



Thread Connects

- Town Hall April 14, 2020 -

#forabetterworkplace

Agenda

Top Three

1. Credits, deferrals and loans - oh my!
 - a. Comparison
 - b. New tax deferral guidance
 - c. PPP best practices
 - d. PPP loan forgiveness
2. HR - UI filing, Sick Leave, eFMLA
3. Software Setup
4. Open Q&A





Program	What is it?	Notes
Paycheck Protection Program (PPP)	SBA loan of 2.5 X average monthly payroll	Forgiven amount depends on FTE, wages and what funds are used for
Economic Injury Disaster Loan (EIDL)	Up to \$10,000 in SBA loan advance to fund operations. Loan amount up to \$2M	\$10k forgiven if you do not get approval. Can apply for PPP as well but cannot use for same purposes
ER Tax Deferral	Defer employer social security tax (6.2%) for remainder of year. 50% due end of 2021 / 50% due end of 2022	If you receive PPP loan, you can only defer this tax from 3/27/20 until lender approves forgiveness
Emergency Paid Sick Leave	Credit for 941 taxes equal to wages + employer medicare taxes + health insurance expense	Can use with PPP but this amount cannot be included in payroll calculation
Emergency Paid FMLA	Credit for 941 taxes equal to wages + employer medicare taxes + health insurance expense	Can use with PPP but this amount cannot be included in payroll calculation
Employee Retention Credit	Tax credit up to 50% qualifying wages up to \$5k per employee	Cannot be used with PPP

ER Tax Deferral

Employer Social Security Tax Deferral

New guidance 4/10/20 - can take deferral until PPP loan forgiveness granted. Employers will submit form to lender at end of the 8 weeks and they will make forgiveness decision. You can do both for at least this time period if not more.

As noted above, we recommend modeling the various costs and benefits to determine what makes sense for your business given your particular facts and circumstances.



PPP Now What?

PPP Best Practices

- **Get a payroll service**
- **Use or get a CPA to help track**
- **Keep your PPP funds in a separate account**
- **Be obsessive / track everything - payroll, check register, health insurance invoices, rent/mortgage, etc.**



PPP Now What?

PPP Loan Forgiveness

- Forgiven portion spent in 8 weeks from funding
- 75% spent on payroll costs - only 25% on rent, mortgage, utilities
- Forgiveness Reduction steps
 - Amount of money spent on qualified non-payroll expenses that exceeds 25% of loan amount
 - Amount of money spent on non-qualified expenses
 - Reduction in headcount - #FTE during 8 weeks
 - 1-Avg FTE 2/15/19-6/30/19 OR
 - 2-Avg FTE 1/1/2020-2/29/2020
 - Reduction in wages for employees earning <\$100k
 - Rehires - If back to full FTE count by 6/30/2020 erases headcount reduction



Description	Amount
Amount of PPP Loan	\$ 500,000
Amount Used for Other Authorized Purposes >25% (not forgivable)	\$ 50,000
Amount of PPP Loan Not Used or Used for Unauthorized Purposes (not forgivable)	\$ 10,000
<i>Subtotal of Amount Potentially Forgiven</i>	\$ 440,000
Reduction in Headcount (example 25%)	\$ 110,000
Reduction in Wages (compare using per employee worksheet)	\$ 12,000
Amount of Loan Forgiven	\$ 318,000

Unemployment

1. Top Questions

- a. Filing for employees
- b. \$600 and extended benefits
- c. Self-employed, 1099, churches
- d. Owners on W2s

2. Q&A



iSolved Setup

→ iSolved is fully coded and ready to handle the relief options you select.

Client ID: 21470test - Carr's Wine Company Inc.

Pay Group: Hourly EE

Check Date: 5/1/2020

Run Date: 4/11/2020

PAYROLL SUMMARY PREVIEW

Carr's Wine Company Inc.

DBA: The Wrath of Grapes Spirits Shoppe

Period Begin Date: 4/13/2020

Period End Date: 4/26/2020

Pay Period: 5

Payroll Type: Regular Payroll

*** PAYROLL FUNDING ***

Debit Type	Bank Name	Transit Routing #	Bank Account #	Counts	Amount	ACH Debit
Checks	BANK OF AMERICA, N.A.	*****0196	*****7813	3	\$6,372.65	\$0.00
Direct Deposits	BANK OF AMERICA, N.A.	*****0196	*****7813		\$0.00	\$0.00
Totals:				3	\$6,372.65	\$0.00
Tax Liabilities	BANK OF AMERICA, N.A.	*****0196	*****7813		\$0.00	\$5,575.72
Tax Liabilities - Client's Responsibility					\$28.20 #	\$0.00
Third Party Checks	BANK OF AMERICA, N.A.	*****0196	*****7813		\$0.00	\$0.00
Third Party Electronic Payment	BANK OF AMERICA, N.A.	*****0196	*****7813		\$0.00	\$0.00
Payroll Billing	BANK OF AMERICA, N.A.	*****0196	*****7813		\$0.00	\$65.00
Tax Adjustment (FFCR Act - SickPay)	BANK OF AMERICA, N.A.	*****0196	*****7813		\$0.00	(\$121.74)
Totals:					\$28.20	\$5,518.98
Total ACH Debit:				Impound Date: 5/1/2020		\$5,518.98
Total Payroll Funding (all items):						\$11,919.83

~ Indicates Tax Amount Not Impounded - Client's Responsibility

*** PAYROLL TOTALS ***

Payroll Totals		Totals By Check Type		Counts By Check Type		Employee Counts	
Net Pay Checks	\$6,372.65	Total Live Checks	\$6,372.65	Total Live Checks	3	Active Employees Paid	2
Direct Deposits	\$0.00	Additional Checks	\$110.52	Additional Checks	1	Inactive Employees Paid	0
**** Total Net Payroll	\$6,372.65	Manual Checks	\$0.00	Manual Checks	0	Terminated Employees Paid	0
		Void Checks/Direct Deposits	\$0.00	Void Checks	0	Total Employees Paid	2
Total Taxes	\$5,603.92	Third Party Sick Checks	\$0.00	Third Party Sick Checks	0	Active Employee Count	23
**** Total Payroll	\$11,976.57	Adjustments	\$0.00	Adjustments	0	Inactive Employee Count	0
		Direct Deposits (0)	\$0.00	Vouchers (Direct Deposit)	0	Terminated Employee Count	1
Payroll Adjustments	\$0.00	Total Third Party Pays	\$0.00	Total Third Party Payments	0	Total Employee Count	24
**** Adjusted Total	\$11,976.57	Total Third Party Void Checks	\$0.00	Total Third Party Voids	0	Employees Paid this Month	2
				Zero Net Checks	0	Active Employees this Month	23
						Employees with W2 Data	11



iSolved Setup

- Our developers are working around the clock with weekly software updates as new guidance is released.
- Next step: Simply reach out to your Account Manager with the options you are choosing.
- They will configure your account and personally conduct 1-on-1 training with your team to help



