SCORE is a nationwide nonprofit organization that is an independent resource partner of the U.S. Small Business Administration.

SCORE provides America's small businesses with:

- Free, confidential business *mentoring* (in-person and online)
- Business *education services*: *local workshops* and *24/7 online resources*

  - 300+ chapters & 11,000+ volunteers serving 1,500+ communities
How do we help?

Mentoring

- Pre - Startups
- Startup Phase
- Opening
- Growth

For the life of your business!

- Firms in Business for a Year or More
- Firms Selling or Closing
- Exit

Research & Planning

https://Manasota.score.org
941.955.1029
Our Speakers

Tom Garove

Tom retired in 2013, after a 40-year career with General Motors Corporation. Starting as a college co-op student, Tom held management positions in auto assembly and Executive positions in dealer field management, finance, customer relations and contact center management. Tom completed his career at GM with a six-year assignment in Shanghai where he established GM's dealer network plan in China. Following his retirement, he was recruited by Jaguar-Land Rover to return to Shanghai to assist in establishing the dealer network plan for the new Jaguar-Land Rover - Chery joint venture. Tom's knowledge base also includes marketing, finance, call center IT, franchise administration, accounting, and creating business plans. He holds a BA degree in Industrial Administration from Kettering University (formerly General Motors Institute) in Flint, Michigan.

Nabil Freij

Nabil worked for several large and small companies in varying engineering and management positions including founding and running a small business from 1996 to 2019. A problem solver and entrepreneur, he draws from his various technical and management skills to streamline business processes and operations, minimizing costs and maximizing profitability. Skilled in all aspects of running a small business including Finance, Operations, Marketing, Sales, IT and HR. Author of Enabled Globalization, he is trilingual and holds a BS in Electrical Engineering from Northeastern University, an MS from Brown University, and an MBA from Bryant University.

Barry Portugal

Barry retired after 36 years as president of a health care industry management consulting firm. His has worked with hospitals, healthcare systems, and large physician groups to develop operational, strategic and financial aspects of their organizations. Barry's expertise is helping clients develop and implement strategic business plans and marketing plans; as well as identifying opportunities for performance improvement in existing businesses. He has extensive experience in getting to the heart of complex operational, organizational, and financial issues necessary to grow his client's businesses. He has undergraduate and graduate degrees in business administration from the University of Illinois and the University of Pennsylvania.
How Small Businesses in Florida Can Combat the Coronavirus Economic Crisis

1. Crisis Management
2. Business Continuity / Disaster Recovery
3. Increased Unemployment Benefits
4. Families First Coronavirus Response Act
5. Financial Aid (CARES Act)
   - SBA Express Bridge Loan (EBL)
   - Payroll Protection Program
   - Economic Injury Disaster Loans (EIDL)
   - Emergency Economic Injury Grant
   - Small Business Debt Relief Program
   - Payroll Tax Deferral and Forgiveness
6. How SCORE Can Help
7. Available Resources

https://Manasota.score.org
941.955.1029
What We Know and Don’t Know

• This Emergency is like no other experienced in the U.S.

• As a Small Business owner you will need to have a balanced plan to protect the health of you and your employees, while at the same time protect the long-term viability of your business

• All the recently signed legislation and the associated Economic Recovery (Support) programs are designed as a bridge to get you, your employees, and your business to the end of this crisis

• The various economic support programs should be one part of your thought process in this time of crisis – we will talk more about other things to consider today

• Complete details regarding economic support will require intensive research and aggressive action on your part to be sure that you take advantage of everything available

• Our SCORE mentors and Leadership Team are just becoming aware of legislative support details and we will share what we know today

• Other SCORE Zoom webinars will be scheduled as more information becomes available
“The global economic picture is looking bleak, with recessions in almost every developed economy across the world. We assume that there will be a recovery in the second half of the year, but downside risks to this baseline scenario are extremely high, as the emergence of second, or third waves of the epidemic would sink growth further. At this stage, it is also hard to see an exit strategy from the lockdowns, which means that uncertainty will remain high. Finally, the combination of lower fiscal revenues, and higher public spending, will put many countries on the brink of a debt crisis.”
Crisis Management – We are in Crisis Mode

Pre, During and Post

- Anticipate and Assess Your Risk (Pandemic is different than Flood, Tornado, Hurricane, Earthquake, Fire...)
- Create a plan and test it (Staff, Property, Supply Chain, Equipment, IT)
- Review Business Interruption Insurance
- Identify your crisis communication team
- Establish notification and monitoring systems
- Communicate, communicate, communicate
- Post-crisis analysis

Provide Leadership to rally the troops when and where needed

Define Priorities and establish Taskforces to attend to the most needed tasks

Maintain Team Morale and Positive Attitude throughout the crisis

Apply Transparency across your organization: Investors, Customers and Employees

Stay Focused on what is important to minimize panic, keep your staff safe and business afloat.
Business Continuity & Disaster Recovery

Safety First (Follow Federal, State & Local Guidelines)

Conserving Cash and Boost Cash Flow, minimize then reverse bleeding

Define Mission Critical Protocols

Minimize Supply Chain Disruptions (building redundancy and backup suppliers)

Oversee Investor, Client and Public Relations

Instill Trust and Hope.
Increased Unemployment Benefits
CARES Act $250 Billion
Unemployment Benefits on Steroids!

