



First Baptist Church Greensboro

May 12, 2020

Dear Church Family:

Throughout this time of distance, we have repeated the phrase: “The building is closed, but the church is open.” This includes the business of our church. Our deacons and standing committees have continued a regular meeting schedule, working alongside our pastors and staff to oversee our ministry. But the work of the church is the responsibility of each and every one of us, and we want to ensure maximum clarity and participation as we continue to move forward in important work and decisions.

As such, on Sunday, May 24 at 1:00 we will be holding a virtual Church Conference. The Conference will be broadcast on our website (fbcgso.org), and will include our usual patterns of reporting. Following the Conference, members will be invited to vote on relevant business through online or paper ballot. After the meeting and conclusion of the voting period, a summary will be sent to the congregation.

In an effort to prepare you for the meeting, this letter includes:

- I. A summary of current items of business.
- II. Information on how to participate in discussion and feedback before and after the meeting.
- III. A detailed report on a motion coming from Finance, regarding utilization of a forgivable loan from the recently established Paycheck Protection Program (PPP).

I. Summary of Significant Business

COVID-19 Task Force: A subgroup of our Deacons and Pastors continue to give focused attention to our church’s ministry at this time. The Task Force includes Deacons Adam Barnes, Seth Hix, Debbie Huneycutt, Janice Newsom, Brad Wall (Deacon Chair), Dave Worsley as well as Alan Sherouse, Doug Vancil and Courtney Willis from our Pastoral Staff. As the Task Force considers recommendations related to returning to physical gathering on campus, it will be inviting members of the recently established Strategic Planning Team to join that discernment to add another layer of congregational input.

Returning to Campus: Currently, we have no projected date for a return to campus. We expect to continue to proceed with care and concern, as well as regular communication. The primary questions guiding our consideration are **safety** and **effectiveness**. Everyone’s first priority is the **safety** and health of our congregation and wider community, which we feel the need to consider in ways more church-specific than the parameters provided by the state government. Beyond safety, however, we are also considering the question of **effectiveness** — that is, we are considering when a physical gathering at limited capacity allows us to minister in a way that is more effective than investing our full energies into the virtual formats we’re using. Our

“Church is not a place to which we come, as much as a place from which we go.”

team imagines a process involving multiple phases, moving gradually from outdoor gatherings to indoor gatherings to ultimate return. We will share more of our discussions and developing plans at the Church Conference and in subsequent communication.

Building Closure: Our Deacons have recently voted unanimously for our building to remain closed until the June Deacons' meeting. The Deacons are considering building closure on a month-to-month basis at this time, always holding the possibility of reevaluating between meetings should new information arise.

Finance Report: Amidst our absence from campus, we are grateful for the marked generosity of our church, which has allowed us to continue our ministry to congregation and community, even expanding in new ways. Our Finance Report this period will detail sustained giving, as well as above and beyond giving to our newly established Crisis Response Fund for COVID-19, which has collected over \$15,000 that is being distributed to ministries offering relief.

PPP Loan: Our Finance report will also include an important motion that the church accept and utilize a Paycheck Protection Program Loan, offered as part of the CARES Act, in order to utilize all available resources amidst the uncertainty of this period. Extensive details of this motion and the discussions surrounding it are provided in Section III, and we ask that all members consider this information prayerfully and carefully.

II. Feedback, Discussion and Voting

Without the opportunity to gather in our usual format, we have developed a plan to provide multiple outlets for feedback, aiming at a process that approximates the discussion and congregational input we normally achieve in an in-person meeting.

Pre-Conference: Leading up to May 24, we are providing three primary means of discussion and input.

1. **Email feedback** and/or questions may be sent to churchconference@fbcgso.org, where all comments will be received by an administrative staff member and sent to leaders.
2. **Written feedback** may also be provided in the form of a letter sent to the church c/o Church Conference, where it will be processed as the emails above.
3. Members are also invited to join one of two **congregational discussions via Zoom**, where leaders of various committees will answer questions and receive feedback. Both meetings will be held at this link: us02web.zoom.us/j/807439487
 - Sunday, May 17 at 1:00pm
 - Wednesday, May 20 at 4:00pm

All feedback received will be summarized in a report prepared by Church Clerk, Nancy Culclasure.

Conference: Following worship on May 24, we will gather for our virtual Church Conference, available to view at fbcgso.org. The Conference will be pre-recorded, with reports from various committees and leaders, including the summary report of feedback received prior to the meeting.

Post-Conference: Immediately following the Church Conference, a follow-up Q&A will be hosted via Zoom for any lingering questions or feedback prior to voting. This will be accessible at us02web.zoom.us/j/807439487

Voting: After the Conference, church members will be invited to vote via online survey (for email users) or paper ballot (for those for whom we do not have an email address). If you are an email user but would request a paper ballot, please contact Scott North (scott@fbcgso.org or ext. 127).

Summary: At the close of the voting period, a summary will be sent to all church members, detailing the reports of the meeting and the results of all voting matters.

III. Paycheck Protection Program

The May 24 Church Conference includes the motion from Finance, to be voted on by the Congregation: “We move that First Baptist Greensboro accept approved Paycheck Protection Program funds and utilize with the intent to meet the conditions of forgiveability.” The remainder of this letter includes the details of the motion and the process leading to its presentation to the congregation.

