a history of homosexual involvement with young boys. I understand his recent abrupt departure from St. Brendan’s, Dorchester may be related to this problem.”\textsuperscript{15} As indicated by the pending lawsuits examined by the \textit{Globe}, Geoghan abused at least 30 young boys in the nine years he served at St. Julia’s.\textsuperscript{16} During this time, Geoghan was repeatedly accused of molestation and, in 1989, he was forced to go on yet another sick leave. In 1990, Law “signed off on a decision to return him” to St. Julia’s, and it is now known that he continued to abuse children at the parish until Law finally removed him from parish duty in 1993.\textsuperscript{17}

\textsuperscript{13} Ibid.
\textsuperscript{14} Ibid.
\textsuperscript{16} Spotlight Team, “Church allowed abuse.”
\textsuperscript{17} Spotlight Team, “Geoghan preferred preying on poorer children.”
The transferring of Geoghan between parishes, however, was not the only incendiary component of the January 6 *Globe* story. The article also revealed that the Archdiocese had covered up over a hundred allegations against Geoghan and subsequent settlements with his victims: “Since the mid-1990s, more than 130 people have come forward with horrific childhood tales about how former priest John J. Geoghan allegedly fondled or raped them during a three-decade spree through a half-dozen Greater Boston parishes.”18 When victims’ lawyers filed allegations against the priest, most of these claims were settled in private, a preferable arrangement for the Archdiocese because it kept the “ugly truth under wraps.”19 Quiet settlements were also agreeable to most victims as it allowed them to receive financial compensation from the Archdiocese and maintain their privacy in a situation that many found shameful and embarrassing.20

In response to the *Globe* report, Cardinal Law held a news conference on January 9, 2002 during which he apologized for his actions related to Geoghan and instated a “zero tolerance policy” in Boston:

> With all my heart, I wish to apologize once again for the harm done to the victims of sexual abuse by priests…These days are particularly painful for the victims of John Geoghan. My apology to them and their families, and particularly to those who were abused in assignments which I made, comes from a grieving heart. I am indeed profoundly sorry… For the Archdiocese of Boston, I pledge a policy of zero tolerance for such behavior. Any priest known to have sexually abused a minor simply will not function as a priest in any way in this Archdiocese.21

Yet, a few weeks later, the *Globe* published another disconcerting article that quickly negated any progress Law’s apology had made in mollifying angry parishioners. On January 31, the *Globe* revealed that the Archdiocese of Boston had “quietly settled child

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18 Spotlight Team, “Church allowed abuse by priest for years.”
19 *Betrayal*, viii.
20 Ibid.
molestations claims against at least 70 priests” since the early 1990s. Although it was difficult to identify the exact number of victims due to the extent of the secrecy surrounding the claims and settlements, the Globe estimated that the number exceeded 200 people.22

In less than a month, Boston-area Catholics learned two disturbing truths about their church’s leadership: the cardinal and his team of bishops had not only enabled one priest’s persistent sexual abuse but it had also kept an extensive pattern of clergy sexual abuse in the Archdiocese “under an extraordinary cloak of secrecy.”23 The crisis only worsened for the Archdiocese of Boston following the January 31 story, however, as hundreds of people contacted lawyers, prosecutors and the Globe claiming to have been abused by priests as children. After learning the extent of clergy sexual abuse in Greater Boston, many victims abandoned their fear of shame and their silence. According to David Clohessy, the national director of the Survivors Network of those Abused by Priests, as recently as the early 1990s “the most that victims who came forward could hope for was silence from others, if not ostracism in their parishes.”24 Yet, following the Globe disclosures in 2002, a “culture of comfort and safety” emerged as people realized the pervasiveness of clergy sexual abuse.25 By late February 2002, more than 300 people had contacted or hired attorneys; by the end of the year, more than 500 alleged victims of

23 Spotlight Team, “Scores of priests involved.”
25 Robinson, “Hundreds now claim priest abuse.”
clergy sexual abuse had filed claims seeking financial compensation from the Archdiocese of Boston.\textsuperscript{26}

Then, in early April, several \textit{Globe} articles were published that resulted in “serious damage” to Cardinal Law’s “credibility.”\textsuperscript{27} On April 5, Law was added as a defendant to a lawsuit filed by fourteen victims of Rev. Joseph Birmingham on the charge that Law permitted Birmingham to “continue serving in parishes despite knowledge of his sexual abuse.” And, on April 8, the \textit{Globe}, having obtained hundreds of formerly confidential church documents, revealed that Law had “repeatedly and knowingly allowed” Father Paul Shanley, an accused serial pedophile, “to hold posts that allowed him access to children.”\textsuperscript{28}

In the wake of the \textit{Globe} revelations, more than 40,000 Catholics expressed their outrage at the Archdiocese’s mishandling of sexually abusive priests and their displeasure with Law in particular by withholding their donations to the Archdiocese. As noted earlier, the clergy abuse scandal cut the number of donors to the Cardinal’s Appeal and the revenue raised by this annual campaign literally in half. While parish collections fell by thirteen percent—in line with an eighteen percent decrease in Mass attendance—most individual parishes did not suffer significant financial losses as a direct result of the clergy abuse scandal.\textsuperscript{29} Instead, in the midst of the scandal, Catholics tended to continue giving to their parish out of a sense of loyalty to their congregation and to their pastor. As

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\textsuperscript{28} Paulson, “Heavy blow to cardinal’s credibility.”

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will be addressed in later chapters, many Boston-area parishes face serious financial challenges, but these issues predate the 2002 clergy abuse crisis.

**Laity Contributions Matter**

As the Archdiocese of Boston relies on laity contributions to the annual appeal to provide 50 percent of the income for its Central Ministries, such a tremendous loss of donors and their contributions in 2002 directly impacted the operations of the Archdiocese and the services and programs it supports. In 2003, as a direct result of the significant drop-off in giving the previous year, the Church cut spending on services for youth, family life, and ethnic apostolates from $11.7 million to $7.4 million and cut support for parochial schools from $4.6 million to $1.8 million.\(^{30}\) While Catholics in the wealthy suburbs that fall under the jurisdiction of the Archdiocese of Boston were not particularly affected by most of these cuts, Boston’s poorer Catholics—many of whom have benefited from a Catholic education or from services provided by the Archdiocese—directly experienced the consequences of the financial disaster prompted by the clergy abuse crisis.\(^{31}\) As John O’Keefe, associate professor at Boston College’s Lynch School of Education, noted, “When money gets scarce, it’s the poor who suffer difficulties disproportionately.”\(^{32}\) The collapse of the 2002 Cardinal’s Appeal directly impacted the Archdiocese’s ability to fulfill its mission, namely to provide spiritual and material support for its members.

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\(^{31}\) Kurtz and Vaishnav, “Catholic schools struggle in the city.”

\(^{32}\) Ibid.
The Plan of This Thesis

In order to adequately serve the Catholic community in Boston, the Archdiocese needed to regain the trust of donors and subsequently their contributions to the annual appeal. The purpose of this thesis is to examine how the Archdiocese went about accomplishing this daunting task. Chapter 1 provides an in-depth discussion of the 2002 Cardinal’s Appeal, analyzing Cardinal Law’s personal impact on the results of the Appeal as well as the specific motivations and rationales of those who withheld their donations. Chapter 2 comprises an overview of the basis for low Catholic giving in general, and then discusses the recommendations of Charles Zech, the preeminent scholar on Catholic fundraising in the United States, regarding the ways in which Catholic dioceses and parishes can increase contributions. Chapter 3 provides a detailed description of the substantial changes the Archdiocese implemented in terms of its fundraising practices in the years immediately following the crisis. Chapter 4 first evaluates these changes in the larger context of best practices in Catholic fundraising and nonprofit fundraising more generally, and then analyzes which changes were most effective for the Archdiocese of Boston. Chapter 5 concludes by describing the Archdiocese’s most recent efforts to increase the number of donors to the annual Appeal and the steps that the Archdiocese must take in order to achieve future fundraising success.

Chapter 1

Cardinal Law and the 2002 Cardinal’s Appeal
While the previous chapter described the tremendous loss of revenue and donors between 2001 and 2002, this chapter provides a more in-depth analysis of the 2002 Cardinal’s Appeal—detailing Cardinal Law’s direct impact on the campaign, the specific rationales of those who stopped giving, and the extent to which withdrawn contributions influenced Law’s resignation. This chapter concludes with an overview of the disastrous financial situation Archbishop O’Malley inherited from Law upon his arrival in Boston in July 2003.

The “Downside” of the Cardinal’s Appeal

In the aftermath of *The Boston Globe* articles that revealed the pervasive abuse of minors by priests and the cover-up by Cardinal Bernard Law and other members of the Boston hierarchy, the Catholic laity experienced a range of intense emotions: shock, anger, sadness, embarrassment, confusion. While Catholics were horrified by the notion that trusted priests had been sexually abusing children for decades, they were even more astounded by the revelation that bishops, and Cardinal Law in particular, knew what was happening and continually allowed such behavior to occur. As one parishioner articulated in an interview a few years later: “A lot of things were shocking. The extent of the scandal was shocking, but most shocking...were the implications for the hierarchy. There was clear evidence they knew about it and covered it up. That was the most shocking and distressing thing of all.”33

Although a number of high-ranking bishops were involved in the cover-up, Cardinal Law received the brunt of the criticism and outcry due not only to his position as the leader of the Archdiocese but also due to reports of his personal involvement in

enabling the abuse to continue. On April 5, The Boston Globe reported Law was added as
a defendant to a lawsuit filed by fourteen victims of Rev. Joseph Birmingham on the
charge that Law permitted Birmingham to “continue serving in parishes despite
knowledge of his sexual abuse.” When one of the victims approached Law in 1989 at
Birmingham’s funeral and insisted that many men now needed counseling as a result of
Birmingham’s abuse, the Cardinal allegedly responded, “We don’t want to destroy the
reputation of this fine man’s ministry.” And, on April 8th, the Globe revealed that Law
had “repeatedly and knowingly allowed” Rev. Paul Shanley, an accused serial pedophile,
“to hold posts that allowed him access to children.” The article constituted a “heavy
blow to the Cardinal’s credibility,” undermining Law’s insistent promises over the past
four months that he “didn’t protect priests accused of misconduct,” that he “always acted
on the best medical information available to him,” and that his “first priority [had] been
the people priests were ordained to serve.” A poll conducted a few days after the
Shanley article revealed that sixty percent of Massachusetts Catholics believed Law
should resign.

While Cardinal Law now rarely left his Italian Renaissance mansion in Brighton,
he did not resign. Instead, the same month that the Globe exposed his direct
involvement in the scandal, Law made his annual pitch for the Cardinal’s Appeal. As he
had done for years, the Cardinal appeared on Boston Catholic Television and asked

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34 Matt Carroll, “Law is new defendant in clergy abuse suit,” The Boston Globe, April 5, 2002,
http://www.boston.com/globe/spotlight/abuse/stories/040502_law_defendant.htm (accessed November 14,
2011).
35 Carroll, “Law is new defendant.”
36 Michael Paulson, “Heavy blow to cardinal’s credibility,” The Boston Globe, April 9, 2002,
37 Paulson, “Heavy blow to cardinal’s credibility.”
38 Fred Kaplan, “60 percent in poll say Law should resign as archbishop,” The Boston Globe, April 12, 2002,
39 Betrayal, 142.
Catholics to financially support the Archdiocese: “It is this offering which enables us to support the many good works of the Archdiocese - outreach to the poor and the sick, spreading our faith, works of evangelization - so we really look forward to your generous-hearted response to that appeal.”

Since 1984, Cardinal Law had been the face of the Cardinal’s Appeal—as the name suggests. Every spring, parishioners would receive a series of letters with the cardinal’s signature and his picture. Such letters alone garnered a significant number of contributions due to the cardinal’s popularity. For almost two decades, Cardinal Law was highly regarded in Boston, among Catholics and non-Catholics. Although many found him rather staid—he insisted on being referred to as “His Eminence”—Law earned widespread respect for a number of efforts, including: his support of affordable housing initiatives; his dedication to raising money for victims of disasters in Latin America; his commitment to ministering to the poor and the sick; his outreach to minority Catholics and immigrants; and his fervent condemnation of anti-Semitism. Catholic colleges consistently sought him out as a commencement speaker. The White House “took his calls and valued his opinion.”

Until 2002, Catholics demonstrated their esteem for Law’s leadership through their contributions to the Cardinal’s Appeal. As a New York Times article noted, “A letter from the popular archbishop, featuring his photograph, was enough to attract significant

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41 Betrayal, 146.
42 Ibid, 141.
Once Law became implicated in the scandal, however, many Catholics inevitably struggled to separate the Cardinal’s Appeal and its purpose from Law himself. As Damien DeVasto, the director of the Cardinal’s Appeal at the time, conceded: “[The Appeal] was tied to one personality, which was Cardinal Law. While that may have been successful in times past, the downside was that as the crisis in the Church became exposed, that personality took over the meaning of the appeal.”

The numbers for the 2002 Cardinal’s Appeal demonstrate to what extent Cardinal Law’s personal association with the Archdiocese’s annual appeal became a “downside.” The Archdiocese set its fundraising goal for 2002 at $16 million, the same amount the Appeal had garnered the previous year; it received only $8 million. At every giving level, there was a significant drop in the number of donors: those who gave less than $100 dropped to 17,139 from 35,948 in 2001; those who gave $1,000 to $2,499 dropped to 1,230 from 2,226; and those who gave $10,000 or more dropped to 39 from 78. The total number of donors to the Cardinal’s Appeal decreased by more than half, from 84,624 to 40,737. As these numbers indicate, in the year of the clergy abuse scandal, the Cardinal’s letters suddenly failed to garner donations; instead thousands of disillusioned Catholics who had given to the Cardinal’s Appeal year after year now refused to support a campaign so closely aligned with the individual who had knowingly allowed multiple abusive priests to continue working alongside children.

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45 Ten Year Giving Summary CA10 v. CA09 YTD.
Specific Motivations for Withholding Contributions

While their disapproval of Cardinal Law’s handling of the clergy sexual abuse crisis united these disillusioned Catholics, their specific reasons and motivations for withholding contributions varied.

Dissociating from the Archdiocese

The clergy abuse scandal alienated tens of thousands of loyal Catholics. Horrified by the details of the Law’s handling of sexually abusive priests, these Catholics who had consistently supported the Archdiocese of Boston through the Cardinal’s Appeal decided to cut all financial ties with the Archdiocese in 2002. Those interviewed for this project consistently reinforced the tremendous disillusionment Catholics experienced in the wake of *The Boston Globe*’s revelations, which prompted the withdrawal of financial support. Msgr. Frank Kelley, the pastor at Sacred Heart Parish in Roslindale, described this time as “very difficult” for his parishioners “because of the scope and dimension”: “There was a real sense of betrayal… a real sense that [the Catholic Church] [was] not going to recover from this; it was a serious blow.”46 Fr. Edward Vacek, Professor of Moral Theology at Boston College, articulated the disturbing realities that the crisis revealed: “Everything everyone thought about the Church was shattered: ‘The Church is trustworthy.’ No it ain’t. ‘The Church is a caretaker of children.’ No it ain’t. ‘The Church consists of all holy people.’ No it doesn’t.”47 And Scot Landry, the Secretary of Institutional Advancement at the Archdiocese from 2006 to 2010, noted Catholics’ genuine shock and disbelief at the hierarchy’s involvement in the scandal: “There was the

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46 Monsignor Frank Kelley, interview by author, Roslindale, MA, October 24, 2011.
47 Edward Vacek, interview by author, Brookline, MA, August 4, 2011.
expectation that the bishops would do the right thing as the leaders of the archdiocese. People couldn’t understand why the bishops didn’t do something.”

