

August 12, 2008 Press Conference at Archdiocese of Chicago
Transcription of Media Question and Answer Session

Q:	What is the status of the one of the five in the Daniel McCormack cases where settlement has not been reached? Is it still in mediation? What's going on with that one?
A:	By Lago: The one remaining case as I understand it is still in litigation and we've certainly demonstrated today our sincere willingness to bring these to a mediated conclusion and we certainly hope that this final case will have the similar outcome, but right now it is still in court.
Q:	The monies that were paid in the \$12,675,000. From where did that come? Did that come from the Archdiocese general fund or were you insured?
A:	By Lago: We have made a commitment as you know in the past that this money for victims will not come from donations and contributions that parishioners make. We have had a long-term program to try to use undeveloped assets within the Archdiocese of Chicago to address these needs long-term. Our short-term process is to work with banks that provide credit to the Archdiocese so that once a settlement is reached, victims and those involved can receive their mediated settlement. We then over the long term try to repay those funds through the use of undeveloped property.
Q:	So you have borrowed money to pay the settlement?
A:	By Lago: I'm not sure specifically if this \$12,675,000 will come from new borrowings or whether from the sale of previous assets but we have been working very closely with a lay group who are members of our finance counsel to make sure that we look prospectively over the next several months to make sure that those funds are there once we reach agreement with the victims.
Q:	Have any of the funds come from sources that might have otherwise have gone for furthering the work of the Church?
A:	By Lago: Well I think any asset of the Church – obviously we would like to be devoted to ministry. We think this is part of that ministry – trying to heal the wounds of victims and survivors. But as I said these might have been assets that we would have left undeveloped or had that real estate remaining our long-term inventory. We just felt it was very important that parishioners understand that this is not money that is coming from their local parish. Although some of those properties have been given to us over hundreds of years and it is a very important source of ministry and we think that this is a good use of those funds.
Q:	Do you see more asset sales as a result of these settlements?
A:	By Lago: We are looking at a variety of ways of getting those undeveloped assets to help us with the revenue that we are going to need over time. Hopefully there will be an end to this. Maybe not a final end to it, but we've tried to develop some strong planning around what we are going to need in terms of cash flow over the years and this money that we are talking about today will go to victims is available because we've been working for some time to make sure it's available. But I can't say that we won't sell more assets or will try to make those assets through leases and other long-term arrangements available to victims.

Q:	Jimmy – You are going to sell this building or it's already been sold. Correct? Is any kind of profit from that go towards this settlement?
A:	By Lago: We've indicated that the funds for misconduct will not come from the use of developed properties. Most of the funds from the long-term lease of this building – it's not actually being sold – will go toward the reconstruction and rehabilitation of the two ministry centers that we'll have – one on the south side and then over here at Quigley. So Cardinal George do you want to come up? There is a question here. Ask your question, sir.
Q:	Cardinal George, is this settlement an acknowledgment by the Archdiocese that it failed in its duties to protect Chicago area Catholics?
A:	By Cardinal George: Yes and no. I've already acknowledged when Daniel McCormack abused children that there had been a failure and the McDonough report details who were responsible in that failure. So there has been a failure. Some of it is immediate. Some of it is, you know, far in the background. So we brought in not only McDonough but others as well to go over the system which had worked for 20 or more years to see where the faults lay and I think we've done a lot to correct that system as much as is humanly possibly now.
Q:	What is the no component? You suggest it is an acknowledgment in some ways and how is it not an acknowledgment?
A:	By Cardinal George: The system was in place that had worked for a long time. Its failure doesn't mean that there was no protection. The protections were in place. They didn't work. So in that sense I think the tightening of what had been a reliable system is evidence of the attempt to make the protection stronger.
Q:	How much of the blame do you personally accept regarding Father McCormack in that he was not removed from service when the allegations first surfaced?
A:	By Cardinal George: In the sense that I am responsible for the Archdiocese I have to accept the blame. I think the decisions as I made them were based upon what was in front of me at any one time, but I regret with all my heart that I didn't feel I was able to take him out immediately. But that was the way the system worked. I have to accept that blame. I mean who else would accept it.
Q:	They have already given an explanation that money comes from borrowing the money, _____, but there is a lot of – the parishioners believe that the Archdiocese is spending money that is very needed for many, many of the churches that are closing, schools are closing. What would you tell them?
A:	By Cardinal George: I'd tell them I think aren't believing what is true. The cost of settlements does come partially from insurance, but mostly from the sale of undeveloped assets which would not have been used – immediately at least – in any case to sustain any ministry nor any parish. So there is a very clear division in the accounting between the sources of income and the sources of income would have been the same for ministries no matter the settlements.
Q:	Mr. Lago, can you talk about some of the non-monetary aspects of the settlement and what they might cost in terms of in-kind services perhaps or whatever. But, first of all, are there any non-monetary aspects to these settlements?
A:	By Mr. Lago: I think it's part of our comprehensive approach and again as Mr. Gibbons mentioned, there have been victim assistance ministry involved in this – the Vicar for Priests. We have talked in depth with the attorneys for – Mr.

