

A Guide to Finances and Staffing from the CBAC During Coronavirus (COVID-19)

The Canadian Baptists of Atlantic Canada acknowledges with you that these are challenging and unprecedented times as we all try to adjust to the rapidly evolving issues created by the outbreak of the COVID-19 pandemic. Many of our churches and leadership have been asking us for advice and we at the CBAC are committed to keeping you as informed and up-to-date as possible. This document is one such response. Here you will find some links and resources particularly around finances and programs the Federal Government is putting in place to assist all Canadians. ***Please be aware that this information is being updated daily. What is included here is current to today's date, April 15, 2020. These programs have been approved and written into legislation as of April 11, 2020.***

Links to government resources you should be aware of:

- **Government Support**

Government of Canada website for their COVID-19 Economic Response Plan:

<https://www.canada.ca/en/department-finance/economic-response-plan.html>

- **Health News & Provincial Specific Resources**

Please check for specifics on resources that your province has put in place for individuals, families, businesses and organizations by going to the below links:

- World Health Organization: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019>
- Newfoundland & Labrador: <https://www.gov.nl.ca/covid-19/>
- New Brunswick:
https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory_diseases/coronavirus.html
- Nova Scotia: <https://novascotia.ca/coronavirus/>
- Prince Edward Island: <https://www.princeedwardisland.ca/en/topic/covid-19>

Finances and Staffing

Possibly the biggest issue for all churches and their leadership is finances and staffing. While we trust that as churches you are reminding your people that while governments are asking that social (physical) contact and distance be observed, this does not mean that organizations need to be 'closed'. Churches, charities, and non-profits are very much needed in these times. It is simply that physical workspaces need to be closed, including church buildings. Our prayer is that your church sees the significant missional ministry all around you, in your neighbourhood, that you can be a part of. Here are some ideas:

- Help those less familiar with technology learn video conferencing for meetings or church online – lend them technology that can help them access the internet
- Take a walk around your neighbourhood praying and listening to God as you walk – remember to maintain social distancing, but what is God asking of you as you pray?
- Creating a way to check on your neighbors; online, from the end of your driveway to the end of theirs, phone calls, etc. Is there something you can do to help them? What can you offer to those that live around you?
- Being a calm and encouraging presence in this anxious 24 hr. news cycle.

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Suggestions as you deal with financial issues.

There are two ways your church should respond financially during this pandemic:

1. Maintain income
 - a. Make it easy to give in a variety of ways
 1. Online Giving (Pushpay, CanadaHelps, RebelGive, Tithe.ly)
 2. Direct bank transfers (direct deposit, e-transfer)
 3. Traditional mail via Canada Post
 4. Drop off at your church (with safe practices)
 - b. Remind your congregation why their giving is still important. There are still ministries online, by phone, and in the community as well as ongoing expenses.
2. Reduce expenses
 - a. Facilities; turn down the heat, turn off the hot water heater, etc. – if you are no longer using your physical space
 - b. Reduce program costs
 - c. Develop a staffing contingency plan
 - d. Determine income thresholds
 - e. Create a staff triage order
 - f. Prioritize tech and ability to connect
 - g. Prepare yourself and your team for bi-vocational and volunteer options.
 - h. Inform your people of government support options

Information specifically related to staffing:

We trust that your church is still committed to the financial resources that you have budgeted for staff expenses – enough to see you through this difficult period. This is a time when a pastor is needed more than ever – when there are new opportunities and new challenges for the gospel of Jesus to be known and as people are more open during this crisis. There is still great need even if the church is not meeting physically.

Please be aware of the following:

1. The most hopeful program that churches are eligible for, that will mean your pastor (pastoral staff) can continue fulfilling their calling with your church, is **The Canada Emergency Wage Subsidy** which provides support to Employers to maintain Employees. You will find the specific details here: <https://www.canada.ca/en/department-finance/economic-response-plan.html#businesses> . Here are some highlights:
 - The organization (church) has to have a drop in gross revenues of at least **15%** in March, and 30% in April, and/or May 2020 when compared to the same months in

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2019, OR compared to Jan-Feb 2020 as **announced April 8, 2020 and legislated April 11, 2020.**

- This Subsidy will cover UP TO 75% of salary up to 3 months (retroactive to March 15 and in place for a 12-week period, to June 6, 2020)
- Maximum of \$847/week per employee (\$58,700 salary equivalent)
- The employer is expected to make their best efforts to top up salaries to 100%. Employers eligible for the CEWS are entitled to receive a 100% refund for certain employer contributions to Employment Insurance & the Canadian Pension Plan.
- If you do not qualify for the Canada Emergency Wage Subsidy, you may qualify for the previously announced wage subsidy of 10% of remuneration paid from March 18 to before June 20 2020 (See Temporary 10% Wage Subsidy at the above link)
- Please note that the Canada Emergency Wage Subsidy cannot be combined with CERB.
- [Canada Emergency Wage Subsidy](#)

2. The **Canadian Emergency Response Benefit (CERB)** is another option from the federal government. This is support given directly to Employees who are not working because: they have been laid off, are sick or quarantined, are caring for children while without pay, without work hours or are on unpaid leave due to COVID-19. **CERB is NOT available to an employee who has voluntarily quit their job.** Details are available on the Canadian Government website here: <https://www.canada.ca/en/departement-finance/economic-response-plan.html#individuals> and on the CRA website:

<https://www.canada.ca/en/services/benefits/ei/cerb-application.html>

- Applications available Monday, April 6th via CRA My Account or My Service Canada Account with no waiting period
- Benefits start 10 days later
- Employee receives \$2000 per four weeks/ for up to 4 months
- EI benefits are still available after the 4-month period, if needed
- No record of employment (ROE) is needed
- Have to reconfirm no income for 14 consecutive days every 4-week period
- A worker who quits voluntarily would not be eligible for the CERB
- You must also have
 - i. Earned at least \$5,000 in 2019 or past 12 months (maternity, parental or adoption benefits count)
 - ii. 14 days in a row of no income in each four-week period
- [Canada Emergency Response Benefit](#)

Please note: on Wednesday, April 15th, the Prime Minister announced an expansion on the eligibility criteria for the CERB. It now seems that those who have reduced hours and wages will potentially be eligible. Please refer to the federal government website for the latest updates.