While some of those who discontinued their contributions to the Cardinal’s Appeal also stopped attending Mass, many continued to support their parish, as suggested by the fact that individual parishes did not experience significant financial losses as a direct result of the clergy abuse crisis. This giving pattern illustrates parishioners’ sense of loyalty to their congregation and also their recognition that much of the responsibility for the clergy abuse crisis resided with the bishops at the Archdiocese as opposed to their local pastors. According to Fr. Richard Fitzgerald of St. Paul’s Parish in Wellesley, while parishioners might have initially felt impelled to withhold contributions to their parish as a way to voice their discontent with the Archdiocese, many ultimately asked themselves, “Why am I hurting my parish?” In addition, parishioners largely still trusted their pastor and his handling of their contributions. As Mary Cuddy Sutherland, the CPA at Sacred Heart Parish in Roslindale, noted in an interview, she gives to Sacred Heart because she “know[s] what the pastor is doing with that money,” an “important factor in [her] decision to contribute to any cause.” The crisis therefore appears to have prompted a change in giving patterns for thousands of Catholics. Frustrated and mistrustful of the Archdiocese, once-loyal supporters of the Cardinal’s Appeal started giving only to their local parish.

Demanding the Resignation of Law

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48 Scot Landry, interview by author, Braintree, MA, June 17, 2011.
49 Mary Cuddy Sutherland, interview by author, Roslindale, MA, November 7, 2011.
For other donors, the decision to withhold their contribution in 2002 represented their attempt to voice their desire for Cardinal Law’s resignation. Following Cardinal Law’s televised launch of the 2002 Cardinal’s Appeal in late April, Archdiocesan fundraisers received countless emails and letters from donors resolutely refusing to contribute to the Archdiocese until the cardinal resigned. For instance, one donor wrote to Kenneth Hokensen, the Chief Development Officer at the time, “I will not give anything as long as Cardinal Law is in Boston.”\(^{50}\) Many of Boston’s most loyal—and wealthiest—patrons were also among those calling for the cardinal’s resignation, and using their financial assets to reinforce this stance. For instance, Jack Connors, one of Boston’s most influential philanthropists and once a close confidante of Cardinal Law, ultimately “called on Law to resign” and redirected his giving to “local causes, such as parishes and individual Catholic charities.”\(^ {51}\)

This attempt to drive Cardinal Law’s resignation through withholding contributions reflects many Catholics’ acute realization in the aftermath of the crisis that their financial assets constituted their only voice within the hierarchical structure of the Catholic Church. As one lay Catholic interviewed by the *Globe* noted: “The Church doesn’t give you an opportunity to express your opinion, so refraining from contributing provides that opinion.”\(^ {52}\) Although Canon Law technically allows for laity opinion in the governance of the Church, the American hierarchy largely has maintained a system of


\(^{51}\) Paulson, “Refocused church.”

\(^{52}\) Ibid.
Church governance in which the “clerical elite” makes decisions with minimal consultation of the laity.\textsuperscript{53}

The lack of collaboration between the hierarchy and the laity provides the basis for the well-known phrase associated with the historic role of the laity in the Catholic Church: “pray, pay, obey.” An essay written by Cardinal Aidan Gasquet at the turn of the 20\textsuperscript{th} century illustrates this caricature with a simple anecdote: “An inquirer… asked a priest what was the position of the laymen in the Catholic Church. ‘The layman has two positions,’ answered the priest. ‘He kneels before the altar; that is one. And he sits below the pulpit; that is the other.’”\textsuperscript{54} Cardinal Gasquet, however, notes that the priest forgot one position: “the priest also puts his hand in [the layman’s] purse.”\textsuperscript{55} The “pray, pay, obey” dictum, indicating the laity’s relative powerlessness within the governance of the Church, derives from the Tridentine or Roman Catechism, commissioned by the Council of Trent in order to counter those who attempted to undermine the Catholic faith during the Protestant Reformation.\textsuperscript{56} The document consistently emphasizes the authority of the clergy; the section “Communion of Good Works” provides a particularly illustrative example: “To each member of the Church is also assigned his own peculiar office. As some are appointed apostles, some teachers, but all for the common good; so to some it belongs to govern and teach, to others to be subject and to obey.”\textsuperscript{57} That Pope Pius X (1903-1914) echoed this statement in the early 20\textsuperscript{th} century—“the one duty of the multitude is to allow themselves to be led, and like a docile flock, to follow the 

\textsuperscript{54} Ives Congar, \textit{Lay People in the Church} (Westminster: Christian Classics, 1985), xi.
\textsuperscript{55} Congar, \textit{Lay People}, xi.
\textsuperscript{56} Appleby, “From Autonomy to Alienation,” 105.
Pastors”—demonstrates the long-standing influence and authority of the Tridentine Catechism. Until the Second Vatican Council, held between 1962 and 1965, most Catholics largely accepted such “vertical” governance; at both the diocesan and parish level, the ordained leadership “made all major and minor decisions and passed them downwards.”

The Second Vatican Council, however, sought to condemn such exclusion of the laity in Church governance. The work of influential European theologians, Gerard Philips and Yves Congar in particular, served as the impetus for the Council Fathers’ reconsideration of the laity’s role in the Church. In his 1953 work *Lay People in the Church*, Congar explored the notion of a “theology of the laity.” He ultimately argued that the “layperson is called through baptism and confirmation to a direct evangelization of the world that is exercised independently of the hierarchical apostolate”; while their responsibilities differ, both ordained priests and the laity possess an equally important role in the governance of the Church.

Philips expressed a similar argument regarding the theological significance of the laity in his 1955 *The Role of the Laity in the Church*. As R. Scott Appleby paraphrases Philips’ essential points: “If the laity are seen ‘merely as an inferior part of a well-organized society,’ then they are condemned to passivity, and ‘we would have no Christianity.’ On the contrary, baptism and confirmation bring laypersons into the ‘laos or people of God.’”


60 Congar, *Lay People*, xi

61 Appleby, “From Autonomy to Alienation,”100.

Salmanowitz 19

*Dominus* (Decree on the Bishops’ Pastoral Office), *Apostolicam Actuositatem* (Decree on the Apostolate of the Laity), *Lumen Gentium* (Dogmatic Constitution of the Church)—suggest that Congar and Philip’s theological work directly influenced the Council Fathers in their attempt to “renew and update the Church for the sake of the gospel.”63 The Council developed a new way of viewing the Church—namely as the “Body of Christ,” consisting of both the ordained priesthood and the laity.64

With the focus now on the collective nature of the Catholic Church, not only were the pastors expected to include the laity in the governance of the Church but the laity was also expected to participate: “By reason of the knowledge, competence, or preeminence that they have, the laity are empowered—indeed sometimes obliged to manifest their opinion on the things which pertain to the good of the Church.”65 While the Council was careful not to suggest that the Church was a democracy, it did assert in the *Decree on the Apostolate of the Laity* that “bishops, pastors of parishes, and other priests of both branches of the clergy should keep in mind…that the laity also have their own roles in building up the Church”66; to this end, the hierarchy was instructed to “willingly use [the laity’s] prudent advice and confidently assign duties to them in the service of the Church, leaving them freedom and scope for acting.”67 The Vatican II decrees resulted in the formation of lay councils at the diocesan and parish levels in the 1960s and 1970s, and, in 1983, the *Code of Canon Law* was revised to include the requirement that each diocese

64 Ibid.
establish a finance council presided over by the diocesan bishop or his delegate.⁶⁸

Extensive cooperation and dialogue between the hierarchy and the laity, however, has significantly diminished in recent years. As Appleby articulates in his essay “From Autonomy to Alienation,” the reforms prompted by Vatican II “now look distressingly like a period piece.”⁶⁹ Several factors have likely contributed to the present lack of collaboration between the Catholic hierarchy and the laity: the clergy’s unwillingness to relinquish its power; the passivity and apathy among much of the laity; and the Council’s failure to provide adequate practical suggestions for implementing practices that foster collaboration between the laity and the clergy.⁷⁰ The aftermath of the clergy abuse crisis in Boston acutely illustrates the long-term ineffectiveness of the Vatican II laity reforms. With no formal body for the laity to express their opinions, money constituted the only way in which Catholics knew their opinion would be heard at the very least.

**Cardinal Law Resigns**

On December 13, 2002, Pope John Paul II accepted Cardinal Law’s resignation as the Archbishop of Boston. It remains unclear, however, to what extent the withdrawal of contributions actually influenced the cardinal’s resignation. Throughout the year, Law had given no indication that he intended to resign; on the contrary, as late as November, Law’s spokesperson told *The Boston Globe*, “[Cardinal Law] has made it clear he’s going

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⁶⁹ Appleby, “From Autonomy to Alienation,” 103.
to continue in his ministry and that’s what he’s doing."\(^{71}\) His sudden resignation in December therefore does not appear to reflect the Archdiocese’s response to the loss of donors. Instead, it seems likely that further disclosures of Law’s direct involvement in the clergy abuse scandal finally impelled Law to relinquish his role as the leader of the Catholic Church in Boston.

On December 4, the *Globe* reported that newly released Church records demonstrated that Law and other Church officials “quietly transfer[ed] rogue priests to other parishes and treat[ed] them with a gentleness and sensitivity apparently unshaken by the heinous allegations against them.”\(^ {72}\) For instance, in 1984, Law learned that Father Thomas Forry was not only sexually involved with a woman but was also sexually abusing the woman’s son; nevertheless, in 1988, Law appointed Forry as a full-time Army chaplain.\(^ {73}\) And, in 1999, Law wrote to an abusive priest noting the possibility of the priest’s return to ministry due to the “wisdom [that] emerges from difficult experience.”\(^ {74}\) Five days after the public learned of these damning Church records, Law flew to Rome to seek the advice of Vatican officials regarding how he should handle the worsening clergy abuse scandal.\(^ {75}\)

While Law was in Rome, many Boston-area priests sought to convey to the Vatican that Cardinal Law’s resignation was critical for the healing of the Archdiocese of Boston. On December 9, 58 priests signed a letter calling on Law to resign and citing


\(^{73}\) Farragher and Pfeiffer, “More sex abuse.”

\(^{74}\) Farragher and Pfeiffer, “More sex abuse.”

their collective “loss of confidence” in Law as Boston’s “spiritual leader.” Although the priests who signed the letter acknowledged the difficulty of rebelling against a leader who they had “pledged to obey” when they were ordained, they viewed the letter as a necessary action for the “good of the Church.” As one priest who signed the letter articulated, “This institution is limping miserably. Our ability to be effective has practically ceased. It’s impossible to fundraise. And any of us who work with young people are enormously compromised.”

Four days after this letter was delivered to the cardinal’s residence in Brighton, the Vatican announced the resignation of Cardinal Law in a “brief bulletin.” The Vatican provided no specific reason for Law’s resignation, and the Pope issued no public statement; it is therefore unclear whether the bishops’ letter was a significant factor. Law himself released only a short statement of apology: “To all those who have suffered from my shortcomings and mistakes, I both apologize to them and beg forgiveness. The particular circumstances of this time suggest a quiet departure.” The Catholic community in Boston reacted to the announcement with both sadness and hope. James Post, the president of Voice of the Faithful (VOTF), a group founded in February 2002 in Wellesley by Catholics distressed by the Archdiocese’s handling of clergy sexual abuse, articulated the conflicted sentiments of many Catholics in an interview with the *Globe:* “This is a terrible day in terms of the history of the Church because these events have brought the Church to its knees, and the departure of Cardinal Law is a symbol of all that.

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77 Paulson “58 priests send a letter.”
78 Ibid.
80 Paulson, “A church seeks healing.”
But it’s also a day that we have to be hopeful that a healing process can begin that was not possible with Cardinal Law here.”

**A New Leader for Boston Catholics**

Bishop Richard G. Lennon served as the apostolic administrator for the Archdiocese of Boston until the Vatican chose a new archbishop. Lennon continually vowed his commitment to facilitating healing processes for victims of clergy abuse and for the larger Church in Boston; nevertheless, his tenure as the interim leader of the Archdiocese of Boston was marred by his inability to reach a settlement agreement with lawyers of clergy abuse victims. On July 1, 2003, a little over seven months after the resignation of Cardinal Law, the Vatican announced that Bishop Seán O’Malley would become the sixth archbishop of Boston at the end of the month. Most Boston Catholics responded to the announcement with enthusiasm and optimism due not only to O’Malley’s experience dealing with clergy abuse scandals but also to the “change of order” his appointment signaled.

Born in Ohio in 1944, O’Malley received both a master's degree in religious education and a doctorate degree in Spanish and Portuguese literature from Catholic University of America. Ordained in 1970 and consecrated as a bishop in 1984, he served as the Bishop of the Dioceses of Saint Thomas in the Virgin Islands for close to twelve years. In 1992, he was appointed Bishop of Fall River, Massachusetts to handle

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81 Paulson, “A church seeks healing.”
84 Roman Catholic Archdiocese of Boston, “About Cardinal Sean.”
the fallout from revelations that one of the diocese’s priests, Rev. James R. Porter, was a serial pedophile. Another clergy abuse crisis—this time with two previous bishops resigning after they were accused of abusing minors themselves—brought O’Malley to Palm Springs, Florida in the fall of 2002. In interviews for the *Globe* following the Vatican’s July 1 announcement, Catholics in both Palm Springs and Fall River spoke of O’Malley in very positive terms: “He brought a sense of calm”; “I don't think they could have chosen anyone so kind with the people, so easy to talk to”; “what you see is what you get in terms of Bishop O'Malley.”

As a brother of the Capuchin Franciscan order—a religious order that demands commitment to a simple, austere lifestyle and emphasizes missionary work—O’Malley also differed markedly from Law. Whereas Law embraced the “trappings of princely power,” O’Malley in his previous posts preferred to be called by his first name, wore the brown robe and sandals characteristic of Franciscan friars, and lived very simply. The perceptible differences between Law and O’Malley fostered optimism among Boston Catholics who recognized in O’Malley’s past assignments the potential for real reform within the Archdiocese of Boston. As Neal Finnegan, the chairman of Catholic Charities of Boston, noted in early July 2003: “You just sense the optimism. Boston was the lightning rod for the scandal. It would be nice for us to be the lightning rod for restoring the good things the Church does.”

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86 Paulson, “O’Malley offers plea, pledge.”
88 Paulson, “Bishop O’Malley reflects church’s change of order.”
89 Cullen, “O’Malley shows deft fund-raising touch.”
On July 30, 2003, Bishop O’Malley formally became the archbishop of Boston, and his immediate actions earned him praise and fostered cautious confidence in his ability to rehabilitate the Archdiocese. Since the announcement of his appointment, O’Malley had vowed that settling abuse claims was his “top priority.” O’Malley signaled his commitment to this promise when he offered a $55 million settlement to the alleged victims of clergy sexual abuse on August 8, his ninth full day as archbishop. In response to the offer, victims’ lawyers reacted positively, noting especially the “change in attitude, tone and methodology” of the Archdiocese in dealing with abuse settlements. On October 21, the Globe reported that more than 80 percent of the 552 plaintiffs—the necessary number of people needed for an agreement to be “binding and final”—had agreed to an $85 million out-of-court-settlement, a $30 million increase from O’Malley’s initial offer.

