



06-29-26 11am

FAQs - Chapter 11 bankruptcy update

1. What is the status of Chapter 11 bankruptcy for the Archdiocese of San Francisco?

The Archdiocese has reached a settlement agreement in principle associated with the Chapter 11 bankruptcy action in the amount of \$395 million. All litigation between the Archdiocese, the Creditors' Committee and other related organizations has been paused as the Archdiocese and other parties work in good faith on the details of a consensual Chapter 11 plan of reorganization.

2. What is a Chapter 11 plan of reorganization, and when will it be implemented?

A Chapter 11 plan of reorganization is a court-approved roadmap for how the Archdiocese restructures its finances so it can continue operating its vital [ministries](#) while addressing its obligations associated with the proposed settlement. Plans often also include non-monetary commitments that are negotiated by the parties. Once the plan is approved, the Archdiocese exits Chapter 11 bankruptcy. The timetable for the plan is in the process of being determined.

3. Do parishes and other archdiocesan entities face legal exposure? Will these entities contribute to the settlement?

California has on several occasions extended the civil statute of limitations for sexual abuse, and this legal shift presents a significant future risk to our Archdiocese, parishes and schools. Since these cases nearly always name a deceased priest or layperson, this presents significant challenges to a successful legal defense. California jury verdicts often amount to judgments in the tens of millions of dollars. Furthermore, the Creditors Committee in the Chapter 11 case has filed a lawsuit challenging the separateness of our parishes and other entities.

While our parishes and other entities are not included in the Chapter 11 filing, they will contribute funds and assets not restricted for specific purposes toward the settlement to secure releases that protect against future exposure to known or unknown historical claims in the likely event that the statute of limitation is again changed in the future.

Securing releases for parishes and other entities has been a successful and universal approach in recent diocesan Chapter 11 proceedings across the country. The effectiveness of these releases is addressed in the next question and answer.

While difficult and challenging, these legal safeguards will allow the entire Catholic family to move forward together without the ever-present and real threat to its parishes, schools, and other affiliates of facing another round of historical abuse claims if another legal window is opened in California.

While the vast majority of sexual abuse claims associated with this bankruptcy were from many decades ago, the archdiocese accepts full responsibility for what occurred. As a Catholic family, we have a moral obligation to bring some level of healing, reconciliation, and closure for those survivors who deserve our respect, attention and prayers.

Having established and maintained a comprehensive child-protection program for more than two decades, we hope to move forward together and continue to focus on and grow our vital ministries to the faithful and the community members who rely on our services and charity.

4. Will you please share more details on how to secure the releases referred to previously?

To secure releases, parishes and affiliates would contribute money, other assets, or insurance funds as part of a global settlement to receive a release of liability from known or unknown historical claims of sexual abuse. The amount or percentage of contribution from a parish or other archdiocesan entity is being shared with each pastor.

A “channeling injunction” in a Chapter 11 bankruptcy proceeding is a court order that redirects or “channels” sexual abuse claims to a trust and prevents claimants from pursuing those claims against other parties, including a debtor, its settling insurers or other parties (e.g. parishes and high schools) contributing to the trust. The trust is funded by settlement proceeds with settling insurers, the debtor, and others who participate in the settlement and then receive a discharge (for the debtor) or a release of liability from known or unknown historical claims of sexual abuse.

This means that all existing claims and claims that may become known in the future related to historical abuse would be satisfied by the trust. Channeling injunctions and releases can benefit debtors, plaintiffs, and non-debtor entities by helping debtors resolve numerous claims in a fair manner, and they can help plaintiffs recover quickly without lengthy litigation. A channeling injunction and releases would prevent pursuit of known or unknown historical sexual abuse claims other than against the trust, even if a statute of limitations was changed in the future.

5. Is insurance available to contribute to the financial settlement?

This proposed settlement agreement does not include insurance contributions from those companies insuring the Archdiocese and related affiliates. Negotiations with archdiocesan-related insurance companies will continue in the future. These insurer contributions will not affect the agreed-upon total contributions from the debtor (the Archdiocese) and all other participating parties from the broader Catholic family.

6. How will this settlement impact Catholic school tuition and activities?

One of the primary goals of the Archdiocese is to preserve the vital ministries of Catholic education and parish life. While the financial commitment required for this proposed settlement is significant for Catholic entities already operating with limited resources, day-to-day school operations should typically continue without interruption as they have for the past 30 months of the Chapter 11 proceedings. Financial impacts associated with settlement contributions usually result in incremental changes over time and are rarely abrupt.

7. Will parish and school property be sold as part of the settlement?

While there is a presumption that contributions will come from unrestricted funds, parishes and schools are empowered to make their own decisions on how they contribute to the settlement to secure the channeling injunction. Contributions can come from unrestricted funds or other unrestricted assets determined by parish and school leadership.

