



Moderator of the Curia

The Roman Catholic Archdiocese of Washington

Dear Brother in Christ,

I write today to provide you with updates and will continue to share with you information as needed.

Liturgical Guidelines for Distribution of Ashes on Ash Wednesday 2022

Since Covid-19 continues to impact communities within the archdiocese and throughout the country, the method for distributing ashes on Ash Wednesday is left to the discretion of the pastor. The safety of those present should guide the decision.

The pastor may choose to apply ashes in the customary manner by applying them to one's forehead or he may choose to sprinkle the ashes on the top of one's head as was done in 2021 to limit contact with the Faithful.

If there are further questions, please contact the Director of the Office of Worship at JohnstonT@adw.org.

Barracuda Quarantine Operations for Priest ADW.ORG Email Accounts

As the IT Team continues our effort to reduce unwanted Junk Mail delivered to our inboxes, we have made a few improvements to help you manage your quarantine inbox more effectively.

Effective immediately, you can now click on the link in your Barracuda quarantine notice and be logged directly into the quarantine inbox. Please note, by clicking on these links, you will not be required to enter a username and password. In addition, this change will make managing the quarantine inbox for shared mailboxes easier.

Lastly, we enabled a feature to allow you to customize your Barracuda quarantine notification schedule. For more information about customizing your notification schedule, please reference the informative "How To" video below:

<https://web.microsoftstream.com/video/4643cf50-d53b-4a0e-9009-d7924a302c98>

If you have an additional question about these features, please contact the Helpdesk by email at it@adw.org.

Employee Retention Credit

The Employee Retention Credit (ERC) was created by the March 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and allows employers to claim a 50% credit for wages and health benefits paid during the applicable eligibility period. The maximum credit, per employee, for 2020 is \$5,000. The CARES Act required employers to choose between the ERC or payroll protection loan benefits (PPP). The December 2020 Consolidated Appropriations Act (CAA) extended the availability of the ERC through June 2021, and for 2021, increases the credit from 50% to 70% up to a maximum of \$10,000 of applicable wages and health benefits per quarter. The CAA also opens up the ERC to employers who have received PPP, as long as the ERC is not used for wages or health benefits covered by the forgiven PPP loan. The March 2021 American Rescue Plan Act (ARPA) extends and expands the ERC while the November 2021 Infrastructure Innovation and Jobs Act concluded the ERC program as of September 30, 2021. The maximum credit, per employee, for 2021 is \$7,000 per quarter (or \$21,000 depending on the applicable eligibility period). While the ERC is no longer an active program, eligible employers are able to claim the ERC through an amended tax return (Form 941X) with a due date of filing the amended return of three years from the initial due date of Form 941.

Employers are eligible for the ERC by (1) showing a drop in gross receipts of 50% during 2020 or 20% during 2021; or by (2) demonstrating that they were fully or partially suspended by a government order during any quarter of the year the employer is claiming the ERC. All of our locations would qualify as having been fully or partially suspended by a government order, and many would also meet the drop in gross receipts requirement.

We have been working with CliftonLarsonAllen (CLA), our auditors, who have assisted other dioceses with this credit, and who believe that our locations will qualify individually, rather than looking at the Archdiocese as a whole, which means that the ERC will be more lucrative for our parishes and schools than it would be if we were considered to be a single location. There is a risk in that the IRS may come back and look at this differently, which would result in our locations having to repay some or all of the credits received. However, CLA and their National Tax Office believe that there is strong support for our position. This position has also been reviewed internally and we also believe that this position is sound.

Since our payroll is centralized, there will be almost no work required from the individual parishes and schools – we will work directly with CLA and employees

in the HR department to pull all the information needed. We have run a preliminary estimate for our parishes for the first quarter of 2021 and the total estimate, net of CLA's fees, was \$11.8 million with parishes ranging from just under \$1,000 to \$586,000. In short, the higher the number of employees, the more credit that the parish will qualify to receive. CLA will charge us \$200 per employee which works out to less than 5% of the total. We will be paying CLA but will bill the individual parishes for the fees after the credits are received. For parishes receiving a net benefit of less than \$4,000, the Pastoral Center will pay the fees.

As previously noted, the Pastoral Center personnel will provide all of the information needed to CLA for this to happen. However, as previously noted, there is the risk that the IRS comes back at a later date and challenges us. Similar to the PPP loans, there was always a risk that the SBA wouldn't forgive the loans but we believed then, and now, that the risk is worth taking especially since the amounts to be received by our parishes is so large. However, if a parish wants to opt out and not receive the credit, the pastor must send an email by March 5, 2022 to Adrienne Willich at willich@adw.org and simply indicate that you don't wish for your parish to participate.

Finally, we are also in the process of reviewing the credit for parishes in 2020. However, the review is complicated by the fact that wages have to be excluded from the time when the PPP loans were first received and the ten or 24 week covered period selected by the parish. Based on selected testing we have performed, we believe that the available credit for 2020 will also be substantial. Finally, we are reviewing with CLA the feasibility of obtaining the credit for April and parts of May, when social distancing mandates were still being enforced.

I know this may sound complicated. If you have questions or need additional information, CLA has scheduled three virtual meetings which you, or a staff or finance council member, can attend. The virtual meetings are currently scheduled for:

Tuesday, March 1 at 8:30 am - - - [Click here to join the meeting](#) or call in (audio only) [+1 929-229-5373](tel:+19292295373). Phone Conference ID: 345 796 407#

Wednesday, March 2 at 1:00 pm - - - [Click here to join the meeting](#) or call in (audio only) [+1 929-229-5373](tel:+19292295373). Phone Conference ID: 484 294 529#

Thursday, March 3 at 6:30 pm - - - [Click here to join the meeting](#) or call in (audio only) [+1 929-229-5373](tel:+19292295373). Phone Conference ID: 345 549 494#

Remind the Faithful of Information on the Website

The archdiocesan website is updated regularly. Please see adw.org/coronavirus for information related to the coronavirus, adw.org/live-streamed-masses-and-prayers/ for a listing of live stream Masses and prayers, and

cathstan.org and elpreg.org for the *Catholic Standard* and the Spanish-language *El Pregonero* newspapers.

As always, should you have questions or need assistance from my office and the Pastoral Center, please let us know.

With gratitude for your priestly ministry, I am
Sincerely in Christ,
Very Reverend Daniel B. Carson
Vicar General and Moderator of the Curia