**A Financial Crisis**

Having accomplished the critical task of settling the pending clergy abuse cases, O’Malley now focused on dealing with the staggering financial situation of his Archdiocese: as of December 2003, the Central Ministry, comprising the Archdiocese’s central operations and fifty ministries, was operating with a deficit of nearly $14 million, a direct result of the decline in laity contributions; dozens of parishes were operating in the red due to problems that had been plaguing the Archdiocese for decades such as

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91 Ranalli and Kurkjian, “O’Malley offers $55m settlement”

changing demographics and increased cost of living for clergy members; the $85 million settlement had to be paid to the clergy sexual abuse plaintiffs before Christmas; and finally, the Archdiocese had an outstanding debt of $37 million to the Knights of Columbus, an organization which had advanced funds to the Archdiocese in September 2002 to cover expenses in the wake of the dramatic drop in donations.93

Given the impending Christmas deadline, O’Malley first devised a financing plan to cover the $85 million in settlement costs. On December 3, 2003, O’Malley announced that the Archdiocese would initially be taking out one or two short-term loans to fund the settlement.94 In order to reimburse the lenders, the Archdiocese would use funds from an expected settlement with the Archdiocese’s insurance companies and would sell the cardinal’s residence in Brighton, a four-story Italianate mansion. Although the Archdiocese maintained that there was no “symbolic” significance to the sale, many “ordinary Catholics” viewed the sale as further evidence of O’Malley’s commitment to change and reform; as James Post of VOTF noted: “It shows Archbishop O’Malley’s willingness to do what many people thought was unthinkable: to sell the jewel in the property assets of the Archdiocese.”95 In late April 2004, the Archdiocese announced that it had sold most of its headquarters in Brighton, which included the cardinal’s residence, to Boston College for $107.4 million.96

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95 Ranalli, “Archdiocese to sell residence.”
96 Paulson, “Diocesan headquarters sold to BC.”
In January 2004, O’Malley issued a statement regarding “parish reconfiguration.”\(^{97}\) Citing the disrepair of many parish buildings, an aging clergy, and the fact that over one third of parishes in the Archdiocese were operating in the red, O’Malley announced that the Archdiocese would be closing sixty parishes. Anticipating the outcry from parishioners who had been baptized, confirmed, and married in these parishes, O’Malley emphasized that parish reconfiguration was an unavoidable action: “I am profoundly aware of the emotion the announcement of the closing of a parish evokes. It means the loss of a spiritual home…I wish there was some way that all of these wonderful houses of life and prayer could remain open and alive and full. But there is not.”\(^{98}\) O’Malley also stressed that the parish closures were in no way connected with financing the clergy abuse settlement; instead, he noted that the funds from the future sale of parish assets would allow the Archdiocese “to financially support as needed the parishes and schools that do remain in the Archdiocese as well as to recapitalize our pension and medical funds.”\(^{99}\)

**Fundraising Becomes Critical**

While the Archdiocese anticipated paying off its debt to the Knights of Columbus by eventually selling more non-parish Church property, it needed to overcome the $14 million deficit in the Central Ministry through increased laity contributions to the Cardinal’s Appeal. According to the Archdiocese’s annual report for the 2003 fiscal year,


\(^{99}\) Archdiocese of Boston, “Remarks of O’Malley.”
the deficit had already forced the Archdiocese to cut spending in 2003 on social services from $11.7 million in 2002 to $7.4 million and on parochial schools from $4.6 million to $1.8 million.\(^\text{100}\) Given that the annual Appeal funds fifty percent of the Central Ministry’s budget, the Archdiocese clearly needed to increase donations to the appeal in the 2004 fiscal year in order to prevent further spending cuts.\(^\text{101}\)

The clergy abuse scandal clearly rendered fundraising a daunting task for the Archdiocese; as this chapter demonstrated, the Archdiocese’s handling of clergy abuse cases had resulted in thousands of disillusioned donors—the Archdiocese’s most loyal among them. Regaining the trust and financial support of these donors would require smart and effective fundraising. As the next chapter discusses, however, Catholic dioceses and parishes have historically struggled with successful fundraising. While one may argue that the fact that the Archdiocese of Boston managed to garner $17 million in 2000 constitutes success, this figure definitely did not cover all of the expenses incurred by the Central Ministry that year—resulting in a deficit of $10 million. This problem extends beyond the Archdiocese of Boston; as Jack Connors once remarked at a national conference on Catholic fundraising, “Our faith has many strengths, but fundraising is not typically one of them.”\(^\text{102}\) The next chapter discusses the basis for this shortcoming.

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Chapter 2
Issues in Catholic Fundraising

Among Christians in the United States, Catholics on average give less to their church than their counterparts in other Christian denominations, a situation that derives from the way in which the Catholic Church traditionally has raised money for its material needs. This chapter begins with a description of Catholic giving relative to Protestant giving, and then describes the reasons for low Catholic giving. The chapter concludes with a review of the recommendations of the economist Charles Zech for how Catholic dioceses and parishes can increase contributions from its constituents.

A History of Low Giving

For decades, Catholics have “contribut[ed] less money to their churches than…members of nearly every other major US religion.”\(^{103}\) According to the 1987 “benchmark” study by the Rev. Andrew Greeley and Bishop William McManus, in the 1960s, Protestants and Catholics gave about two percent of their income to their religion; by the 1980s, a different pattern had emerged: while mainline Protestant giving as a percent of income remained at about 2.2 percent, Catholic giving as a percent of income had dropped to 1.2 percent.\(^{104}\) Several subsequent surveys also demonstrated this perceptible “giving gap” between Catholics and Protestants.\(^{105}\)


The disparity between Protestant and Catholic giving levels was initially attributed to the lower socio-economic status and the “poor immigrant backgrounds” of American Catholics as compared to Protestants.\(^{106}\) An assessment of Catholic and Protestant income levels, however, indicated the inaccuracy of this interpretation. As Greeley explains in his 1987 book *Catholic Contributions: Sociology and Policy*:

> The average American Catholic’s contribution to the church, as a proportion of income, has declined because Catholics contributions have not kept pace with inflation and with the rise in Catholic income. Thus, U.S. Catholics contributed an average of $164 to the church in 1963 out of an annual average income of $7,645. In 1984, their contributions had doubled to $320 but their income almost quadrupled to $27,500.\(^{107}\)

By 1987, the annual household incomes of Catholics and Protestants were virtually equivalent, thereby completely negating the argument that “Catholics give less…because that’s all they can afford.”\(^{108}\) As a result, other theories emerged: Greeley argued that Catholics do not give as much to their church as Protestants because Catholic are “alienated from the Church hierarchy” regarding the Church’s teachings on social issues, such as the use of birth control—an issue that arose in the late 1960s, the same time that the “giving gap” between Protestants and Catholic became perceptible.\(^{109}\) Other researchers explained low Catholic giving by pointing to seemingly unique characteristics of the Catholic Church, such as the fact that Catholic congregations are “larger on

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\(^{108}\) Harris, “U.S. Catholic Contributions.”

average” than Protestant congregations and that Catholics do not give as much to their diocese or parish because they tend to send their children to Catholic schools.\textsuperscript{110}

These theories were ultimately found to be inaccurate by the American Congregational Giving Study (ACGS), a large project commissioned by the Lilly Endowment—a foundation dedicated to “supporting the causes of religion, education and community development”—to identify the strongest determinants of individual giving to churches across denominations.\textsuperscript{111} In order to ascertain the determinants, the ACGS research team conducted field visits with 125 randomly selected parishes in five Christian denominations and sent surveys to a random sample of 30 members from each parish. The five denominations comprised the Roman Catholic Church, the Assemblies of God, the Southern Baptist Convention, the Evangelical Lutheran Church in America, and the Presbyterian Church (U.S.A).

While the ACGS denied the legitimacy of “factors widely believed to be responsible” for low Catholic giving relative to Protestants, it revealed factors that actually do explain the giving differences between Catholics and Protestants.\textsuperscript{112} In 2000, Charles Zech, a member of the ACGS research team and an economist who studies Christian giving, published a landmark study in which he presents and explains the relevant ACGS data in order to elucidate the basis for low Catholic giving.

\textsuperscript{110} Dean R. Hoge et. al, “Giving in Five Denominations,” in \textit{Financing American Religion,} ed. Mark Chaves and Sharon L. Miller (Walnut Creek: Alta Mira Press, 1999), 7.
\textsuperscript{112} Hoge et al, “Giving in Five Denominations,” 7.
The Real Reasons for Low Catholic Giving

Using the ACGS data, Zech demonstrates in Why Catholics Don’t Give and What Can Be Done About It that low Catholic giving derives largely from (1) the Church’s failure to commit itself to financial transparency and accountability and (2) traditional Catholic attitudes toward money and fundraising relative to Protestants.

Financial Transparency and Accountability

In a series of related questions, the majority of Catholics in the ACGS expressed dissatisfaction with the degree of financial accountability and transparency at both the denominational (diocesan) and parish level. When asked whether they thought they had sufficient information about their denomination’s handling and allocation of funds, only about one third of Catholics in the study agreed that there was adequate disclosure—relative to 46 percent of Lutherans and Presbyterians and more than 50 percent of Assemblies of God and Southern Baptists.113 Similarly, when asked whether their denominational leaders were adequately accountable to members regarding the allocation of contributions, only about 44 percent of Catholics either strongly or moderately agreed that their denominational leaders were adequately accountable; while Presbyterians responded in the same way, much larger percentages of Assemblies of God, Southern Baptists, and Lutherans believed that their denominational leaders were adequately accountable.114 At the parish level, only 53 percent of Catholics believed they possessed enough information regarding the handling of funds, relative to 70 percent of the

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113 Zech, Why Catholics Don’t Give, 67.
114 Ibid.
respondents in the four Protestant denominations. In addition, less than fifty percent of Catholics believed they possessed enough influence in parish financial decision-making, relative to nearly 70 percent of the respondents in each of the Protestant denominations in the study.

A lack of financial openness in Catholic dioceses and parishes derives from the Catholic Church’s hierarchal ecclesiology and history of top-down management. As discussed in the previous chapter regarding the limited opportunities for the laity to voice their opinions, the hierarchal ecclesiology of Catholicism inherently limits extensive lay involvement in matters related to the finances of one’s diocese and individual parish. As Zech explains, until Vatican II, “whatever ‘Father said’ became unquestioning parish policy, often simply because ‘Father said it.’ It didn’t seem to matter whether the issue concerned faith and morals, liturgies, parish spending, or even which political candidates to endorse.” While Catholics’ unquestioning acceptance of this management style began to dissipate after the Second Vatican Council explicitly condoned and encouraged lay involvement in the governance of the Church, the tradition of excluding the laity from such matters as the creation of budgets and the allocation of funds endures: “Some pastors still view themselves as the sole decision-maker in the parish and resent ‘lay intrusion’...just because a parish claims on paper to have a parish council or a finance council doesn’t necessarily mean that shared decision-making is occurring.”

Catholics’ satisfaction regarding the financial openness of their diocese or parish

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117 Ibid, 129.
118 Ibid, 82.
119 Ibid, 83.
directly affects their decision to donate. At both the diocesan and parish level in the ACGS, Catholics contributed more when they believed they possessed sufficient information on how their contributions were used.\textsuperscript{120} Such responses to the ACGS questions reveal that a lack of openness regarding Church finances is incompatible with the expectations of today’s Catholic donors. Especially among the post-Vatican II generation, or the generation of Catholics who grew up in an “era of cynicism towards both institutions and authority,” current and prospective donors to the Church are concerned with how their contributions are being used and are “much more willing today to ask questions” about the handling of Church funds.\textsuperscript{121}

Catholic Attitudes toward Money and Fundraising

According to Zech, the Church’s fundraising efforts are further hampered by the way in which Catholic leaders at the diocesan and parish level articulate their fundraising appeals relative to Protestant leaders. In Protestant denominations, pastors tend to emphasize the notion of “stewardship” when asking for contributions. In secular fundraising parlance, stewardship refers to the responsible management of resources; for instance, stewardship offices are responsible for acknowledging donors' gifts and communicating how the money has been used by the organization. In ecclesiastical parlance, however, stewardship is a theological term, referring to the “giving of time, talent and treasure to one’s church in recognition of God’s gifts.” Although ecclesiastical stewardship is not limited to the realm of financial giving, it is a way of “lifting the

\textsuperscript{120} Zech, \textit{Why Catholics Don’t Give}, 109.
discussion of money to a spiritual level.”\textsuperscript{122} Therefore, churches that emphasize stewardship in their fundraising appeals frame giving in explicitly theological terms, characterizing one’s financial contribution as an act of “returning to God a portion of the bounty that God has given us.”\textsuperscript{123} Conversely, when you do not support your church, you are not only neglecting the material needs of the church but you are also neglecting to engage in a just relationship with God.

In contrast to Protestant denominations, the Catholic Church has traditionally not framed their fundraising appeals in the language of ecclesiastical stewardship.\textsuperscript{124} Instead, the Church is very practical in its fundraising appeals; diocesan leaders and pastors tend to stress the costs of diocesan or parish programs and services over any theological obligations. For instance, an appeal from the pastor of Sacred Heart Parish in Roslindale focuses on the maintenance needs of the church building: “needed repairs include…our sound system in the upper church ($21,000), the steeple of our church needs repair ($15,000)…the furnace pipes for the convent have given out ($50,000), the roof in the rectory…had to be replaced ($18,000)…I come to you to ask your generosity once again to continue our works among so many people in Roslindale.”\textsuperscript{125}

The fundamental difference in the way that Protestants and Catholics frame the importance of giving likely derives from the theological significance historically associated with money in each denomination. In \textit{The Catholic Ethic and the Spirit of Community}, John Tropman distinguishes between the “money orientation” of the “Protestant ethic,” a concept first introduced by Max Weber, and the “money orientation”

\begin{itemize}
\item \textsuperscript{122} Zech, \textit{Why Catholics Don’t Give}, 23.
\item \textsuperscript{123} Ibid, 22.
\item \textsuperscript{124} Ibid.
\item \textsuperscript{125} Sacred Heart Parish, “Bulletin for the Week of October 11, 2011.”
\end{itemize}
of the “Catholic ethic,” a concept put forth by Tropman in response to Weber's *The Protestant Ethic and The Spirit of Capitalism.*

In the Protestant ethic, money indicates “inner election and thus sacred status.” As Weber argues in *The Protestant Ethic*, this outlook toward money originated in 16th and 17th century Puritan churches and sects, which include Calvinists (today’s Presbyterians), Methodists, Congregationalists, Baptists, Quakers and Mennonites. While Puritans condemned the “pursuit of wealth for its own sake,” they understood wealth and worldly success as evidence of their salvation: “In no other religion was the pride of the predestined aristocracy of the saved so closely associated with…the idea that success in *rationalized* activity demonstrates God’s blessings as in Puritanism.”

