

COVID-19: Tips to Navigate Federal Relief Options For Family Child Care Providers

April 23, 2020



- ✓ **Child Care & Development Block Grant**
- ✓ **Small Business Administration (SBA) Programs**
- ✓ **Unemployment Compensation**

About Us



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Opening Doors to Quality for All Children

Overview of Today's Webinar: Demystifying Federal Relief

COVID-19 Federal Response:

- 3 bills approved by Congress in March
- \$3.5 billion increase for child care
- Small Business Administration grants and loans
- Unemployment Assistance

Goal Today: to help family child care providers understand options and access support

- No one-size-fits-all approach
- Translating policy to practice

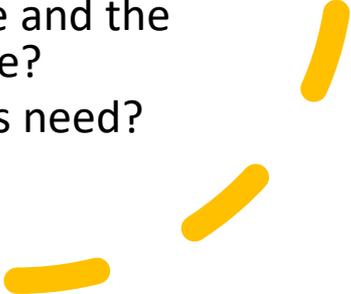
Note: This webinar does not offer individual professional legal or tax advice. The intent is to explain the policies so that navigating the new supports is easier to understand and choices can be made in a way that works best for you.

NEW:
additional
federal child
care money
to states

Congress approved \$3.5 billion for the Child Care and Development Block Grant

- This funding goes to states.
- Huge added flexibility: to support providers and families even if they aren't currently caring for children who receive a child care subsidy
- Every state gets a piece of the \$3.5 billion total

Governors and Child Care Administrators make decisions on the details

- How will limited funding be prioritized and dispersed to reach family child care and the families enrolled in family child care?
 - What do family child care providers need?
 - Well... how do you want it to go?
- 

Getting Involved In Your State



U.S. Small Business Administration (SBA)

There are two loan and grant programs available through the Small Business Administration (SBA)

- Economic Injury Disaster Loan (EIDL) (Apply through the SBA web site)
 - Paycheck Protection Program (PPP) (Apply at your local bank or [any SBA approved lender](#))
- ✓ Family Child Care Providers are eligible for both programs
- ✓ These programs can provide thousands of dollars of forgivable loans now! But, there are some rules...
- ✓ Funds were depleted. However, Congress approved additional funding to support SBA programs on April 23, 2020



Resources:

SBA Paycheck Protection Program:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

EIDL:

<https://www.sba.gov/disaster-assistance/coronavirus-covid-19>

SBA Economic Injury Disaster Loan (EIDL)

Forgivable Loan

You can get up to \$1,000 in a forgivable loan for each employee:

- You can count yourself as an employee

You can use this money for whatever you want for your business

Apply online through the SBA – not through your bank

<https://www.sba.gov> – or directly to the [EIDL SBA information link](#).

You can call them at 1-800-659-2955 or email disastercustomerservice@sba.gov

Tip: Advance forgivable loan vs larger loan amount to be repaid

- If you want more than \$1,000 you would have to pay it back at an interest rate of 3.75% over 30 years
- Payments deferred for 1 year
- The SBA may ask for more financial information after you submit your application if you want more than \$1,000
- If you applied for this loan before 3/29, reapply

I have written about this on my website:

<http://tomcopelandblog.com/what-grants-and-loans-are-available-to-family-child-care-providers>

Disaster Loan Assistance

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

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION

SBA Economic Injury Disaster Loan (EIDL)

ELIGIBLE ENTITY VERIFICATION

Choose One:

- Applicant is a business with not more than 500 employees.
- Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor.
- Applicant is a cooperative with not more than 500 employees.
- Applicant is an Employee Stock Ownership Plan (ESOP), as defined in 15 U.S.C. 632, with not more than 500 employees.
- Applicant is a tribal small business concern, as described in 15 U.S.C. 657a(b)(2)(C), with not more than 500 employees.
- Applicant is a business, including an agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative, that is small under SBA Size Standards found at <https://www.sba.gov/size-standards> (<https://www.sba.gov/size-standards>).
- Applicant is a business with more than 500 employees that is small under SBA Size Standards found at <https://www.sba.gov/size-standards> (<https://www.sba.gov/size-standards>).
- Applicant is a private non-profit organization that is a non-governmental agency or entity that currently has an effective ruling letter from the IRS granting tax exemption under sections 501(c), (d), or (e) of the Internal Revenue Code of 1954, or satisfactory evidence from the State that the non-revenue producing organization or entity is a non-profit one organized or doing business under State law, or a faith-based organization.

