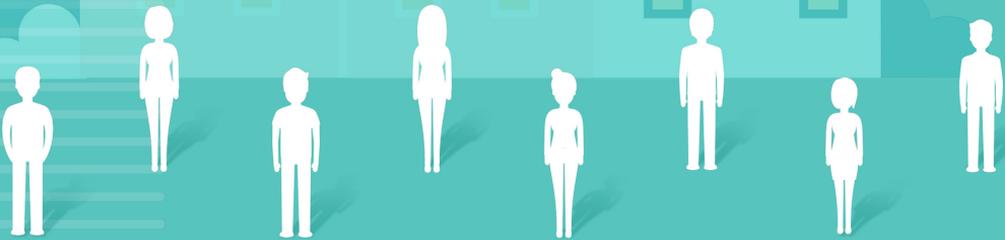


Updated April 5, 2020

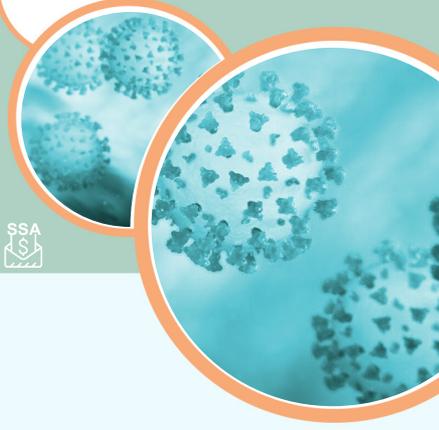


COVID-19 *Response Plan* FOR CHURCHES & MINISTRIES



MAXIMUM MINISTRY.
MINIMUM LIABILITY.





COVID-19 Response Plan for Churches & Ministries

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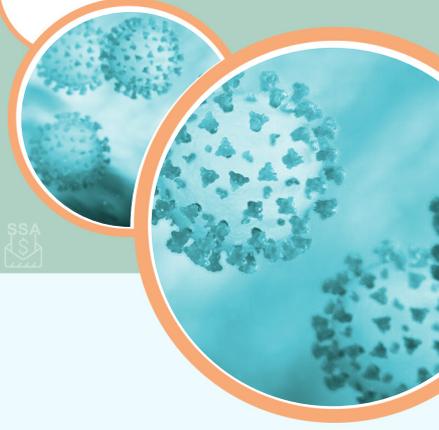
COVID-19

UPDATE FOR YOUR CHURCH OR MINISTRY

COVID-19 continues to grow as a public health crisis here in the United States, with over 250,000 confirmed cases and a growing death count. Estimates now predict as many as 250,000 virus-related deaths will occur in the U.S. Every week, we see more drastic measures taken by federal, state, and local officials to contain the pandemic. Your church and ministry are now faced with unprecedented challenges to continue ministering to those in your care. We all know there is nothing occurring today that has caught God by surprise, and we are thankful for His continued protection and provision for His people. However, as ministry leaders, there are challenges we must face in the coming days and weeks in this highly fluid situation that will need to be closely monitored on a daily basis.

What is the CURRENT SITUATION?

At this point, most states and counties have implemented some type of mandate limiting large gatherings or requiring full stay-at-home/remain-in-place for non-essential employees. A number of counties and states have imposed criminal penalties for violations of these mandates. These unprecedented measures are creating challenges for churches and ministries to continue to operate Christian schools and preschools. Additionally, churches are being forced to rethink the Sunday worship service.



Are the actions of the

GOVERNMENT CONSTITUTIONAL?

The mandates being issued by state and local governments are absolutely an infringement on free speech and freedom of religion for churches. The question is whether, from a court's perspective, this is a justified infringement. The courts examine two questions to make that determination.

- 1. Is there a compelling interest for the government to act?**
- 2. Are the actions of the government the least restrictive alternative to accomplish the compelling interest of the government and not unduly infringe on the constitutional rights of citizens?**

The argument is that the current health crisis facing our nation does constitute a compelling interest. Second, are these mandates the least restrictive option, or are there less restrictive alternatives available? At this time, the question cannot fully be answered due to the continued rapid spread of the virus, and judges will not want to place people at risk. The NCLL will continue to monitor the situation closely.



