

**Funding your
business
through SBA**

UMA Online
TOWN HALL

Thursday, April 2, 2020 | Join us every Thursday at 2 p.m. ET

UMA Town Hall Meeting

UMA Board of Directors

Region I

Mr. Jeff Polzien (UMA Chairman)
Kincaid Coach Lines -Red Carpet Charters Division
Oklahoma City, OK

Ms. Gladys Gillis (Immediate Past Chair)
The Starline Collection
Seattle, WA

Mr. John Grzywacz (Treasurer)
CIT Signature Transportation
Ames, IA

Ms. Bethany Schubert
Trobec's Bus Service
St. Stephen, MN

Mr. Tom Ready
Ready Bus Company, Inc.
La Crescent, MN

Mr. Dennis Streif
Vandalia Bus Lines
Caseyville, IL

Region II

Mr. David Moody (UMA Vice Chairman)
Holiday Companies, Inc.
Randleman, NC

Mr. Alan Thrasher
Thrasher Brothers Trailways
Birmingham, AL

Mr. Brian Annett
Annett Bus Lines
Madison, FL

Mr. James Brown
Magic Carpet Tours and Bus Service, Inc.
Richmond, VA

Mr. Matt Dance
Champion Coach
Greenville, SC

Ms. Elizabeth Kamalakis
Coachlight Tours
North Charleston, SC

Region III

Ms. Marcia Milton (Secretary)
First Priority Trailways
District Heights, MD

Mr. Dale Krapf (Chairman *Emeritus*)
Krapf Coaches, Inc.
West Chester, PA

Ms. Joan Libby
Cavalier Coach Trailways
Boston, MA

Mr. Dale McMichael
Executive Coach
Lancaster, PA

Mr. Scott Riccio
NorthEast Charter & Tour Co., Inc.
Lewiston, ME

Mr. Tim Stout
Stout's Transportation
Ewing, NJ



Today's Agenda

Welcome and Introduction: Jeff Polzien and Larry Killingsworth

- CARES Act of March 27
- Bus & Motorcoach News Digital Edition
- UMA Ongoing Support Program:
 - Daily News Flash
 - Weekly Town Hall
 - Work on Corona4 legislation

Review of Top Priorities: Larry Killingsworth

- Your Company
- Team Members
- Customers

Optimizing the CARES Act for your Company: Ken Presley

- Specific Actions Required
- Operator Example: Elizabeth Kamalakis
- Operator Example EIDL: Mike Rogers

Response to Questions

Closing Comments: Bethany Schubert





Your Company

1. Financial planning. CARES Act in detail later
2. Communicating with vendors, banks, suppliers, insurance companies etc
3. Review all contracts, stop automatic payments for better cash preservation
4. Update cleaning/disinfecting SOP following latest government standards
5. work with state support groups such as the Small Business Development Center
6. Streamline all communications as Gladys Gillis described last week
7. The Future: action you can take now
 - A. Drop marginally profitable business
 - B. Streamline administrative procedures
 - C. Improve the experience for your customers and prospects

Customers

Team Members



U.S. Small Business
Administration

ECONOMIC INJURY DISASTER LOAN (EIDL)



U.S. Small Business
Administration

Paycheck Protection Program (PPP)

Paycheck Protection Program Application Form

Non-Profit Vet Org Tribal Ind. Contractor Self Employed
Business Legal Name

DBA or Tradename if applicable

Business TIN (EIN, SSN) Business Phone

Primary Contact Email Address

Business Primary Address

Number of Jobs:

Average Monthly Payroll: \$ X 2.5 equals Loan Amount: \$

Purpose of the loan (select more than one):
 Payroll Rent / Mortgage Interest Utilities Other (explain):

Applicant Ownership

List all owners of Applicant with greater than 20% ownership stakes. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address	Yes	No
					<input type="checkbox"/>	<input type="checkbox"/>

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

Question

1. Is the Business or any owner presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?
2. Has the Business, any of its owners, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?
3. Is the Business or any owner an owner of any other business or have common management with any other business? If yes, attach a listing of all Affiliates and describe the relationship as addendum A.
4. Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.