Review and Check All of the Following:

Applicant must review and check all the following (if Applicant is unable to check all of the following, Applicant is not an Eligible Entity):

- Applicant is not engaged in any illegal activity (as defined by Federal guidelines).
- No principal of the Applicant with a 50 percent or greater ownership interest is more than sixty (60) days delinquent on child support obligations.
- Applicant is not an agricultural enterprise (e.g., farm), other than an aquaculture enterprise, agricultural cooperative, or nursery.
- Applicant does not present live performances of a prurient sexual nature or derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature.
- Applicant does not derive more than one-third of gross annual revenue from legal gambling activities.
- Applicant is not in the business of lobbying.
- Applicant cannot be a state, local, or municipal government entity and cannot be a member of Congress.

Tip:

Eligible Entity Verification

- If you are self employed, check the second box: "Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor"
- If you are incorporated, check the first box
- Under "Review and Check All of the Following" check all the boxes

SBA Economic Injury Disaster Loan (EIDL)

Sample

STEP 1 OF 3
Business Information

Business Legal Name *
 Maria Provider

Trade Name *
 Family child care

EIN/SBN for Sole Proprietorship *
 473-12-3456

Organization Type *
 sole proprietor

Is the Applicant a Non-Profit Organization? *
 Yes X No

Is the Applicant a Franchise? *
 Yes X No

Gross Revenues for the Twelve (12) Month Prior to the Date of the Disaster (January 31, 2020) *
 50,000

Cost of Goods Sold for the Twelve (12) Month Prior to the Date of the Disaster (January 31, 2020) *
 0

Rental Properties (Residential and Commercial) Only - Lost Rents Due to the Disaster
 0

Tip: Step One: Business Information

- **Business Legal Name:** If you have registered your business name, enter it. Otherwise, enter your own name
- **Trade Name:** Enter “family child care”
- **EIN/Social Security Number:** Enter EIN if you have one
- **Organization Type:** Enter “sole proprietor”
- **Enter “no” for Non-Profit and Franchise**
- **Gross Revenues:** Enter amount from 2019 (or 2018) Schedule C, line 7
- **Cost of goods:** Enter zero, unless you did show a number on Schedule C, line 4
- **Rental Properties:** Enter zero

Sample

SBA Economic Injury Disaster Loan (EIDL)

Non-Profit Cost of Operation for the Twelve(12) Months Prior to the Date of the Disaster (January 31, 2020)

Combined Annual Operating Expenses for the Twelve(12) Months Prior to the Date of the Disaster (January 31, 2020) for All Secular Social Services Provided by the Faith Based Entity

List the Secular Social Services Provided by the Faith Based Entity

Cooperation From Other Sources Received as a Result of the Disaster

Provide Brief Description of Other Compensation Sources

Primary Business Address (cannot be P.O. Box)

1234 Portland Ave
City* St Paul
State* MN
Country

Zip* 55112
Business Phone* 651-222-7111
Alternative Business Phone

Business Fax

Business Email* mpro@live.com
Date Business Established* 01/01/2010
Current Ownership Since* 01/01/2010
Business Activity* Education services
Detailed Business Activity* Day care
Number of Employees (as of January 31, 2020)* 1

Tip: Step One: More on Step 1, Business Information

- **Non-Profit Cost of Operation:** Enter zero
- **Combined Annual Operating Expenses:** Enter zero
- **List Secular Social Services Provided by Faith Based Entity:** Enter zero
- **Compensation from Other Sources:** Enter zero
- **Provide Brief Description of Other Compensation Sources:** Enter zero
- **Fill out the rest with you contact information**
 - **Date Business Established:** Date you first started caring for children
 - **Current Ownership Since:** Date your first started caring for children
- **Business Activity:** Enter "Educational Services"
- **Detailed Business Activity:** Enter "Daycare"
- **Number of Employees:** Enter 1 for yourself + other employees

SBA Economic Injury Disaster Loan (EIDL)

Is Your Business Owned by a Business Entity? *

Yes No

Owner/Agent 1

First Name *

Maria

Last Name *

Provider

Mobile Phone *

651-222-7111

Title / Office *

Owner

Ownership Percent *

100

Email *

mpro@live.com

SSN *

473-12-3456

Birth Date *

mm/dd/yyyy 08/23/1990

Place Of Birth *

Berkeley, CA

U.S. Citizen *

Yes No

Residential Street Address *

1234 Portland Ave

City *

St Paul

State *

Mn

Zip *

55112

Tip: Step Two: Business Owners Information

- Is Your Business Owned by a Business Entity? Check the “no” box
- Enter information about yourself
- **Ownership Percent:** Enter “100”

SBA Economic Injury Disaster Loan (EIDL)

If anyone assisted you in completing this application, whether you pay a fee for this service or not, that person must enter their information below.