FACTORS TO CONSIDER

- 1. What is legally required in my state?**

This is important to ascertain so your leadership team can understand what is and is not currently allowed. We recommend following state and local mandates at this time.
- 2. What is practically effective for our church?**

Can your church provide online alternatives? Can you do house meetings of smaller groups? Can your church meet in smaller numbers on a rotating schedule? These questions should be assessed by your church or ministry leadership to best position your church during this time. What type of gatherings you use will be based on state and local mandates in place. See ncll.org/covid-19 for the complete updated list.
- 3. What are the community optics for my church?**

Once your decision is made, your church needs to understand the community view of that decision. It is important for us to be leaders in our communities at this time. Many are fearful for their loved ones with the spread of the virus.



How should MY CHURCH RESPOND?

If your state is under a legal mandate, we recommend full compliance at this time. Contact our office for specific recommendations for your state.

Things we KNOW ABOUT THE VIRUS:

- 1.** This is a highly contagious virus that has demonstrated a high level of communicableness in foreign countries and now the U.S.
- 2.** This virus tends to be more dangerous to older people and those with weakened immune systems.
- 3.** Social distancing is intended to limit the number of individuals needing medical care, so it does not overwhelm health care services.

Things we don't KNOW ABOUT THE VIRUS:

- 1.** At this time, it is unclear how long the disruption of daily life will be.
- 2.** There is not a firm understanding of when normal church and ministry operations should be resumed across the country.
- 3.** Government recommendations and restrictions are in place for now until further notice. There has been mention of perhaps six to eight weeks, but much is still unknown



QUESTIONS

we have received:

1. Can we meet around the building in smaller groups?

If your state has a mandate in place, this would still potentially be a violation because of common areas like restrooms, parking lots, and foyers.

2. Can we meet in the parking lot? Drive-in Church?

Yes, this is acceptable. The technical aspect would be the only challenge, but if the technology is in place, this would be a great alternative. If your state has a stay-in-place mandate, please contact our office for clarification for your county or state.

3. Can we meet more often in smaller groups?

Yes, this is an acceptable arrangement based on the number meeting. There are also alternatives using Zoom and other video conferencing technology.

4. If our church chooses to disobey government recommendations, what might happen?

In several states, there could be criminal consequences.

5. Is it advisable to reduce services and outreaches?

At this time, we would advise churches to cancel all outreaches, events, and activities.



6. How do we collect our church's finances if we cannot take offerings?

We would recommend online options for members. They can also drop checks off at the church in a drop box.

7. How do we minister during this time?

While we are dealing with the challenges of social distancing, this will provide an opportunity for prayer, additional Bible study, and discussions about eternal things over the phone and online. Many without Christ are going to be battling depression and cabin fever. Take the time to call your lost friends and be a voice of hope and encouragement, and share the Gospel of Jesus Christ with them.

At The National Center for Life and Liberty, we want to support you and your ministry/church during this time. If you have any questions or concerns about any of the material above, please contact us by phone at (888) 233-6255 or by email at info@ncll.org. Our team continues to work and will continue to serve you throughout this crisis.

Thank you for your ministry in the Lord. God bless you as you continue to serve Him.



COVID-19

STAY-AT-HOME ORDER RESPONSE

Across the country, states and counties have added different versions of “stay-safe” or “stay-at-home” orders for their citizens. These stay-at-home orders are intended to prevent the spread of COVID-19. As said many times during this pandemic, these are unprecedented measures in our country’s history. Your church and ministry must determine how to most effectively minister to those in your care during this challenging time.

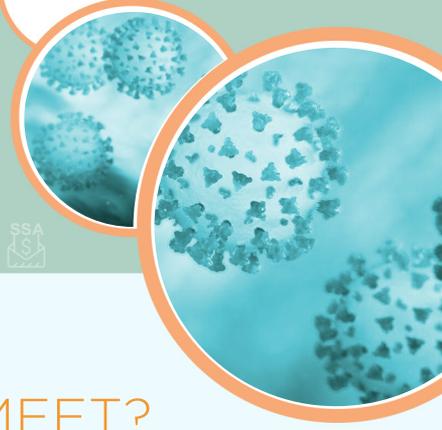
UNDERSTANDING

Executive Orders

Your church needs to be aware of any public health and state mandates that are in place as your church determines how to minister effectively. Depending on the state or county, these directives carry different penalties for non-compliance. Below we have shortcuts to each state’s executive order for more detailed information.

