

NAVIGATING COVID-19

How to Save Your Business



Moderated by Scott Schaefer

John W. McIntyre Family Endowed Chair for Free Market Economics & Professor of Finance at the David Eccles School of Business Marriner S. Eccles Institute for Economics and Quantitative Analysis

Workforce Decisions and the CARES Act

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THE
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GROUP

Summary of Key Action Items

1. Start thinking about COVID-19 as a long-term risk that needs to be managed, not a short-term issue that can be solved
2. Study the CARES Act
3. Contact your banker
4. Understand your cash position related to your supply chain
5. Make labor decisions



Agenda

Description	Presenter
Welcome	Taylor Randall
Introduction	Governor Mike Leavitt
What economic scenarios should business owners be prepared for?	Juliette Tennert
What's in the CARES Act, how can it help me, and how do I access it?	Miles Hansen
How do I get a PPP or other SBA help?	N. George Daines
Employment law considerations	Bryan K. Benard
How can I preserve the human capital of my business?	Scott Schaefer
Panel Discussion with Local Business Owners: Dan Hemmet, Redhanger Nicole Mouskondis, Nicholas and Company Pat Richards, Utah Symphony Guy Perry, Salt Lake Running Co.	Moderator: Scott Schaefer
Audience Q&A	Scott Schaefer

Audience: Ask Questions Using Chat





Scott Schaefer

John W. McIntyre Endowed Chair for
Free Market Economics

Marriner S. Eccles Institute for
Economics & Quantitative Analysis
University of Utah



Juliette Tennert

Chief Economist

Kem C. Gardner Policy Institute

University of Utah

What economic scenarios should business owners be prepared for?

- The immediate economic contraction is severe with an estimated 170,000 job losses to date, rising to over 400,000 jobs losses
- We are likely to have episodic periods of social distancing beyond the urgent phase
- Businesses need to assess how vulnerable to ongoing disruption and plan accordingly
- There is lots of aid available right now—you should hurry up and take it



Miles Hansen

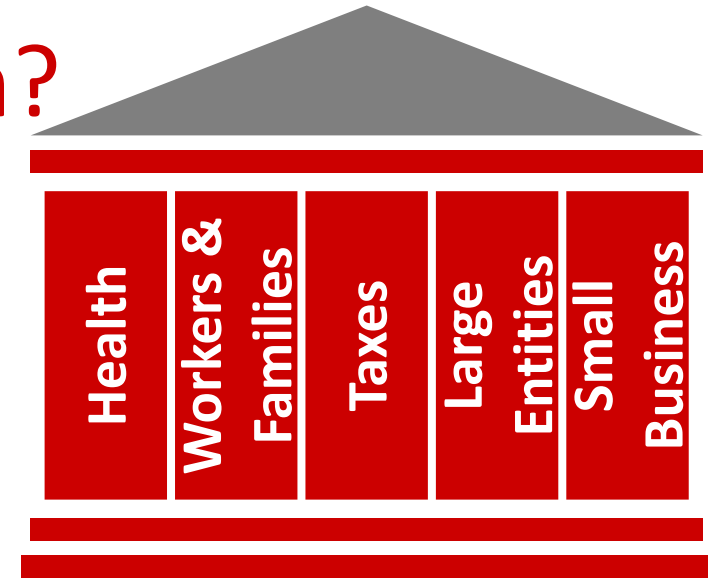
President & CEO

World Trade Center Utah

What government help can I count on?

\$2 Trillion CARES Act: What to Know and Do Now

- Paycheck Protection Program (PPP)
 - < 500 Employees and Contractors
 - 2.5 times average monthly payroll (<\$10mm)
 - 1%, no payments for 6 months, loan due in 2 years
 - Funds to cover payroll, rent, mortgage interest, and utility costs for 8 weeks from loan date will be forgiven if headcount maintained (rehire if necessary)
 - Apply immediately through SBA-approved lender.
- Economic Injury Disaster Loan (EIDL)
 - Up to \$2 million, \$10k advance upon application, 3.75%/30-year term
 - Apply immediately through the SBA: covid19relief.sba.gov
 - Utah Leads Together Bridge Loan: employees < 50, \$5-\$20k, 0% for 5 years
- Details and More Programs & Resources at: coronavirus.utah.gov/business