Individual Name

Name of Company

Phone Number

Street Address, City, State, Zip

Fee Charged or Agreed Upon

I give permission for SBA to discuss any portion of this application with the representative listed above. Yes No

I would like to be considered for an advance of up to \$10,000.

Where to Send Funds

Bank Name *
 US Bank

Account Number *
 123456789101

Routing Number *
 090000231

On behalf of the individual owners identified in this application and for the business applying for the loan:

I/We authorize my/our insurance company, bank, financial institution, or other creditors to release to SBA all records and information necessary to process this application and for the SBA to obtain credit information about the individuals completing this application.

If my/our loan is approved, additional information may be required prior to loan closing. I/We will be advised in writing what information will be required to obtain my/our loan funds. I/We hereby authorize the SBA to verify my/our past and present employment information and salary history as needed to process and service a disaster loan. I/We authorize SBA, as required by the Privacy Act, to release any information collected in connection with this application to Federal, state, local, tribal or nonprofit organizations (e.g. Red Cross Salvation Army, Menomonee Disaster Services, SBA Resource Partners) for the purpose of assisting me with my/our SBA application, evaluating eligibility for additional assistance, or notifying me of the availability of such assistance.

I/We will not exclude from participating in or deny the benefits of, or otherwise subject to discrimination under any program or activity for which I/we receive Federal financial assistance from SBA, any person on grounds of age, color, handicap, marital status, national origin, race, religion, or sex.

I/We will report to the SBA Office of the Inspector General, Washington, DC 20416, any Federal employee who offers, in return for compensation of any kind, to help get this loan approved. I/We have not paid anyone connected with the Federal government for help in getting this loan.

CERTIFICATION AS TO TRUTHFUL INFORMATION: By signing this application, you certify that all information in your application and submitted with your application is true and correct to the best of your knowledge, and that you will submit truthful information in the future.

WARNING: Whoever wrongfully misapplies the proceeds of an SBA disaster loan shall be civilly liable to the Administrator in an amount equal to one-and-one half times the original principal amount of the loan under 15 U.S.C. 636(b). In addition, any false statement or misrepresentation to SBA may result in criminal, civil or administrative sanctions including, but not limited to: 1) fines and imprisonment, or both, under 15 U.S.C. 645, 18 U.S.C. 1001, 18 U.S.C. 1014, 18 U.S.C. 1040, 18 U.S.C. 3571, and any other applicable laws; 2) treble damages and civil penalties under the False Claims Act, 31 U.S.C. 3729; 3) double damages and civil penalties under the Program Fraud Civil Remedies Act, 31 U.S.C. 3802; and 4) suspension and/or debarment from all Federal procurement and non-procurement transactions. Statutory fines may increase if amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

I hereby certify UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE UNITED STATES that the above is true and correct.

[Click for additional statements required by laws and executive orders](#)

Tip: Step Three: Additional Information

Answer the questions

- If someone else helped you fill out this application, enter their name and contact information (Help is ok)
- **Check the box that says, “I would like to be considered for an advance of up to \$10,000 (you will only receive \$1,000 per employee counting yourself as an employee)**
- **Where to Send Funds**
- **Enter your bank name, account number and routing number that can be found on the bottom of your checks.**
 - The account number is the 12-digit number to the immediate left of your check number
 - The routing number is the 9-digit number to the left of your account number
- **Certify truth/No perjury**

SBA Economic Injury Disaster Loan (EIDL)

Summary

- The last page shows a summary of the information you have entered
- Check to see if it is correct and edit if necessary
- **Check the "Submit" button at the bottom of the page**