As a rule, state orders include the following:

- 1.** all non-essential employees work from home or stay home
- 2.** all restaurants and bars closed
- 3.** all gatherings limited to ten or fewer
- 4.** all events suspended indefinitely



Should our church CONTINUE TO MEET?

Each state has a different approach to implementation. However, compliance is generally recommended due to the nature of the public health crisis. If your church or ministry is trying to decide if you should or should not continue to meet, here are some criteria to consider:

- 1.** Does my state have a stay-at-home order in place?
- 2.** Is my county particularly affected at this time by COVID-19?
- 3.** Am I potentially placing my congregation at risk by having them attend church?
- 4.** Are there safer alternatives to meeting in groups at this time?
- 5.** How can I serve our congregation most effectively?



Our

RECOMMENDATIONS

The NCLL recommends churches provide a virtual service option (Livestream, Facebook Live, etc.) through the end of April. If your church wants to allow people to attend in person, please review state guidelines to ensure you are not placing your congregants at risk. If you choose to allow some church members to attend, ensure that you keep people spread out from each other to limit exposure between individuals. [You can review our recommendations for your facility here.](#) Drive-in church is also an option in many states and counties. This allows your congregation to come to your church's location without exposing others to the potential spread of the virus.

As always, remember there is no one-size-fits-all solution. If you are still trying to determine how best to navigate this complicated time for your church or ministry, please contact our office, and one of our team members will gladly assist you in answering your questions. Contact our office by calling (888) 233-6255 or emailing info@ncll.org.



There are pros and cons with all programs like these. You need to evaluate your church, ministry, or charity's needs before you decide what to pursue. Ensuring stability for your employees is critical during this time.

CARES ACT: Payroll Protection Program (PPP)

This act provides significant funding to small businesses across the country. Now that this law is going into effect, we wanted to provide some additional information for your church, ministry, or nonprofit. Through the CARES Act, small business funding has expanded, including providing funding for churches through the Payroll Protection Program (PPP).

WHEN can I apply?

- Starting April 3, 2020, small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other specific expenses through existing SBA lenders.
- Starting April 10, 2020, independent contractors and self-employed individuals can apply for and receive loans to cover their payroll and other certain expenses through existing SBA lenders.
- Other regulated lenders will be available to make these loans as soon as they are approved and enrolled in the program.

WHERE can I apply?

You can apply through any existing SBA lender or through any federally insured depository institution, federally insured credit union, or Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender to determine if it is participating. Visit www.sba.gov for a list of SBA lenders.



WHO can apply?

All businesses—including nonprofits, veterans organizations, tribal business concerns, sole proprietorships, self-employed individuals, and independent contractors—with 500 or fewer employees can apply. Businesses in certain industries can have more than 500 employees if they meet applicable SBA employee-based size standards for those industries (click [HERE](#) for additional detail).

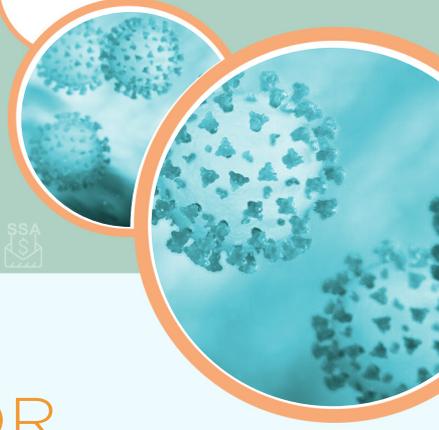
WHAT CAN I use these loans for?