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3. There are other options that your church may qualify for. Please check provincial and federal government websites relating to assistance they are making available (links above). Ensure you have exhausted all other options and resources before you move on to the next step.
4. If the church believes they have no other options (in consultation with the leadership team and the pastor) and are considering temporary layoffs for your ministry staff, and they are eligible for EI, please remember that they **will not be able to provide any services to the church while on EI.**
 - *Your notice to your ministry staff must be in writing and must include specific content as outlined in provincial and federal human resources legislation – please consult your particular provincial legislation before finalizing your written notice. We recommend you include at least the following:*
 - i. Effective date of the temporary layoff
 - ii. Date of last pay
 - iii. Reason (e.g. current economic conditions-a direct result of the COVID-19 pandemic)
 - iv. Expected Return to work date (no more than 6 months out OR whatever is required per your provincial human resources legislation). You may indicate that the date can be revised/adjusted on mutual agreement of the church leadership and pastor. You should indicate that you expect the pastor's return, on that date, after the government has indicated that the COVID-19 danger has passed.
 - v. *Complete a Record of Employment (ROE)* indicating a temporary lay-off due to work shortage (this would be similar to a maternity or parental leave). This is the notice you will need for your records and your pastor will need in order to apply for EI. Here is a link to an article which should provide you some tips for completing an ROE with respect to COVID-19.
<https://www.linkedin.com/pulse/tips-completing-record-employment-forms-respect-covid-19-young/?trackingId=>
 - vi. Understand that *EI will only pay 55% of a ministry staff's income.*
 1. We recommend that churches take advantage of the CBAC's Supplemental Unemployment Benefit Plan (SUB) through Service Canada that allows the church to top up EI to 95% of a pastor's salary *if the church sends the CBAC a letter indicating that they church is willing to follow the rules of the plan and to provide the CBAC with their charity number in order to be registered for the plan.* Please indicate in your notice/letter, your willingness to participate in this way, by including the amount you will be paying, when you will be paying it, and indicate it will continue over the period of the temporary layoff. Please contact Karen Gunn at karen.gunn@baptist-atlantic.ca for all the details.

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2. If the church is not registered for the SUB plan, topping up your pastor's salary while the pastor is on EI, is not an option. The top up (*when not registered*) will be considered income and will need to be paid back to the government. (When registered, this top up amount is not considered as earnings and is not deducted from EI benefits pursuant to subsection 37(1) of the EI regulations).
- vii. *You should continue to provide health benefits to your temporarily laid off staff.* Please indicate in your letter that you understand your pastor is electing to maintain their benefit coverage during this temporary leave and contributions toward those benefits will continue during the temporary layoff. Indicate the pastor will still have full insurance benefits during this period. Sun Life Financial will need to be notified of the employee's temporary layoff so Sun Life will not be expecting pension contributions until employment resumes.
1. Please contact karen.gunn@baptist-atlantic.ca at the CBAC office when you are beginning this process so that she can assist you regarding benefits and insurance.
 2. Benefit coverage does not adversely impact eligibility for EI benefits.
- viii. As you conclude the written notification, would you please commit to praying for one another. Ministry, as you know, is about relationship and we are in a unique time with wonderful opportunities to connect and support each other and our neighbours. *Promise to pray for and continue to resource your church and your pastor.* Don't give in to anxiety and fear but trust that we all can continue to serve God in our communities in new and creative ways even if it means we get challenged in the process! Here's a sample of what you can use to conclude your notice of temporary layoff: *We confirm our ongoing covenant together as church and pastor and reiterate our mutual resolve to continue our relationship at the end of the temporary layoff time frame as described in this letter. We also acknowledge that as our Pastor when you are on this temporary layoff you will not be able to perform any of the duties of our shared ministry. In recognition of our mutual relationship in Christ, we promise to support the other in prayer and will continue to seek the guidance of the Holy Spirit as we navigate through these difficult days.*
- ix. If a staff member is terminated (not rehired), please remember that they are entitled to notice under provincial codes – as well as common law notice.

Please note that our Executive Minister and Council are complying with the provincial and federal regulations around COVID-19 and have closed our office to ensure the safety and wellbeing of our staff and our constituency. ALL our staff are working remotely and we

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remain committed to being fully available to help with any questions or concerns that you may have. Please contact us by calling our office at 506-635-1922 and entering the extension number from the directory listing to speak with the staff concerned. You may also contact our staff through email: firstname.lastname@baptist-atlantic.ca .

We are praying for you. We will keep updating our COVID-19 page online at: <https://baptist-atlantic.ca/coronavirus/>

May God continue to work in you as He sends us out in new ways in these days.

This information was prepared/posted, April 15, 2020. In the current context, information is changing on a rapid basis. Though we will try to give you as up-to-date information as possible, given the frequent changes, we recommend regularly consulting the Government of Canada, CRA, Public Health Agency of Canada, regional public health authorities, for the most up-to-date guidance and recommendations. Please also be aware that the information we provide does not constitute legal or professional advice.