The CARES Act provides *eligible* employees an extra $600 per week in unemployment benefits for 4 months, till end of July 2020, in addition to state benefits.

Additional 13 weeks of continued $600 weekly payments for individuals who remain unemployed after exhausting their state unemployment benefits. This means eligible workers will be able to receive unemployment benefits for up to 36 weeks (7-8 months) rather than the 12-23-week (3-5 months) cap under the FL state program.

That is potentially **$18K total of additional benefits** (on top of the FL $275/week benefit)

Expanded Unemployment Eligibility

The CARES Act expands unemployment eligibility. To receive benefits, the individual must self-certify that:

The individual has been diagnosed with COVID–19 or is experiencing symptoms of COVID-19 and seeking a medical diagnosis;

A member of the individual’s household has been diagnosed with COVID-19;

The individual is providing care for a family member or a member of the individual’s household who has been diagnosed with COVID-19;

A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work;

The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency.
Expanded Unemployment Eligibility - Continued

The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;

The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency;

The individual has become the breadwinner or major supporter for a household because the head of the household has died as a direct result of COVID-19;

The individual must quit his or her job as a direct result of COVID-19; or

The individual’s place of employment is closed as a direct result of the COVID-19 public health emergency;

Note: Individuals who historically have been ineligible for unemployment benefits, including individuals who are self-employed, “gig” workers, freelancers, independent contractors and part-time workers. New hires who could not begin their employment are also covered even if they do not have a sufficient work history to qualify under their normal state unemployment eligibility rules.
Who Is Not Eligible?

Based on the specified list of qualifying reasons for eligibility, it does not appear that an individual who stops working in response to a general fear of contracting COVID-19 would be eligible for the increased benefits under the CARES Act.

Those who can telework with pay;

Those who are already receiving paid leave under their employer’s plans/policies or applicable federal, state or local law

New entrants to the workforce who cannot find employment.
What Should Employers Do? *

Employers that are considering operational changes that will impact their workforces due to COVID-19 may want to consider the expanded and increased unemployment benefits potentially available to their employees under the CARES Act.

Whether affected employees will be eligible for these benefits will depend not only on the reason their normal work is unavailable but also on whether the affected employees will be receiving some form of paid leave at the time they apply for unemployment benefits. Such paid leave could derive from an applicable federal, state or local law or an employer-provided plan or policy.

Accordingly, employers should understand these various sources of paid leave and be able to communicate them to their employees.

* Hall Render
Economic Impact Payments

• U.S. Treasury and IRS announced program to provide cash to taxpayers

• Eligible taxpayers who filed tax returns for either 2019 or 2018 will automatically receive an economic impact payment of up to $1,200 for individuals or $2,400 for married couples and up to $500 for each qualifying child.

• Tax filers with adjusted gross income up to $75,000 for individuals and up to $150,000 for married couples filing joint returns will receive the full payment.

• Single filers with income exceeding $99,000 and $198,000 for joint filers with no children are not eligible. Social Security recipients and railroad retirees who are otherwise not required to file a tax return are also eligible and will not be required to file a return.
Families First Coronavirus Response Act

Department of Labor

Refundable Tax Credits for Employee Paid Leave

• COVID-19-Related Tax Credits for Required Paid Leave Provided by Small and Midsize Businesses FAQs

How the CARES Act can help you
Financial Aid - Federal

CARES Act, bill provides $377B to Small Businesses to keep paying payroll

Companies with 500 employees or less that keep paychecks steady could get up to $10 million each in forgivable small business loans.

Federally guaranteed loans will provide eight weeks of assistance for qualifying employers who maintain payroll.

Those who meet requirements would have costs such as utilities, mortgage interest and rent forgiven.

Economic Injury Disaster Loan (EIDL) Program, up to $2M loan (3.75% and 2.75% Nonprofit)

Coronavirus (COVID-19): Small Business Guidance & Loan Resources
https://www.score.org/coronavirus-sba-loans
Economic Injury Disaster Loan Assistance
Video on how to complete the forms
SBA Video

SBA Express Bridge Loans, up to $25K, requires existing relationship with SBA Express Lender

For more info, refer to the following websites:
https://www.sba.gov/coronavirus
https://www.usa.gov/coronavirus
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

What is it?

