

**Unitarian Universalist Church of Nashua, NH (UUCN)  
Special Meeting of the Board of Trustees**

April 21, 2020

**Final Minutes** by Jodie K. Holway, Clerk of the Board of Trustees

**Approved by:** Victoria Agnew, Carol Houde, Rick Spitz, Lindsey Sylvester, Burns Fisher

**Meeting Attendees:** Victoria Agnew, Ben Atherton-Zeman, John Burkitt, Burns Fisher, Lindsey Hedrick (Treasurer), Jodie K. Holway (Clerk), Carol Houde (President), Rev. Allison Palm, Rick Spitz, Lindsey Sylvester, Brenna Woods

Agenda: Appendix A

Informal summary of info about US Government's Paycheck Protection Plan (PPP): Appendix B

**1. Application for loan/grant through the Paycheck Protection Plan**

1. What is the PPP and how would it affect UUCN
  - i. It is a government program for requesting a loan which, if used only for paying paychecks as intended, is expected to transform into a grant
  - ii. See summarized details of our understanding of the PPP in Appendix B
  - iii. Tomorrow we expect the government to approve more money to fund these loans
  - iv. The first approved amount of money already ran out – recipients so far are organizations who are sufficiently organized to apply fast to be in front of the line
2. UU Church of Nashua is ready to apply for a PPP Loan
  - i. Sherri Woolsey has just filled out the two-page application form
  - ii. Applying for 19 employees' paychecks, including church and preschool staff
  - iii. Amount requested is \$90,600.00 to cover our staff pay for 2.5 months
3. What process to make this happen?
  - i. Technically this is taking out a loan, even though it'll presumably become a grant
  - ii. UUCN's bylaws and church policies say that the President must sign this application for the loan, and it requires approval of this Board of Trustees
  - iii. We could open a separate bank account to keep track of these funds: that's a question for operations to determine
4. Should we apply for a loan/grant?
  - i. Some voiced negative feelings about this
    1. Our financial situation isn't bad, we have an endowment, etc.
      - a. Others are struggling more than us, can benefit from this money more
      - b. But the money isn't being dispersed from most-needy to least-needy...
    2. Concern about a church taking money from a government whose constitution professes 'separation of church and state'
      - a. Though our preschool and church staff are all taxpayers too, of course
  - ii. Others had originally thought negatively but now think we should apply for the loan
    1. Our preschool teachers are quite deserving of getting paid
      - a. Very uncertain tuition income for the end of this year and next year
      - b. More parents are home due to lost jobs, may not need school for kids
      - c. More parents have lost jobs, may not want to pay for school for kids
    2. UUCN pledgers may or may not keep their jobs and honor their pledges

- a. Extremely high risk as unemployment continues rising thus far
    - 3. Endowment is invested in the market, thus its worth is getting lower now
      - a. Extremely high volatility now – in 2008 some portfolios fell by half
      - b. Endowment may take such a big hit that it'll take years to rebound
      - c. Note there's no precedent for the endowment paying the preschool
    - 4. So much uncertainty, we don't know how long we'll need to "ride this out"
      - a. We are obligated to spend PPP money within the next few months, but getting the loan is more about the extended unpredictable period
    - 5. Easier to think of this loan as helping PEOPLE (staff) and their families
    - 6. Especially positive towards this loan now that we know it's the preschool too
  - iii. Rev. Allison talked to many other churches who have endowments
    - 1. Surprising at first to learn that ALL of them are applying for PPP too
    - 2. The wording of the PPP: "Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant."
    - 3. Other churches are focusing less on "necessary" more on the "uncertainty"
  - iv. How is the preschool doing?
    - 1. They have had a couple of good years, they have some savings
    - 2. They could pay teachers and ride out the next couple of months
    - 3. But if they cannot open in September, they would not rehire the teachers
    - 4. Then if they do rehire in November, they might pay the teachers something
    - 5. Next year UUCN could allow preschool to not pay us, this will help them too
    - 6. Preschool's Board is meeting tomorrow night, to discuss all these topics
    - 7. What work are they doing right now?
      - a. Teachers all working together to provide at-home activities
      - b. These activities are for all the kids, regardless of their class
      - c. Some are videos, some instructions for activities, plus a paper packet
      - d. Zoom isn't too appropriate for 3-4 year olds' attention spans
    - 8. Wonder if they could share this work with other under-served kids?
      - a. More scalable format but logistics of administering might be tough
      - b. Separate topic for another meeting
    - 9. How many more teacher paychecks can they afford now?
      - a. Tricky to calculate, since some teachers have opted to get their annual pay spread across 10 months, others across 12 months
  - v. If we do get this loan, does this free up other money to give to other causes?
    - 1. No, the hard reality is this may be a cushion we need to get through this
    - 2. And anyway we need to document that this money is only spent on paychecks
5. **MOTION** to apply for a PPP Loan  
**MOVED** by Brenna Woods; **SECONDED** by Rick Spitz; **PASSES** unanimously
6. Next steps:
  - i. Carol Houde will talk to our TD Bank tomorrow to learn how they're handling this
  - ii. Rev. Allison asks her to wait to submit the application until Thursday, which gives the preschool a chance to meet first

