

Information about SBA/PPP loans for the church

LCMS President Rev. Dr. Matthew C. Harrison talks with James Sanft, president and chief executive officer of Concordia Plan Services (CPS) about the Small Business Administration loans, especially the Payroll Protect Program, that can benefit LCMS congregations, schools and other agencies. For more information, visit the CPS website of Concordia Plan Services.

Transcribed from April 3, 2020 video.

Harrison: I'm Matt Harrison, President of The Lutheran Church—Missouri Synod. Jim, why don't you introduce yourself to those who may not know you.

Sanft: Good morning. Jim Sanft, President and CEO of Concordia Plan Services of The Lutheran Church—Missouri Synod.

Harrison: It's great to have you. Jim is a fantastic professional we have in charge of the significant area of our church's life. Jim, I want to ask a few questions for you today to answer so we can keep our folks most informed. I know that Concordia Plan Services has a fantastic website and they are really keeping people up to date on all the issues. This big CARES Act came out this past Friday. I think you've said, and I've repeated it often, it was kind of not really ready, aim, fire, but really fire, aim, ready. So, the legislation came out and it's still quite a challenge to figure out what's in it. What are the things worth noting in the CARES Act?

Sanft: Well yeah there certainly are a lot of pieces to it. I think one of the things is to keep in mind that this is a relief bill. It's not a stimulus bill. We saw back in the global financial crisis major efforts to try to stimulate the economy. That really isn't the point of this, the point of this is to get dollars in the hands of individuals. And so, you see that theme kind of playing out in the different pieces and there's a lot of interconnecting pieces. One of the big ones that we've been watching is the Paycheck Protection Program. This is an opportunity for ministries to participate in Small Business Administration loans. These loans that are meant to cover things like payroll, cover benefits for a period of time. The exciting opportunity here is these loans are forgivable provided that the small business uses them to actually pay for payroll, pay for employee benefits, and certain other qualified expenses. So, this is an example of a place where this cash infusion from the government can come into play.

Harrison: And have you got directions and information on your website? Where can we go?

Sanft: We do. So if you go to concordiaplans.org, right at the top of the website you'll see a banner on COVID-19. Click on that and there will be a whole array of resources that are available. We have specific updates on legislation. We have updates that have come from me and other leaders within CPS. We have FAQ's for ministries. We have FAQ's for our plan members. So, there's a greater variety of resources that are out there but particularly look at the Legislative Update tab and go through that and you'll see just a whole wealth of information.

Harrison: The big thing right now is churches. As we've sent out information and as CPS has provided information, it's urgent that if churches want to participate in this benefit of covering payroll, having government help cover payroll from February 15 on and there's certain iterations of that. They've got to get in line with their local lender who is a Small Business Administration associate and so we have encouraged congregations to do that if they are interested. Congregations and other ministries of the church if they are interested, they are eligible. But it's unfolding and we don't know exactly what the downside might be here and there. So, what's your advice for the ministries now?

Sanft: Well I am always skeptical when it comes to work in Washington, D.C., so can we say that there's absolutely no risk in these programs? I think there's always risk when you start partnering with the government and everyone needs to weigh those risks out. There is a lot of confusion. Are ministries eligible? Are religious organizations eligible? Some folks look to traditional SBA programs and say religious organizations are not; however, we see strong indications on both the House side and the Senate side and both Republican and Democrat providing clarity that the intent of Congress was to have religious organizations be eligible for these programs because again, this is not to stimulate business, this is about protecting paychecks and employee benefit for individuals.

Harrison: It's a pleasure you've been so invaluable to all the District Presidents as we tried to continue to slog through all the questions that arise. I want to give you and all of our listeners a blessing.

The God of peace, who brought again from the dead our Lord Jesus Christ, by the blood of the eternal covenant, that great shepherd of the sheep, establish you in everything good for the working of His will in whom God is well pleased; to whom be glory forever and ever. Amen.

Thank you, Jim for all you're doing, and for all your wonderful staff and the Lord be with you.

Sanft: Thank you. Thank you, President Harrison.



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