



The Office of the Presiding Bishop



May 18, 2020 | Bishops Coordination Call

Bishops coordination calls occur weekly and are not recorded. [Notes, resources and links](#) will be shared at the end of each week's session. Translation is available, and must be requested on Thursdays each week.

Notes

The Episcopal Church (Canon Mark Stevenson)

- The Ordination and Consecration of Deon Johnson as Bishop of Diocese of Missouri will take place June 13, 2020, and Bishop Curry has designated Wayne Smith—the most senior consecrator scheduled to be present—as Chief Consecrator.
- Focus Groups are ongoing, if you signed up and haven't participated yet, you will be notified soon. We are conducting approximately three sessions per week.
- Bishops received an invitation via email to register for a Fireside Chat with the Presiding Bishop on Wednesday, May 27, 2020 from 1:00pm - 2:30pm EDT. If you are having trouble registering please contact Ednice Baerga (ebaerga@episcopalchurch.org). Send questions in advance to HoB@episcopalchurch.org.
- No meeting next week (May 25 - Memorial Day) for this group, we will resume June 1, 2020

Interim Legal Counsel (Suzanne Baillie)

Update on the Payroll Protection Program (PPP) as of 5/15/20

- The Good Faith Certification is that “current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.”
- In late April, the Treasury Department and the SBA said that this certification requires:
 - An assessment of the organization's current business activity; and
 - An assessment of the organization's ability to access other sources of liquidity to support ongoing operations in a manner that is not significantly detrimental to the business.
- On May 13, the Treasury Department and SBA revised its previous guidance. Under the new guidance:
 - Borrowers with PPP loans of less than \$2 million will be deemed to have made the certification in good faith.
 - This does not mean that borrowers with loans of less than \$2 million will not get audited on how they spent the money but just that their certification in good faith will not automatically be subject to review. This is excellent news for many parishes and dioceses throughout the Church.
 - Borrowers with loans of more than \$2 million will automatically be audited and their good faith certification will be reviewed.
 - If a borrower is found to have lacked adequate basis for the certification, they will be required to repay the loan (and will not be eligible for loan forgiveness).



The Office of the Presiding Bishop

- If the borrower repays the loan, the SBA will not pursue administrative enforcement or referrals to other agencies. Before this guidance, the government had threatened criminal penalties for certifications without an adequate basis so this is a helpful development.
- The government has also extended the safe harbor for returning the loan until today, May 18, 2020.
 - For all borrowers, it will be important to keep scrupulous records of how the money is spent and it is suggested that you segregate the loan funds from your other funds so they can be traced more easily.
 - Also, notwithstanding the guidance that came out last week, you should make sure that you have documented your decision to take the loan including: the economic uncertainty that made the loan request necessary; and why alternative sources of liquidity are not available or are insufficient.
- PPP Loan Forgiveness: On May 15, the SBA released a PPP Loan Forgiveness Application form. Here are some highlights:
 - The application lists an expiration date of October 31, 2020, suggesting that October 31 is the deadline for borrowers to submit applications to their lenders.
 - The application can be completed electronically.
 - The 75% rule is not an all or nothing requirement:
 - If you spend less than 75% of the loan on payroll, you can still qualify for forgiveness on those payroll costs;
 - But non payroll costs (mortgage interest, utilities and rent) cannot exceed 25% of the total forgiveness amount.
 - The government has indicated that there will be additional guidance coming regarding loan forgiveness.
 - [PPP Loan Forgiveness Application](#)
 - [SBA Gives PPP Borrowers Good News - Forgiveness Application Issues And Answers](#), Forbes
 - [SBA Issues PPP Loan Forgiveness Application](#), Withum
 - [Webinar on Loan Forgiveness on May 21, 2020 at 11 a.m.](#), Withum

Chancellor to the Presiding Bishop (Mary Kostel)

Can we/must we hold a meeting of our convention virtually? If so, how should we do it?

A framework for considering the issues (together with your Chancellor)

The dilemma: Diocesan Constitution may require a meeting of the Convention every year. Chances are, Diocesan Constitution/Canons/Rules of Order make no provision for virtual meetings of the Convention.

- What sources of authority do we look to as we figure out a way forward?
 - The Episcopal Church Constitution & Canons are largely silent on Diocesan Conventions.
 - There are, however, some actions of a Diocesan Convention that are subject to scrutiny by churchwide bodies, such as election of bishops. (See notes below re same)