Conversely, in the “Catholic ethic,” the possession of money is not emblematic of one’s “sacred status.” Instead, money is merely “instrumental,” providing a “means to an end.” Or, as Tropman explains, the Catholic “money orientation” is similar to a bowling score: “A bowling score measures success at *bowling*. It would never be considered to indicate moral character…In the Catholic ethic tradition, money…is a tool to provide necessary goods and services. It is not, however, a signal or sign of divine interest.” Thus, Catholics do not view the absence of wealth or poverty as “shameful.” According to Tropman, this view of money and wealth derives from the culture of ancient Israel, the culture out of which Catholicism emerged. The earliest

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128 Kalberg, “Introduction to *The Protestant Ethic*,” xxxvii.
130 Ibid, 51.
131 Ibid, 46.
Christians lived in a “noncash economy, in which other goods were considered sacred”; bread and wine—the “staples of life” and the fundamental components of the Eucharist—possessed sacrality, as opposed to money. ¹³² In addition, a general wariness toward money characterized the “dominant ethos” of the early Church: “There was a firm tradition that God was a protector of the poor. God does not show favoritism to the rich.”¹³³ Regardless of the specific reason for Catholics’ “money orientation,” however, such a nonreligious attitude toward money and wealth arguably helps to explain the lack of an emphasis on the theological importance of giving in Catholic dioceses and parishes. As this description of the “Catholic ethic” indicates, Catholics simply do not associate God with their worldly success. Therefore, the idea that financially supporting one’s church is about “returning to God a portion of the bounty that God has given us” does not resonate with Catholic tradition.¹³⁴

The pragmatic attitude of Catholic leaders toward giving likely derives not only from tradition but also from their discomfort with fundraising. In a recent Boston Business Journal article, Cardinal O’Malley captured the typical attitude of clergymen toward fundraising and money in general: “I think most priests don’t enjoy fundraising. You get up and do what’s got to be done.”¹³⁵ While it certainly does not seem likely that Protestant pastors enjoy discussing money or feel at ease asking their parishioners for money, Catholic pastors tend to experience discomfort with this topic to a higher degree

¹³² Tropman, The Catholic Ethic, 49.
¹³⁴ Zech, Why Catholics Don’t Give, 22.
than their Protestant counterparts. In interviews conducted by Christina Smith and Michael Emerson for *Passing the Plate: Why American Christians Don’t Give Away More Money*, several Catholic pastors noted their uneasiness talking about money when they themselves have never had to handle personal finances because they live in the parish rectories and are almost entirely supported by the congregation or the diocese; as one Catholic pastor articulated, “I’ve never had a time when I was responsible for a mortgage personally, or for rent, or car insurance, or, for anything. So there is a way in which I know I am a step away from any of the kind of financial things that touch many families.” And, because most Catholic pastors rely on their congregations for their incomes, some pastors avoid discussing money due to the fear that their appeals will be interpreted as “acting on self-interest”: “Since my own livelihood is connected directly with how much people give, there are real tensions that are awkward. It is like I am raising my own salary.” When asked whether they received training for dealing with these “tensions” surrounding fundraising, the Catholic pastors in Smith and Emerson’s study responded with a resounding “no”: “It’s not something you do in seminary.”

The way in which the clergy discuss giving inevitably influences the attitude of lay Catholics toward their contributions to their diocese or parish. In her research on congregational culture and individuals’ understanding of why they give, Sharon Miller found that Catholics “rarely talk about their giving in other than a purely pragmatic

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137 Smith and Emerson, *Passing the Plate*, 105.
138 Ibid, 106.
When describing Catholics’ reaction to her question “does giving do anything for you personally,” Miller mentions that she was “often met with blank stares”; one Catholic woman responded, “I get the sense that I am helping, but as far as making me go out and dance in the street, no.” By contrast, when Miller asked Mennonites and Assemblies of God members the basis for their giving, many talked about their giving in explicitly theological terms: “We are giving to God,” “I am being obedient to what God would have me do.” Thus, in line with the “money outlook” of the “Catholic ethic”, Catholics’ understanding of their giving perceptibly lacks a spiritual or theological dynamic.

Nevertheless, an ecclesiastical stewardship message strongly correlates with higher levels of giving. According to the results of the ACGS, Catholic respondents who worshipped at parishes that “promoted” an ecclesiastical stewardship message contributed significantly more than those parishioners who belonged to parishes that did not promote the notion that financially supporting the Church constitutes a theological obligation. And, among the Catholic parishes in the ACGS, frequent, year-round discussions of the importance of ecclesiastical stewardship resulted in increased contributions. Miller’s research in the late 1990s on the relation between “people’s understanding of why they give” and “their self-reported giving levels” confirms the connection between higher levels of giving and a theological understanding of one’s financial contribution; as Miller explained, “Those who talk about giving out of a sense of responsibility or obligation to their church or denomination give at a lower level than

140 Miller, “Meaning of Religious Giving, 43.
141 Ibid, 41-2.
those who say that they give out of love for God [or] out of obedience to scripture.”142

Zech’s Recommendations

Low Catholic giving is not without consequences: across the United States, parishes and parochial schools are continually closing due to financial limitations; maintenance on Church buildings is constantly put off; and the Church struggles to pay the retirement costs for its priests and lay employees.143 In addition, in 1994, Joseph Claude Harris, a research analyst who specializes in Church finances, estimated that low Catholic giving in the United States “costs the Church $1.963 billion a year”—a figure which has definitely increased due to inflation.144 Yet, despite the financial problems caused by low Catholic giving—which arose far before the clergy abuse crisis in Boston—diocesan leaders and pastors seem willing to settle for the status quo. As Smith and Emerson note, many pastors simply depend on the “80/20” rule in fundraising, namely that 80 percent of dollars raised comes from only 20 percent of donors. While many fundraising experts agree that the “80/20” rule is an unavoidable reality in fundraising, the fact that the Church in the United States faces substantial financial issues suggests that the contributions of the 20 percent are no longer sufficient to meet the needs of many Catholic dioceses and parishes. As a result, dioceses and parishes need to increase the giving of the 20 percent, at the very least. The above discussion of Catholic fundraising, however, indicates that the dioceses and parishes cannot depend on traditional Catholic practices related to fundraising if they hope to increase giving.

143 Zech, Why Catholics Don’t Give, 18.
144 Ibid, 17.
In response to this situation, Zech has provided concrete recommendations for ways in which the Catholic Church can increase donations. Zech stresses the importance of financial transparency and accountability for increasing contributions: “Parishioners want to know where their money is going and how it’s going to be used. This is true for parish-level giving, and it is also true for denominational giving.” In Zech’s opinion, one way to achieve financial transparency and accountability is through granting the laity a greater role in decision-making processes. For instance, in terms of parish financial matters, Zech asserts that transparency and accountability “can only be assured when lay people have an input into both the development and the approval of the parish budget.” Regardless of how the Church actually achieves financial accountability and transparency, several studies since the ACGS have demonstrated that financial accountability and transparency is very important to most Catholics and affects their “decision to contribute funds to the Church.”

Above all, however, Zech emphasizes the importance of the ecclesiastical stewardship message for increasing contributions: “The one best thing the Church should do if it is serious about increasing giving among Catholics is to instill a sense of stewardship among its members.” Any time that dioceses and parishes appeal to their members for a specific need, they should also encourage Catholics “to be as reckless in [their] generosity as God has been in showering gifts upon” them. Zech adds that ecclesiastical stewardship “is not only a practical solution, with enormous financial

146 Zech, “The Problem of the ‘Second Collection.’”
benefits, it is also mission-driven and theologically sound.”¹⁴⁷ In the United States Conference of Bishops’ (USCCB) own material on stewardship—*Stewardship: A Disciple’s Response*, an initiative aimed at encouraging parishioners not only to financially support the Church but also to become more involved with the Church through their “time” and “talent”—the bishops reinforce Zech’s point that the ecclesiastical stewardship approach to increasing contributions is “theologically sound”:

Money and all of the things that we possess (our treasure) are gifts from God that we are asked to care for and generously share for our own benefit and the good of others…Why do we need to give? We need to give our money to individuals and families in need, to the Church, and to other worthwhile charitable organizations because giving money is good for the soul and because we need to return thanks to a loving God for all of the many blessings each of us has received.¹⁴⁸

While neither the bishops nor Zech provide specific, step-by-step instructions for implementing the ecclesiastical stewardship model into dioceses and parishes, Zech does make a few practical suggestions. Dioceses and parishes can further “instill a sense of stewardship” through a number of different tactics, such as priests “preach[ing] sermons on the topic of stewardship,” laypeople “giv[ing] testimonials at Mass about what their stewardship commitment has meant in their lives,” distributing “promotional materials,” and providing donors with the opportunity to fill out annual pledge cards.¹⁴⁹ This last suggestion derives from the notion that “setting goals for giving” is an important aspect of stewardship; when people make financial pledges to the Church, they demonstrate their on-going commitment to returning God’s blessings. As the USSCB notes in *Stewardship: A Disciple’s Response*, “…it is important to set goals for giving. All Christian stewards must consider prayerfully the gifts that they have received from God,

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and they should make a decision about what will be given.” The practice of pledging also results in larger contributions; as Zech notes, “People who plan their religious giving on an annual basis, rather than by looking at their checkbook each Sunday to see what they can afford that week, contribute more.”

**Catholic Fundraising and the Archdiocese of Boston**

Until 2002, the Archdiocese of Boston’s fundraising efforts mirrored most other dioceses in the country in terms of its lack of financial openness, emphasis on practical needs and reliance on the diocese’s wealthiest and most generous donors. Also like many dioceses, these fundraising practices continued in the face of significant financial troubles. Over the course of seven years (1994-2001), the “property-rich, cash-poor” Archdiocese sold $33 million in real estate, 60 percent of its stock and 98 percent of its bonds in order to pay for its current operations and to support disadvantaged parishes.

In the fiscal year that ran from July 1999 to June 2000, the Central Ministry fund had lost $10 million on an overall budget of $46 million, and, in the following fiscal year, it lost an additional $1 million. The Archdiocese largely recovered from these losses not by increasing donations but by transferring $7.3 million into its Central Ministry fund from other accounts, and selling a significant portion of its investment portfolio.

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153 Kurkjian and Robinson, “Sex cases may cost church $100m.”
154 Kurkjian and Robinson, “Sex cases may cost church $100m.”
In the fiscal year that ran from July 2002 to June 2003, however, the Central Ministry fund lost $13.9 million due to the significant fall in donations following the clergy abuse crisis—forcing immediate and significant cuts in spending on education, social services and pastoral programs. Reeling from the loss of over $8 million in contributions to the 2002 Cardinal’s Appeal, the Archdiocese was finally forced to reassess the efficacy of its fundraising practices, and subsequently made several significant and observable changes aimed at regaining the trust of previous donors and eventually attracting new donors. The next chapter describes the changes the Archdiocese implemented in its fundraising practices after the clergy abuse crisis, including the specific ways in which the Archdiocese implemented Zech’s recommendations regarding ecclesiastical stewardship and financial transparency and accountability.155

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Chapter 3

The Archdiocese of Boston’s New Approach to Fundraising

In the years following the clergy abuse crisis, the Archdiocese of Boston made a series of critical changes at the institutional level aimed at regaining Catholic donors to the annual Appeal. This chapter presents these changes in the order in which they occurred.

Evidence of Change

A New Appeal

In April 2003, the 400,000 parishioners in the Archdiocese of Boston’s database received the marketing material for the Archdiocese’s annual fundraising drive, as they did every year around this time. Yet, instead of a picture of Cardinal Law, the Appeal featured pictures of parochial school students and laypeople. And, even more significant, the name of the campaign had been changed from the “Cardinal’s Appeal” to the “Annual Catholic Appeal.” These new aspects of the annual Appeal constituted a radical change in tradition; for nearly two decades, Cardinal Law had served as the face of the appeal. Yet, in 2003, Cardinal Law was no longer the archbishop, and, following the clergy abuse crisis, an appeal featuring a member of the Archdiocesan leadership was not likely to inspire parishioners who felt deeply betrayed by the Archdiocese. With no cardinal in office and a clearly untenable marketing scheme, the Archdiocese needed to rebrand the
appeal in the hopes of “convinc[ing] parishioners that the church deserved their trust and financial support.”

A product of collaboration between the Archdiocese’s Office of Institutional Advancement, lay leaders, and clergy members, the new Appeal attempted to both acknowledge the clergy abuse scandal and emphasize the notion of “shared responsibility” among parishioners and the Archdiocese for the services, programs, agencies and ministries the Church supports in eastern Massachusetts. The direct mail appeals included a prayer card and an insert describing the ways in which donations would be used; the insert emphasized that no donations would be allocated toward paying for legal fees or settlement agreements. And, for the first time in its history, the Appeal was associated with a specific theme—“One Church, Many Works”—aimed at reminding parishioners of the 80 programs and ministries which directly benefit from the Appeal. The Archdiocese hoped that the new Appeal would convey to parishioners the necessity of supporting the good works of the Church in times of crisis; as Damien DeVasto, the director of the Appeal, articulated, “The messaging was not that the crisis was behind us. The messaging was that we are coming together in a difficult time to underwrite Christ's work here in the Archdiocese of Boston.”

At the start of 2003, the Archdiocese had set its fundraising goal at $9 million for the Catholic Appeal; it ultimately exceeded its goal by $1.3 million. The influence of the rebranded campaign on this increase, however, is unclear as the new appeal coincided

158 Brenner, “Boston Archdiocese Changes Annual Appeal.”
159 Ten Year Giving Summary, CA. 10 v. CA09 YTD.
with the announcement and arrival of the new archbishop, Bishop Seán O’Malley. Although the rebranding was certainly a critical step for the future of the appeal, DeVasto at the time attributed the success of the 2003 Catholic Appeal to O’Malley: “The [increase] is very clearly in response to the installation of Archbishop Seán. Many donors gave again in response to the wellspring of good feeling that came from his installation.”¹⁶⁰ Donors were reacting not only to the installation of a leader markedly different from his predecessor but also to O’Malley’s handling of the clergy abuse crisis. As explained in Chapter 2, O’Malley followed through on his promise that settling abuse claims was his “top priority.” By early December, the Archdiocese and the alleged victims of clergy abuse had reached an $85 million settlement. And shortly thereafter, O’Malley announced that the Archdiocese would be funding the settlements in part through the sale of the Cardinal’s mansion, a “symbolic” move in the eyes of many Catholics who saw the sale as evidence of O’Malley’s sincere commitment to reform. According to Scot Landry, Secretary of Institutional Advancement from 2005 to 2010, several Catholics recommenced their contributions and some even “increased their gifts…as a sign of encouragement to Cardinal Sean for how he was leading the recovery.”¹⁶¹

**Engagement with Major Donors**

With this wave of enthusiasm and hope surrounding the new archbishop, the Archdiocese began the process of regaining the financial support of those who had given

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major gifts prior to the crisis. When O’Malley arrived, these high net-worth individuals were among the most alienated donors. According to a May 2003 Globe article, the Archdiocese under the interim-leader Bishop Lennon did not reach out to wealthy Boston Catholics despite the acute need for their contributions in the aftermath of the clergy abuse crisis.\textsuperscript{162} While some blame this inactivity on the possibility that Bishop Lennon was simply “overwhelmed by his job,” others believe that his failure to reach out to wealthy, influential donors was likely related to the new conditions most of these individuals expected following the scandal.\textsuperscript{163} Considering the revelations of the Church’s secrecy and mismanagement, those who contributed significant amounts to the Church—many with backgrounds in business—now demanded more involvement with how the money was being allocated and how “the Church conduct[ed] its business” as a condition for their contribution.\textsuperscript{164}

