

***How these programs can work in concert with each other or sequentially.***

Your church could choose to use the funds from the PPP loan first (these funds have to be used in the 80 days after the loan is made) and then the leave programs (sequentially) or they can be used at the same time (in concert). Below are examples of how they can be used in concert with each other.

**Paycheck Protection Plan**

2.5 times your monthly payroll and employee benefits

25% of the loan can be used for rent, utilities, interest on debt obligations incurred before the date of the loan application

The funds can be used to pay the expenses in the 8-week period after the loan is made.

**Emergency Paid Sick Leave Act**

80 hours of paid leave – government pays for the leave

Employee will need to have been employed for at least 1 day

The 80 hours can be used any time between the effective date (4/2/2020) of the legislature and 12/31/2020.

Reason(s)	Pay rate	Max/day	Max total
<ul style="list-style-type: none"> <li>Government-ordered quarantine</li> <li>Medical provider-advised quarantine</li> <li>COVID-19 symptoms</li> </ul>	Regular pay rate or minimum wage, whichever is higher	\$511	\$5,111
<ul style="list-style-type: none"> <li>Caring for quarantined individual</li> <li>Caring for child</li> <li>Other DHHS-approved reason</li> </ul>	2/3 regular pay rate or 2/3 minimum wage, whichever is higher	\$200	\$2,000

Government-ordered quarantine or isolation includes "... a broad range of governmental orders, including orders that advise some or all citizens to shelter in place, stay at home, quarantine, or otherwise restrict their own mobility." **Federal Register** Vol 85/Page 66

"An employee subject to one of these may not take paid sick leave where the employer does not have work for the employee." **Federal Register** Vol 85/Page 66

### **Public Emergency Health Leave Act**

10 weeks of paid leave – government pays for the leave.

Employee will need to have been employed for at least 30 days.

Each employee paid 2/3<sup>rd</sup> of the minimum pay or \$ 200 per day maximum and \$ 10,000 in total.

The 10 weeks can be used any time between the effective date (4/2/2020) of the legislature and 12/31/2020.

### **Health Care Coverage**

Any employee taking leave under either the Emergency Paid Sick Leave or Public Emergency Health Leave is entitled to the continuation of health care coverage for that same period.

The healthcare costs are paid for by the program during the leave period.

## **SCENERIOS**

### **PPP Loan of \$ 100,000**

#### **1. Your payroll and benefits for 2020 are equivalent to 2019 payroll and benefits.**

- a. The church can pay payroll and benefits for 2-1/2 month.
- b. The church can pay payroll and benefits for however long 75% (\$75,000) lasts. And you can use the remaining 25% (\$25,000) for the other costs allowed in this program.

#### **2. Your payroll and benefits for 2020 are higher than 2019 payroll and benefits.**

- a. The church can pay payroll and benefits for however long the funds last.
- b. The church can pay payroll and benefits for however long 75% (\$75,000) lasts. And you can use the remaining 25% (\$25,000) for the other costs allowed in this program.

#### **3. Your church starts having people who qualify for the Emergency Paid Sick Leave**

- a. *All the employees qualifying for EPSL are entitled to 100% paid leave.*

The church payroll for those employees and for their benefits would be paid through the EPSL program. These funds WOULD NOT be paid out of the PPP program funds. This would give the church funds to use for other expenses as long as 75% of the PPP funds are spent on employees.

- b. *All the employees qualifying for EPSL are entitled to 2/3<sup>rd</sup>s paid leave.*

The church payroll for those employees and for their benefits 2/3<sup>rd</sup>s would be paid through the EPSL program. These funds WOULD NOT be paid out of the PPP program funds. However, the remaining 1/3<sup>rd</sup> can be paid from the PPP program. This would give the church funds to use for other expenses as long as 75% of the PPP funds are spent on employees.

#### **4. Your church starts having people who qualify for the Public Emergency Health Leave**

*All the employees qualifying for PEH are entitled to 2/3<sup>rd</sup>s paid leave.*

The church payroll for those employees and for their benefits 2/3<sup>rd</sup>s would be paid through the PEH program. These funds WOULD NOT be paid out of the PPP program funds. However, the remaining 1/3<sup>rd</sup> can be paid from the PPP program. This would give the church funds to use for other expenses as long as 75% of the PPP funds are spent on employees.

#### **5. Your church qualifies for dues relief for the pastor or deferment of dues for church employees.**

- a. *WAIVED: The church does not need to pay the dues for the Pastor's Participation plan for three months, but your church used those dues in calculating the requested amount for the PPP program.*

The amount of dues relief cannot be submitted as if your church had paid the amount. This would give the church funds to use for other expenses as long as 75% of the PPP funds are spent on employees.

- b. *DEFERRED: The church defers the payment of dues for the church employees for two months, but your church used those dues in calculating the requested amount for the PPP program.*

The church defers the payment of dues for the church employees for two months, and then will pay the dues. The amount of dues deferment can probably be submitted as if your church had paid the amount. This would give the church funds to use for other expenses as long as 75% of the PPP funds are spent on employees.

#### **6. Your church is complicated (this would be most churches)**

*Your church has 10 employees and one pastor. The membership is under 300 members as of 12/31/2019 (as reported to OGA in the statistical reporting).*

Your church arranged with the Board of Pensions for your pastor's dues to be waived for 3 months. So, your church has additional funds from the PPP program.

Over the next few months your church has people out on Emergency Paid Sick Leave, for two weeks they are paid either 100% or 2/3<sup>rd</sup>s of salary and benefits by the government. So, your church has additional funds from the PPP program.

Over the next few months your church has people out on Public Emergency Health Leave for an additional 10 weeks to care for their children under 18 who are home due to schools or childcare being closed, then 2/3<sup>rd</sup>s of their salary and benefits are paid by the government.

As long as your church uses 75% of the funds for salary and benefits and does not let people go then you are okay.

Those employee expenses paid for through the Emergency Paid Sick Leave and the Public Emergency Health Leave cannot be used to substantiate the funds under the PPP program. **NO DOUBLE DIPPING.**