Applicants who are individuals and all 20% or greater owners of the business must answer the following questions. If questions (3) or (6) are answered "Yes" or question (7) is answered "No," the loan will not be approved.

Question

5. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, on probation or parole?
Initial here to confirm your response to question 5 --
6. Within the last 7 years, for any felony or misdemeanor for a crime against a minor, have you: 1) been convicted; 2) pleaded nolo contendere; 3) pleaded guilty; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)?
Initial here to confirm your response to question 6 --
7. I am a U.S. Citizen OR I have Lawful Permanent Resident status
Initial here to confirm your response to question 7 --

Paycheck Protection Program Application Form



By Signing Below, You Make the Following Representations, Authorizations, and Certifications:

I represent that:

- I have read the Statements Required by Law and Executive Order included in this form, and I understand them.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business related purposes as specified in the loan application.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.

For Applicants who are individuals and all Associates: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

CERTIFICATIONS

- The Business and each 20% or greater owner must certify in good faith to all of the below by **initialing** next to each one:
- Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.
 - The funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments; I understand that if the funds are used for unauthorized purposes, the federal government may pursue criminal fraud charges.
 - Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities for the eight week period following this loan will be provided to the lender.
 - Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than twenty-five percent (25%) of the forgiven amount may be for non-payroll costs.
 - During the period beginning on February 15, 2020 and ending on December 31, 2020, the Applicant has not and will not receive another loan under this program.
 - I further certify that the information provided in this application and the information that I have provided in all supporting documents and forms is true and accurate. I realize that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

I acknowledge that the lender will calculate the eligible loan amount using tax documents I have submitted. I affirm that these tax documents are identical to those I submitted to the IRS. I also understand, acknowledge and agree that the Lender can share the tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.

Signature of Authorized Representative of Business
Print Name

Date

Title

Signature of Owner of Applicant Business
Print Name

Date

Title

Paycheck Protection Program (PPP)



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- **When can I apply?**
 - Small businesses and sole proprietors can apply for the loans beginning **April 3**. Independent contractors and self-employed individuals can apply **April 10**.
- **Do I claim my 1099 workers?**
 - Business owners **should not include 1099 payments** when calculating their average monthly payroll for the purposes of getting a loan. The thinking here is that **1099 workers can apply for PPP loans on their own**, so business owners shouldn't be counting those payments as payroll.



U.S. Small Business
Administration

Paycheck Protection Program (PPP)

Loan Details and Forgiveness

The loan will be **fully forgiven** if the funds are used for **payroll costs, interest on mortgages, rent, and utilities** (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). 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 .5%.

- If you wish to begin preparing your application, you can [download a sample form](#) to see the information that will be requested from you.



U.S. Small Business
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- **Included in payroll calculation is as follows:**
 - Payroll costs (includes payment of cash tip or equivalent)
 - Costs related to group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums
 - Allowance for dismissal or separation
 - Employee salaries, commissions, or similar compensation
 - Payment of State or local tax assessed on the compensation of employees
 - Sum of payment of any compensation to or income of a sole proprietor or independent contractor that is a wage,
 - Payment of retirement benefits
 - commission, income, net earnings from self-employments that is less than \$100,000 in 1 year
- **Not to be included in payroll calculation is as follows:**
 - Taxes imposed/withheld (chapters 21, 22, or 24 of IRS code - FICA for employer & employee, other withholding taxes)
 - Any compensation of an employee whose principal place of resident is outside of the United States
 - Qualified sick leave wages for which a credit is allowed under 7001 of the Families First Coronavirus Response Act (Public Law 116-127)
 - Qualified family leave for which a credit is allowed under 7003 of the Families First Coronavirus Response Act (Public Law 116-127)
 - Any items that qualify under IRS code 501 (c) (19) that is exempt from taxation under 501 (a) of such code



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Estimated Calculation of Eligible Loan Amount

Payroll Costs (A) represent the sum of the following:

- The average total monthly payments for payroll costs incurred during the 1-year period before the date on which the loan is made.
- If employer is seasonal, use 12-week period beginning March 1, 2019 ending by June 30, 2019.
- If the business was not in existence during previous periods, use dates from Jan. 1, 2020 to Feb. 29, 2020.)