Jack Connors was one such donor who genuinely wanted to share his expertise from his time at the advertising firm Hill, Holliday, Connors, Cosmopolus Inc. with the Archdiocese. After publicly suggesting that Catholics withhold their contributions from the Archdiocese and calling for Law’s resignation, Connors decided that he wanted to provide assistance to the Church, which appeared very much in need of his help; as Connors told Michael Paulson for the May 2003 Globe article: “I want to enlist people to rebuild our church—I just don’t think that after 2,000 years it should die on our watch. But I watch trends for a living, and I think it’s dying.”\textsuperscript{165} In January 2003, Connors wrote

\textsuperscript{163} Paulson, “Church insiders.”
\textsuperscript{164} Paulson, “Church insiders.”
\textsuperscript{165} Ibid.
to Bishop Lennon “offering help” but as of May he had not received a response.\(^{166}\) In addition, other major donors who had publicly criticized the Archdiocese, such as Paul A. La Camera, president and general manager of WCVB-TV, and Thomas P. O’Neill III, the former Massachusetts lieutenant governor, had received no call or letter from Lennon appealing for their contributions.\(^ {167}\) Despite the Archdiocese’s immense need for financial support, Lennon’s silence implied that the Archdiocese preferred to retain its characteristic hierarchical and insular management practices rather than involve donors in the governance of the Church—a position which immensely frustrated Connors: “I’m upset that they don’t reach out to us—the haves—and say ‘help’…They’re so focused on their defense, whether it be legal or financial, that there is no offense, no dialogue, no outreach. One and a half years after the *Globe*’s first story, there is still bunker mentality, and I’m very critical of that because the mission is awaiting.”\(^ {168}\)

Today, however, Connors sits on the Archdiocese’s Finance Council—along with several other influential business people in Boston, including Peter Lynch of Fidelity Investments, John Kaneb of Hood LLC, Robert Mahoney of Belmont Savings Bank, Mary Ryan of Thompson Steel Company, and Laura Sen of BJ’s Wholesale Inc. This turn-around in the situation demonstrates O’Malley’s decision to cooperate with wealthy donors who expected involvement with the management and governance of the Archdiocese in return for their gift. According to Landry, shortly after O’Malley’s arrival, “far more resources were dedicated specifically to major gifts for the annual appeal than before.”\(^ {169}\) O’Malley and DeVasto dedicated a significant amount of time not

\(^{166}\) Paulson, “Church insiders.”
\(^{167}\) Ibid.
\(^{168}\) Ibid.
\(^{169}\) Scot Landry, email exchange with author, February 23, 2011.
only to requesting large gifts but also to describing to donors “the real needs” of the Archdiocese, “connecting them directly with ministries so that [donors] could see the real impact” of their gifts and involving them in the process of how funds were allocated.\footnote{Scot Landry, email exchange with author, February 23, 2011.}

A Commitment to Financial Transparency

Engaging stakeholders by facilitating relationships with the ministries benefitting from their gifts definitely constituted an important step in terms of demonstrating the Archdiocese’s good character. Given the tremendous loss of trust donors experienced after the clergy abuse scandal, the Archdiocese was forced to engage in activities that signaled its renewed integrity and competence. In 2004, the Archdiocese took the additional step of pledging its commitment to financial transparency and accountability.

Upon his arrival in 2003, O’Malley repeatedly asserted that financial transparency was crucial for rebuilding trust among donors.\footnote{Michael Paulson, “Archdiocese releases sweeping financial information,” \textit{Boston Globe}, April 19, 2006, \url{http://www.boston.com/news/local/massachusetts/articles/2006/04/19/archdiocese_releases_sweeping_financial_information/} (accessed February 3, 2012).} In 2004 and again in 2005, O’Malley promised to release the audited reports for fiscal years 2004 and 2005 as well as a comprehensive accounting of sexual abuse funds.\footnote{Archbishop Sean O’Malley, “Financial Transparency Letter,” \textit{Archdiocese of Boston}, \url{http://www.bostoncatholic.org/uploadedFiles/News_releases_2005_statement051021.pdf} (accessed April 6, 2012).} In explaining the basis for this significant departure from traditional Catholic practices, O’Malley cited the Archdiocese’s “respect for people of the Archdiocese as donors and members of our Church” and the intention to “demonstrate to the general public that the Archdiocese [was] fulfilling its fiduciary responsibilities.”\footnote{Archbishop O’Malley, “Financial Transparency Letter.”} The promised financial reports — which ultimately comprised more than 1,000 pages of financial data—became available in April
2006 online and in a special edition of The Pilot, the official newspaper of the Archdiocese of Boston. According to O’Malley’s aides, the financial disclosures constituted the most detailed disclosures ever made by a Catholic diocese.\textsuperscript{174}

Achieving financial transparency, however, involved much more than simply releasing audited financial statements for 2004 and 2005. Instead, a committee that became known as the Boston Transparency Project—consisting of CPAs, communication specialists, pastors and parishioners—spent close to a year developing a report that would not only comply with O’Malley’s promises but also would be comprehensible to the general public. As John McCarthy, a professor at the Kennedy School of Government and a member of the committee, described the process:

> The very first thing we did was to sit down…and brainstorm a list of questions. We asked ourselves, what are the questions that people sitting in the pews, or the people who are pastors, or in the media, or disenfranchised members of the community, or the victims of clergy sexual abuse, asking? We then put those questions into categories: financial and nonfinancial.\textsuperscript{175}

In considering the “questions” of the “people in the pews,” the committee discerned that the financial disclosures also constituted a “major opportunity” for the Archbishop to apologize for the sexual abuse crisis and its extensive consequences for the Church in Boston.\textsuperscript{176}

As a result, in addition to the detailed financial report—which consisted of letters from O’Malley and David Smith (then chancellor), a description of the organizational structure of the Archdiocese, a management discussion and analysis, audited financial

\textsuperscript{174} Paulson, “Archdiocese releases sweeping financial information.”
\textsuperscript{176} McCarthy, “Transparency Project.”
statements for 2004 and 2005, and an in-depth explanation of the costs and payments related to the clergy abuse crisis—the Archdiocese also published a “Questions and Answers” brochure. The brochure, which was placed in the pews of every parish, includes an apology from O’Malley and describes in “Q&A” format the financial issues facing the Archdiocese and how the Archdiocese intends to resolve these issues. The energies the transparency team devoted to this brochure and to the entire financial report reflects the team’s sensitivity to the precise way in which this financial information was communicated. McCarthy viewed the Boston Transparency Project as “largely a communications project.”

Considering the events that led to the financial disclosures, it was critical that the Archdiocese explicitly and continually acknowledge the reasons for its “sobering” financial situation; as O’Malley articulated in his introductory letter to the brochure, “Not a day goes by that we do not seek the forgiveness and prayers of those the Church has disappointed or harmed.”

Private Sector Leadership

As alluded to above, the financial information released in 2006 revealed the dire state of Church finances three years after the clergy abuse crisis began. At the time of the financial disclosures, the Archdiocese was $46 million in debt, had closed 67 parishes, and had cut fifty Archdiocesan administrative positions. During the news conference for the release of the financial documents, O’Malley touched on the extent to which the

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177 McCarthy, “Essentials of Church Financial Transparency.”
clergy abuse crisis continued to affect Catholic giving to the Church: “The revenue numbers reflect the painful experience of our recent past, the anger over the sexual abuse crisis and the closing of parishes.” And Smith’s letter in the financial report implied the serious need for a significant increase in revenue: “The central administration of the Archdiocese is not sustainable in its current form. While we do have liquidity, we have little left to sell, and we are faced with substantial obligations. In spite of reductions in force of 19 percent since the beginning of the abuse crisis, our central administration, in an effort to maintain services at pre-crisis levels, has operated with deficits in each year.”

In light of these circumstances, the Archdiocese hired two lay Catholics with “deep roots” in the private sector, anticipating that their business and entrepreneurial expertise would help achieve a turn-around in the Archdiocese’s financial situation. James McDonough, former Chief Executive Officer of Abington Savings Bank, took on the role of Chancellor, who oversees finances, real estate holdings and general business operations. Scot Landry, former Chief Operating Officer at Eze Castle Software and a graduate of Harvard Business School, became the Chief Development Officer and Secretary of Institutional Advancement. McDonough and Landry also possessed a profound understanding of the Catholic Church on a spiritual level; prior to entering the business world, both men had attended seminary. The hiring of McDonough and Landry represented a significant investment; each received a salary of $250,000—the highest

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180 Paulson, “Archdiocese releases sweeping financial information.”
182 David Smith, “Chancellor’s Overview.”
paid employees at the Archdiocese by nearly $150,000. When asked by the *Boston Business Journal* about the hiring of McDonough and Landry, O’Malley stated, “We have great capital needs in our parishes and institutions, so the administration of the properties and the funds of the archdiocese are crucial for us going forward.”¹⁸³ O’Malley’s emphasis on the “administration” of Church funds implies that the Archdiocese needed individuals who possessed extensive expertise in organizational strategy and the management of resources and costs, skills acquired in the private sector.¹⁸⁴

**Improved Management Practices**

During his first two years as Chancellor, McDonough indeed set out to bring business practices to the Archdiocese’s operations. With the assistance of the well-known consulting firm McKinsey and Company, McDonough and an “Operational Review Committee”—consisting of pastors, archdiocesan employees and lay volunteers—implemented “traditional business tools” intended to guide the Archdiocese in its “administrative services”; these “tools” included the development of a mission statement, vision statements, and “operating principles” (see footnote for the text of these statements).¹⁸⁵ In addition, McDonough also oversaw the reorganization of several

¹⁸³ Kooker, “For-profit vets.”

Mission Statement, Vision Statement and Operating Principles found on the Archdiocese of Boston’s website, under “About the Archdiocese”:

**Mission Statement:** To continue the saving ministry of Jesus Christ, the Pastoral Center serves and guides the Catholic parishes, schools, hospitals and agencies within the 144 cities and towns of the Archdiocese of
offices and secretariats within the Archdiocese’s “central administration” in an effort to decrease costs and achieve greater efficiency.\textsuperscript{186} While McDonough asserted in his letter in the 2007 Annual Report that he was “not trying to run the Church as a business,” he nevertheless justified his reliance on for-profit practices and standards by referencing the acute need for organization and competence: “We must be good stewards of our precious resources…we must be certain that our efforts are well coordinated, that there is no unnecessary duplication, and that our resources are allocated so that we best achieve the mission of the Church in Boston.”\textsuperscript{187}

**Willingness to Listen to Disillusioned Donors**

McDonough’s commitment to better management practices allowed Landry to assure donors that their donations were being handled appropriately, a critical factor in Landry’s work due to the mistrust many Catholics harbored toward the Archdiocese following the crisis.\textsuperscript{188} In speaking to parishioners who had supported the Archdiocese prior to the clergy abuse scandal, Landry also found that simply listening constituted an effective way to regain the trust of donors and eventually re-engage them in the work of the Archdiocese: “You can’t overcome all of their objections. But you can listen.”\textsuperscript{189} As

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Boston. **Vision Statement**: In carrying out our mission, we seek to be compassionate professionals who are valued for our faith, service, and integrity. **Operating Principles**: We seek to give glory and honor to God and rebuild trust in Christ’s Church, following the guidance of the Holy Father and Archbishop of Boston. We challenge each other to make the most of the gifts God has given us and strive to recognize and reward excellent performance. We treat each other and those whom we serve fairly, with dignity and with honor, holding ourselves accountable for our commitment to service. We are dedicated to a culture of collaboration, innovation, and inspiration.

\textsuperscript{186} McDonough, “Chancellor’s Annual Overview.”
\textsuperscript{187} McDonough, “Chancellor’s Annual Overview.”
\textsuperscript{189} Kooker, “For profit vets.”
described in previous chapters, members of the Catholic Church traditionally have not been given the opportunity to voice their concerns with the Church. That Landry’s office was willing to listen—to provide past donors with an “opportunity for venting”—signaled a substantial change in approach.\textsuperscript{190}

This shift in strategy reflects Landry’s dedication to communicating to prospective donors that the Archdiocese of Boston really cares about its parishioners, that it recognizes that “God willed [them] into existence, and the Archdiocese has a duty to them.”\textsuperscript{191} While this was certainly a difficult task in light of the clergy abuse scandal, Landry nevertheless emphasized again and again in an interview for this project that the “job of the Church isn’t to fundraise” but instead to “get people to heaven and to find happiness in this life.”\textsuperscript{192} Such language suggests Landry’s awareness in the aftermath of the crisis that the Archdiocese had to convey the sincerity of its commitment to the spiritual and material wellbeing of its members before it could ask for financial support. One such way was through the efforts of Archdiocesan officials like Landry, who dedicated significant energy and time to regaining the trust of donors through a willingness to listen to their frustrations.

Implementation of Ecclesiastical Stewardship Message

While O’Malley and DeVasto had spent time reengaging major donors such as Connors prior to Landry’s arrival, Landry focused on regaining the trust and contributions of donors at the lower giving levels.\textsuperscript{193} Consistent with his personal outlook

\textsuperscript{190} Damien DeVasto, interview by author, April 4, 2012.
\textsuperscript{191} Scot Landry, interview by author, June 17, 2011.
\textsuperscript{192} Ibid.
\textsuperscript{193} Ibid.
on fundraising, Landry publicly framed the importance of giving and the Catholic Appeal in the language of ecclesiastical stewardship—a noteworthy approach considering the traditional Catholic attitudes toward money and fundraising discussed in Chapter 2. For instance, in his letter in the Archdiocese’s 2006 Annual Report, Landry evokes both Zech’s and the USCCB’s writings on the fundamental tenets of ecclesiastical stewardship in encouraging parishioners to support the Archdiocese:

...our blessings and gifts ultimately come from our loving God, who trusts us to develop those gifts and share them for the good of his whole family. In following Christ’s example, we hope that more of our parishioners will see the many needs of the Church and come forward to share their time, talent and financial resources to build a stronger community of faith.194

Landry employed the same language in articles in The Pilot, blog posts, and subsequent letters. Such an emphasis on the theological basis for giving suggests Landry did his homework on the basis for low Catholic giving.

Outreach to Parishes

Landry recognized, however, that an appeal articulated on behalf of the Archdiocese by local pastors, the individuals whom lay Catholics largely still trusted and wanted to help, was far more likely to resonate with parishioners than an appeal from Landry or another employee of the Archdiocese. Yet, many pastors resented the Archdiocese as much as if not more than many parishioners. Pastors were “scandalized” by the clergy abuse crisis, and many “freaked out” when Cardinal Law announced his

“zero-tolerance policy,” mentioned in the Introduction. According to this policy, any “credible allegation” of abuse would result in the removal of the priest from active ministry, leading innocent pastors to constantly worry about whether customary actions—patting a child on the shoulder, for instance—could now be construed as inappropriate behavior. As a result, Landry acknowledged that priests “had a lot of problems with the Archdiocese” as a result of this policy. Yet, given the importance of these priests to the success of the Catholic Appeal, Landry dedicated significant time and energy to trying to build relationships with disaffected priests through repeated personal meetings; as Landry emphasized, “You don’t earn trust with the priests in one meeting.” Much like in his meetings with parishioners, Landry sought to convey to pastors that the Archdiocese genuinely cared about their spiritual and material wellbeing and that of their congregations.

