



THE UNITED METHODIST CHURCH

VIRGINIA CONFERENCE

POST OFFICE BOX 5606
10330 STAPLES MILL ROAD

GLEN ALLEN, VIRGINIA 23058-5606

Treasurer's Office
OF THE VIRGINIA CONFERENCE

April 2, 2020

CARES Act: Aid for the Local Church

Wespath and The United Methodist Church general agencies, along with other organizations, have issued summaries of the provisions of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The CARES Act provides assistance to employers (churches) by establishing a loan program called the Paycheck Protection Program (PPP) through the Small Business Administration (SBA). The CARES Act also expands unemployment benefits to individuals not typically covered; however, the Virginia Employment Commission (VEC) has not yet released final guidelines as to how this would affect church employees.

Things you can consider now:

1. Apply for a loan through the Paycheck Protection Program (PPP) offered through the Small Business Administration (SBA). Click here for resources on the PPP:

<https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>

- Check to see if your bank is a SBA-approved lender or visit the SBA website to find one near you.
- A Church Council vote is needed to give authority to submit the application; this can be accomplished through a conference call and does not need to be in person while the stay-at-home order is in effect.
- Once the Church Council gives approval, an authorized Trustee must sign the application for the SBA loan.
- Gather information you will need for the application:
 - 501(c)(3) determination letter from the IRS, if your church does not have one, go to www.umgroupruling.org.
 - If incorporated, your Articles of Incorporation.
 - Identify signors for the Good Faith Certificate
- Financial Information
 - 2019 Balance Sheet and Income Statement
- Bank account information
- Payroll information

- 2019 Quarterly Tax Filings (941's)
- 2019 W2's
- 2019 1099's for independent contractors
- Wage information including benefits (health and pension) for the period 3/1/2019 – 2/29/2020

It is important to submit your application as quickly as possible, as there are limited funds available under the CARES Act. **The application process is scheduled to begin on April 3, 2020.** This is a new program with many moving parts, so don't be discouraged if you experience delays during the process.

2. Encourage employees who have been laid off to apply for Virginia unemployment benefits. Typically, church workers are not eligible in Virginia for unemployment benefits. However, the VEC is reviewing guidelines from the US Department of Labor, about the expanded availability of unemployment benefits under the CARES Act. Therefore, the conference encourages all church employees who have been laid off to apply for benefits. Go to VEC website for additional information and guidance.

3. If your church does not have online giving set up, the conference Treasurer's Office has created a donation website.
The Virginia Conference recognizes this is a period of hardship for many and in an effort to assist and facilitate giving for those churches that may not be able to do so on their own, this website has been created for online giving as well as offering the option to support the Pandemic Relief Fund. This is a collection of funds on behalf of the conference in an effort to support those organizations who are affected by or providing assistance in response to the COVID-19 pandemic.

For churches:

- Please communicate with your members about the online giving website: www.vaumcdonations.org.
- For faster processing, churches should instruct their donors to provide the church's GCFA #.
- Churches that receive donations will be contacted by the conference Treasurer's office to remit the funds to the church bank account.
- The conference is accepting the gift on behalf of the church and will acknowledge the gift for tax purposes.

For individuals:

- To donate, please visit www.vaumcdonations.org.
- Select either Local Church Online Giving or Pandemic Relief Fund.
- Provide the name of the church and the city; also include the church GCFA# if possible
- The website accepts debit card, credit card, and Google Pay.
- You will receive an email which will serve as a receipt for tax purposes.

4. Stay informed and connected. Learn of updates and changing priorities in response to the COVID-19 pandemic on the conference website at <https://vaumc.org/Coronavirus2020> and through your district superintendent.

5. Other Resources:
 - Small Business Administration (SBA)
https://www.sba.gov/about-sba/sba-newsroom/press-releases-media-advisories/349-billion-emergency-small-business-capital-cleared-sba-and-treasury-begin-unprecedented-public?mc_cid=b14a6ac539&mc_eid=6fe5a4f8ba

 - Wespath
<https://www.wespath.org/about-wespath/Coronavirus>

<https://www.wespath.org/assets/1/7/5559.pdf>

 - General Council on Finance and Administration (GCFA)

https://www.gcfa.org/media/2174/ffcra_rev03312020.pdf

https://www.gcfa.org/media/2173/cares_faq_03312020.pdf

 - *Christianity Today* overview of CARES Act for Churches

https://www.churchlawandtax.com/web/2020/march/overview-of-cares-act-for-churches.html?utm_source=cltupdate&utm_medium=Newsletter&utm_term=5668507&utm_content=704904422&utm_campaign=email

 - Horizons Stewardship COVID-19 resources
<https://horizons.net/covid-19-resources/>

 - Discipleship Ministries information about CARES Act
<https://www.umcdiscipleship.org/articles/cares-act-could-be-a-lifeline-for-local-churches>

Please direct questions to [David Dommis](#), Treasurer.