Tip: Next Steps

- Once you fill out this application and submit it online to the SBA, you will wait for them to deposit the money into your bank account
- We don't know how long it will take for you to get this money – it could be several weeks
- We don't know if you have already applied for the loan but haven't heard, whether you should reapply or not – I'd say you should reapply or contact your local [Small Business Development Center \(SBDC\)](#)
- We don't know if it is taxable income or not

SBA Paycheck Protection Program (PPP or P3)



Paycheck Protection Program

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

Tip: The Paycheck Protection Program

- This SBA program is a forgivable loan
- You fill out an application form
 - <https://www.sba.gov/sites/default/files/2020-04/PPP%20Borrower%20Application%20Form.pdf>
- Take it to your bank or submit it online. Your local lender will process the loan.
- It's not taxable income!

SBA Paycheck Protection Program (PPP or P3)

Sample

Check One: <input checked="" type="checkbox"/> Sole proprietor <input type="checkbox"/> Partnership <input type="checkbox"/> C-Corp <input type="checkbox"/> S-Corp <input type="checkbox"/> LLC <input type="checkbox"/> Independent contractor <input type="checkbox"/> Eligible self-employed individual <input type="checkbox"/> 501(c)(3) nonprofit <input type="checkbox"/> 501(c)(19) veterans organization <input type="checkbox"/> Tribal business (sec. 31(b)(2)(C) of Small Business Act) <input type="checkbox"/> Other		DBA or Tradename if Applicable			
Business Legal Name					
Maria Provider					
Business Address		Business TIN (EIN, SSN)	Business Phone		
1234 Portland Ave		475-12-3456	651-222-7111		
St Paul, Mn 55112		Primary Contact	Email Address		
mpro@live.com					
Average Monthly Payroll:	\$ 3,000	x 2.5 + EIDL, Net of Advance (if Applicable) Equals Loan Request:	\$ 7,500	Number of Employees:	1
Purpose of the loan (select more than one):					
<input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Lease / Mortgage Interest <input checked="" type="checkbox"/> Utilities <input type="checkbox"/> Other (explain): _____					

Tip: Filling Out the PPP Application Form

- Check the box at the top of the form as a sole proprietor (self-employed) or other entity
- If you have a DBA name (Doing Business As) enter it in the white box
- Business Legal Name: If you have registered your name with your state, enter it here, otherwise enter your name
- Average Monthly Payroll: This is the key number to calculate
- You don't have to have employees to apply for the PPP
- What is your "average monthly payroll" if you are self-employed?

SBA Paycheck Protection Program (PPP or P3)

Sample Schedule C

SCHEDULE C
(Form 1040 or 1040-SR)

Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074
2019
Attachment Sequence No. **09**

Department of the Treasury
Internal Revenue Service (50)

Go to www.irs.gov/ScheduleC for instructions and the latest information.
Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor: _____ Social security number (SSN): _____

A Principal business or profession, including product or service (see instructions): _____ B Enter code from instructions: _____

C Business name. If no separate business name, leave blank. _____ D Employer ID number (EIN) (see inst.): _____

E Business address (including suite or room no.): _____
City, town or post office, state, and ZIP code: _____

F Accounting method: (1) Cash (2) Accrual (3) Other (specify) _____

G Did you "materially participate" in the operation of this business during 2019? If "No," see instructions for limit on losses: Yes No

H If you started or acquired this business during 2019, check here: Yes No

I Did you make any payments in 2019 that would require you to file Form(s) 1099? (see instructions): Yes No

J If "Yes," did you or will you file required Forms 1099? Yes No

Part I Income

28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28	
29	Tentative profit or (loss). Subtract line 28 from line 7	29	
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions). Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____ Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30	30	
31	Net profit or (loss). Subtract line 30 from line 29. • If a profit, enter on both Schedule 1 (Form 1040 or 1040-SR), line 3 (or Form 1040-NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32.	31	36,000

Tip: Filling Out the PPP Application Form

- To calculate your average monthly payroll, you will use your profit from 2019
- Your annual profit is line 31 on your 2019 IRS Schedule C Profit or Loss from Business
- Divide your annual profit by 12 months to get your average monthly profit
 - If your annual profit was \$36,000, your average monthly profit was \$3,000 (\$36,000 divided by 12 = \$3,000)
- Enter on the application form \$3,000 for Average Monthly Payroll
 - If you have employees, add the average monthly payroll for them
- Multiply by 2.5 and enter \$7,500 in the next box
- This is the maximum you can ask for under the PPP (assuming you have no employees)
- Number of employees: Enter 1 for yourself, plus any others