In an effort to “walk the talk,” Landry and the Office of Institutional Advancement took unprecedented steps toward providing fundraising assistance to parishes. In the years leading up to Landry’s arrival, the Archdiocese had focused on helping parishes manage their finances—in tandem with the Archdiocese’s own efforts to become more financially transparent and accountable. According to McDonough’s letter in the 2006 Annual Report, the Parishes and School Services division of the Archdiocese “diligently” assisted parishes in the “training of business managers, installing and instructing on the use of financial software, offering workshops for pastors, and assisting

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195 Scot Landry, interview by author, June 17, 2011.
197 Scot Landry, interview by author, June 17, 2011.
198 Ibid.
199 Ibid.
the parishes in creating efficient operations.” Yet, as discussed in Chapter 2, Catholic pastors have also historically struggled with effective fundraising. For most parishes within the Archdiocese of Boston, the offertory collection comprises fifty-five to sixty percent of their income; any significant decreases in revenue from the offertory collection could seriously jeopardize a parish’s ability to function in the way expected by parishioners or to even keep open its doors. In addition, because parish collections are reported as revenue in the Archdiocese’s financial statements, the Archdiocese’s ability to reach a balanced budget is directly dependent on the fundraising prowess of pastors.

Between 2006 and 2009, Landry instituted several efforts aimed at helping parishes raise more money through their offertory collection, major fundraisers, and special collections. In his letter in the 2006 Annual Report, Landry encouraged parishes to provide parishioners with the option to give online through websites such as parishpay.com. The advantage of online giving lies in the fact that the average parishioner misses an average of ten to twelve Sunday Masses per year due to vacation, illness or other circumstances; because parishpay.com forces parishioners to set up monthly payments, a parish will receive parishioners’ contributions even if they are not at Mass on a particular Sunday. According to parishpay.com, parishioners who give electronically tend to increase their gift size by seventy percent—in line with Zech’s assertion that people are more generous when they make annual or monthly pledges.

Moreover, beginning in September 2007, the Office of Institutional Advancement launched the “Fall Fundraising Forum,” which was to be held annually in the fall and

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200 McDonough, “Chancellor’s Annual Overview”
201 Denise McKinnon-Biermat, interview by author, June 29, 2011.
202 Mary Cuddy Sutherland, interview by author, November 7, 2011.
consisted of three seminars on different aspects of fundraising. For instance, in 2007, the seminars covered increasing the parish offertory, creating parish annual reports, and promoting planned gifts; in 2008, the seminars focused again on increasing parish offertory and planned gifts and added the topic of running successful capital campaigns.204 When asked about the basis for these seminars, Landry cited the Archdiocese’s dedication to providing pastors and parish business managers with the “tools, techniques, expertise, and advice” needed to “allow them to advance their missions and encourage parishioners to receive God’s blessings and return them in charity.”205 In 2009, Landry also launched an online blog—ParishFundraisingBlog.com—in an effort to provide parishes with a “one-stop shop” for parish pastors and staff members seeking resources related to fundraising, development and mission advancement.206 In reflecting on these steps that his office took to provide fundraising assistance to parishes, Landry noted that it was something that “needed to be done,” not for only financial reasons but also as a way to positively impact parishioners’ view toward and relationship with the Archdiocese.207 In turn, the Office of Institutional Advancement hoped that a more positive view of the Archdiocese would translate to an increase in the size and number of donations to the Catholic Appeal.

Summary

Over the course of six years, the Archdiocese of Boston implemented substantial changes at the institutional level in an effort to regain donors after the 2002 clergy abuse crisis. These changes consisted of rebranding the annual appeal; partnering with high net-

204 Special to The Pilot, “Fall forums help parishes fund their mission,” The Pilot, September 12, 2008.
205 Special to The Pilot, “Fall forums.”
207 Scot Landry, interview by author, June 17, 2011.
worth individuals; releasing financial information in a comprehensible, readable format on an annual basis; investing in leaders with private sector experience; adopting basic business practices; framing the material needs of the Church in theological or ecclesiastical stewardship terms; engaging with disaffected parishioners and pastors; and providing tangible financial management and fundraising assistance to parishes. The Archdiocese’s concerted effort to regain the trust of the Catholic community in Boston is at the root of all of these changes. In order to recover once loyal donors, the Archdiocese had to demonstrate that it was not only trustworthy in its handling of its finances but that it was also genuine in its purported desire to help the individuals who benefit from its ministries. As Wesley Lindahl emphasizes in *Principles of Fundraising: Theory and Practice*, “There are numerous reasons why a donor might donate to a specific charity, yet repeated examples shows that trust must be present to continue the donating relationship.” As the next chapter explains, through these efforts to regain the trust of donors, the Archdiocese also embraced many of the best practices in Catholic fundraising as well as in nonprofit fundraising more generally.

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Chapter 4

The Effectiveness of Best Practices in Catholic and Nonprofit Fundraising for the Archdiocese of Boston

This chapter first examines the ways in which the practices adopted by the Archdiocese of Boston in the aftermath of the clergy abuse crisis reflect best practices in Catholic fundraising as well as best practices in nonprofit fundraising more generally. The second half of the chapter is dedicated to assessing which of these practices were ultimately most effective for the development efforts of the Archdiocese.

Adoption of Best Practices in Catholic Fundraising

The best practices in Catholic fundraising are elucidated by Zech in Why Catholics Don’t Give; as Frank Butler, President of Foundations and Donors Interested in Catholic Activities, notes in his Introduction to the second edition of Why Catholic Don’t Give: “Dr. Zech’s…insights on the giving practices of the faithful, offer a concise case for what is needed to achieving a wider and stronger participation of Catholics.”209 As described in the previous chapter, Zech asserts that a commitment to financial transparency and accountability and the implementation of an ecclesiastical stewardship message are critical for increasing contributions in Catholic dioceses and parishes. In the aftermath of the clergy abuse crisis, the Archdiocese of Boston clearly adopted these practices. In terms of financial transparency and accountability, the Archdiocese has released annual reports and independent audited statements since 2006 and has also invited donors to take part in “decision-making processes” regarding the management

and allocation of funds. The Archdiocese also espoused Zech’s recommendation regarding an ecclesiastical stewardship message through consistent efforts to “lift the discussion of money to a spiritual level,” such as the inclusion of a prayer card in the Catholic Appeal materials and Scot Landry’s insistence on using the language of ecclesiastical stewardship in his communications with the public as Secretary of Institutional Advancement.

**Adoption of Best Practices in Nonprofit Fundraising**

In the aftermath of the clergy abuse crisis, the Archdiocese was forced to compete with other organizations and causes for donors. Parishioners who experienced a tremendous loss of trust in the Archdiocese but who still wanted to support Catholic causes or Boston’s neediest individuals and services could easily turn to other organizations, such as Catholic Charities (which dissociated itself from the Archdiocese after the scandal), or United Way. As Zech noted in a phone conversation, “If you feel like the diocese is letting you down, you will give to other causes even if you have the stewardship mentality.” Thus, in an effort to regain and attract new donors, the Archdiocese went beyond Catholic fundraising best practices and appropriated many of the best practices in nonprofit fundraising.

**Major Donors**

Under O’Malley, the Archdiocese’s commitment to engaging with major donors was a crucial action. As Wesley Lindhal notes in *Principles of Fundraising*, “Major gift

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211 Charles Zech, Phone interview with the author, February 23, 2012.
donors are in many ways the most important donors to any nonprofit organization.”\textsuperscript{212}

The importance of major donors largely derives from the 80/20 rule in fundraising; as discussed in the previous chapter, the 80/20 rule holds that 80 percent of contributions will come from only 20 percent of donors. Yet, many experts now consider the 80/20 rule obsolete; instead, starting in the late 1990s, many campaigns received 90 to 95 percent of their gifts from just 5 to 10 percent of donors.\textsuperscript{213} This new standard in fundraising, let alone the traditional 80/20 rule, indicates the critical nature of high net-worth donors and major gifts to an organization.

In approaching major donors after the clergy abuse crisis, the Archdiocese adopted current best practices in working with these donors, such as increased stewardship and the commitment to truly partnering with donors. As noted earlier, following the scandal, the Archdiocese dedicated far more energy and resources than ever before to its work with major donors. One result of this renewed focus on major donors was that the Office of Institutional Advancement worked towards facilitating relationships between donors and the ministries their gifts supported. Such efforts reflect the Archdiocese’s commitment to proper stewardship, which in this context refers to the “process whereby an organization seeks to be worthy of continued philanthropic support.”\textsuperscript{214} By encouraging and allowing donors to observe first hand the benefits of their gift, an organization not only “strengthens donors ties to the nonprofit” but also “encourages future gifts from the benefactor.”\textsuperscript{215}

\textsuperscript{212} Lindhal, \textit{Principles of Fundraisers}, 149. \\
\textsuperscript{213} Paulson, “Church insiders now on outside.” \\
\textsuperscript{214} Association of Fundraising Professionals definition of “stewardship” quoted in Lindhal, \textit{Principles of Fundraising}, 162. \\
\textsuperscript{215} James M. Hodge, “Major Gifts” in Eugene R. Tempel et al., \textit{Achieving Excellence in Fundraising}, 3\textsuperscript{rd} edition (San Francisco: Jossey-Bass, 2011), 76.
The Archdiocese also took the unprecedented step of collaborating with major donors by inviting these individuals to assist in the Archdiocese’s handling of its finances. While such a partnership was certainly a condition of many donors’ gifts in light of the clergy abuse scandal, it is also in line with the expectations of today’s philanthropists more generally. A 2006 study conducted by the Center on Philanthropy found that the “most philanthropic people in America are entrepreneurs,” most of whom are not content with the more traditional “give, name, and go away style of philanthropy.” Instead, today’s major donors demand more involvement in the cause they financially support; as Greg Dees, professor of Social Entrepreneurship and Nonprofit Management at Duke University, is quoted as saying in the book Philanthrocapitalism: “Philanthropy today is best defined more broadly than giving money away, as mobilizing and deploying private resources, including money, time, social capital and expertise to improve the world in which we live.”216 An organization looking to attract and retain major donors will therefore make every effort to partner with these individuals who want to use all of their assets—not simply their monetary wealth—to help a particular organization or a cause.

Accountability

Nevertheless, these major donors—and donors at all giving levels—expect the highest standards of accountability in return for their gifts. According to those who closely watch and study the nonprofit sector, a direct correlation exists between accountability and successful fundraising. As Eugene Tempel, one of the editors of

216 Greg Dees quoted in Matthew Bishop and Michael Green, Philanthrocapitalism (New York: Bloomsbury Press, 2008), 49.
Achieving Excellence in Fundraising emphasizes, “The organization that…holds itself accountable to its constituents…can engage in fundraising from a position of strength.”

In the last two decades, accountability has become absolutely essential for nonprofits looking to maintain and attract donors.

Until the 1980s, charities sought to demonstrate the validity and effectiveness of their work to donors by reporting the “number assisted.” Yet, as Ken Berger and Robert Penna of Charity Navigator, an organization that evaluates the accountability and transparency of the largest charities in the United States, point out, such emphasis on “counting activities” usually failed to address whether the efforts of the charity had actually made “any meaningful, sustainable, or measureable positive change to those they existed to serve.” Berger and Penna argue that the failure of charities to provide “meaningful” data regarding the effectiveness of their work derived from the reporting techniques of older charities and the government:

From these sources the charities of the latter third of the 20th Century were bequeathed a belief that the simple act of making services available was virtually the same as solving a problem, a concept that worked to the particular benefit of state and federal legislators anxious to show their constituents that, via the appropriations they approved, they were doing something about various social problems.

In the early 1990s, however, non-profit organizations and charities began to experience increased pressure to provide evidence that their services were actually necessary and effective in the lives of their clients. This push for increased accountability within the nonprofit sector, commonly referred to as the “outcomes movement,” was largely

219 Berger and Penna, “Transparency and Fundraising.”
220 Ibid.
prompted by the 1993 Government Performance and Results Act, an initiative aimed at ensuring that public money for federal projects was being used appropriately.221

In more recent years, donors have started to expect not only “meaningful…” evidence of results” but also financial and managerial transparency due to the scandals that emerged between 2000 and 2002 such as Enron, WorldCom, and Tyco.222 While these instances of financial mismanagement and fraud occurred at for-profit corporations, Berger and Panna note that the scandals produced a “ripple effect” in the nonprofit sector: “Organizations of all kinds came under new scrutiny regarding their management, spending decisions, and ethical behavior.” 223 Consequently, donors also have come to expect full accounts of organizations’ “effectiveness, management and expenditure decisions.”224 As the opening line of a 2003 New York Times article on the topic of “new ideas for making finances clearer and scandals rarer” stated, “Everywhere you turn in the world of philanthropy and nonprofits these days, people are talking about accountability.”225

As a result of this demand for transparency and accountability, a great deal of literature has come out of universities and consulting firms in the last decade regarding the ways in which non-profits can—and must—adapt to this new demand for accountability. Much of this work centers on the way in which nonprofits can improve their management and operational practices in order to achieve greater accountability. As

222 Berger and Penna, “Transparency and Fundraising.”
223 Ibid.
224 Ibid.
Tempel asserts, “More sophisticated donors and funders today are holding organizations to higher standards of accountability. Doing so demands professional management approaches that lead to organizational readiness for fundraising.”

A December 2008 piece in *Harvard Business Review* provides a comprehensive example of the existing literature on achieving accountability through improved management practices. The essay, “Delivering on the Promise of Nonprofits,” argues that responsible management practices will help nonprofits actually “deliver results,” or the outcomes expected by “their staff members, their boards, and public and private donors.” Written by Jeffrey Bradach, Thomas J. Tierney, and Nan Stone—all of The Bridgespan Group, a nonprofit consulting firm that provides “strategic consulting and executive search services to non-profits and philanthropies”—the essay represents the written version of the message Bradach and his colleagues had been disseminating to nonprofits by means of seminars and lectures since 2004.

First and foremost, the authors encourage nonprofits to step back and “confront” four critical questions: “Which results will we hold ourselves accountable for? How will we achieve them? What will results really cost, and how can we fund them? How do we build the organization to deliver the results?” The authors then emphasize that nonprofits must (1) achieve “financial clarity”, (2) be able to “very clearly articulate what the organization needs financial support for, and identify appropriate sources” of funding, (3) develop better management processes, and (4) “build leadership capacity” by

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226 Tempel, “Organization Strengths and Fundraising.”
228 Ibid.
229 Ibid.
investing in “topflight executive performance.” These recommendations not only provide nonprofits with practices that indicate accountability but they also address the challenges the nonprofit sector has typically faced in “delivering results.”

The four questions listed above that the Bridgespan consultants insist organizations consider stem from traditional struggles with developing an achievable mission and goals. The questions—which ideally force nonprofit leaders to assess the current effectiveness of the organization’s ambitions, structures and processes—are meant to ultimately provide nonprofits with a “framework” for creating “pragmatic, specific plans for making a tangible difference.” In relation to the authors’ specific recommendations, the first two — accomplishing “financial clarity” and expressing the basis for financial needs—certainly convey the necessity of financial transparency and accountability following the Sarbanes-Oxley Act. Nevertheless, these recommendations additionally reflect the fact that “nonprofits’ financial systems typically are rudimentary,” resulting in decision-makers’ murky understanding of the organization’s financial situation and the true costs and needs of programs. The third recommendation—developing better management processes—acknowledges the disorganization and inefficiency that characterize many nonprofits: “[Nonprofits] are often marked by persistent confusion about roles and responsibilities and by opaque decision making…The costs show up both in a weakened ability to achieve results for beneficiaries and in burnout among volunteers and staff members.”

