

Fear About Fund-Raising in Boston Area

By FOX BUTTERFIELD
and PAM BELLUCK

BOSTON, April 23 — It had become the social event of the year, the annual garden party at Cardinal Bernard F. Law's residence to raise money for Catholic Charities, the largest private social service agency in Massachusetts.

Cardinal Law would sit under a tent, and hundreds of Boston's wealthiest and most influential people would stand in line for hours to have their picture taken with him.

Not this year. Last month, Catholic Charities canceled the party, which had been scheduled for early June, after some affluent donors wrote to say, "Are you crazy?" said Maureen March, a spokesman for the charity.

"There is just such an understandable anger out there toward the church hierarchy" over the sexual abuse scandal, Ms. March said. "And people feel the only way they have to express it is to stop giving money."

The cancellation is the most visible sign of the financial crisis that has grown over recent weeks as the Boston Archdiocese struggles with the fallout from the scandal.

Although dioceses in Baltimore, Dallas, Los Angeles, New Orleans, New York and Palm Beach, Fla., have had sex scandals, church officials and philanthropy experts say the financial repercussions have not been as serious in those cities as they are here.

Here, the scandal has caused three local foundations and corporations that had been major donors to Catholic Charities to reject proposals for \$800,000 in grants in the last three weeks. One grant had been planned for a community center in a housing project.

Corporations and foundations "are even more sensitive to what's in the air than individuals," the president of Catholic Charities in Boston, Joseph Doolin, said. "When there is a problem in an institution, they tend to be rather skittish and err on the side of caution. So they don't make grants."

At the parish level, people have begun withdrawing their pledges to Cardinal Law's \$300 million capital campaign, the largest ever by a Catholic Church group in the United States.

At the Our Lady of Sorrows church in Sharon, a suburb, the Rev. Robert Bullock said 10 donors had canceled a total of \$110,000 in pledges in the last two weeks, after the disclosure of church documents that showed how Cardinal Law and his assistants moved a priest accused of pedophilia to California and New York without informing those church officials.

Altogether, 313 people have withdrawn a total of almost \$1.5 million in pledges, most of that since mid-March, said Kenneth Hokenson, director of development for the archdiocese. That is a fraction of the \$173 million that has been pledged.

In another change that would have been unthinkable a few months ago,

some wealthy donors said they would continue to give to Catholic causes separate from the archdiocese, but not to anything run by the archdiocese, because they are not confident in the archdiocese's assertions that the money will not be used to settle suits against pedophile priests.

The suits may total \$100 million here.

"People are going to hold back, because I think what you have now is confusion" about where the money is going, said Joseph O'Donnell, chairman of Boston Concessions Group and a supporter of Cardinal Law. "People are going to vote with their wallets. I wouldn't write a check unless I knew where it was going."

In addition, church officials said another important campaign, the Cardinal's Annual Appeal in May, which pays for archdiocesan operating costs — everything from seminaries to boiler repairs — might fall up to 50 percent short of its goal.

"If they have a bad year, there are going to be tremendous ramifications for schools social service programs and hospitals," said Jack Dunn, a former vice president of Catholic Charities who is a spokesman for Boston College. "These

'People are going to vote with their wallets,' the leader of a charity says.

agencies are so lean they can't afford a fallback."

The appeal's problems are complicated by its close identification with Cardinal Law.

"Because the cardinal's appeal is called the cardinal's appeal, it calls much more attention to Cardinal Law," said Msgr. Paul V. Garrity, pastor of St. Mary's church in Lynn. "Unfortunately, it makes the connection to the cardinal so tight that it almost invites people to respond in an economic way."

Parish priests around Boston said Sunday donations had generally been less affected because parishioners still felt great loyalty to their own churches.

But the Rev. Valter Cuenin of Our Lady Help of Christians Parish in Newton, said that this past Sunday, for the first time, a few parishioners declined to give because of the scandal.

Father Cuenin said, "There were four envelopes from four different parishioners with a little note saying that until the cardinal resigns they will no longer give to anything, even our parish."

Reluctance to support the archdiocese is so strong that an alternative fund-raising campaign is being planned by a new group, the Voice of

the Faithful, a group that seeks greater lay influence in the church.

The organization, headed by Dr. James Muller, a founder of International Physicians for the Prevention of Nuclear War, which won the Nobel Peace Prize in 1985, is planning ways for people to donate directly to Catholic causes, bypassing the archdiocese.

A leader of the group, James E. Post, said, "People are saying, 'We don't want to put money into a moral rat hole that is going to be siphoned off for legal fees, public relations, spin control for more secrecy and deceiving people.'"

Insurance will cover a fraction of the settlements in lawsuits, church officials have said, and the church will have to take out loans, sell real estate or raise money through a special solicitation by Cardinal Law, which is under way.

Nationally, donations to other Catholic charities are not down, said John Keightley, vice president for development and communications of Catholic Charities, U.S.A.

But Francis J. Butler, president of Foundations and Donors Interested in Catholic Activities in Washington, a group of 47 family foundations that supports Catholic causes, said the crises had sent ripples of concern through its members.

"I think everybody's been affected by what's taken place," Dr. Butler said.

Some members are checking carefully to find out where the money to settle lawsuits is coming from, he said. Dr. Butler added that he was most concerned that the scandal would have longer term effects on the younger members of foundation families, people who are just beginning to become involved in foundations and are also the most disenfranchised.

Catholic Charities here is projecting a \$1.4 million deficit this year, equal to the sum that it raised at the cardinal's garden party last year, and it is laying off 170 of its 1,400 employees, mostly workers in food pantries, shelters for the homeless and drug-abuse programs, officials said. Apart from the scandal, the financial problems of Catholic Charities are compounded by the state's failure to finance fully several programs that it contracts the agency to operate.

"This is killing us," Ms. March said. "When we get angry letters, I try to say, 'I understand.' But I also try to tell donors that we help 173,000 people, 1 out of 10 people in Massachusetts, and these are poor, needy people who have nowhere else to turn to. They can't wait till all this anger blows over."

More than any other action, the cancellation of Cardinal Law's garden party has drawn attention.

"When they had to cancel the garden party, that was not just a straw in the wind," said the Rev. Richard McBrien, a theology professor at the University of Notre Dame. "It was a rooftop whizzing by in a tornado."