

United States Attorney District of New Jersey

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PASTOR OF ST. VINCENT DE PAUL PARISH PLEADS GUILTY TO TAX EVASION, ADMITS STEALING MONEY FROM PARISHIONERS FOR HIS PERSONAL USE

NEWARK, N.J. – A Roman Catholic priest and Pastor of St. Vincent de Paul Parish in Stirling, N.J., pleaded guilty today to tax evasion, admitting he used tens of thousands of dollars of Parish money for his personal benefit, United States Attorney Paul J. Fishman announced.

Monsignor Patrick Brown, 59, of Stirling, pleaded guilty to an Information before United States District Judge Susan Wigenton this afternoon in Newark federal court.

According to documents filed in this case and statements made during Brown's guilty plea proceeding:

Since his ordination in 1978, Brown has worked in a number of parishes in the Diocese of Paterson, N.J., which includes the counties of Passaic, Morris, and Sussex. He has been the Pastor of St. Vincent de Paul Parish since July 1992.

The Parish serves approximately 1,385 families in Stirling and the surrounding communities, and includes the church, a school, and a cemetery. As Pastor and leader of the Parish, Brown alone is authorized to open accounts in the name of the Parish, decide into which accounts donations and other Parish monies are deposited, and determine how those monies are spent.

Just three days after becoming Pastor of the Parish, Brown opened an account with Chemical Bank – which subsequently merged with JPMorgan Chase Bank. The account was titled, "Rev. Patrick E. Brown St. Vincent DePaul R.C. Church" (the "Chase Account"). The Chase Account was primarily funded with Parish monies, including monies paid by parishioners and others for cemetery plots at St. Vincent de Paul Cemetery and related funeral expenses. Brown misdirected the money, which should have been deposited into the Parish's cemetery or perpetual care account, into the Chase Account.

Brown kept the account open until October 2007, and kept it hidden from both the Parish and the Diocese. Brown did not disclose the account's existence to the Diocese in the Parish's required yearly financial disclosures or during any of the Diocese-directed financial reviews of the Parish, which occurred every three years. Between January 2004 and October 2007, Brown used the Chase Account to fund a number of personal expenditures, including tens of thousands of dollars paid to himself – as well as his mother, siblings, and other family members as gifts, including for Christmas and birthdays. He also paid tens of thousands of dollars toward his

personal credit card. Charges on that credit card included vacations in Vail, Colorado; Hawaii; and Ireland.

Immediately after closing the Chase Account, Brown opened an account with Sovereign Bank titled, "Rev. Msgr. Patrick E Brown St. Vincent De Paul Church" (the "Sovereign Account"). The Sovereign Account was funded, at least in part, with Parish monies – including various donations made to the Parish by parishioners and others. Those monies should have been deposited into the Parish's operating account, but were instead misdirected by Brown into the Sovereign Account. Brown also kept this account hidden from the Parish and the Diocese, using it to pay for work done on his personal residence in Budd Lake, N.J., and to pay his credit card bills – including charges for a personal trip to Sun Valley, Idaho.

Between 2004 and June 2009, Brown used at least \$63,706.24 in Parish monies for personal expenditures. In his plea agreement, Brown agreed to pay the Parish back the full amount.

Brown did not pay any income tax on money he misappropriated over the course of several years. For example, Brown only declared his Diocesan salary on his 2005 tax return. During his guilty plea, Brown acknowledged owing income tax of approximately \$12,400 for that calendar year alone.

U.S. Attorney Fishman stated: "No matter what your station, it is unacceptable to help yourself to other people's money and violate their trust. If you commit a crime, status as a religious leader will not protect you from federal prosecution."

"Those Americans who file accurate, honest and timely returns need to be reassured that everyone is paying their fair share and the government will hold accountable those who don't," stated Victor W. Lessoff, Special Agent in Charge, IRS-Criminal Investigation, Newark Field Office.

The count to which Brown pleaded guilty carries a maximum potential penalty of five years in prison and a fine of \$250,000. Brown also faces restitution to St. Vincent de Paul Parish to be decided at sentencing, scheduled for February 9, 2011. He was released on \$50,000 bail.

U.S. Attorney Fishman credited special agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward, and IRS – Criminal Investigation, under the direction of Special Agent in Charge Victor W. Lessoff, with the investigation leading to today's guilty plea. The government is represented by Assistant United States Attorney Lee Vartan of the U.S. Attorney's Office Economic Crimes Unit in Newark.

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Defense counsel: John Lacey, Esq., Roseland, N.J. Michael Critchley, Esq., Roseland, N.J. James Elliott, Esq., West Orange, N.J