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230 Bradach et al., “Delivering on the Promise of Nonprofits.”
231 Ibid.
232 Ibid.
233 Ibid.
234 Ibid.
235 Ibid.
The recommendation that nonprofits should invest in competent and knowledgeable leaders is, on the one hand, common sense; as the authors state, “B-level leadership teams will not deliver A-level results.” Yet, this recommendation also derives from an issue in the nonprofit sector referred to as “the leadership deficit” by the Bridgespan Group. In 2006, Thomas Tierney authored a report on the “dearth of strong leaders” in nonprofit organizations: “Many nonprofit organizations struggle to attract and retain the talented senior executives they need to convert dollars into social impact. Searches for chief executives, operating and financial officers often turn up only one to three qualified candidates, compared with four to six comparable private-sector positions.” Tierney’s main concern in the report, however, is the fact that as the sector grows and baby boomer executives retire, nonprofits will need to hire 640,000 new executives; in other words, unless change occurs in the hiring process, the leadership deficit will only worsen in the next decade.

Tierney therefore asserts the necessity of increased spending on “leadership,” which comprises “recruiting expenses, training costs, salaries and benefits.” In response to traditional “resistance” to overhead costs in the nonprofit sector, Tierney argues that “leadership development-related expenditures…cannot be lumped” with overhead costs. On the topic of salaries, Tierney maintains that although “talented managers don’t join nonprofits to get rich,” competitive compensation is still important: “The short list of candidates attracted to a chief operating offering job paying $90,000

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236 Bradach et al. “Delivering on the Promise of Nonprofits.”
238 Tierney, “The Leadership Deficit.”
239 Ibid.
240 Ibid.
looks dramatically different from the one for the same position advertised at $70,000. The additional $20,000 attracts candidates who not only are more seasoned, but who also have more experience running more complex organizations.”

In considering the Bridgespan Group’s recommendations for achieving greater accountability in relation to the practices of the Archdiocese of Boston following the clergy abuse crisis, it becomes clear that the Archdiocese had adopted all of these practices by 2008. In the years following the clergy abuse scandal, the Archdiocese carefully developed a mission statement and a plan to achieve this mission; evaluated its operational system and subsequently restructured offices and processes; released thousands of pages of financial documents and committed to disclosing such information on an annual basis; and invested in competent leaders with backgrounds in the private sector. This observable commitment to accountability signals the Archdiocese’s recognition that achieving accountability was one of the most important steps it could take in regaining the trust of donors.

**Effectiveness of Best Practices**

The question remains whether the adoption of these best practices in Catholic and nonprofit fundraising actually resulted in the recovery of the annual Appeal since the clergy abuse crisis. The short answer is yes. Within six years of the crisis, the revenue from the annual Appeal nearly returned to pre-2002 levels, reaching approximately $15 million in 2008. In the years immediately following the crisis, the revenue raised by the Appeal began to increase steadily, garnering $10.3 million in 2003, $10.9 million in

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241 Tierney, “The Leadership Deficit.”
2004, $11.8 million in 2005, $13.6 million in 2006 and $14 million in 2007. Yet, while the Catholic Appeal may have recovered in terms of revenue, the number of donors to the appeal has definitely not returned to pre-crisis levels. In 2009, 48,937 Catholics donated to the Catholic Appeal, relative to 84,624 in 2001. This section first examines the relationship between the increase in revenue and the changes made by the Archdiocese, and then discusses the implications of the fact that the number of donors to the Appeal has not yet recovered.

Increased Revenue

*The Rebranded Appeal*

The rebranding of the Cardinal’s Appeal is one change that certainly contributed to the recovery of the annual fundraising drive. While the monetary increase in 2003 was due in large part to the arrival of O’Malley, the success of the Appeal continued in the following years. Although the Office of Institutional Advancement was initially concerned that the closing of parishes in 2004 (referred to by the Archdiocese as “reconfiguration”) would affect the Catholic Appeal, the 2004 Appeal garnered $11 million—up from $10.3 million in 2003 and $8.8 million in 2002. Between 2002 and 2004, the Appeal experienced an increase of over 20 percent in funds raised and over 30 percent in donor participation. DeVasto cited the Appeal themes, which change every year, as a likely reason for the increase in revenue and number of donors. For instance, in 2004, the theme—“Together in Faith”—sought to both acknowledge the closing of

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242 Ten Year Giving Summary CA. 09 v. CA. 10.
243 Ibid.
244 McKenna, “Renewed Focus on Faith.”
245 Ibid.
parishes and remind Catholics of the larger Catholic community in Boston; as DeVasto noted, this theme “spoke implicitly to our sense of shared mission and to the recognition that reconfiguration was an issue confronting all parishioners.”

More generally, the focus in the Appeal materials on the programs and individuals who benefit from the Catholic Appeal—Catholic School students, families, elderly or disabled parishioners, social services for the poor and the sick, disadvantaged parishes—appears to have resonated with the thousands of Catholics who recommenced their contributions or gave to the Archdiocese for the first time; as O’Malley noted in a *Boston Globe* article about the appeal: “I think that people realize the wonderful work that’s being done…The needs are there.”

*Financial Transparency and Better Management Practices*

It also appears that O’Malley’s commitment to financial transparency and concerted efforts to “modernize and professionalize the church administration” helped regain donors. In response to the fact that the Archdiocese raised $13.8 in 2006, Thomas Groome, director of the Institute of Religious Education and Pastoral Ministry at Boston College, argued that the increased revenue signaled the laity’s approval of O’Malley and his work: “It’s one of the ways the Catholic laity have of voting, with their

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246 McKenna, “Renewed Focus on Faith.”
pocketbooks, and they’re obviously beginning to vote for [O’Malley].” DeVasto also believes that there was a strong correlation between the changes made within the Archdiocese and the increase in contributions to the Appeal in the years following the crisis: “Clearly…there is a strong demonstration of forward movement and a recognition by Catholics of the progress that’s taking place across the Archdiocese. There’s more to be done—there’s no question—but this is a real reflection that there is a greater sense of community and progress.”

Engaging and Partnering with Major Donors

Although the rebranded appeal and O’Malley’s focus on greater transparency and accountability contributed to the recovery of the revenue raised by the Appeal, Archdiocesan officials, such as Landry and DeVasto, note the significant role of the growth of the “Cardinal’s Leadership Circle,” or those donors who gave gifts of $10,000 or more. That high net-worth donors were fundamental to regaining pre-crisis revenue levels is not surprising given the “80/20” or, more recently the “90/10”, rule in fundraising. Nevertheless, the extent to which the Leadership Circle grew from 2002 to 2009 is quite noteworthy. In 2001, the year before the clergy abuse scandal, 78 individuals contributed at the $10,000 level, and their gifts made up approximately eight percent of the total raised. In 2002, the number of those in the Leadership Circle dropped to 36. Yet, by 2009, the Leadership Circle had not only regained the pre-crisis number of donors but had grown to 106 individuals, with their gifts now comprising

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250 Paulson, “Upswing in contributions.”
251 Ten Year Giving Summary CA 09 v. CA 10.
approximately 38 percent of the total raised by the Appeal.252

In a personal email exchange, DeVasto indicated that the growth of the Leadership Circle is a direct result of the time that he and O’Malley dedicated and continue to dedicate to engaging and “truly partnering” with these donors: “To move forward as an Archdiocese we recognized the need to engage leadership [donors] in a very personal, direct way. From that experience, and as a reflection of the belief these leaders have in the direction of the Archdiocese, many provided significant support.”253 The Archdiocese now considers this collaborative relationship with major donors to be fundamental to its mission and operating principles; as DeVasto noted, O’Malley “embraces” the collaborative model of governance and the institution is continually striving to “reflect” such a model.254

Low Number of Donors

While the revenue of the Catholic Appeal nearly returned to pre-crisis levels by 2008—due in large part to the growth of the Leadership Circle—the number of donors to the annual appeal has definitely not recovered. Between 2002 and 2004, the Archdiocese gained about 14,000 donors to the Catholic Appeal, an increase tied most with the rebranding of the appeal, the installation of O’Malley, and the growth of the Leadership Circle.255 In 2005, however, the number of donors fell from 53,853 to 49,698, an indication of the discontent felt by many Catholics in the wake of parish closings deemed

252 Ten Year Giving Summary CA 09 v. CA 10.
253 Damien DeVasto, email exchange with author, April 5, 2012.
254 Damien DeVasto, interview by author, April 4, 2012.
255 Ten Year Giving Summary CA 09 v. CA 10.
necessary by O’Malley in January 2005.\textsuperscript{256} The number of donors has since hovered between 48,000 and 49,000, relative to 84,624 in 2001.\textsuperscript{257}

The Archdiocese’s inability to regain more donors in the aftermath of the clergy abuse crisis is likely a result of several factors. First and foremost, parishioners are still angry with, disillusioned by and mistrustful of the Archdiocese. As Scot Landry acknowledged, “It’s going to take another generation to get these people back [and] to trust the Archdiocese...beyond [one’s] parents, Catholics should be able to trust a priest because he is a man of God. You can’t fix this type of betrayal easily.”\textsuperscript{258} Many pastors are also still wary of the Archdiocese—and, as a result, they presumably do not dedicate a significant amount of time to encouraging their parishioners to financially support the Archdiocese. In addition, Landry also noted that a fair amount of donors not only discontinued their donations to the Archdiocese’s Appeal but also left the Church altogether in the aftermath of the clergy abuse crisis.\textsuperscript{259}

The difficulty the Archdiocese has experienced in regaining donors inevitably brings into question the effectiveness of the ecclesiastical stewardship message Zech so encouraged and the Archdiocese embraced after the crisis. While the rebranded appeal featured religious themes in the years immediately following the crisis—namely, “One Church, Many Works,” “Together in Faith,” “Our Faith at Work”—they did not so much frame giving as a theological obligation as remind parishioners of the many ministries supported by the Archdiocese and the real needs of these programs and services. And, the members of the Cardinal’s Leadership Circle did not give substantial amounts because

\textsuperscript{256} Ten Year Giving Summary CA 09 v. CA10.
\textsuperscript{257} Ibid.
\textsuperscript{258} Scot Landry, interview with the author, June 17, 2011.
\textsuperscript{259} Scot Landry, email exchange with the author, February 23, 2011.
they suddenly understood their gifts as material representations of their recognition that “all their gifts and blessings ultimately come from God.” Instead, the Archdiocese attracted leadership donors by asking for their involvement in the operational management of the Archdiocese and by demonstrating its commitment to adopting the best practices in nonprofit fundraising.

Rather than providing evidence of the success of ecclesiastical stewardship, the case of the Archdiocese of Boston demonstrates the difficulty of implementing a top-down ecclesiastical stewardship message in a diocese the size of Boston—which is perhaps why Zech focuses largely on implementing stewardship at the parish level in Why Catholics Don’t Give and What Can Be Done it. For ecclesiastical stewardship to be successful on the diocesan level, the diocese must have the support of pastors in the diocese. That less than three percent of the Catholic population in the geographic area covered by the Archdiocese of Boston currently contributes to the Catholic Appeal suggests that the Archdiocese simply does not have the support it needs at the parish level for the ecclesiastical stewardship model to be effective.

During a phone conversation, Zech acknowledged some potential reasons for the reluctance of pastors to implement this theologically-based approach. First, ecclesiastical stewardship programs do not have an immediate effect on giving; pastors are often unwilling to commit to a program that does not produce relatively quick results. “A consumer mentality exists…[but] the benefits of stewardship don’t become apparent overnight.”

Second, many pastors may not have viewed the ecclesiastical stewardship approach as a priority for their parishes; Zech explained that as “the pope of the parish,” a pastor will sometimes disregard the priorities of the denominational leadership if his

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For instance, a pastor who feels that he will receive a sufficient amount of contributions by relying on a summary of the parish’s material needs might not embrace the ecclesiastical stewardship message. If the pastor does not use an ecclesiastical stewardship message to encourage his parishioners to give to their own parish, parishioners are very unlikely to view giving to the diocese as a theological obligation.

Thus, the Archdiocese of Boston has largely failed to instill in its members the notion that giving represents a theological duty, a way of expressing one’s gratitude to God. While individual parishes in Boston may be able to successfully use the ecclesiastical stewardship approach to increase donations, such an approach has proved far more difficult to implement at the diocesan level. It is certainly “theologically sound” for the Archdiocese to continue to frame giving in the language of ecclesiastical stewardship in annual report letters and marketing materials; but, in terms of maintaining current donors and attracting new donors, the Archdiocese needs to focus most on continuing and improving the strategies which have proved most successful since 2003—namely, a commitment to financial transparency, the adoption of the best practices in the nonprofit sector, and the development of collaborative relationships with major donors.

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Chapter 5

The Archdiocese of Boston’s Fundraising Future

To date, the Archdiocese has been able to regain most of the revenue that it lost in 2002 with roughly only fifty-five percent of the donors it had prior to the crisis. Nevertheless, according to DeVasto, the Office of Institutional Advancement is “trying to go for as wide a pool of donors as possible.” This is both a smart fundraising strategy for the Archdiocese of Boston after the clergy abuse crisis and in line with the fundamental character of Catholicism. If the Archdiocese relies only on rebuilding trust and relationships with major donors, it will perpetuate the impression among the majority of parishioners that the Archdiocese is not actually concerned about their well-being or their faith—an impression that clearly will not result in contributions from this wider base.

In addition, the idea that everyone matters embodies the original meaning of Catholicism. From the Greek words kath holou, the term “catholic” means “of the whole” or “universal.” The early Church became known as the Catholic Church as a way to refer to the “unity of all the local churches in union with each other.” While the term “Catholic” now distinguishes the Catholic Church from the Orthodox and Protestant churches, an emphasis on collectivity and community has endured in the Catholic faith. As Lawrence Cunningham, Professor of Moral Theology at Notre Dame, explains in An Introduction to Catholicism, “Catholic morality insists that all human beings are, by nature, relational—borrowing from the Old Testament insight that the two fundamental

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262 Damien DeVasto, interview by the author, April 4, 2012.
263 Lawrence S. Cunningham, An Introduction to Catholicism (New York: Cambridge University Press, 2009), 3.
264 Cunningham, An Introduction, 6.
laws of our relation to God involve love of God and love of neighbor." As part of the Catholic Church, the Archdiocese of Boston and, more specifically, its development efforts should embody such an emphasis on community. Francis Butler, president of Foundations and Donors Interested in Catholic Activities (FADICA) articulated the importance of reaching out to all potential Catholic donors in his keynote address at the 2006 National Leadership Roundtable on Church Management (NLRCM) at the Wharton School of Business: "...when everyone counts...the Church is better able to fulfill its mission of giving witness to the reality of Christ’s presence among His people."

The Archdiocese’s most recent development-related actions suggest that it is indeed striving to capitalize on its past successes in fundraising in order to increase the number of donors to the Catholic Appeal. In October 2010, the Archdiocese announced the creation of a coordinated development clearinghouse: “In order to strengthen and enhance the resources needed to fulfill the mission we received from Jesus Christ and His Church, the Archdiocese is establishing a more effective, coordinated and strategic development approach. The new entity, Boston Catholic Development Services (BCDS) will streamline the fundraising strategies of the Archdiocese." The BCDS was created in an effort to address the difficulty many parishioners experience in discerning between various Church-related appeals for money; in addition to the Archdiocese’s annual Catholic Appeal, parishioners are being asked to support several other Archdiocesan related funds, including the Clergy Fund and the Campaign for Catholic Schools. By placing all three funds within the jurisdiction of the same development office, the

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266 Francis Butler, “Everyone Counts: Finding the Means For Ministry and Service,” in *Bringing Our Gifts to the Table: Creating Conditions for Financial Health in the Church*.
Archdiocese hopes to not only alleviate parishioner confusion but also to better coordinate the timing of appeals so as materials for the Catholic Appeal, for example, are not mailed the same week as materials for the Campaign for Catholic Schools.

