NATIONAL CATHOLIC REPORTER
Published on *National Catholic Reporter* (http://ncronline.org)

# Priest who headed clergy addiction center is going to jail for fraud

David Gibson  Religion News Service  | Feb. 4, 2014

A priest who headed a leading treatment center for clergy with sexual and addiction problems has agreed to plead guilty to charges of stealing money from his home diocese in New Hampshire and from a Catholic hospital and the estate of a deceased priest.

Msgr. Edward J. Arsenault, who resigned as head of the St. Luke Institute outside Washington, D.C., when the charges were revealed last year, will spend at least four years in a New Hampshire prison under a plea deal with prosecutors announced on Monday.

For a decade, Arsenault held a number of senior positions in the diocese of Manchester and was a top aide to former Bishop John McCormack, who came under intense criticism for his role in the clergy sexual abuse scandals.

In 2009, Arsenault took a $170,000-a-year position as CEO of St. Luke?s, a rehab center in Silver Spring, Md., that became known for treating priests who had sexually abused children. The center deals primarily with priests, nuns and brothers who have a range of other issues, such as depression, anxiety and addictive behaviors. St. Luke?s conducted an internal investigation and found no evidence of fraud while Arsenault was there.

During his time in New Hampshire and for years afterward, prosecutors say, Arsenault was siphoning money from the diocese and through a consulting contract he had with Catholic Medical Center, a leading hospital in the state. Authorities say Arsenault was also stealing from the estate of Msgr. John Molan, a Manchester priest who died in 2010.

Prosecutors did not say how much money Arsenault stole, only that it was in excess of $1,500 from each source, the threshold for a felony charge. More details will be revealed when the priest formally pleads guilty in an April 23 appearance before a judge. Prosecutors said Arsenault cooperated with the investigation.

The diocese and the hospital referred questions about the case to the district attorney because the case is still ongoing.

The Manchester diocese said last May that the investigation began in early 2013 when church officials received a report that Arsenault was involved in a ?potentially inappropriate adult relationship.? The diocese?s brief statement this week made no mention of that accusation or whether the current bishop, Peter Libasci, would move to defrock Arsenault.

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