Anderson and the other attorneys involved. In some cases we look to have money escrowed for long-term therapy to make sure that money is available for other kinds of things. I would have to say that when an abuse allegation first comes to the Archdiocese – before a decision is made as to whether it is credible or not – we begin to offer outreach and therapy in the likelihood that it might be. And so some of those long-term programs will remain place I think as we go forward. We've tried to pay a lot of attention to the total needs of victims as these get articulated through the attorneys. And so our hope is that as part of the comprehensive settlement to date, there will be elements of the settlement that are included in the \$12,675,000 that are not just outright awards, but will be included in the package for therapies and other kinds of assistance.

Q: So it is not all a cash transfer. It's some in kind . . .

A: By Lago: That's right. We want to work very carefully with the attorneys so that it is a thoughtful, sensitive arrangement.

By Cardinal George: Can I say something to that. Paradoxically, even when someone has been victimized there is a relationship that is set up. At least, not with the predator himself most often, but with those of us who are responsible for the predators being present. That relationship varies. Some victims are profoundly angry and it is difficult to sustain it. Others while the effects remain also find a kind of a network within this whole process that is called upon sometimes for years. I see that in talking to them. Some victims I've talked to more than once. It's not just a done deal. There is paradoxically, a kind of a community that is set up here and some people are appreciative of the help and some people don't want to have anything to do with the Church, understandably. But the fashion of outreach isn't just individual, it's also collective. So there are times when I'll meet with groups of victims and their meeting together is extremely helpful. We sponsor these sessions. Sometimes in them are victims of sexual abuse not by priests. Because one of the fundamental points that you get in listening to victims is that in the beginning each one thinks he or she is alone and so to have the Victims Assistance Ministry bring together a kind of a community is extremely helpful and those relationships do per Dore. So some of it is not tangible, but I think it's very important and I appreciate that community myself.

Yes, MaryAnn?

Q: Have you ever been deposed before and why did you decide to make your deposition public?

A: By Cardinal George: I was deposed once many years ago for a very different kind of case. That was a short session. This was eight hours. Because while a deposition has you on the defensive and sometimes the questions are quite confusing because not everyone is reading the same documents, it has its purpose which is the same as would be giving testimony in a court of law. That is to be sure under oath you are telling the truth as far as you know it. And I thought that since especially in the beginning around the McCormack issues, there were so many different stories, and each with some elements of truth and

some not, it was important to not only be deposed under oath but also to make that public. So it is a deposition, and if you are used to reading depositions – and I'm not – you'll understand that some of it is confusing. But I think we've tried to be transparent all the way through on the McCormack issue. I am deeply sorry and deeply effected because this is the first time on my watch as a bishop that anybody was abused. And I keep asking myself, how could this have happened. Deffenbaugh helped with that and a number of others. We've gone over it ourselves. So in allowing Mr. Anderson to depose me and to ask the questions, you know as a good lawyer would, I thought that concern for transparency would be continued. So I voluntarily make that open.

Q: There were a couple of cases that included priests from many years ago including this Father Maday.

A: By Cardinal George: Yes.

Q: Have you ever tried to get Father Maday out of where he is being in Wisconsin and why?

A: By Cardinal George: Just the opposite, we try to keep him in. I never met Father Maday. He was in jail when I became Archbishop of Chicago and I was told the sentence was disproportionately long and my first correspondence with him was one of sympathy for anybody who is jail. But it became very clear as I kept trying to tell him to take the means that the State of Wisconsin was offering him to stop his denial, that he was unable to admit what he has done and then over the years so many more accusations came forward that it was clear – remains clear to me – that Maday is dangerous. He is a laicized man now. But he is in the custody of the State of Wisconsin at my request and will probably remain there because he remains in denial. And when someone is in denial, then you, I think, have the danger of his acting out again.

Pardon me, MaryAnn, did you want to finish that?

Q: Yes I had just one other question. There has been some reports – I just want to clear them up - whether or not they are true. Is it true that the Rockford Diocese has said they do not want their seminarians sent to Mundelein?

A: By Cardinal George: No they haven't. There is a letter from Bishop Dorn explicitly denying that – explicitly denying that.

Q: So it was just a false story?

A: By Cardinal George: Not only was it false, it was vicious.

Q: Eminence: You've talked in the past about the sort of psychological damage that has affected the Church in general as a result of these allegations which now today you are accepting. Does this settlement today – is it your hope that this in some way ameliorates the effect of these charges over such a long period of time and promotes a healing or what?

