



December 16, 2024

Dear Friends and Supporters,

We are writing to you today to share some difficult news.

Earlier this year, Catholic Charities discovered that certain former employees engaged in unauthorized use of agency funds for their and others personal benefit. Upon this discovery, their access to the office, agency accounts and financial systems were disabled, and they were promptly terminated. Catholic Charities immediately notified and continues to assist law enforcement in their investigation and hopes for a just resolution to this egregious breach of trust.

The final amounts involved in this fraud will be known at the conclusion of law enforcement's investigation. For fiscal years 2023 and 2024, when it appears the fraud was most active, anticipated losses are approximately \$1.7 million.

As disheartening as this news is, we want to be clear that no programs or services were affected. Thanks in large part to your generosity, more than 50,000 of the most vulnerable members of our community were lifted up by Catholic Charities in 2023 with a similar number to be positively served in 2024.

Please know the Agency's financial condition remains strong and Catholic Charities will continue to provide critical social services in our community. For people affected by poverty, Catholic Charities stands alone as a resource for the help they are searching for where each person is treated with dignity and respect. Our dedicated and compassionate staff provide life-affirming services for children, families, seniors and adults of all ages in local communities across southeastern Wisconsin.

Catholic Charities and its Board of Trustees has taken several important steps to understand how this happened and to strengthen the organization. For example, the Board of Trustees commissioned several independent investigations into this matter. These investigations determined that no current employees were involved or aware of the fraud and that the scheme happened over several years but became bolder in recent years.

Catholic Charities has made several changes to fortify its finance operations. Immediately, Catholic Charities hired an interim finance leader with a strong background in non-profit finance and internal controls. The agency conducted a comprehensive internal control assessment resulting in substantial improvements. The agency also changed auditing firms.



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While we are far from the first to experience a violation like this, it nevertheless has been difficult to process given we serve the poorest of the poor. We are heartbroken that this happened and to have to share this news with you. We ask that you hold in your hearts all those served by the wonderful staff at Catholic Charities.

As always, your continued trust and support is paramount. If you have been compelled to support our mission this year or in years past, we hope your goodwill continues. Those we serve — especially those most vulnerable among us — are reminded of their worth and dignity because of your generosity.

If you have any questions or concerns about this matter, please contact us at [missionadvancement@ccmke.org](mailto:missionadvancement@ccmke.org).

Sincerely yours in Christ,

A handwritten signature in cursive script that reads "Fr. David H. Reith". The signature is written in black ink and is positioned below the text "Sincerely yours in Christ,".

Very Rev. David H. Reith  
Vicar for Catholic Charities of the Archdiocese of Milwaukee