8. Will the settlement result in the closing of parishes or schools?

As indicated previously, a primary archdiocesan goal is to preserve vital ministries of Catholic education and parish life. We have no current plans to close schools or parishes to reach the proposed settlement. Contributions to the settlement will create financial strains for our parishes and schools, and it is possible that this, coupled with other factors, could lead to restructuring decisions in the future, but those decisions would be made only after a process of pastoral planning based on sound mission and financial judgements with appropriate consultation with parish and school leadership.

9. Could parish and school fundraising and donor confidence be impacted by the proposed settlement?

While other members of our Church might be personally responsible for these past offenses, it falls to us, in charity, to correct these wrongs by helping bring about some degree of healing and closure for survivors of abuse. Parishes and other archdiocesan entities will need to contribute funds and assets not restricted for specific purposes toward the proposed settlement to secure legal safeguards afforded by channeling injunctions. Our central archdiocesan chancery office is contributing as much as possible to minimize parish impact, and no donor-restricted donations to parishes, schools, or the Archdiocese, nor donations to the Archdiocesan Annual Appeal will be used.

For those generous stewards who help to fund archdiocesan school and parish ministries, this proposed bankruptcy settlement brings a sense of finality to the cloud of abuse litigation for historical claims that has been hanging over our archdiocese. It should give our vital donor base assurances that effective fundraising can proceed without such a significant threat. The positive effect of donor generosity is represented by the impact our ministries are having on the communities we serve across San Mateo, San Francisco and Marin counties. You can read more about it [here](#).

10. I understand there are non-monetary provisions associated with this proposed settlement and that those provisions will require the archdiocese to publish and maintain on its website a list of credibly accused clergy. Is this true?

In 2025, the Vatican's Dicastery for Legislative Text published guidelines to bishops who are considering publishing a list of priests deemed "credibly accused." The Vatican guidelines indicate that it would be a violation of Canon Law to publish lists of priests accused of sexual abuse without civil or canonical due process.

For this reason, the archdiocese will continue to follow its best practice of posting a list with the names of priests and deacons in good standing who have faculties to minister in the archdiocese. Those with questions about a priest or deacon can refer to this list on the archdiocesan [website](#).

The non-monetary provisions related to the proposed settlement will result in the following exceptions to our published list. We will post on our website the name of a priest or deacon associated with the archdiocese who:

1. already appears on a published list of another diocese or religious order;
2. has admitted to committing sexual abuse;
3. after a civil, canonical or other formal archdiocesan proceeding, it has been determined that a sexual abuse claim is probable or sustained.

11. What are the lessons learned by the archdiocese from these abuse allegations and the bankruptcy proceedings?

What we have learned from this painful chapter is, first and foremost, the reinforcement of transparency and accountability. While no explanation or passage of time can undo the harm that was done, it falls to us in charity to bring about some degree of healing and closure for survivors of abuse. We take full responsibility for these past failures and stand in solidarity with survivors, offering not only words, but meaningful acts of reparation and reconciliation.

At the same time, there has been deep and lasting recognition that safeguarding children remains an unwavering priority embedded in every level of Church life. Over the past two decades, the Church—both nationally and locally—has implemented rigorous measures: zero-tolerance policies, mandatory reporting, independent review processes, background checks, and continuous training for clergy, staff, and volunteers. These are not symbolic gestures, but concrete programs designed to prevent abuse, respond swiftly to allegations, and foster a culture of vigilance and care. Our Safe Environment program is independently audited every year, and we have an outstanding audit record.

Another lesson has been the importance of our multiple channels of oversight and shared responsibility. The Church cannot address this crisis in isolation. Structures such as independent review boards and regular external audits reflect a commitment to accountability that extends beyond internal governance. The lay faithful play a vital role in ensuring that policies are followed and that safe environments are truly maintained.

Finally, healing is not a single moment but a long journey. Financial settlements and legal resolutions, while necessary, are only part of that path. The deeper work is spiritual and pastoral: listening to survivors, supporting them with compassion, and remaining steadfast in prayer and reform. With sorrow for the past and a renewed sense of determination, we seek not simply to “move on,” but to move forward more faithfully committed to justice, protection, and the dignity of every person.

12. How do we ensure that a situation like this never happens again?

Since 2002, every U.S. diocese follows the *Charter for the Protection of Children and Young People*, which requires zero tolerance, mandatory reporting, background checks, safe-environment training and regular audits of compliance. Even before the *Charter* was adopted, the Archdiocese of San Francisco had established policies and protocols to protect children and address and report incidents of sexual abuse of minors. The Archdiocese has provided resources such as counseling and pastoral assistance to survivors of sexual abuse.

The Archdiocese has taken exhaustive steps to immediately remove from active ministry any person with an allegation of sexual childhood abuse while an investigation is pending, require criminal background checks for clergy, employees and volunteers who work with youth, and to implement educational programs for both children and adults to prevent abuse.

The Archdiocese also established an Office of Child and Youth Protection to maintain the highest standards for its preventative Safe Environment Program and to address allegations of past and current abuse by any clergy, employee, or volunteer. To safeguard against abuse, the Archdiocese has maintained and improved awareness and education for children and adults. It uses stringent processes to screen volunteers, employees, and clergy.