A: By Cardinal George: The important thing is the healing of the victims. But if they are healed and then hopefully that will help in the healing of the Church. But that is a very long-range project. First of all we don't know who else might be there. We renew our invitation for victims to come forward. And secondly there are people who for various reasons really don't want this settled and so that voice will continue to be heard. All we can do is try to help the victims and in

	<p>doing that recognize the sinfulness of this terrible abuse and the Church is full of sinners whom God forgives, but the consequences of sin remain. We have to live with those consequences and will continue to do that.</p> <p>By Lago: Let me add just one thing to the answer here and that is while this process of our announcing these settlements – and Mr. Anderson later this morning – we have been settling cases for some time now and so those have been announced through the attorneys and we've not had a press conference to announce those but I think our annual report reflects funds have been expended by the Diocese in settlements for victims and we continue to be public about the monies that we have paid out. So this is not unique. I mean, to group them together may be, but we've had settlements going back through the last seven or eight years that I'm aware and that I've been Chancellor here in the Archdiocese.</p>
Q:	<p>Jimmy, can you give us a scorecard then – just bring us up to date. Where are we in terms of how many cases have been settled and how many are still pending?</p>
A:	<p>By Lago: The Cardinal has made it very clear and he's made it clear today that he continues to invite victims and survivors to come forward. We still have a smaller number than have come to us through either Assistance Ministry or otherwise. Some of these cases I think the Cardinal has talked about some new ways to investigate these cases because they are further back and they are much more difficult to substantiate. But nevertheless we take them all seriously. I think our last announcement is that over the period of time since we've kept records we've expended somewhere in the neighborhood of \$65 million to settle cases and I don't know exactly what that current number is in terms of number of victims. Over 250 claims. We have as you know a significant number of really bad guys who have done multiple abuse and some of those are in jail and some of them aren't.</p>
Q:	<p>Would you have any idea how many you might have still pending today? I mean just, for planning purposes of your own?</p>
A:	<p>By Lago: I'd hate to speculate because I know I think those mediations and those cases eventually wind up with lawyers talking to lawyers just because we strongly recommend that when victims come to us for funds that they be represented. And so I would say we are talking somewhere in the neighborhood of a couple of dozen cases.</p>
Q:	<p>So the financial settlements announced today – when can these victims expect compensation?</p>
A:	<p>By Lago: We have been working very closely with the attorneys for those victims as well as our own finance office. We believe that those funds can be distributed to the victims within a very short period of time – weeks.</p>
Q:	<p>When you said \$65 million, were you including those announced today?</p>
A:	<p>By Lago: I believe so.</p>
Q:	<p>And that since when?</p>
A:	<p>[By Cardinal George?] About 30 years.</p> <p>By Lago: We have put out a report as some of you may recall in 2003 which is a</p>

	Ten Year Report. We've since reported through the public distribution of our annual finance report on the website what our annual expenditures have been so those amounts have been identified.
Q:	Cardinal, can I ask you as well. You just got back from seeing the Pope at the World Youth Day. Was there any conversations with him about any of this? Was he updated on the Chicago latest situations?
A:	By Cardinal George: No, I didn't talk personally to the Holy Father. I shook his hand once. In World Youth Day, he's the guest of Australia and it was Cardinal Pell was his host there. And he spent time with him as I had spent time with him in Washington. More I think at rem is – although there again – he modeled himself the behavior of reaching out to victims – speaking with them, praying with them. But more at rem for our own Archdiocese was I think last week when we went to Lourdes in France -- which is a place of healing – physical healing and also spiritual healing – and each day the pilgrims from Chicago who are organized in a single group prayed for the victims of sexual abuse by priests. And I certainly prayed for them – many of them I have talked to – others I know by name from reading the cases. And I prayed for healing for the Archdiocese as well and I hope that the Blessed Virgin Mary will bring us farther along that road.
Q:	Cardinal, do you have any sense as to what the sexual scandals within the Church -- what effect that's had on pew count – participation by Catholics in parish life. Are you seeing people rejecting the Church and leaving the Church because of this? What is your sense on that?
A:	By Cardinal George; Oh, I'm sure some have. I don't know how many. In 2002, when this became a national story, there was a drop in our October count. Whether it was caused by this scandal or something else, I don't know. But I think conjecture would lead you to believe that it probably was. That fluctuates since. I think you know the Church is certainly wounded by this. How greatly I don't know nor do I know if anybody else knows exactly, but you talk anecdotally to people. For others, especially for the seminarians, it's been a moment of clarity when in fact the basics come into profile once again. We know why we are Catholic. We recognize that sinfulness is part of wounded human nature and it's pervasive even among priests whom you would expect never to do something like this. So, in a way, as Pope John Paul II said, it's a moment of purification. It is a purification of the ranks of the priesthood, but it's also a purification of the hearts of the priests and of all of us and of the Bishop certainly.
Q:	How about financially . . .
A:	By Lago: Could we have one more question?
Q:	Financially – are people giving less – putting less in the collection basket?
A:	By Cardinal George: No, again for whatever reason, the generosity of those who are in Church is greater than ever. Again I think once it's clear what the Church is really about, you know sometimes other distractions fall away and people's generosity, which I think is a grace, is clearer than ever. And I'm very grateful for that.

By Lago: Susan Burritt, who is our director of media relations has a copy of the joint statement which is being issued today by both ourselves and Mr. Anderson. And she'll pass that out. As I indicated Ms. Dolan and her staff will be available through the rest of the day for further questions either through e-mail or your phone calls. We want to thank you for coming today and thank Cardinal George and Mr. Gibbons in particular for agreeing to come here. He has done an extraordinary job working with both sides and we are very pleased. Thank you.