

1-26-08 - Bookkeeper plans to sue St. John's

By Donna Porstner, Staff Writer, Stamford Advocate (CT)

STAMFORD - The church bookkeeper who blew the whistle on her boss for embezzling from his wealthy parish plans to sue St. John Roman Catholic Church and the Diocese of Bridgeport.

The bookkeeper, Bethany D'Erario, and another St. John's employee, the Rev. Michael Madden, hired a private investigator in 2006 to look into spending by the church's pastor, the Rev. Michael Jude Fay. The investigation results, and the criminal case that ensued, made national headlines and prompted the diocese to institute tighter financial controls.

A diocese audit found Fay spent \$1.4 million on dinners at expensive restaurants, designer clothing, Cartier jewelry and limousine rides before he resigned in May 2006.

Fay pleaded guilty to interstate transportation of money obtained by fraud last year and was sentenced to more than three years in federal prison last month. Prosecutors said Fay stole \$1.3 million from the parish from 1999 to 2006, funneling much of the money into two secret bank accounts, using it to travel around the world, for a down payment on a Philadelphia condominium and other personal expenses.

D'Erario's attorney, Mark Sherman of Stamford, confirmed yesterday he served the parish and the diocese with notices of intent to sue, but would not discuss the planned lawsuit.

The attorney representing the parish and the diocese, Daniel Schwartz, also confirmed D'Erario's plans to take her former employer to court.

"We have received a letter from Mrs. D'Erario's attorney threatening to sue St. John's Parish and the Diocese of Bridgeport. We have reviewed her claims and determined that they have no merit," said Schwartz, a partner with Day Pitney LLP in Stamford.

He would not say what claims D'Erario is alleging, or how much compensation she was seeking.

"It would be inappropriate at this time to discuss any details," Schwartz said.

He said D'Erario voluntarily resigned from her job at St. John's in August 2006 - two months after the scandal broke.

In a book published last year, Vito Colucci of Stamford, the private investigator D'Erario and Madden hired, said Fay made D'Erario uncomfortable at work because he was openly gay and would often confide to her details of his relationship with Clifford Fantini, a wedding planner.

"Besides juggling bleeding balance books, Beth was exposed to first-hand accounts of Fay's acrobatics with Fantini," Colucci wrote. "I don't think most people want to hear about the physical mechanics of sexual encounters from either a heterosexual or homosexual narrator. That's what Fay did to Beth. She couldn't escape descriptions of his sexual escapades while she was trying to do her job."

Hank Satterthwaite, chairman of St. John's Finance Council, said yesterday he did not know D'Erario planned to sue.

The current pastor of St. John's, the Rev. Frank McGrath, did not return a phone call seeking comment.

Fay is expected to begin serving his sentence in April, after completing treatment for prostate cancer.

- Staff Writer Zach Lowe contributed to this story.