In November 2010, O’Malley announced the appointment of Kathleen Driscoll as the new Secretary for Institutional Advancement, whose responsibilities include the implementation of the BCDS vision—an undertaking that is still in progress. The appointment of Driscoll signals O’Malley’s continued commitment to hiring “top talent”; prior to this appointment, Driscoll served as the President of the Catholic School Campaign and held leadership roles at John Hancock Financial Services and Hill, Holliday, Connors and Cosmopulos, Inc.

While Driscoll and her colleagues work on reorganizing the Archdiocese’s development efforts, those involved with the Catholic Appeal are trying yet another marketing strategy for the 2012 Appeal. Whereas the initial rebranded Appeal broadly emphasized the needs of the Catholic community—for instance, parochial school children in Boston need financial support—the 2012 marketing material consists of three stories about specific individuals who have directly benefited from the work of the Archdiocese. There is Kate, who was a “young mother…with a new baby on the way, an uncertain financial future, and great strains on her marriage.” After seeking the help of the Archdiocese’s Pro-Life Ministry, Kate received the opportunity to “be heard” and to “receive compassionate, practical advice.” Then there is Georgia, an elderly member of

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268 In the spring of 2010, Landry left his position as Secretary for Institutional Advancement and became the Secretary for Catholic Media. The author was not able to ascertain the basis reasons for Landry’s transition to Catholic Media.
Saint Agatha Parish in Milton who is now confined to a wheelchair. With the help of the Archdiocese’s Office for Persons with Disabilities, Saint Agatha Parish “developed a plan that improved sacramental access for all parishioners and ensured better accommodations for persons with disabilities and their families.” Finally, there is Steven, a college student who “faced many challenges to his faith” when he first arrived on campus. Through the Archdiocese’s College Campus Ministry, Steven was able to receive help in “practic[ing]” his “Catholic faith while away from home.”

The appeal brochure includes full-page pictures of Kate and her baby Elle, Georgia and Steven.

The story of the Good Samaritan serves as the overarching theme of the 2012 Catholic Appeal. The first page of the appeal states in large letters, “Someone needs you,” and the last page encourages parishioners to become a “good Samaritan”: “We all need a Good Samaritan. The Good Samaritan is You.”

As Courtney Wahle, a development marketing manager at the Archdiocese, noted, the “very visual” nature of the Appeal and the personal stories are intended to spark an “emotional connection” among parishioners. An appeal to emotion is a common and often successful strategy used by non-profit organizations to garner donations.

In their essay on “Developing and Articulating a Case for Support” in Achieving Excellence in Fundraising, Timothy Seiler and Eva Aldrich note that the use of emotion is a sound fundraising strategy, and encourage organizations to do precisely what the Archdiocese has done in the 2012 Catholic Appeal.

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271 2012 Catholic Appeal Brochure.

272 Courtney Wahle, interview with the author, April 4, 2012.

273 Perhaps the most famous example of a successful appeal to emotion is the television commercial featuring photographs of homeless cats and dogs set to singer Sarah McLachlin’s poignant song “Angel”; the commercial garnered over $30 million for the American Society for the Prevention of Cruelty to Animals in less than two years.
Catholic Appeal, namely include “testimonials and photos of clients of your organization” in direct mail pieces in an effort to demonstrate the “ways the world will be better as a result of your organization’s work.” The Archdiocese of Boston hopes that this new branding—which emphasizes the scope of the Archdiocese’s services and therefore might resonate with a diverse group—will increase the number of donors to this year’s Catholic Appeal.

**Going Forward**

While the reorganization of the Archdiocese’s development efforts and the newest marketing strategy for the Cardinal’s Appeal are certainly smart actions in terms of continuing to maintain past donors and regain new donors, it is unlikely that these steps will result in the return of the roughly 36,000 donors who once gave to the Archdiocese’s annual Appeal but no longer do. Again, as Landry realistically surmised, “it’s going to take another generation” for the number of donors to reach pre-crisis levels. Thus, going forward, the Archdiocese must focus on engaging the youngest generations of Catholics in order to build donor participation levels.

According to Wahle, who is 28, many Catholics her age have distanced themselves from the Church, especially after the clergy abuse scandal. As these individuals are beginning to get married, however, they are also beginning to think that they may want to bring up their children in the same way they were brought up; as Wahle noted, “the importance of religion is coming back into their lives.” These Catholics and their future children represent a unique opportunity for the Archdiocese of Boston.

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275 Scot Landry, interview with the author, June 17, 2011.
276 Courtney Wahle, interview with the author, April 4, 2012.
Young Catholic couples have certainly not forgotten the clergy abuse scandal but they are willing to return to the Church because they want their children to experience an upbringing similar to their own; and their children will have no memory of the scandal.

In fundraising parlance, these families constitute “likely donors” as they have already indicated an interest in the Church and its works.\textsuperscript{277} Yet, as Seiler emphasizes in his essay on establishing a constituency base in \textit{Achieving Excellence in Fundraising}, likely donors must be “sought out and invited to become part of the philanthropic base that will augment and celebrate the organization’s work.”\textsuperscript{278} If the interests of these potential donors are neglected, however, they will “drift away” from the status of likely donor.\textsuperscript{279} Archdiocesan fundraisers must therefore build strong relationships with these young Catholic families. The parents have demonstrated their willingness to move past the clergy abuse crisis, and the children are poised to experience a Church not beset with scandal and financial trouble.

Paul Schervish’s research as Director of Boston College’s Center on Wealth and Philanthropy suggests that a focus on the younger generations of Catholics is not simply an opportunity but a necessity. In the late 1990s, Schervish and his colleague John Havens began a microsimulation project “designed to estimate the potential for growth in personal wealth.”\textsuperscript{280} Until Schervish and Haven’s project, the figure for the “forthcoming transfer of wealth” from “the aging wealthy” to their children had been “universally

\textsuperscript{277} Timothy Seiler, “Developing a Constituency Base,” in \textit{Achieving Excellence in Fundraising}.
\textsuperscript{278} Seiler, “Developing a Constituency Base.”
\textsuperscript{279} Ibid.
cited” as around $10 trillion.\textsuperscript{281} According to Schervish and Haven’s microsimulation model, the figure for the transfer of wealth will actually be “many times higher” than $10 trillion: “Our low-range estimate is that over the fifty-five year period from 1998 to 2052, the wealth transfer will be $41 trillion and may well reach double that amount.”\textsuperscript{282}

In relation to how this astounding figure will affect philanthropy, Schervish argues that “even the lowest estimate of growth in wealth should serve to indicate the potential for substantial and even increasing levels of charitable giving, especially among those at the upper ends of wealth and income.”\textsuperscript{283} As a result, nonprofit organizations must figure out how best to engage their younger constituents who will ultimately be inheriting this wealth over the next forty years. At the 2006 National Leadership Rountable on Church Management, Michael Hoffman, CEO and chairman of Changing Our World, Inc—a consulting firm dedicated specifically to fundraising and philanthropy—emphasized the importance of the younger generation for Catholic fundraising specifically:

> The challenge for all of us is there’s a tremendous number of young Catholics who are either wealthy or going to be wealthy. They may be totally focused now on their jobs and their families, and may not even go to Church. Nonetheless, we have to make a conscience effort to find them and get them to become active in the Church, to join our boards and our committees, for example. We then have to educate them about the gift of philanthropy.\textsuperscript{284}

Hoffman’s point reinforces the serious implications of Schervish’s research on the upcoming wealth transfer for the fundraising efforts of the Archdiocese of Boston. Young Catholics not only are the most likely to be willing to move past the clergy abuse scandal

\textsuperscript{281} Schervish, “Material Horizons,” 10.
\textsuperscript{282} Ibid.
\textsuperscript{283} Ibid.
\textsuperscript{284} Michael Hoffman, “Laying the Foundation for Successful Fundraising,” in \textit{Bringing Our Gifts to the Table: Creating Conditions for Financial Health in the Church}. 
but they also are or will become the city’s wealth-holders. As Hoffman implies, finding and engaging these younger Catholics is critical to the success of the Catholic Appeal in the years to come—both in terms of revenue and number of donors.

During his nine years as archbishop in Boston, O’Malley has signaled that he recognizes the importance of reaching young Catholics. In an effort to curb the pattern of young Catholics “drifting away” from their faith as they enter high school and college, O’Malley commissioned the “Faith Formation Committee” in 2006. This committee assessed the best ways to “keep the faith alive in the hearts of young men and women, through their high school and college years, and beyond.” After spending almost two years researching and examining “best principles and practices” for “effectively serving” youth and young adults, the committee devised a series of recommendations for improving the Church’s relationship with young Catholics. These recommendations included: O’Malley himself engaging with both the youth and young adults of the Archdiocese of Boston and those who serve these young Catholics; the establishment of “effective and regular communication among all who minister to young people”; and the use of “modern means of communication to engage youth and young adults.”

In response to these recommendations, O’Malley launched the Office for New Evangelization of Youth and Young Adults (ONE) in January 2008. The name of the office derives from Pope John Paul II’s call for “new evangelization” during his pontificate, which drew from Pope Paul VI’s use of the term when addressing the

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286 “Faith Formation Committee Report.”
“challenges facing the mission of the Church” in the 1960s and 1970s.\textsuperscript{287} ONE encompasses a number of ministries—such as the Young Adult Ministry and the Family and Intergenerational Ministry—and “intentionally plans, collaborates and coordinates” with a number of relevant Archdiocesan offices, including the Catholic Schools Office and the Office for Religious Education.\textsuperscript{288}

While faith formation among youth and young adults is critical to the viability of the Catholic Church in Boston, the Archdiocese must simultaneously focus on how to also instill in these Catholics the importance of giving back to the Church. As the ecclesiastical stewardship message does not seem to be a particularly effective strategy in the short term, the Archdiocese needs to find a way to regularly convey both the significance of its work and the merits of philanthropy to its constituents. For instance, the Archdiocese should consider better incorporating lessons on its work and on giving back to the Church into the curriculum of its schools and its religious education programs.

Ten Years Later, Financial Questions Remain

Although the revenue from the Catholic Appeal has nearly returned to pre-crisis levels and the Archdiocese achieved a balanced budget in 2010, the Archdiocese still faces financial challenges. After rebounding to $15 million in 2008, the revenue from the Catholic Appeal has dropped slightly in recent years—garnering $14 million in 2010 and

\textsuperscript{288} “History of ONE.”
$12.5 million in 2011. Although there does not seem to be a clear reason for the decline, this decrease is presumably due in large part to the economic downturn, which has affected the fundraising campaigns of nonprofit organizations across the country.

In addition, it remains unclear how two major plans announced by the Archdiocese in the last two years will affect the Archdiocese’s finances and development efforts. The first is the Archdiocese’s “new finance model,” whereby all parishes will eventually be “expected to contribute 18 percent of their weekly offertory, ‘grand annual’ fundraising drive, and net rental income” to the Archdiocese’s Central Ministry. Ten percent of that amount will be in the form of a parish tithe and eight percent will constitute a Catholic Appeal assessment. According to the Archdiocese, this assessment model is intended to eliminate confusion and inequity, which apparently characterized the old system of fees most parishes were required to annually pay the Archdiocese. As an incentive for parishes to improve their fundraising efforts, the Archdiocese has promised that parishes that exceed their “Catholic Appeal goals” will receive back 50 percent of that excess. According to Stephen Barrett, co-chair of the Archdiocese’s Improved Financial Relationship Committee, the new model is intended to benefit both the Archdiocese and parishes as it encourage parishes to develop better fundraising practices: “You’ll have a reward system that incentivizes fundraising and stewardship initiatives.” To date, only 33 parishes have participated in the pilot program for the

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292 Lockwood, “New parish financial relationship model.”
new finance model; nevertheless, the results are “heartening” for the Archdiocese as these parishes on average experienced a 17 percent increase in contributions in the last year.\(^{293}\) While it remains to be seen how successful the model will be once all parishes in the diocese are participating, these results suggest that such a model might be an effective way of convincing parishes to finally commit to adopting the ecclesiastical stewardship approach Zech and the USCCB bishops so vehemently advocate.

Faced with numerous challenges at the parish level—most significantly, a shortage of priests and lay people willing to serve professionally in parishes—the Archdiocese has also proposed a major reorganization effort. Known as the “Pastoral Plan,” the Archdiocese has announced its intention to eventually group local parishes together in large clusters; each cluster will be overseen by a “parish team,” which consists of priests, deacons, pastoral associates, and advisory councils.\(^{294}\) Each team will have responsibility for determining “‘how best to utilize and apportion their resources, property, and facilities’ to strengthen the parishes.”\(^{295}\) According to the plan, three to four parishes in a cluster will share a single pastor. O’Malley justified the plan by citing the “mission entrusted to us by Jesus Christ”: “We are called to exercise prudential judgment…we are also called to be attentive to the present realities of our local Church and develop sustainable plans for the future. For that purpose, much time and effort has

\(^{293}\) Wangsness, “Diocese says budget was balanced in 2010.”


been given to developing a pastoral plan for the Archdiocese.” Nevertheless, the plan is inevitably controversial as most parishioners feel close ties with their pastor and their congregation.

Concluding Thoughts

Despite these continuing financial questions, one must recall that a decade ago the Archdiocese was in “financial freefall.” As this project has demonstrated, the clergy abuse scandal and the financial crisis that it triggered forced the Archdiocese of Boston to overcome traditional issues in Catholic fundraising, namely a lack of financial transparency and accountability and a general ambivalence among clergy and parishioners toward money and fundraising. Through a series of critical steps that reflect best practices in Catholic and nonprofit fundraising—developing a marketing scheme that highlighted the real needs of the Archdiocese, achieving financial transparency, partnering with major donors, and adopting the best practices in nonprofit accountability—the Archdiocese of Boston experienced a “turn around” in its fundraising situation, and now serves as a model for other dioceses in the United States that are striving to improve their development efforts.

The sense of betrayal and shame felt by parishioners as the clergy abuse scandal unfolded in 2002 certainly endures for many. The Archdiocese made gross mistakes in its handling of sexually abusive priests, and it will have to continue to deal with the multitude of consequences for such errancy for years to come. In my many conversations and email exchanges with those intimately involved in the Archdiocese’s development

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297 Paulson, “Archdiocese cites ‘financial turnaround.’”
efforts, however, I was continually struck by the passion these individuals have for their work and by the love they clearly have for the Church. As numerous articles have pointed out, raising money for the Archdiocese of Boston is one of the most difficult jobs in the city of Boston. Nevertheless, those in the Office of Institutional Advancement genuinely care about ensuring a future for the Archdiocese’s ministries and about establishing meaningful relationships with donors. They are also realistic about the Archdiocese’s shortcomings, and they never once tried to downplay the seriousness of the scandal. This final chapter has shown that there is still much work to be done in terms of maintaining current revenue levels and increasing the number of donors to the Catholic Appeal. While challenges remain for the fundraising efforts of Archdiocese, the sincerity is there—a critical quality in fundraising, but especially in fundraising at the Archdiocese of Boston.
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