

COVID-19 Resource Document for NWLM Synod Congregations

(as of April 4, 2020)

This document includes information, guidance and recommendations for leaders of congregations within the North/West Lower Michigan (NWLM) Synod as they manage resources and ministries during the on-going COVID-19 pandemic. This information should be reviewed in partnership with legal and financial experts so that the specific scenarios within each congregation are appropriately considered. And finally, the information provided below is based on information that has been published as of April 4, 2020 and is subject to change.

Items covered will include the following:

- Coronavirus Aid, Relief, and Economic Security Act (CARES Act) – including:
 - Applying for the Paycheck Protection Program (PPP) loan
 - Applying for Small Business Administration (SBA) loans and grants related to COVID-19
 - Note that both are **time-sensitive decisions** for congregations and other synod organizations as funding is based on a first come – first serve basis
- Families First Coronavirus Response Act (FFCRA)
- Michigan’s Executive Order 2020-21 (“Stay at Home”)
- Information related to expanded unemployment benefits due to COVID-19
- Links to helpful references from the ELCA Churchwide Organization

I. Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

The federal CARES Act was signed into law on March 27, 2020. The CARES Act provides economic relief legislation for individual taxpayers and business taxpayers and addresses employee benefit plans, revisions to the FFCRA (see below), and expansions to state-provided unemployment benefits. You may want to determine if any of the stimulus offerings are appropriate for your congregation by consulting with your treasurer, finance committee, bookkeeper, accountant, and/or attorney. General information provided by the ELCA Churchwide Offices is also provided as a helpful reference (links provided below).

There are two options within the CARES Act which we highly recommend congregations consider:

- Paycheck Protection Program Loan (PPP; see attached for the application that is current as of April 3, 2020): The PPP loan provides small businesses with funds for some payroll costs, including benefits. Approved funds can be applied toward on-going payroll costs as well as interest on mortgages, rent, and utilities. The criteria are still changing but as of April 3, 2020, businesses can request up to 2.5 times the average monthly payroll for these purposes. Note that this program only applies if there are on-going payroll expenses.
- Economic Injury Disaster Loans & Emergency Economic Injury Grants (EIDL; see <https://disasterloan.sba.gov/ela/>): In response to the Coronavirus (COVID-19) pandemic, small business owners (including most, if not all NWLM Synod congregations) are eligible to apply for an emergency advance of up to \$10,000.

The NWLM Synod plans to apply for the PPP loan and the EIDL grant. Your congregation may want to consider applying for these loans and grants as well; however, we recommend you consult with your congregation's accountant, attorney, and /or other knowledgeable professionals in order to make a final decision on behalf of your organization. Suggestions for consideration include the following:

For congregations with no change in staffing or payroll:

- Consider applying for the PPP loan
- Consider applying for the EIDL grant

For congregations with reduced staffing and payroll:

- Consider applying for the PPP loan (as long as criteria are met within the ongoing payroll)
- Consider applying for the EIDL grant
- Make sure employees are aware of the expanded unemployment compensation benefits

Note that any congregation which chooses to move forward with these applications is encouraged to consult with an attorney and/or accountant and will need to work through a bank or credit union that does Small Business Administration (SBA) lending. **Again - applying as soon as possible is highly recommended since available funds may be limited and granted on a first come – first serve basis.**

Guidance for completing the PPP Application (attached)

“Who is the owner of the congregation?” **NO ONE** (leave blank – it is not applicable for a congregation). Note that neither the NWLM Synod nor the ELCA Churchwide organization “own” congregations across the ELCA. Our congregations do not have “owners”.

“Do we share common management or ownership” (question 3) **NO**

Do you need congregational approval to apply for these loans? **Possibly – this will depend on each congregation based on their constitution (includes any Continuing Resolutions and/or By-Laws)**. In some cases, full congregational approval (via an annual meeting) may be needed while in others, approval by the Congregation Council or even the Congregation’s Executive Committee on behalf of the congregation may be sufficient. Leaders within each congregation will need to assess their situation and their constitutions to determine the best path forward in terms of finalizing the decision to apply for the loans.

II. Families First Coronavirus Response Act (FFCRA)

The FFCRA, which among other things provides mandatory emergency family and medical (FMLA) leave and paid sick leave, is effective April 1, 2020 and ends December 31, 2020. Employees who are not furloughed/laid off during Michigan’s “stay at home” period but are not able to work due to the one of the six specified COVID-19 qualifying reasons (see the link to the posting below) may be eligible to request protected time off, possibly with pay, pursuant to the FFCRA.