The Office of the Presiding Bishop

- The key documents, of course, are the Diocesan Constitution/Canons/Rules of Order.
 - As noted above, they are likely not to say anything express about virtual meetings of the Convention.
 - Check: Can they be construed to include the possibility of virtual meetings?
 - Check: Do they incorporate Robert's Rules?
 - If so, note that Robert's (11th ed.) expressly provides that virtual meetings are allowed only if expressly provided for in the governing documents.
 - And, see the Official Interpretations that Robert's has issued, especially 2020-1, which essentially says if your rules don't authorize a virtual meeting but you have one anyway, you can have a later, regular meeting of the Convention ratify the actions taken at the virtual one. [Robert's Rules, <https://www.robertsrules.com/>]
- What about state law?
 - First, is the diocese incorporated or unincorporated? Look at the state statutes governing each.
 - Corporation: Note that statutes governing meetings of nonprofit corporate boards are not the ones that govern Conventions – Conventions are more akin to meetings of the members of a nonprofit corporation. [See D.C. Nonprofit Corporation Act Sec. 29-405.01 as an example, <https://code.dccouncil.us/dc/council/code/titles/29/chapters/4/subchapters/V/>] I haven't done a survey, but my sense is that D.C. is ahead of the curve on this one by expressly providing for virtual meetings of a nonprofit corporation's members, and most states will not have such a provision. But worth a look.
 - Unincorporated association: State law tends to be less fulsome, and the general rule is that the governing documents of the organization control, with no rules or default rules provided by the state (in contrast to state law treatment of corporations).
- Some considerations for holding a virtual meeting of the Convention (collected from various resources):
 - NOTICE: Provide adequate notice of the meeting, including what items will be on the proposed Agenda.
 - AGENDA: Consider limiting agenda items to only those critical to continue ongoing operations until a regular meeting can be held. [PCUSA article contains discussion of criteria for setting agenda: <https://www.pcusa.org/news/2020/4/16/coga-make-final-decision-224th-general-assembly-20/>]
 - PLAN WELL: Consider how you will establish quorum, record votes, etc. Ensure basic characteristics of a valid meeting are in place. See, e.g., D.C. . Nonprofit Corporation Act Sec. 29-405.01 (above, setting out some basic characteristics)
 - ACCLAMATION: Consider including resolution of acclamation in which the body meeting virtually expresses its sense that it is undertaking the meeting in every effort to comply with applicable governance and in good faith.
 - RATIFY: Plan to have next regular Convention ratify actions taken at virtual meeting. Per Robert's Rules (above)
- Some additional resources:



The Office of the Presiding Bishop

- From Board Source, [Virtual Meetings Untangled](https://boardsource.org/product/virtual-meetings-untangled/) (free download during COVID-19):
<https://boardsource.org/product/virtual-meetings-untangled/>
- From Diocese of Utah, Election runner: <https://electionrunner.com/>
- Note re episcopal elections [Shared with Chancellors April 13]
- As you know, under the canons, the Presiding Bishop assists electing dioceses in seeking consent from bishops with jurisdiction. In keeping with that responsibility, the Presiding Bishop's Office consults with dioceses in connection with their elections and consent processes in an effort to help them achieve successful outcomes. To that end, the Office of Pastoral Development counsels dioceses in an election process to consider the very real process of discernment undertaken by Bishops and the various Standing Committees during the consent process. While the canons provide clear guidance for the external mechanics of the consent process, that guidance is limited; OPD counsels that, in addition, attention should be given to "softer," unstated expectations that may arise in the discernment process of consent:
 - Was the process open?
 - Were there sufficient nominees?
 - Were diversity expectations met?
 - Were clear discernment opportunities present at each stage of the discernment and election process?
 - Did any procedures deviate significantly from normative practices?
- These "softer" dynamics deserve especially careful consideration while election processes are being re-imagined in this unprecedented time of the COVID-19 pandemic.

Church Pension Group (Clayton Crawley)

- 41 dioceses have submitted applications; of those dioceses 21% of their clergy have applied for/received the waiver
 - There were questions if waiver meant the assessments were no longer due, and yes, that is correct.
 - Credited service will be applied to the account of clergy receiving the waiver.
- If someone needs the waiver form or has any questions around the process, please reach out to Clayton at ccrawley@cpg.org
- Mental Health Webinars open to all are here: www.cpg.org/webinarseries

Episcopal Relief & Development (Katie Mears)

- Episcopal Camps and Conference Centers, and National Association of Episcopal Schools (NAES), the Presiding Bishop's Office and Episcopal Relief & Development are having conversations about working with pantries and other ministries to help get wholesale prices for food to address the increase in need in communities across the US as well as cleaning supplies for churches. Contact Katie Mears (kmears@episcopalrelief.org) or Tamara Plummer (tplummer@episcopalrelief.org) to receive more information.
- A reminder: Our role during this time is to match our gifts with the needs in our communities—gifts could be complicated like multi-org partnerships or as simple as providing pastoral care.



The Office of the Presiding Bishop



Questions/answers via chat

- From Cathleen Bascom : If we are able to gather with social distance simultaneously in anywhere from 12 to 4 separate bodies, linked by zoom, can we count that as being present?
 - From Mary Kostel : Bishop Bascom, that will depend on how "present" should be construed in your constitution and canons

Next meeting: Monday, June 1, 2020

New log-in info:

Join Zoom meeting

<https://zoom.us/j/2776753677?pwd=RFFoWGMxWEp2c1ZLTXA2Y2ZZVCs3QT09>

Meeting ID: 277 675 3677

Password: 15491979