My Unificationist Memoirs Chapter 26

J. Scharfen July 19, 2021



These were great and terrible days. Bishop Ziemann's abrupt resignation, after admitting to a homosexual liaison with a priest, shook our ecclesial foundations. At the very moment we witnessed the rebirth of our millennial hope, the edifices of the old world crashed down around us. In my years of practicing law, I had never had the occasion to open my offices to detectives exercising a criminal search warrant. Working for the Diocese of Santa Rosa, I now had that distinction.

Each morning, when I arrived at the chancery, I would join Father Loren Allen as he celebrated Mass. Sometimes, we would have a small crowd. The day after Bishop Ziemann resigned, it was just the two of us. As was our custom, I read the scriptures for the day, which happened to include Exodus 20:17, "Thou shalt not covet thy neighbor's... Ass." As I stumbled over the words, I looked up and saw Fr. Loren. He was struggling hard to contain himself. Finally, it was hopeless and we gave into our laughter. It proved to be a cathartic moment charged with ironic grace, one that we could resurrect and share in the stressful days that lay ahead of us.

As the Vicar General, Monsignor Keys initially took charge of the diocese. He gathered the Pastoral Council. He emphasized the robust spiritual health of the diocese, in large part because of our three year Renew Program and our small Christian communities. He also claimed that the Diocese of Santa Rosa remained in stellar financial condition, and that our ministries, parishes, and schools would continue their work uninterrupted. Monsignor Keys then turned and assigned me the task of traveling to speak at each and every one of our 40 parishes to reassure them of our financial health and to encourage lay participation in our stewardship campaign. I agreed and was chewing over the logistics of accomplishing this, when the meeting broke up and Fr. David Shaw approached me.

Fr. Shaw of Resurrection Parish had the reputation for being outspoken. The nickname for his congregation was "Insurrection Parish." I trusted him. He pulled me aside and quietly said, "Don't do it! Delay! There's more trouble on the way - Keys will ruin your good reputation." I understood and thankfully, I managed not to speak at a single parish.

In late July of 1999, Archbishop William J. Levada of the Archdiocese of San Francisco became the Apostolic Administrator of the Diocese of Santa Rosa. He immediately initiated an audit of the diocesan finances. In short order, a massive deficit of nearly \$17 million surfaced. Possibly a third of this amount was secretly used to pay off pedophilia victims. The remaining \$12 million seems to have simply evaporated. One of the very first actions taken by Archbishop Levada following the audit was to fire Tony Culley-Foster. Whether his dismissal had anything to do with the missing money or simply was the archbishop's reaction to his extravagant fees, we will likely never know. However, I have always

wondered if the donations of the Santa Rosa faithful ended up funding weapons for the IRA.

The financial crisis precipitated a cascade of events. The attorney for the diocese came to me with two critical pieces of information. The first was that Monsignor Keys had been looking for ways to raid the assets of the Catholic Community Foundation to replenish the diocesan coffers. Considering the Catholic Community Foundation stood as a separate corporation distinct from the diocese, and that we held donated funds in trust, bound by specific intent, these attempts to reach our assets were highly unethical and possibly illegal. Secondly, in pursuing a separate investigation, the US Attorney for South Carolina approached the diocesan attorney and presented an ultimatum: either Monsignor Keys be removed from his position as Vicar General or he would be charged as an accessory in a case he intended to prosecute. Shortly thereafter, Monsignor Keys resigned as Vicar General.

The missing money never was recovered. The deficit was made up by loans from other American dioceses to prevent the Diocese of Santa Rosa from filing for bankruptcy. Thus, the Catholic faithful were covering the debts incurred by secret payments made to sex abuse victims (which also protected the identity of pedophile priests) and possibly, blood money to support an Irish terror organization. Truly, only Monsignor Keys and a few of his close associates know the actual details of this financial malfeasance. That Archbishop Levada wanted to keep the truth buried can be seen in his subsequent actions. Rather than cashiering Monsignor Keys, he was given one of the most prestigious parishes in the diocese. Clearly, an understanding existed and the archbishop purchased the silence of his errant monsignor.

As the diocese struggled to put its house in order, one of the first actions taken was to fire most of the paid lay ministers. Well beyond my capacity for shock, I was nonetheless dismayed. Considering the diocesan crisis of faith following the criminal actions of the ordained clergy, these were the very people the Church of Santa Rosa needed in the trenches. They did all the heavy lifting for the youth ministries, choirs, and adult catechesis. This action revealed the real priorities of the institution: protect the role and control of the clergy at all costs.

Following the revelations concerning Monsignor Keys, I felt I needed to further distance the Catholic Community Foundation from the diocesan corporate sole. If the Diocese of Santa Rosa did file for bankruptcy protection, I wanted to ensure that creditors seeking to be made whole could not go after the assets of the CCF. I requested certain changes to the management of the foundation at a board meeting chaired by Archbishop Levada. The changes would have weakened the power of the bishop over the board, solidifying our corporate integrity. The archbishop would have none of it.

I felt he left me no choice but to resign.