N. George Daines

Chairman and CEO
Cache Valley Bank

PPP Loans - Overview

1. Amount of Loan:
 - 2.5 times average monthly payroll for 2019 less compensation over \$100,000 paid to employees.
2. PPP Loan may be used to pay the following during the Covered Period (2/15/20 to 6/30/20):
 - Payroll costs
 - Interest on mortgages existing before February 15, 2020
 - Rent on leases existing before February 15, 2020
 - Utilities (gas, electric, water, garbage, telephone, cell phone, internet)
 - Interest on debts incurred prior to February 15, 2020

PPP Loans - Overview

3. Forgivable Portion of PPP Loans – Payments made in the eight weeks after Loan Date:

- Payroll costs
- Interest on mortgages existing before February 15, 2020
- Rent on leases existing before February 15, 2020
- Utilities (gas, electric, water, garbage, telephone, cell phone, internet)

4. Residual Balance of PPP Loan:

- Paid within two years; no payments for six months.



Bryan K. Benard

Partner

Holland & Hart LLP

Employer Considerations with COVID-19

1

Consider whether employer can continue to operate given shelter in place orders

- local and federal

2

Implement safeguards for essential workers

- CDC, temperature testing, letters

3

What benefits are employees entitled to under FFCRA

- emergency paid FMLA and sick leave

4

Consider operations

- temporary shutdowns, furloughs, layoffs, telework, unemployment



Scott Schaefer

John W. McIntyre Endowed Chair for
Free Market Economics

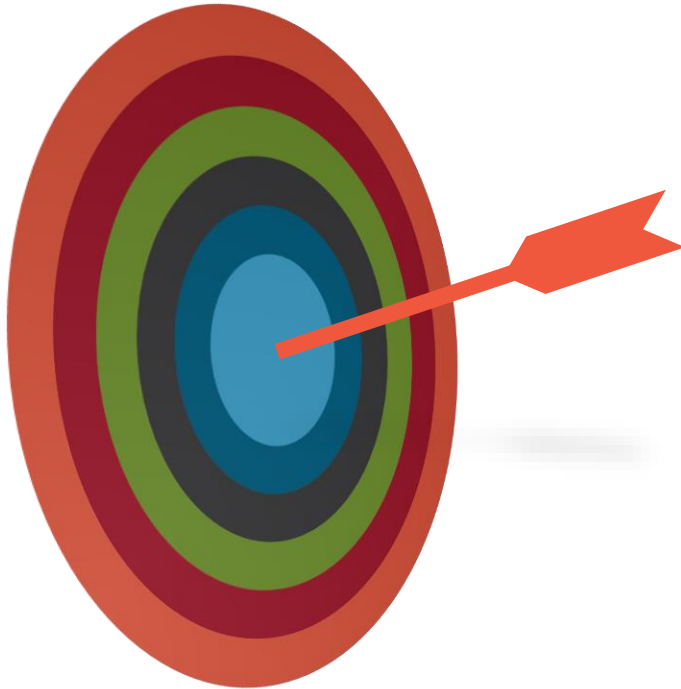
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How can I preserve the human capital of my business?

Preserve the capabilities of your organization

Make decisions about your workforce:

- Learn the details of CARES
- Focus on preserving skills, capabilities, and human capital essential to your business



Redesign HR and organization for a stop-and-start recovery

- Who needs to be kept on, who can come on and off flexibly
- Cross-train and sacrifice quality for generality
- Invest your time wisely to create a learning opportunity

Panel Discussion

Moderator: Professor Scott Schaefer



Dan Hemmert

Owner
Red Hanger



Pat Richards

Interim President & CEO
Utah Symphony



Nicole Mouskondis

Co-CEO
Nicholas and Company



Guy Perry

CEO President
Salt Lake Running Co.

Audience: Ask Questions Using Chat





Taylor Randall

Dean, David Eccles School of Business
University of Utah

Future Workshops: Every Tuesday and Friday

Friday, April 10th 11am-1pm:

The Federal Reserve, Macroeconomic Forces and Your Small Business

Guest: Federal Reserve Governor Randal Quarles, Vice Chair for Supervision

Tuesday, April 14th 11am-1pm:

Banking and Cash Flow

Future Topics:

Managing Customers and Supply Chains

Industry specific seminars in Healthcare, Construction, and Non-Profit

To Register: [Eccles.Link/MikeLeavitt](https://eccles.link/mikeleavitt)

For More Info: navigatingcovid@Eccles.Utah.edu

For More Information:

University of Utah Executive Education

Online Classes Available:

- Growing in Uncertain Times
- Lean Six Sigma Green Belt Online
- Competitive Strategy
- Developing a Digital Marketing Plan

Download the At-A-Glance Calendar and Register:

- UtahLeaders.com
- 801-587-7273

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