All individuals 18 or older (i.e., clergy, employees, and volunteers) who interact with minors are background-screened and fingerprinted, and they are required to participate in “Protecting God’s Children” training every three years in maintaining safe practices and detecting signs of abuse. These policies require redundancy in adult supervision of children and other important preventative measures.

The Office continues to improve the content of its training courses and employs an [online synchronous platform](#) known as VIRTUS, designed by an international leader in abuse awareness training. Children in faith formation programs and schools also receive annual grade-level “Empowering God’s Children” training in recognizing inappropriate behavior and what they should do if they see or experience it.

These efforts aim to eliminate any opportunity for child abuse and provide regular reassurance to children that reports of impropriety will be taken seriously.

The Office is also responsible for creating a safe and compassionate environment for abuse victim-survivors to come forward, notify civil authorities, and provide counseling and other assistance to support the healing process.

There are two Safe Environment Coordinators who monitor compliance with the *Charter*. A Victim Assistance Coordinator advocates for victim-survivors and maintains a hotline for reporting abuse, provides counseling, and offers other support services. The Office is also responsible for coordinating the fingerprinting of employees, volunteers, and clerics who interact with children, as well as facilitating annual compliance audits conducted by independent auditors to review the implementation of policies and procedures for the protection of children.

One component of this comprehensive program is an Independent Review Board (IRB), which is an essential step in its procedures for handling allegations of sexual abuse.

Members of the IRB are highly skilled professionals, including an adult-abuse survivor, a child-abuse survivor, psychiatrist, two physicians, a retired law-enforcement officer, a parish pastor, and the archdiocesan chancellor (the latter two are required by the *Charter*).

A qualified investigator conducts an independent investigation into allegations and submits a report to the IRB. The IRB reviews the allegations, the investigator’s report, and all other available information, and makes recommendations to the archbishop. Their recommendation helps to determine the best course of action.

This process is audited every year for compliance by [Stonebridge Business Partners](#), a professional independent auditor. Every three years, the independent audit is conducted in person and includes personal interviews with IRB members and members of the archdiocesan Office of Child and Youth Protection. The archdiocese has an outstanding audit record.

Today, occurrences of abuse within the Catholic Church are rare. The Church and the Archdiocese in particular have set the standard for other organizations showing what can and should be done to protect children. A few years ago, the Archdiocese contracted with an independent consultant to conduct a review of its files and produce a chart outlining the history of the crime of sex abuse of minors by clergy in the Archdiocese. That information can be found [here](#).

13. Sexual abuse is, unfortunately, still a widespread societal problem that affects people across many industries and communities. Public health experts recognize it as an ongoing issue impacting millions of individuals. How can the archdiocese apply its recent experiences to help build awareness of safe environment best practices to confront this egregious societal issue?

It would be misleading to frame this crisis as though it belongs primarily to one institution. The Church must continue to take responsibility for the real and grievous harm that occurred within its care, without deflection or minimization. At the same time, what has become painfully clear over the past several decades is that sexual abuse is a pervasive societal tragedy present across industries and institutions and, most devastatingly, within families themselves.

Research and public reporting have shown that abuse occurs in environments as varied as entertainment, athletics, education, business, and government. High-profile cases have revealed patterns of misconduct, institutional failures, and, at times, a reluctance to confront uncomfortable truths. In sheer scale, most abuse takes place in private settings, often involving individuals known to the victim, which underscores how widespread and deeply rooted the problem is.

Recognizing this broader context does not lessen the Church's responsibility; rather, it places its response within a larger moral obligation shared by all of society. The Church's efforts in recent decades—establishing strong safeguarding protocols, embracing independent oversight, and promoting a culture of vigilance—reflect lessons that can and should be applied more widely. If anything, this painful history has positioned the Church to contribute meaningfully to the broader fight against abuse by advocating for higher standards everywhere children and vulnerable people are present.

What is needed now is a unified commitment across institutions and communities: to listen to survivors, to enforce accountability, and to prioritize prevention over reputation. Sexual abuse is not confined to any one place or profession; it is a human problem that demands collective resolve. Facing that reality honestly is an essential step toward ensuring that protection, transparency, and care become the norm in every corner of society.

14. What can I do as a parishioner to support safe environments?

As a parishioner, you have great influence. The programs in place at parishes depend heavily on engaged laypeople who pay attention, ask questions, and participate in oversight. Learn about the safeguarding policies at your parish, which are outlined [here](#). The most effective parishioners are informed participants who help ensure comprehensive safeguarding systems are used as intended.

As we make progress in good faith on the details of a consensual Chapter 11 plan of reorganization, Archbishop Cordileone has asked us to join him in prayer for all survivors of sexual abuse, for our archdiocese, parish communities, schools, and for the eradication of this shameful crime from our midst and from society as a whole.

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