Summary

At the end of March, with the initial support of Brad Wall (Deacon Chair), Laura Lomax (Personnel Chair) and Cathy Wells (Finance Chair), First Baptist acted quickly in the narrow window of time to submit an application for the Paycheck Protection Program — part of the CARES Act. This application was considered a diligent exploratory step, given the likelihood that the economic challenges resulting from the COVID-19 Pandemic would impact our church and feeling a responsibility to consider all options available to us. The application process was discussed with the Deacons at our April meeting, with the intention that we would discuss further in May, pending application approval.

Recently, we learned that our application was approved at a total of \$260,000, or the total payroll over 2.5 months. Personnel unanimously recommended utilization of the loan, primarily as a means to aid in maintaining commitments to our employees. Finance brought the motion to utilize the loan, approving it with a vote of 12 to 2. Deacons affirmed the motion with a vote of 28 to 1. The congregation should be assured that the deliberation to this point has included healthy discussion, prayer, and opinions representing the breadth of our congregation as we consider to be faithful amidst the challenges of this time.

Background of PPP

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. It explicitly includes churches and houses of worship. The Small Business Administration (SBA) will forgive loans if all employees are kept on the payroll for the eight weeks of the loan period and the money is used for payroll, rent, mortgage interest, or utilities. Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees. Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount

declines, or if salaries and wages decrease. This loan has a maturity of 2 years and an interest rate of 1%.

Further information:

home.treasury.gov/system/files/136/PPP%20Borrower%20Information%20Fact%20Sheet.pdf

Rationale

The primary rationale for First Baptist's potential utilization of PPP is, as the program's purpose outlines, ensuring the jobs of employees. Our Personnel Committee has stated the intention to maintain commitments to our salaried and hourly employees through this period. Given the inability to project receipts in an uncertain economy, the PPP loan would provide added capacity to fulfill this aim.

Considerations

There are multiple considerations before us in determining whether to utilize this loan. The primary concerns considered in conversations among Personnel, Finance and Deacons are summarized below.

- (1) First Baptist has a **proud history of giving** and a desire to fulfill our commitments ourselves without outside help. Some wonder whether we should first ask the congregation to give sacrificially, while others wonder if such an ask is sensitive to the current economic realities. We know First Baptist members will give generously. But we also anticipate that some of us will have limited capacity. While we remembered how the church has worked through crises before (2001-2002, 2008), ultimately many of those voting in favor of the motion consider this crisis to be exceptional and the extent of its impact unknown.
- (2) What about **donor confidence**? Some wonder whether we can expect people to give generously while we receive additional funding. Conversely, some feel more inclined to give to a church that is utilizing every available resource to advance its mission.

Initial conjectures anticipate around a 30% deficit for nonprofits this year, and further challenges in immediate years. Churches can likely expect less of a deficit, due to loyalty and faithfulness. Among churches, First Baptist is well-situated as a church that was financially healthy moving into this crisis. In fact, a recent survey of 128 CBF Churches of various sizes measured giving patterns in the first 6 weeks of stay-at-home relative to last year. Only 19% reported an increase in giving over that time, including First Baptist.

Ultimately, those voting in favor saw the loan as a way to ensure our stability. Further, there was unanimous consent that should there be any surplus it would be thoughtfully utilized to support missions and ministry in our church's tradition of faithful stewardship.

- (3) What about **need**? Do we need it? Don't other smaller churches need it more? Some express concern that a church of our stability should not take money that should be utilized by other organizations, though this concern did lessen with the announcement of additional funding. Conversely, some pointed out that this money was available to us

precisely because of our capacity to apply and our existing relationship with the bank, which some smaller organizations do not have. Related to the question of need, we considered that First Baptist maintains some reserves that could potentially be utilized in crisis. Ultimately, many of those voting to approve deduced that our reserves are a necessary resource given the scale of our ministry and the scope of our property. If this loan helps to conserve some reserves, that helps to meet a need.

- (4) Finally, what about **the church/state implications**? Baptists have traditionally advocated strongly for separation of church and state and were among the earliest proponents of the establishment clause (“Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof...”). An October 2018 sermon from Alan celebrates some of this commitment:

<https://fbcgso.org/why-baptist-for-us-and-for-all-a-sermon-by-alan-sherouse/>

The Baptist Joint Committee — a friend and partner of First Baptist and fellow Cooperative Baptist Fellowship affiliate — has advised churches to proceed carefully given the church/state issues. Ultimately, Holly Holman of the BJC grants that there do not appear to be strict legal concerns in the acceptance of this loan, as it provides specifically for religious organizations along with other small businesses, and does not privilege one religion over another. Nonetheless, beyond the legal or constitutional concerns, the BJC encourages churches to consider the theological implications, granting that there are thoughtful reasons for and against the acceptance of this loan.

More from the BJC here:

<https://bjconline.org/covid-19-stimulus-packages-and-houses-of-worship/>

We hope you will carefully consider the matters above over the next two weeks, and make use of opportunities to be involved in the church’s work. We are at our best when we function communally. While that has particular challenges at this time, we expect to give to this process as much thoughtfulness and care as we have given to virtual worship and other areas of our church’s ministry. We also expect to have the same gratitude for our church’s faithfulness, creativity and generous love for one another. Please contact us or other leaders with any questions or concerns.

May God’s peace be with you all,



Rev. Alan Sherouse
Senior Pastor



Brad Wall
Deacon Chair