



NORTHEASTERN PENNSYLVANIA SYNOD
EVANGELICAL LUTHERAN CHURCH IN AMERICA

April 13, 2020

REGARDING SYNOD LOANS FOR PAYROLL ASSISTANCE

Dear Congregations of the Northeastern Pennsylvania Synod,

The coronavirus pandemic is a global challenge in many ways, especially as a health concern but also as a financial challenge. Financial implications for our congregations are many as worship services are cancelled and investments hit hard.

As a gesture of support in this time, the synod is offering assistance to its congregations. We have a loan fund usually used for congregational building projects. The portion of this fund that is not currently committed for buildings is being made available to assist congregations meet personnel costs.

If your congregation is finding it difficult to meet monthly payroll, you may apply for a loan for that purpose. These loans will be at zero percent interest with the payback period beginning January 1, 2021, and ending December 31, 2022. The maximum amount that may be borrowed is equivalent to two months' salary and benefits paid to all of your congregation's employees, both rostered and lay.

We recommend that congregations first try the government's Paycheck Protection Program, available to congregations and which can result in loans of up to 2.5 times the average monthly payroll costs; if used properly, they can be forgiven. You may also have "rainy day" money set aside in your congregation, which should now be used. (This is in contrast to permanent endowments, the principle of which should be maintained so that the proceeds can continue to support ministries for years to come.) Perhaps members of the congregation whose income is not adversely affected will step up with increased contributions to offset declines in giving by those individuals who have lost income.

If nothing else is available, and if we can assist with a loan, simply send us a letter indicating how much money is needed and how the money will be devoted to payroll. All loan requests should be in our hands by May 15. We will then compare requests to available funds. You may send this information by email to info@nepsynod.org or by regular mail to the following address:

Synod Loan Fund,
Northeastern Pennsylvania Synod,
2354 Grove Rd.,
Allentown, PA 18109-3044.

Thank you for continuing to minister in these times of challenges unprecedented within our lifetimes. If this modest offer can be of assistance, we are honored to walk with you.

Yours in Christ,

The Finance Committee

Northeastern Pennsylvania Synod, ELCA