Note that many congregations are not covered by the FFCRA (due to a congregation not “engaging in commerce”) or, if the congregation is a covered employer, a small business hardship exclusion may apply (available for qualifying employers with less than 50 employees - including religious or nonprofit organizations). The small business hardship exclusion exempts an employer from compliance with “providing (a) paid sick leave due to school or place of care closures or child care provider unavailability for COVID-19 related reasons and (b) expanded family and medical leave due to school or place of care closures or child care provider unavailability for COVID-19 related reasons when doing so would jeopardize the viability of the small business.” If an employee requests paid sick leave or family and medical leave under this Act, congregation leadership will want to consult with their attorney to assess applicability of the law and the exclusion.

If the FFCRA is applicable and an employee is eligible for paid sick time off, such payments may be a refundable payroll tax credit to the congregation.

A covered employer **must post or provide employees notice** of the Families First Coronavirus Response Act (FFCRA) requirements in a conspicuous place on its premises. An employer may satisfy this requirement by emailing or direct mailing this notice to employees or posting this notice on an employee information internal or external website.

The following link provides additional information and a copy of the required posting:
https://www.dol.gov/sites/dolgov/files/WHD/posters/FFCRA_Poster_WH1422_Non-Federal.pdf

III. **Michigan’s Executive Order 2020-21 (“Stay at Home”)**

Michigan’s “Stay-at-Home” executive order went into effect at 12:01 AM on March 24, 2020 and will continue in effect until at least April 13, 2020. You may access a copy of the order at:
https://www.michigan.gov/whitmer/0,9309,7-387-90499_90705-521790--,00.html

The order specifies that no business may “conduct operations that require workers to leave their homes or places of residence” in Michigan **unless** those workers are:

(a) necessary to sustain or protect life; or

(b) necessary to conduct minimum basic operations. This includes workers “whose in-person presence is strictly necessary” to allow the business to maintain inventory or equipment, ensure security, process payroll and employee benefits, or similar workers needed to “facilitate the ability of other workers to work remotely.”

If a congregation is continuing operations and an employee’s job responsibilities are necessary for minimum basic operation and cannot be conducted remotely, the employee **must be provided a written designation which provides specific parameters required for work outside their home, a copy of which** should be kept in their car so that when they are traveling to and from work, if they are questioned by an officer, they can show the officer the document.

Further, the employee must be protected in the workplace with appropriate **Social Distancing Practices and Other Mitigation Measures**. A congregation with employees on site **must** adopt **social distancing practices and other mitigation measures** to protect employees including, but not limited to:

- 1) Restricting the number of employees present to no more than is strictly necessary to perform minimum basic operations.
- 2) Promoting remote work to the fullest extent possible.
- 3) Keeping employees and others who are on premises at least six feet from one another to the maximum extent possible.
- 4) Increasing standards of facility cleaning and disinfection to limit exposure to COVID-19, as well as adopting protocols to clean and disinfect in the event of a positive COVID-19 case in the workplace.

- 5) Adopting policies to prevent employees from entering the premises if they display respiratory symptoms or have had contact with a person who is known or suspected to have COVID-19.
- 6) Following any other social distancing practices and mitigation measures recommended by the Centers for Disease Control.

IV. Unemployment Compensation Benefits

Unemployment compensation benefits have been expanded as a result of the COVID-19 pandemic and may be available to church employees who typically do not qualify for such benefits. Accordingly, if the congregation has an employee who is furloughed, laid off, or working reduced hours due to the COVID-19 pandemic, the employee may wish to apply for unemployment benefits and can do so at the following website: <https://www.michigan.gov/uia>.

The congregation leader responsible for employment should provide employees with a formal Unemployment Compensation Notice so employees know their rights. This notice (UIA Form 1711) can be found at: https://www.michigan.gov/documents/uia_UC1710_76109_7.pdf.

V. ELCA Resources

The ELCA has provided additional resources at <https://www.elca.org/publichealth> under the “What is the ELCA Doing?” title.

Here are some individual links:

Update and Resources on COVID-19-related Benefits for ELCA Congregations, Synods, Other Ministries and their Employees:

https://download.elca.org/ELCA%20Resource%20Repository/COVID-19_Relief_Summary_033020.pdf

This is a summary document with links to other resources, including the documents below.

Families First Coronavirus Response Act - UCC Update:

https://download.elca.org/ELCA%20Resource%20Repository/Families_First_Coronavirus_Response_Act-UCC_Update.pdf

Summary of CARES Act Provisions (a much “deeper dive” into the details):

https://download.elca.org/ELCA%20Resource%20Repository/CARES_Act_summary_033020v2.pdf

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