The CARES Act, which was signed by the President on March 27, 2020, has several components aimed at helping small businesses survive and recover from losses suffered during the coronavirus outbreak. Key components of the CARES Act include a loan program from the SBA, changes to unemployment benefits and changes to business tax filing requirements.
CARES Act $2.1 Trillion Emergency Aid Bill*

Complete Bill Text


Direct Relief

Household Payments - $301 Billion
Unemployment Insurance - $250 Billion
Tax Deferrals and Extended Deadlines - $221 Billion
Aid to States - $150 Billion
Airlines, Cargo, and Carriers - $29 Billion

Loans

Businesses - $454 Billion
Small Businesses - $349 Billion

Grants

Airlines, Cargo, and Carriers - $32 Billion

Supplemental

Public Transportation - $25 Billion
Other - $198 Billion

*WSJ 032820
What Does it Mean for Small Business?

**Small Business Paycheck Protection Program:** A new lending program that allows businesses to borrow enough to cover monthly payroll costs for businesses for up to 2.5 months. If used for payroll, mortgage interest or other qualified expenses, these loans will be forgiven as long as the employer continues to employ its workers or rehires them when they reopen for business.

**Business tax provisions:** Employers can defer payment of the employer share payroll taxes.

**Payments for individuals:** It is anticipated those who make less than $75,000 a year will receive direct payments of $1,200 per individual ($2,400 joint return) plus $500 per child. This will phase out for incomes above $75,000 ($150,000 joint filings).

**Unemployment assistance:** If your business is closed because of coronavirus and your employees cannot work from home, or your employees are unable to work due to illness or the need to take care of someone who is ill with the virus, they can collect unemployment.
CARES ACT Overview for Small Businesses

The main features for small businesses are emergency grants and a forgivable loan program for companies with 500 or fewer employees. There are also changes to rules for expenses and deductions meant to make it easier for companies to keep employees on the payroll and stay open in the near-term.

**Emergency grants:** The bill provides $10 billion for grants of up to $10,000 to provide emergency funds for small businesses to cover immediate operating costs.

**Forgivable loans:** There is $350 billion allocated for the Small Business Administration to provide loans of up to $10 million per business. Any portion of that loan used to maintain payroll, keep workers on the books or pay for rent, mortgage and existing debt could be forgiven, provided workers stay employed through the end of June.

**Relief for existing loans:** There is $17 billion to cover 6 months of payments for small businesses already using SBA loans.
Struggling to get started?

- **Capital to cover the cost of retaining employees?** Then the [Paycheck Protection Program (PPP)](https://Manasota.score.org) might be right for you.

- **A quick infusion of a smaller amount of cash to cover you right now?** You might want to investigate an [Emergency Economic Injury Grant](https://Manasota.score.org) and [EIDL](https://Manasota.score.org).

- **To ease your fears about keeping up with payments on your current or potential SBA loan?** The [Small Business Debt Relief Program](https://Manasota.score.org) could help.

- **Just some quality, free counseling to help you navigate this uncertain economic time?** The [resource partners](https://Manasota.score.org) might be your best bet.
Paycheck Protection Program (PPP or Triple-P) CARES Act $350 Billion
Paycheck Protection Program (PPP) Loans

The program would provide cash-flow assistance through 100% federally guaranteed loans to employers who maintain their payroll during this emergency. If employers maintain their payroll, the loans would be forgiven, which would help workers remain employed, as well as help affected small businesses and our economy snap-back quicker after the crisis. PPP has a host of attractive features, such as forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees, and at least six months of deferral with maximum deferrals of up to a year. Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020. This program would be retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls. Loans are available through June 30, 2020.
What types of businesses and entities are eligible for a PPP loan? (1)

- Businesses and entities must have been in operation on February 15, 2020.
- **Small business concerns**, as well as any business concern, a 501(c)(3) nonprofit organization, a 501(c)(19) veterans organization, or Tribal business concern described in section 31(b)(2)(C) that has fewer than 500 employees, or the applicable [size standard](#) in number of employees for the North American Industry Classification System (NAICS) industry as provided by SBA, if higher.
- **Individuals who operate a sole proprietorship or as an independent contractor and eligible self-employed individuals**
What types of businesses and entities are eligible for a PPP loan? (2)

- Any business concern that employs not more than 500 employees per physical location of the business concern and that is assigned a NAICS code beginning with 72, for which the affiliation rules are waived. **NAICS Sector 72**: The Accommodation and Food Services sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption.

- **Affiliation rules** are also waived for any business concern operating as a franchise that is assigned a franchise identifier code by the Administration, and company that receives funding through a Small Business Investment Company.

- The SBA applies what is known as the “affiliation rule” to calculate how many employees work for a given business. It says that if a small business is controlled by another entity – for instance, a parent company – then the controlling entity and all of its affiliates could count as a single enterprise.
What Type of Non-Profits are Eligible?

• PPP loans are available to 501(c)(3) nonprofit organizations or 501(c)(19) veterans’ organizations with not more than 500 employees (which includes individuals employed on a full-time, part-time, or other basis). PPP loans do not test creditworthiness or repayment ability. Instead, qualifying nonprofits must have been in operation on February 15, 2020, and have employees for whom the nonprofit paid salaries and payroll taxes. Eligible borrowers must certify that (1) the uncertainty of current economic conditions makes the loan request necessary to support its ongoing operations, (2) the funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments, and (3) they are not receiving duplicative funds for the same uses under another SBA program.
What Costs Are Eligible for Triple P Loans?