Paycheck Protection Program Application Form

OMB Control No.: 3245-
Expiration Date: 06/30/2020

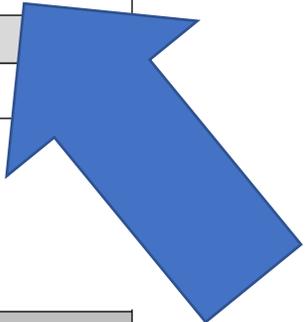
Non-Profit <input type="checkbox"/> Vet Org <input type="checkbox"/> Tribal <input type="checkbox"/> Ind. Cont. <input type="checkbox"/> Self Employed <input type="checkbox"/>		DBA or Tradename if applicable	
Business Legal Name			
Business Primary Address		Business TIN (EIN,SSN)	Business Phone
			() -
		Primary Contact	Email Address

Average Monthly Payroll:	\$	X 2.5 equals Loan Amount	\$	Number of Jobs:	
Purpose of the loan (select more than one):	<input type="checkbox"/> Payroll <input type="checkbox"/> Rent / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain):				

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U.S. Small Business
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ECONOMIC INJURY DISASTER LOAN (EIDL)



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Economic Injury Disaster Loans and Loan Advance

- In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are eligible to apply for an **Economic Injury Disaster Loan advance of up to \$10,000.**
- The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing. The loan advance will provide economic relief to businesses that are currently experiencing a temporary loss of revenue. **Funds will be made available within three days of a successful application, and this loan advance will not have to be repaid.**



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Can you apply for multiple SBA loans?

Yes, as long as the loans are being put to **different uses**.

If you have an existing disaster relief loan through the SBA, it is possible to **roll that loan into a PPP loan** and have it forgiven as the program allows.

GUIDE TO SBA'S ECONOMIC INJURY DISASTER LOANS

The Coronavirus Aid, Relief, and Economic Security (CARES) Act expands the Small Business Administration's long-standing Economic Injury Disaster Loan Program (EIDL). The EIDL program was created to assist businesses, renters, and homeowners located in regions affected by declared disasters.

Who is **ELIGIBLE**?

In general, all of the following entities that have suffered substantial economic injury caused by a disaster provided they were in existence on January 31, 2020:

- Businesses with fewer than 500 employees
- Cooperatives, ESOPs, and tribal small businesses with fewer than 500 employees
- Sole proprietors
- Independent contractors
- Most private nonprofits

What are the **LOAN PARAMETERS**?

- The maximum EIDL is a \$2 million working capital loan at a rate of 3.75% for businesses and 2.75% for nonprofits with up to a 30-year term
- Payments on Coronavirus EIDL loans are deferred for one year
- Up to \$200,000 can be approved without a personal guarantee
- Approval can be based on a credit score and no first-year tax returns are required
- Borrowers do not have to prove they could not get credit elsewhere

- No collateral is required for loans of \$25,000 or less. For loans of more than \$25,000, general security interest in business assets will be used for collateral instead of real estate
- The borrowers must allow the SBA to review its tax records

How can I access an **EMERGENCY \$10,000 GRANT**?

- Eligible applicants for an EIDL can receive a \$10,000 emergency grant within three days of application (through Dec. 31)
- There is no obligation to repay the grant. To receive the \$10,000 emergency grant, it is not necessary to have an approved EIDL loan. However, if you are able to secure a PPP loan, the \$10,000 grant will be subtracted from the forgiveness amount

NOTE: The Paycheck Protection Program (PPP) created by the CARES Act prohibits borrowers from taking out two loans for the same purpose. For more information on PPP loans, visit uschamber.com/sbloans

How do I **APPLY**?

Apply online at SBA.gov/disaster

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