

FINANCE FRIDAYS: STRATEGIES FOR SMALL BUSINESS



Together, Shaping the Future



Welcome

Zoom and Facebook Live Protocols

For the most recent updates and webinar schedules

Like the ***NIACC John Pappajohn Entrepreneurial Center***
on Facebook at www.facebook.com/niaccpappajohn

Visit our website at www.niacc.edu/pappajohn

Visit the Iowa SBDC website at www.iowasbdc.org/covid-19

The audience will be placed on mute. If you have questions, please type them into the chat box.



NORTH IOWA SMALL BUSINESS HELP LINE

641-422-4737 or CARES@NIACC.EDU
MONDAY-FRIDAY | 9:00AM-4:00PM

Welcome

Introductions – Tim Putnam

Director, Pappajohn Entrepreneurial Center

Expert Panelists

Brook Boehmler – Director, North Iowa Area SBDC

Amy Johnson, JD – Brown Winick Law Firm, Des Moines

Paul Mixdorf, CPA - Financial Freedom Controls, Mason City

Dennis Muyskens, CPA – Hogan Hansen, Mason City

Christopher Smith, CPA – Murphy Coe & Smith, Osage

Natalie Plagge – Clear Lake Bank & Trust, Clear Lake

Bob Klocke – First Citizens Bank, Mason City



Agenda

- Federal Funding Updates
- State Funding - Updates
- Local Funding – Updates
- Unemployment for Owners
- Brown Winick – Amy Johnson
 - Best Practice PPP Compliance



The CARES Act



Paycheck Protection Program

This loan program provides loan forgiveness for retaining employees by temporarily expanding the traditional SBA 7(a) loan program.



EIDL Loan Advance

This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.



SBA Express Bridge Loans

Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.



SBA Debt Relief

The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.



Local Incentives

- Contact your local Chamber of Commerce
- Contact local Economic Development Org.
- Floyd County/Charles City MicroLoan:
<https://charlescityia.com/wp-content/uploads/2020/04/4-20-ccadc-cr-Emergency-Microlaon-Program-Application.pdf>
- Cerro Gordo County Small Business Relief Grant – Final application due April 24
 - <http://www.northiowacorridor.com/recoveryfund/>



Iowa Workforce Development

Pandemic Unemployment Assistance

- Self-employed workers
- Independent contractors
- Non-profit employees
- Gig economy workers
- Part-time workers who do not have enough work history to be eligible for an Iowa claim
 - <https://www.iowaworkforcedevelopment.gov/how-self-employed-can-file-unemployment-insurance-benefits>



Best Practices

To ensure compliance with the PPP

- Once the applicant receives the loan, those funds are eligible for forgiveness based on use on qualifying expenses over the next eight weeks. In eight weeks, the recipient will need to demonstrate to the SBA and its lender how the funds were spent on qualifying expenses (i.e. payroll, rent, interest on mortgage debt and utilities).
- During these eight weeks, it is *critical* that recipients document accurately and in an organized manner all use of forgivable funds.
- Recipients should consider opening a separate account exclusively for PPP funds. This will assist in tracking payments to qualifying expenses.



Best Practices

- Recipients will also need to provide 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 the loan disbursement.
- Since non-payroll expenses cannot exceed 25% of the forgivable portion of the loan, recipients should separate and record payments to payroll versus non-payroll expenses.
- Recipients should consider implementing a system whereby any use of PPP funds includes date, time, amount, and forgivable purpose.
- Additionally, recipients should maintain records of COVID-19's overall impact on the ongoing operations of the business, which will support claims of the indispensability of the loan.



Q & A

- Facebook Live – Type questions into the comment section
- ZOOM Participants – Type questions in the chat box
- Following the webinar, will receive an email that gives you an opportunity to ask additional questions and request counseling
 - Included in the email will be the links to download this PowerPoint from our website and the recording



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Basic Financial Statement Tutorial Video Links

Part 1 - Balance Sheet & Income Statements (11:18)

https://www.youtube.com/watch?v=r_t3zjRx4cU

Part 2 - Balance Sheet & Income Statements (8:25)

<https://www.youtube.com/watch?v=h-wS-ZAfXRw>

Part 3 – Difference between service based business & product based and Accrual vs Cash based (5:37)

<https://www.youtube.com/watch?v=20IOGPcdJwM>

Part 4 – Cash Flow Statements and Inventory LIFO & FIFO (10:31)

https://www.youtube.com/watch?v=vV6FWtJ_yeU



Additional Resources

Request for Counseling with the Pappajohn SBDC Center:

<https://iowasbdc.ecenterdirect.com/signup>

Are you a small business?

[https://www.sba.gov/sites/default/files/2019-08/SBA%20Table%20of%20Size%20Standards Effective%20Aug%202019%2C%202019.pdf](https://www.sba.gov/sites/default/files/2019-08/SBA%20Table%20of%20Size%20Standards%20Effective%20Aug%202019%2C%202019.pdf)

Apply for Iowa Small Business Relief Grant Program & Tax Deferral

<https://www.iowaeconomicdevelopment.com/Business/reliefgrants>

Apply for Iowa Targeted Small Business (TSB) Sole Operator Grant Fund

<https://www.iowaeconomicdevelopment.com/programDetails?pid=137&ppid=26>



Additional Resources

SBA Disaster Loan Program PowerPoint

<http://iowasbdc.org/wp-content/uploads/2020/03/COVID-19-Webinar-SBA-Iowa-District-Office-March-24-2020.pdf>

SBA Coronavirus Business

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

SBA Disaster Loan Application Site

<https://disasterloan.sba.gov/apply-for-disaster-loan/index.html>



Additional Resources

Pappajohn Center Resources Page (Past webinar recordings and upcoming webinar schedule)

<https://www.niacc.edu/pappajohn/covid-19-resources-updates/>

Step 1: Unemployment for Small Business/Independent contractors

If you have not already done so, file a unemployment insurance claim application here (select COVID-19) : <https://www.iowaworkforcedevelopment.gov/file-claim-unemployment-insurance-benefits>.

Step 2: Submit Proof of Income after initial application

https://www.iowaworkforcedevelopment.gov/pua-information?utm_medium=email&utm_source=govdelivery