- Compensation (salary, wage, commission, or similar compensation, payment of cash tip or equivalent)
- Payment for vacation, parental, family, medical, or sick leave
- Allowance for dismissal or separation
- Payment required for the provisions of group health care benefits, including insurance premiums
- Payment of any retirement benefit
- Payment of State or local tax assessed on the compensation of employees
- Rent, mortgage interest, and utilities *

* See later slide
What Costs Are Not Eligible for Payroll?

- Employee/owner compensation **over $100,000**
- Taxes imposed or withheld under chapters 21, 22, and 24 of the IRS code
- Compensation of employees whose principal place of residence is outside of the U.S.
- Qualified sick and family leave for which a credit is allowed under sections 7001 and 7003 of the *Families First Coronavirus Response Act* (See provided DOL FFCRA documents)
Key Elements of the PPP Loan

- If employees are kept on payroll for 8 weeks, SBA will forgive 100% of the paycheck loan for their salaries and benefits. According to the SBA website, forgiven loans will also include money used for rent, mortgage interest, and utilities.

- The loan amount is calculated by taking an average month’s salary and selected expenses and multiplying it by 250% which gives 10 weeks worth of expenses that will be forgiven. It is important to note that in order for the triple P loan to be forgiven, no less than 75% of the loan must be used for payroll purposes.

- According to an SBA webinar last week, applications for triple P loans are available now on the US Treasury website. The link to that website is provided on the slide after next. SCORE recommends you talk with your banker to be sure they will be able to process triple P loan application.

- The triple P loan program will be available through June 30, 2020

- No collateral or personal guarantee is required for a triple P loan

- If PPP loan is not forgiven, interest is 1%
Loan Size is Determined by Payroll Period Chosen for Calculation

- Depending on your business’s situation, the loan size will be calculated in different ways (see below). The maximum loan size is always $10 million.

- If you were in business February 15, 2019 – June 30, 2019: Your max loan is equal to 250 percent of your average monthly payroll costs and selected expenses during that time period. If your business employs seasonal workers, you can opt to choose March 1, 2019 as your time period start date.

- If you were not in business between February 15, 2019 – June 30, 2019: Your max loan is equal to 250 percent of your average monthly payroll costs between January 1, 2020 and February 29, 2020.

- If you took out an Economic Injury Disaster Loan (EIDL) between February 15, 2020 and June 30, 2020 and you want to refinance that loan into a PPP loan, you would add the outstanding loan amount to the payroll sum.
U.S. Treasury Issues PPP Application

PAYCHECK PROTECTION PROGRAM (PPP)
INFORMATION SHEET:


PAYCHECK PROTECTION PROGRAM (PPP)
APPLICATION

More information regarding the Paycheck Protection Program can be found at:


https://www.murphy.senate.gov/download/small-business-owner-guide-to-cares
Economic Injury Disaster Loans (EIDL) Enhanced with CARES Act
What is an EIDL and what is it used for?

Loan up to $2 Million, up to 30-year loan

Lower interest: 3.75% fixed for small businesses and 2.75% for nonprofits

Principal and interest deferment at the Administrator’s discretion (6 months to 1 year)

Available to **pay for expenses that could have been met had the disaster not occurred**, including payroll and other operating expenses

If approved, funds may be provided to you gradually

If you are denied an EIDL loan, you can appeal the decision with the SBA at [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)
Who is eligible for an EIDL?

Those eligible are the following with 500 or fewer employees:

- Sole proprietorships, with or without employees
- Independent contractors
- Corporations and LLCs
- Private nonprofit
- Cooperatives and employee owned businesses
- Tribal small businesses
- Small agricultural cooperatives

In addition, some special rules may make you eligible:

- If you are in the accommodation and food services sector (NAICS 72), the 500-employee rule is applied on a per physical location basis
- If you are operating as a franchise or receive financial assistance from an approved Small Business Investment Company the normal affiliation rules do not apply.
Do I need Collateral to Get EIDL?

Any loan amount over $25K requires providing collateral or a personal guarantee
Your credit score will be checked
Much red tape has been eliminated with the CARES Act
Good faith and self-certification alone may be enough
SBA will take your application into consideration even if you can’t provide collateral or a personal guarantee.

