



Dwayne Jackson
Director of Risk Management &
Ministry Protection

77 W. Washington Street, Suite 1820, Chicago, Illinois 60602

Phone: 312.783.5945; Email: djackson@umcnic.org

March 24, 2020

Dear Pastors,

As we move through these challenging times confronted by COVID-19 and our zest to successfully perform and deliver ministry services throughout each community, our churches, ministries and camps have loss revenue in the form of tithes, offerings, donations, preschool/daycare closings, camp cancelations, etc.

Business Interruption Coverage

With this said, I have received my fair share of questions inquiring whether the Conference maintains Business Interruption coverage for loss revenue stemming from COVID-19. What about reimbursement of cost associated with deep cleaning performed by the church?

Answer... The Conference does not maintain Business Interruption insurance for financial losses relating to communicable diseases such as COVID-19, as the commercial insurance marketplace does not offer this coverage extension.

Now...the questions at the forefront of every insured and insurance carrier is:

"How does the insurance marketplace respond to the financial losses incurred by their insureds in light of the fact there is no Business Interruption insurance for losses stemming from contagious diseases?"

"How/what will the Federal government do to step in and provide financial relief/support to the insurance marketplace as a hold?"

Answer...with the ongoing/evolving political and bureaucratic scenery I cannot say how things will play out!

So What Do We Do?

Each church should maintain detail accounting records documenting loss revenue and/or cost incurred stemming from COVID-19, as follows:

- Each month starting January 2020 through August 2020
- Breakout loss revenue by church / ministry / preschool / daycare / camp
- Maintain yearend financial statements for 2018 & 2019

What do we do with the financial data?

Hold onto the financial data/records until at such time requested by the Conference.

Whether any financial relief will be extended is contingent upon how and when the Federal government decides to respond.

The goal is to be ready, if and when, financial relief comes to light!