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Washington Auxiliary Bishop Juan Esposito delivers the homily during the annual Red Mass at

Washington Auxiliary Bishop Juan Esposito delivers the homily during the annual Red Mass at the Cathedral of St. Matthew the Apostle in Washington, D.C., Oct. 1, 2023.

Cardinal Robert McElroy announced on June 5 that the Washington Archdiocese faces a \$50 million shortfall. (OSV News/Reuters/Elizabeth Frantz)



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June 5, 2025

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Dealing with an annual operating deficit of \$10 million a year for the last five years, the Archdiocese of Washington, D.C., plans to eliminate 30 positions in the coming weeks, according to a memo sent June 5 to archdiocesan staff.

"Several vacant positions will be left unfilled, and a number of dedicated, hard-working employees will lose their jobs," Cardinal Robert McElroy, the archbishop of Washington, D.C., wrote in the memo, a copy of which was obtained by the National Catholic Reporter.

Faced with what he described as "crippling economic challenges" to the archdiocese's administrative center, McElroy said he had recently come to the "painful realization that the only way forward" was to take "drastic measures" to

achieve a balanced budget by July 1.

"This means that the Archdiocese will need to cut spending, reduce its workforce and restructure departments to accommodate a more streamlined Pastoral Center," McElroy wrote.

McElroy was [installed March 11](#) as the archbishop of one of the nation's most prominent archdioceses, succeeding Cardinal Wilton D. Gregory.

In his memo, McElroy said he had conducted "an intensive review and consultation" with members of the archdiocesan senior leadership, as well as the priest advisory council, the finance council and other advisers.

Gregory and McElroy

Cardinals Wilton D. Gregory, left, and Robert McElroy await the introduction of McElroy as the new archbishop of Washington at Saint Matthew the Apostle Cathedral in Washington D.C., Jan. 6. (NCR photo/James V. Grimaldi)

McElroy attributed the archdiocese's financial problem to the impacts of the COVID-19 pandemic and the fallout from the [Theodore McCarrick](#) scandal, coupled with an extended period of inflation and volatile financial markets. The annual deficits caused the archdiocese to draw from its financial reserves to cover shortfalls.

The memo did not say when McElroy learned of the deficit.

A December 2024 letter Fr. Vincent De Rosa wrote to parishioners and the finance committee at St. Mary Mother of God Parish in Washington, D.C., reported that the archdiocese had run the annual deficit of \$10 million since reports of McCarrick's alleged sexual abuse, including sleeping with seminarians, came to light in 2018.

The letter, reviewed by NCR, said Gregory took steps to close that deficit through budget cuts, a new assessment system of local parishes and jumpstarting the archdiocesan annual appeal "on better footing."

Speaking to reporters at [a Jan. 6 press conference](#) to introduce McElroy to Washington, D.C., Gregory said the McCarrick scandal broke trust that hurt donations to the church. He added that the COVID-19 pandemic had also thrown a "wrench" into archdiocesan finances.

"Our situation has only been exacerbated by the present economic uncertainty that is impacting so many, both locally and globally," McElroy wrote in his memo. He added that he was "sensitive to the reality" that there will be people and families who will be impacted by the downsizing.

"I apologize profoundly to those who will be losing their jobs," McElroy wrote, saying that each decision was "a painful one."

It is unclear if any programs will be cut as a result of the layoffs.

"We will do our best to assist the transition process by offering severance, extended benefits, and outplacement services to those whose positions are eliminated," McElroy wrote. "But I recognize that these steps can only diminish, not eliminate the suffering that lies ahead."

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The Catholic Standard, the archdiocesan newspaper, reported June 5 that most of the job reductions affected personnel at the archdiocese's main office building in Hyattsville, Maryland. That location included about 120 people before the job reductions, with the restructuring eliminating about one-fourth of those positions, according to The Catholic Standard.

Neither McElroy's memo or the archdiocesan paper named specific positions or people who will be affected.

The Archdiocese of Washington includes 671,000 Catholics in 140 parishes and nine missions.

Brian Fraga reported from Boston. Renée K. Gadoua edited from Syracuse, New York, and Mick Forgey copy edited from Kansas City, Missouri.