For more info refer to: https://disasterloanassistance.sba.gov/s/faq
How Can I Prepare for Getting EIDL

1. EIN Number and Tax ID/SSN
2. Date the business is established
3. Date of last ownership
4. Revenue from Feb 1st, 2019 to Jan 31st, 2020
5. Cost of Goods Sold for the same period
6. Names, addresses, Tel numbers and SSN of all owners (20% of higher)
7. Business Bank Name, Account Number and Routing Number

I. Federal Tax Returns & schedules for the last 2 years

II. Last Year and Current P&Ls and Balance Sheets with Projected Statements

III. Documents showing business adversely impacted by the COVID-19 emergency

IV. List of personal assets and net worth with Schedule of Liabilities listing all fixed debts (SBA Forms 413 and 2202 may be used)

V. SBA Form 5, completed and signed

VI. Tax Information Authorization (IRS Form 4506T), completed and signed by each applicant, each principal owning 20 percent or more of the applicant business, each general partner or managing member.
Emergency Economic Injury Grants (EEIG)  
CARES Act $10 Billion
Emergency Economic Injury Grants

Grant provides an emergency advance of up to $10,000 to small businesses, Sole Proprietors, Contractors and private non-profits harmed by COVID-19. Access by applying for an Economic Injury Disaster Loan (EIDL) and request the advance.

The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.
Emergency Economic Injury Grant Who and When

QUESTION: Who is eligible for an Emergency Economic Injury Grant?
Answer: Those eligible for an EIDL and who have been in operation since January 31, 2020, when the public health crisis was announced.

QUESTION: How long are Emergency Economic Injury Grants available?
Answer: January 31, 2020 – December 31, 2020. The grants are backdated to January 31, 2020 to allow those who have already applied for EIDLs to be eligible to also receive a grant.
Applying for Economic Injury Disaster Loan (EIDL) and $10,000 Grant

To apply for an EIDL online, please visit https://covid19relief.sba.gov/

Grant are said to be paid 3 business days after the Administrator receives your application. It is not clear how much time the SBA needs to process the application and provide to the Administrator (SBA affiliated bank). It takes 18-21 days under normal conditions.

If you have already applied for EIDL after January 31, 2020, you can request the grant by backdating it (or reapplying).

Your SBA District Office is an important resource when applying for SBA assistance. Contact them by email at disastercustomerservice@sba.gov.

YouTube Videos on how to complete the form
Print and Save Your Application Number

Disaster Loan Assistance
Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION

Application Submitted

Your application number is

3300330825

You will be notified through the email address you submitted xxxxx@gmail.com for any additional information needed once your application has been processed.

Please write down your application number or print this page for your records.

https://Manasota.score.org
941.955.1029
EEIG, EIDL & PPP

If I get an EIDL and/or an Emergency Economic Injury Grant, can I get a PPP loan?

Yes! Whether you’ve already received an EIDL unrelated to COVID-19 or you receive a COVID-19 related EIDL and/or Emergency Grant between January 31, 2020 and June 30, 2020, you may also apply for a PPP loan.

If you ultimately receive a PPP loan or refinance an EIDL into a PPP loan, any advance amount received under the Emergency Economic Injury Grant Program would be subtracted from the amount forgiven in the PPP.

No Double-Dipping! You cannot use your EIDL for the same purpose as your PPP loan. For example, if you use your EIDL to cover payroll for certain workers in April, you cannot use PPP for payroll for those same workers in April, although you could use it for payroll in March or for different workers in April.

If you got an SBA Bridge loan, you should pay it off with your EIDL loan. You also have the option to pay off your FL Bridge Loan with it.
Small Business Debt Relief
CARES Act $17 Billion
Small Business Debt Relief Program

If your small business **already holds a current non-disaster SBA loan**, you will have the loan payments, principle, interest and fees covered for 6 months through the Small Business Debt Relief Program in the CARES Act.

This relief is also offered to **new loans** within 6 months of March 27, 2020.

This will **automatically** take place by the SBA. No applications are needed!

Note that PPP loans and EIDLs are **not eligible** for this debt-relief program as they each have their own deferred payment rules.

Many loans guaranteed by the SBA are covered under this program. Please check with your **local SBA office** for more detail.
Payroll Tax Deferrals and Forgiveness
CARES Act $221 Billion
Payroll Tax Deferrals & Forgiveness

- Refundable payroll tax credit for 50% of wages paid by eligible employers to certain employees during the COVID-19 crisis. Available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings.

- The credit is also provided to employers who have experienced a greater than 50% reduction in quarterly receipts, measured on a year-over-year basis. Wages of employees who are furloughed or face reduced hours as a result of their employer’s closure or economic hardship are eligible for the credit. For employers with 100 or fewer fulltime employees, all employee wages are eligible, regardless of whether an employee is furloughed.
Payroll Tax Deferrals & Forgiveness - Continued

• The credit is provided for wages and compensation, including health benefits, and is provided for the first $10,000 in wages and compensation paid by the employer to an eligible employee. Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave, nor for wages taken into account for the employer credit for paid family and medical leave (IRC sec. 45S).

• The credit is not available to employers receiving assistance through the Paycheck Protection Program. The credit is provided through December 31, 2020.