You should use the proceeds from these loans on your:

- Payroll costs, including benefits
- Interest on mortgage obligations incurred before February 15, 2020
- Rent, under lease agreements in force before February 15, 2020
- Utilities for which service began before February 15, 2020

WHAT COUNTS as payroll costs? Payroll costs include:

- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee)
- Employee benefits, including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits, including insurance premiums; and payment of any retirement benefits
- State and local taxes assessed on compensation
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee



COVID-19

UPDATES FOR CHRISTIAN SCHOOLS & PRESCHOOLS

Many churches and ministries are faced with unprecedented decisions regarding their Christian schools and preschools due to the COVID-19 public health crisis. This resource will assist your church or ministry in determining best practices during this challenging time. The majority of school districts in the U.S. have closed public schools, requiring distance or virtual education for students. States have requested that private schools follow the same guidelines to protect their students from exposure.

Christian School RECOMMENDATIONS

Our recommendation for Christian schools is generally to follow the lead of the public-school district in their area. Most states have mandated school closures through the end of April. States are reviewing requirements for days of attendance to determine how to manage graduation requirements. This is something we will keep an eye on in the coming days and weeks for each state as they make these determinations

NCLL recommendations:

1. Follow the local public-school district and state government's lead for closure.
2. Provide continuity of education using distance or virtual solutions during this period of time.
3. Keep teachers employed to manage distance or virtual solutions.
4. Require student participation in distance or virtual programs.
5. Keep children and parents engaged through daily communication.



As schools and preschools determine how best to respond, remember there is no one-size-fits-all solution. If you are still trying to determine how best to navigate this complicated time for your church or ministry, please contact our office, and one of our team members will gladly assist you in answering your questions. Contact our office by calling (888) 233-6255 or emailing info@ncll.org.



There are pros and cons with all programs like these. You need to evaluate your church, ministry, or charity's needs before you decide what to pursue. Ensuring stability for your employees is critical during this time.

OTHER FUNDING & Information Available

Read the Full CARES Act: <https://www.congress.gov/bill/116th-congress/house-bill/748/text>

SBA Website Information: <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

As your church or ministry determines how best to respond, remember there is no one-size-fits-all solution. If you are still trying to determine how best to navigate this complicated time for your church or ministry, please contact our office, and one of our team members will gladly assist you in answering your questions. Contact our office by calling (888) 233-6255 or emailing info@ncll.org.



How will the IRS know where to send my payment?

The vast majority of people do not need to take any action. The IRS will calculate and automatically send the economic impact payment to those eligible.

For people who have already filed their 2019 tax returns, the IRS will use this information to calculate the payment amount. For those who have not yet filed their return for 2019, the IRS will use information from their 2018 tax filing to calculate the payment. The economic impact payment will be deposited directly into the same banking account reflected on the return filed.

The IRS does not have my direct deposit information. What can I do?

In the coming weeks, Treasury plans to develop a web-based portal for individuals to provide their banking information to the IRS online, so that individuals can receive payments immediately as opposed to checks in the mail.

I am not typically required to file a tax return.

Can I still receive my payment?

Yes. The IRS will use the information on the Form SSA-1099 or Form RRB-1099 to generate Economic Impact Payments to recipients of benefits reflected in the Form SSA-1099 or Form RRB-1099 who are not required to file a tax return and did not file a return for 2018 or 2019. This includes senior citizens, Social Security recipients and railroad retirees who are not otherwise required to file a tax return.

Since the IRS would not have information regarding any dependents for these people, each person would receive \$1,200 per person, without the additional amount for any dependents at this time.



I have a tax filing obligation but have not filed my tax return for 2018 or 2019. Can I still receive an economic impact payment?

Yes. The IRS urges anyone with a tax filing obligation who has not yet filed a tax return for 2018 or 2019 to file as soon as they can to receive an economic impact payment. Taxpayers should include direct deposit banking information on the return.

I need to file a tax return. How long are the economic impact payments available?

For those concerned about visiting a tax professional or local community organization in person to get help with a tax return, these economic impact payments will be available throughout the rest of 2020.

Where can I get more information?

The IRS will post all key information on [IRS.gov/coronavirus](https://www.irs.gov/coronavirus) as soon as it becomes available.

The IRS has a reduced staff in many of its offices but remains committed to helping eligible individuals receive their payments expeditiously. Check for updated information on [IRS.gov/coronavirus](https://www.irs.gov/coronavirus) rather than calling IRS assistors who are helping process 2019 returns.



