



July 23, 2024

VIA EMAIL

Msgr. Kevin Beach
Pastor, St. Isidore Parish
1135 March Road
Ottawa, ON K2K 1X7

Dear Msgr. Beach,

Re: REVIEW OF ST. ISIDORE PARISH FINANCES BY KPMG

On behalf of the Archdiocese of Ottawa-Cornwall, I am writing to inform you about the review of parish finances following the departure of Father Matthew Keshwah from his role as parish pastor on May 4, 2023.

In response to Father Keshwah's departure, the Archdiocese acted promptly to review parish finances. By June 2023, the Parish Finance Council was reconvened. This council is crucial for St. Isidore, required by Canon Law, and essential for promoting confidence, accountability, transparency, ecclesiastical discipline, and good governance within the Archdiocese. The reestablishment of the Parish Finance Council is a vital step in ensuring sound financial management at St. Isidore Parish, as it is for any parish in our Archdiocese.

By July 5, 2023, the Archdiocese engaged KPMG to conduct an external audit other than financial statement purposes that would: (1) review concerns that inappropriate transactions may have occurred under the prior parish administration; (2) assess any inappropriate transactions identified; and (3) make recommendations to mitigate any gaps identified in the investigation.



KPMG's external audit proceeded in two phases. First, a scoping exercise was conducted to understand the context and concerns, followed by detailed next steps. Second, a thorough review of specific systems and transactions was performed.

In September 2023, KPMG delivered its preliminary findings, identifying areas for improvement in St. Isidore's financial processes and irregularities concerning the Rectory and Father Keshwah's residential arrangements.

In November 2023, the Archdiocese authorized KPMG to continue with the second phase, focusing on reconciling and verifying various financial transactions.

KPMG presented its conclusions to the Archdiocese in April 2024. The Archdiocese's Chief Financial Officer reviewed the limited findings with KPMG, covering the period from January 1, 2020, to June 30, 2023. The KPMG work identified several necessary corrections in the general ledger, which have been implemented and will be reflected in St. Isidore's balance sheet and statement of operations for 2020 and beyond. Additionally, proper financial controls and bookkeeping practices have been reinstated at St. Isidore, supported by this review.

The Archdiocese has concluded that this completes KPMG's external audit for St. Isidore Parish from January 1, 2020, to June 30, 2023. Further measures would be disproportionately expensive and unlikely to provide additional actionable information beyond the steps already planned and underway.

While there were several instances where diocesan protocols were not followed, our review did not discover instances of fraud or theft of parish funds.

Furthermore, the Archdiocese looks forward to supporting St. Isidore Parish in continuing its vital role in the lives of its parishioners. This includes the important work of celebrating mass each week and the significant ceremonies and events, such as baptisms, weddings, and funerals, that make the parish a cornerstone of the community.



We trust this letter addresses any outstanding questions.

Respectfully,

Richard Pommainville

Chief Administrative Officer
Archdiocese of Ottawa-Cornwall