Delay of Payment of Employer Payroll Taxes: This provision would allow taxpayers to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes. Deferral is not provided to employers receiving assistance through the Paycheck Protection Program.
Florida State Financial Aid

Florida Sunbiz will provide Coronavirus information relating to corporate relief, unemployment https://dos.myflorida.com/sunbiz/

Florida Re-employment website will keep you up to date on employee related programs http://www.floridajobs.org/ and http://www.floridajobs.org/rebuildflorida/businessrecovery

The Florida Department of Revenue will provide information on state re-employment taxes and tax relief (sales and property tax) https://floridarevenue.com/pages/default.aspx (See Included Resources)
How SCORE Can Help

- Review Financials to Help Secure a Loan
- Review Continuity Plans
- Help you Prioritize
- Keep you Focused
- Introduce you to Experts
- Individual Attention
- Workshops, Webinars, Resources at https://SCORE.org

If you don’t have a SCORE Mentor, get one today @ score.org/find-mentor
Future Workshop Topics
Let’s Take a Poll

1. More information on Financial Aid as it becomes Available
2. Interviews with Bankers
3. Facebook Grants
4. Crisis Management
5. Continuity Planning
6. Digital Transformation
7. Online Townhalls
# List of FL SBA Banking Partners
(All FDIC, Credit Unions and Fintech Can Issue PPP Loans)

<table>
<thead>
<tr>
<th>State Rank</th>
<th>Bank with SBA links</th>
<th>Applications for PPP</th>
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<tbody>
<tr>
<td>1</td>
<td><strong>TD Bank</strong></td>
<td>Wilmington, DE</td>
</tr>
<tr>
<td>2</td>
<td><strong>Wells Fargo</strong>, Sioux Falls, SD</td>
<td>Loans to clients only that are companies with 50 employees or less</td>
</tr>
<tr>
<td>3</td>
<td>JPMorgan Chase Bank</td>
<td>Columbus, OH</td>
</tr>
<tr>
<td>4</td>
<td><strong>First Home Bank</strong>, Saint Petersburg, FL</td>
<td><a href="https://www.firsthomebank.com/sbarelief/">https://www.firsthomebank.com/sbarelief/</a></td>
</tr>
<tr>
<td>5</td>
<td>BB&amp;T</td>
<td>Winston Salem, NC</td>
</tr>
<tr>
<td>6</td>
<td>United Midwest Savings Bank</td>
<td>De Graff, OH</td>
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<tr>
<td>7</td>
<td>Newtek Small Business Finance, Lake Success, NY</td>
<td><a href="https://www.newtekone.com/">https://www.newtekone.com/</a></td>
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<tr>
<td>8</td>
<td>Stearns Bank, Saint Cloud, MN</td>
<td><a href="https://www.stearnsbank.com/cares-act">https://www.stearnsbank.com/cares-act</a></td>
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<tr>
<td>10</td>
<td>Seacoast National Bank</td>
<td>Stuart, FL</td>
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<td>11</td>
<td>Independence Bank</td>
<td>East Greenwich, RI</td>
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<tr>
<td>12</td>
<td>Live Oak, Wilmington, NC</td>
<td><a href="https://www.liveoakbank.com/paycheck-protection-program-sign-up/">https://www.liveoakbank.com/paycheck-protection-program-sign-up/</a></td>
</tr>
<tr>
<td>14</td>
<td>Celtic Bank, Salt Lake City, UT</td>
<td><a href="https://start.celticbank.com/paycheck-protection-program">https://start.celticbank.com/paycheck-protection-program</a></td>
</tr>
<tr>
<td>15</td>
<td>CenterState Bank, Winter Haven, FL</td>
<td><a href="https://www.centerstatebank.com/paycheck-protection-program">https://www.centerstatebank.com/paycheck-protection-program</a></td>
</tr>
<tr>
<td>18</td>
<td>Five Star Bank, Rancho Cordova, CA</td>
<td><a href="https://www.five-starbank.com/five-star-cares">https://www.five-starbank.com/five-star-cares</a></td>
</tr>
</tbody>
</table>

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What if My Bank is not an SBA Lender, or not Responsive to My Loan Application?

- Apply to other area banks (see list of SBA lending banks in Resources section of slides)
- Consider companies that will act as an *intermediary* between your business and SBA lending banks (for a fee)

Intermediary Companies include:
Lendio.com
NAV.com
Standardcapitalinc.com
Others?
Examples of SBA Bank Loan Intermediary Company’s Services

• Will Process PPP loan Applications online
• In Business of providing other types of Loans to Small Businesses (i.e. Equip, WC, Short Term RLC)
• 75+ Leading Lenders Available
• Will match you up with multiple lenders for you to choose
• Consider this option if you are not comfortable with current Bank
Non-SBA Independent Loan Options

**Fundbox - Line of credit:** Best for Business lines of credit up to $100,000

**StreetShares - Line of credit:** Best for Business lines of credit up to $100,000

**OnDeck - Line of credit:** Best for Business lines of credit up to $100,000

**Kabbage - Line of credit:** Best for Business lines of credit up to $250,000

**BlueVine - Line of credit:** Best for Business lines of credit up to $250,000

Others: Benetrends, Tenet Financial, FranFund

Approval standards: (credit score >500, $50K monthly revenue, etc.)