Small businesses with fewer than fifty employees and who cannot afford to comply with these requirements will be provided an exemption. However, covered employers qualify for dollar-for-dollar reimbursement through a tax credit for all qualifying wages paid under the FFCRA. This also includes monies used to pay for health insurance coverage.

This act does not allow you to discharge, discipline, or otherwise discriminate against any employee who takes paid sick leave under the FFCRA. If you have any questions or concerns about this act or how it affects your ministry, please contact us today by calling 888-233-6255 or emailing us at info@ncll.org. Our team of attorneys will assist you in making the right decisions for your ministry or organization.

Below is the full article from the Department of Labor.

Families First Coronavirus Response Act: Employer Paid Leave

[Take from The Department of Labor, Wage and Hour Division at DOL.gov]

The **Families First Coronavirus Response Act (FFCRA or Act)** requires certain employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19.^[1] The Department of Labor's (Department) Wage and Hour Division (WHD) administers and enforces the new law's paid leave requirements.

These provisions will apply from the effective date through December 31, 2020.



Duration of Leave:

For reasons (1)-(4) and (6): A full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period.

For reason (5): A full-time employee is eligible for up to 12 weeks of leave at 40 hours a week, and a part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

Calculation of Pay: [\[5\]](#)

For leave reasons (1), (2), or (3): employees taking leave shall be paid at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

For leave reasons (4) or (6): employees taking leave shall be paid at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

For leave reason (5): employees taking leave shall be paid at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$12,000 in the aggregate (over a 12-week period—two weeks of paid sick leave followed by up to 10 weeks of paid expanded family and medical leave).[\[6\]](#)

Tax Credits: Covered employers qualify for dollar-for-dollar reimbursement through tax credits for all qualifying wages paid under the FFCRA. Qualifying wages are those paid to an employee who takes leave under the Act for a qualifying reason, up to the appropriate per diem and aggregate payment caps. Applicable tax credits also extend to amounts paid or incurred to maintain health insurance coverage. For more information, please see the Department of the Treasury's website.



WHAT COUNTS

as payroll costs?

Payroll costs include:

- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee)
- Employee benefits, including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits, including insurance premiums; and payment of any retirement benefits
- State and local taxes assessed on compensation
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee

HOW LARGE

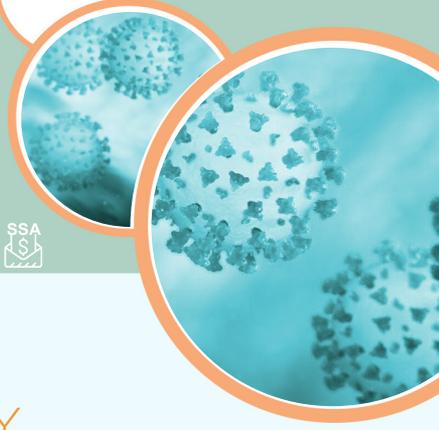
can my loan be?

Loans can be for up to two months of your average monthly payroll costs from the last year plus an additional 25% of that amount. The amount is subject to a \$10 million cap. If you are a seasonal or new business, you will use different applicable time periods for your calculation. Payroll costs will be capped at \$100,000 annualized for each employee.

HOW MUCH

of my loan will be forgiven?

You will not owe any money when your loan is due unless you use the loan amount for anything other than payroll costs, mortgage interest, rent, and utilities payments over the eight weeks after receiving the loan. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.



COVID-19

SOCIAL SECURITY RECIPIENTS WILL AUTOMATICALLY RECEIVE ECONOMIC IMPACT PAYMENTS

Yesterday, the Social Security Administration released new information regarding Social Security recipients of economic impact payments. As stated in the article below, senior citizens will not be required to file anything additionally to receive payments.

“Social Security recipients who are not typically required to file a tax return do not need to take an action, and will receive their payment directly to their bank account,” said Secretary Steven T. Mnuchin.

Please see the article from the Internal Revenue Service concerning this topic: <https://home.treasury.gov/news/press-releases/sm967>



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