

Operational and Financial Guidelines for Congregations During the COVID-19 Pandemic

Maintenance and operations

- Secure windows and doors. Unoccupied buildings may be targeted for theft or vandalism. Consider increased security during this time. Make certain exterior lights are functioning. Walk around the property frequently, looking for signs of forced entry or loitering. Ask local police to increase patrols of your parish grounds.
- Lower thermostats in cold weather; raise settings when it gets warmer.
- Minimize electrical usage – turn off all lights, unplug appliances.
- Clean and sanitize according to use of the building and appropriate precautions to reduce spread of the virus.
- Develop flexible attendance and sick-leave policies for staff so that they may comply with stay-at-home advisories and provide necessary care for members of their households. Identify critical job functions and positions and develop a back-up plan for alternative coverage.
- Ensure supply chains for critical items. Check with vendors to ascertain if there are contingency plans for deliveries.
- Establish relationships with key community partners, such as the local public health department, police, fire department, local hospitals, local businesses and community leaders. Collaborate and coordinate with them on broader planning efforts. Consider how your physical plant may be a community resource.

Income and expenses

- Focus on pledging and regular giving. Some will be unable to maintain pledges due to lay-offs, illness or hardship. Others will be able to give more generously and sacrificially.
- Encourage online giving.
- Prioritize helping those most in need. Bear one another's burdens.
- Where possible, maintain support for clergy and lay staff. Under [Massachusetts law](#), church employees do not qualify for unemployment.
- Maintain the essentials; reduce unnecessary expenditures. Determine which expenses are flexible, meaning those that can be eliminated, reduced or delayed.

Administration and finance

- Stress-test your congregation's budget: What would operations look like if the congregation realized 90 percent of its budgeted income? What would the top priorities be if income is at 80 percent of the current budget?
- Maintain investments and consult the congregation's financial advisor about fund allocation. Review current market value of long-term investments before selling assets for liquidity needs.
- Assess liquidity. A quick gauge is months of unrestricted cash on hand:
Total of unrestricted cash balances ÷ monthly budgeted operating expenses
(e.g. \$30,000 ÷ \$10,000 = 3 months cash on hand)
- Consider a line of credit for short-term liquidity. A line of credit secured by long-term investments may prevent locking in losses that may be incurred through their sale, while providing the liquidity needed in the short term.
- Borrowing to fund deficits is not advisable but, if it is necessary, have an identifiable plan for repayment/recapitalization.
- Monitor automatic withdrawals by creditors.
- Maintain appropriate financial controls.
- Request immediate release of credit card donations. Some services hold payments to be deposited at an appointed time, often once per month. Ask your service provider to deposit funds more often.
- Extend payables. Review repayment terms for bills. Many invoices provide for a 30 to 60-day repayment term. Take advantage of the maximum repayment term without incurring any additional fees or costs. Negotiate longer repayment terms with your providers.
- Review repayment terms on long-term debt. Investigate adjustments to the repayment schedule of loans. Talk with lenders before missing a payment, which could trigger default. Request that the repayment schedule be changed from principal and interest payments to interest-only payments, temporarily, while managing the disruption in cash flow. Careful review of any proposed changes by legal and financial representatives is warranted.

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