Short Term (6mo. -1 year)

High annual rate 15-75%

Flexible source of funds once line is established

Collateral not always required

Online Approval process vs Bank in person application
## Paycheck Protection Program (PPP) Loans

The program would provide cash-flow assistance through 100 percent federally guaranteed loans to employers who maintain their payroll during this emergency. If employers maintain their payroll, the loans would be forgiven, which would help workers remain employed, as well as help affected small businesses and our economy snap back quicker after the crisis. PPP has a host of attractive features, such as forgiveness of up to 100 percent of payroll costs on employee salaries and wages, no SBA fees, and at least six months of deferment with maximum deferrals of up to a year. Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020. This program would be retroactive to February 15, 2020, in order to help bring workers who have already been laid off back onto payrolls. Loans are available through June 30, 2020.

<table>
<thead>
<tr>
<th>FREQUENTLY ASKED QUESTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>QUESTION:</strong> What types of businesses and entities are eligible for a PPP loan?</td>
</tr>
<tr>
<td><strong>Answer:</strong> Businesses and entities must have been in operation on February 15, 2020.</td>
</tr>
<tr>
<td>- Small business concerns, as well as any business concern, a 501(c)(3) nonprofit organization, a 501(c)(4) or 501(c)(6) organization, or a Tribal business concern described in section 319 of the Small Business Act that has fewer than 500 employees, or the applicable practicable number of employees for the North American Industry Classification System (NAICS) industry as prescribed by SBA, if higher.</td>
</tr>
<tr>
<td>- Individuals who operate a sole proprietorship or as an independent contractor and eligible self-employed individuals.</td>
</tr>
<tr>
<td>- Any business concern that employs not more than 500 employees per physical location of the business concern that is a newspaper NAICS code beginning with 11, for which the amount of pay of all employees is less than $25,000.</td>
</tr>
<tr>
<td>- Affiliation rules are also waived for any business concern operating as a franchise that is assigned a franchise identifier code by the Administration, and company that receives funding through a Small Business Investment Company.</td>
</tr>
<tr>
<td><strong>QUESTION:</strong> What are affiliation rules?</td>
</tr>
<tr>
<td><strong>Answer:</strong> Affiliation rules become important when SBA is deciding whether a business’s affiliates perform them from being considered “small.” Generally, affiliation exists when one business purchases more than 20% of another business’s stock or ownership interest, or when one entity has the power to control or has the power to control both businesses. Please see <a href="https://www.sba.gov/content/handbook-eligibility-considerations">SBA guidelines</a> for more on these rules and how they can impact your business’s eligibilities.</td>
</tr>
<tr>
<td><strong>QUESTION:</strong> What types of non-profit are eligible?</td>
</tr>
<tr>
<td><strong>Answer:</strong> In general, 501(c)(3) and 501(c)(4) nonprofit with 500 employees or fewer as most non-profit SBA size standards are based on employee count, not revenue. You can check here <a href="https://www.score.org">here</a> for more information.</td>
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</table>

Understanding the Paycheck Protection Program

By John Littenberg and Catherine Lyons

**What is the Paycheck Protection Program?**

Title I of the Coronavirus Aid, Relief, and Economic Security (CARES) Act is the American Rescue Plan Act and Employed Aid Act, which provides relief for small businesses and their employees who are adversely affected by the outbreak of COVID-19. The provision for the ‘Paycheck Protection Program,’ an emergency lending facility, administered by the Small Business Administration (SBA) under [title I] lending facility, to provide a payroll assistance loan to businesses impacted by the new coronavirus, is a $100 billion in new lending capacity, to account for the vast majority of the small business assistance provided in the Phase III legislation, and is one of the most important — if somewhat overlooked — aspects of the Congressional response to the pandemic thus far.

Congress intended the Paycheck Protection Program to accomplish two fundamental goals: 1) help small businesses cover their near-term operating expenses during the worst of the crisis, and 2) provide a strong incentive for employers to retain their employees. In short, it’s intended as a partial stimulus investment program to allow select “left-handed businesses” to breathe through a period of severe disruption without making drastic changes to their footprint. How does it work?

The program generally targets businesses, nonprofits, Tribal businesses, and veterans organizations with 500 employees or less, along with eligible state, territory, local governments, and 501(c)(3) organizations. The maximum loan size is equivalent to 250 percent of the employer’s average monthly payroll costs (e.g., roughly 10 weeks of payroll expenses) or $2 million, whichever is less. Payroll costs are defined broadly to include wages, salaries, retirement contributions, healthcare benefits, covered loans, and other expenses.

The program includes a number of generous features for borrowers, including six months to one year of deferral requirements, fee waivers, and streamlined application requirements. Most importantly, small businesses are eligible for loans forgiven equal to the sum spent on covered expenses during the eight-week period after the loan is disbursed. These covered expenses include the bulk of typical business fixed operating costs: payroll, rent, utilities, and mortgage interest obligations. The legislative nature of these laws is effective laws into grants, meaning that qualifying businesses will not see a significant increase in their debt burden. But
Resources – Department of Labor

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IRS Administered Programs

Paid Sick Leave for Workers

For COVID-19 related reasons, employees receive up to 80 hours of paid sick leave and expanded paid childcare leave when employees' children's schools are closed or childcare providers are unavailable.