- iii. Note that if TD Bank doesn't seem organized or encouraging, we could apply instead via Intuit or PayPal because we do already use Intuit for our QuickBooks

**Appendix A:** Agenda

**Appendix B:** Informal summary of info about US Government's Paycheck Protection Plan

## AGENDA

Board of Trustees, Unitarian Universalist Church of Nashua  
April 21, 2020 at 6:00 pm

*Our Mission: We are a welcoming community of faith, inspiring lives of wonder, generosity, and courage, serving the world through love in action.*

Note: The Board meeting will be conducted via Zoom due to Covid-19.

**6:00** [15] Admin: Chalice Lighting (Carol)  
Check-in

**6:15** [35] Application for loan/grant through the Paycheck Protection Plan

**6:50** Covenantal Check-out

Closing Words

Adjournment

4-15-20

## Paycheck Protection Plan (PPP) Information

Congress recently enacted the PPP to support small businesses and non-profits to weather the considerable economic impact of the Covid-19 pandemic. The Plan provides low or no-interest loans to help these entities meet payroll as a way to soften the consumer impact of the stay-at-home orders. Both Sherri and Allison have been active in researching the eligibility requirements and in consulting with the UUA and with other area churches, many of which also have endowments.

Here are some key points contained in information provided to congregations by the UUA, the Small Business Administration (SBA), and an FAQ sheet compiled by the US Senate:

- Administered through the SBA, this loan is designed to provide funding for salaries, benefits, and selective operating costs (such as utilities)
- Initial guidance suggests that particularly for non-profits, these loans will become grants if an application for loan forgiveness is submitted after June 20.
  - ◇ Loan forgiveness will be based on documentation that the loan was indeed used for payroll and other allowed expenses
  - ◇ Preliminary guidance from the SBA indicates that as long as the loan can be documented to have paid the same payroll costs incurred prior to Covid-19 (as defined by the eight week period starting 2-15-19) in the eight weeks following the loan application date, the loan will likely be converted into an outright grant
- Churches are eligible for loans as long as they meet the requirements of Section 501(c)(3)
- Applications should be submitted as soon as possible (after April 3) as they are likely to be processed in the order in which they are received and the funds initially approved for these loans may prove insufficient. Deadline for applications is June 30, but early indications are that the funds will have been depleted long before that unless replenished by Congress.
- An organization can only apply for one PPP loan
- Definition of “Payroll Costs” most relevant to UUCN
  - ◇ Gross salary (prior to deductions for FICA, taxes, insurance premiums, etc.)
  - ◇ Payment for vacation, sick leave, or medical leave
  - ◇ Employer-paid insurance premiums
  - ◇ Payment of state and local taxes assessed on compensation of employees
- Specific exclusions most relevant to UUCN
  - ◇ Compensation in excess of \$100,000.
  - ◇ Employer’s share of FICA
  - ◇ Independent contractors
- Yet to be determined
  - ◇ Clergy housing costs. Apparently some banks are accepting these as salary, while others are not. The recommendation for the UUA is to include housing costs as part of salary
- Loan repayment terms if the loan is not converted to a grant:

- ◇Maximum interest rate of 1.0% (according to the UUA) or 4% (according to the SBA)
- ◇Payments deferred for 6 months
- ◇No collateral
- ◇No fees
- ◇Repayment of loan over 2 years (according to the UUA) or 10 years (according to the SBA)

The loan application is two pages long. Given the speed with which the government hopes to disperse funds, much of the application process does not require substantial financial documentation, but does require the applicant to certify that eligibility requirements are legitimately met.

For more detailed information about this topic, a folder (Paycheck Protection Plan Covid-19) has been uploaded to the Board's shared drive. It contains the following additional documents: 1.) the segment of the UUA's Powerpoint presentation that is directly relevant to the PPP; 2.) an FAQ generated by the US Senate; and, 3.) information from the SBA relevant to churches.