Complete Coverage

Employers receive 100% reimbursement for paid leave pursuant to the Act.

- Health insurance costs are also included in the credit.
- Employers face no payroll tax liability.
- Self-employed individuals receive an equivalent credit.

Fast Funds

Reimbursement will be quick and easy to obtain.

- An immediate dollar-for-dollar tax offset against payroll taxes will be provided
- Where a refund is owed, the IRS will send the refund as quickly as possible.

Small Business Protection

Employers with fewer than 50 employees are eligible for an exemption from the requirements to provide leave to care for a child whose school is closed, or childcare is unavailable in cases where the viability of the business is threatened.

Easing Compliance

- Requirements subject to 30-day non-enforcement period for good faith compliance efforts.

To take immediate advantage of the paid leave credits, businesses can retain and access funds that they would otherwise pay to the IRS in payroll taxes. If those amounts are not sufficient to cover the cost of paid leave, employers can seek an expedited advance from the IRS by submitting a streamlined claim form that will be released next week.

Resources – Florida State
Resources – Chamber of Commerce & SBA

The Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated $350 billion in small business loans through the Paycheck Protection Program (PPP). The Act also provides $100 billion in direct business loans. It includes provisions to help small businesses and industries most affected by COVID-19.

Here are the questions you may be asking—

The Three Steps Process: Disaster Loans

About Disaster Loans

The U.S. Small Business Administration (SBA) provides low-interest, long-term disaster loans to businesses of all sizes, private non-profit organizations, homeowners, and renters to repair or replace loans that have sustained physical damage or economic injury. SBA disaster loans offer an affordable way for individuals and businesses to recover from declared disasters.

1. Application: Review the SBA website to determine eligibility.

2. Approval: After reviewing the application, the SBA will make a decision on your request.

3. Loan Proceeds: After approval, the SBA will issue a loan.

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FOR THE LIFE OF YOUR BUSINESS
COVID-19 Small Business Assistance Programs

State of Florida
- Florida is offering bridge loans to small businesses.
- Florida Sutra will provide Coronavirus information relating to corporate relief, unemployment
  - [https://florida.score.org/suda/](https://florida.score.org/suda/)
- Florida Re-employment website will keep you up to date on employee related programs. Go to [http://www.floridadisaster.org/](http://www.floridadisaster.org/)
- The Florida Department of Revenue will provide information on state re-employment taxes and tax relief. Go to [https://floridadisaster.biz/](https://floridadisaster.biz/)
- Florida Sunbiz will provide Coronavirus information relating to corporate relief, unemployment
  - [https://dos.myflorida.com/sunbiz/](https://dos.myflorida.com/sunbiz/)
- Florida Re-employment website will keep you up to date on employee related programs. Go to [http://www.floridadisaster.org/](http://www.floridadisaster.org/)
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SBA
- The SBA is providing loans to small businesses due to the coronavirus (COVID-19) pandemic. The loans offer up to $12 million in assistance to pay fixed debts, payroll, accounts payable and other bills. The deadline to apply is December 16, 2020. For more information go to [https://www.sba.gov/coronavirus](https://www.sba.gov/coronavirus) and [https://www.sba.gov/]
- SBA Licensee Injury Loan Information & Application
  - [https://disasterloan.sba.gov/apply-for-disaster-loan/index.html](https://disasterloan.sba.gov/apply-for-disaster-loan/index.html)
  - [https://disasterloan.sba.gov/ela/](https://disasterloan.sba.gov/ela/)

Federal Government
- The recently passed CARES Act will provide several additional benefits to small businesses

Federal “CARES ACT” (Coronavirus Relief Act)
- Payments to Individuals ($300 Billion)
  - Individuals $1200 if single with income under $75,000 - Phases out with income over $89,000
  - Couples $2400 if income under $150,000 - Phases out with income over $168,000
  - $500 per dependent child
- Unemployment Benefits ($250 Billion)
  - Additional $300/week for four months above state payment benefits
  - Additional 13 weeks added to benefits period
  - Gig and freelance employees eligible through end of year under a new Temporary Pandemic Assistance Program
  - Employers can subsidies up to $5,250 in tax free student loan repayment benefits to employees
- Small Business
Thank you to the Manasota SCORE Sponsors and Community Partners!

**Sponsors**

- Career Source Suncoast
- Greater Sarasota Chamber of Commerce
- Manatee Chamber of Commerce
- Venice Area Chamber of Commerce
- Robert L. Taylor Community Complex
- Manatee County Government
- Sarasota County Government
- Florida Department of Revenue
- Keiser University
- Manatee Technical College
- State College of Florida
- University of South Florida
- Goodwill Industries
- Paychex/Oasis
- Community Entrepreneur Opportunity

**Community Partners**