PPP Application

Check One: Sole proprietor Partnership C-Corp S-Corp LLC
 Independent contractor Eligible self-employed individual
 501(c)(3) nonprofit 501(c)(19) veterans organization
 Tribal business (sec. 31(b)(2)(C) of Small Business Act) Other

DBA or Tradenname if Applicable: _____

Business Legal Name: **Maria Provider**

Business Address: **1234 Portland Ave
St Paul, Mn 55112**

Business TIN (EIN, SSN): **475-12-3456**

Business Phone: **651-222-7111**

Primary Contact: _____ Email Address: **mpro@live.com**

Average Monthly Payroll: \$ **3,000** x 2.5 + EIDL, Net of Advance (if Applicable) Equals Loan Request: \$ **7,500**

Number of Employees: **1**

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

SBA Paycheck Protection Program (PPP or P3)

Tip: Filling Out the PPP Application Form

- **Purpose of the loan:** Check “payroll” and the other boxes
- You can use the PPP money for other expenses
- **Other expenses include:**
 - **Utilities** (gas, electricity, water, Internet, telephone and transportation)
 - Use T/S% for all but transportation: Use \$.575 for business miles
 - **Mortgage loan interest**
 - **Rent**
 - **The business portion** of interest on credit cards and car loans

Illustrative Example

- **Utilities for eight weeks:** \$600
- **Mortgage loan interest for eight weeks:** \$500
- **Credit card/car loan interest for eight weeks:** \$100
- **Total:** \$1,200 x 30% Time-Space% = \$360
- **PPP loan can be used for this \$360**
- In our previous example a provider got \$7,500 in total from PPP
 - \$360 for other expenses
 - \$7,140 for “payroll”

SBA Paycheck Protection Program (PPP or P3)

Sample

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address
Maria Provider	OWNER	100	473-12-3456	1234 Portland Ave

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

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

Question	Yes	No
1. Is the Applicant or any owner of the Applicant 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Has the Applicant, any owner of the Applicant, 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management with, any other business? If yes, list all such businesses and describe the relationship on a separate sheet identified as addendum A.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Has the Applicant 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.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If questions (5) or (6) are answered "Yes," the loan will not be approved.

Question	Yes	No
5. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, or on probation or parole? Initial here to confirm your response to question 5 → _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Within the last 5 years, for any felony, has the Applicant (if an individual) or any owner of the Applicant 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 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 → _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Is the United States the principal place of residence for all employees of the Applicant included in the Applicant's payroll calculation above?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Is the Applicant a franchise that is listed in the SBA's Franchise Directory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Tip: Filling Out the PPP Application Form

- **Applicant Ownership:** Put your name and "owner" under Title
- **Ownership %:** Enter 100
- **EIN is your Employer Identification Number if you have one.** If you don't, enter your Social Security Number
- Answer the rest of the questions on this page of the application form

SBA Paycheck Protection Program (PPP or P3)

Sample

CERTIFICATIONS

The authorized representative of the Applicant must certify in good faith to all of the below by **initialing** next to each one:

MP The Applicant was in operation on February 15, 2020 and had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC.

MP
MP Current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.

MP The funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, as specified under the Paycheck Protection Program Rule; I understand that if the funds are knowingly used for unauthorized purposes, the federal government may hold me legally liable, such as for charges of fraud.

MP The Applicant will provide to the Lender documentation verifying the number of full-time equivalent employees on the Applicant's 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.

MP I understand that loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities, and not more than 25% of the forgiven amount may be for non-payroll costs.

MP 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 the Paycheck Protection Program.

MP I further certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. I understand that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including 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.

MP I acknowledge that the lender will confirm the eligible loan amount using required documents submitted. I understand, acknowledge and agree that the Lender can share any tax information that I have provided 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.

Maria Provider
Signature of Authorized Representative of Applicant

4/24/2020
Date

Maria Provider
Print Name

Owner
Title

Tip: Filling Out the PPP Application Form

- Initial all the lines on the second page of the application form
- **Note:** You must have been in business by February 15, 2020 to be eligible for this forgivable loan
- I have written about this on my website:
<http://tomcopelandblog.com/the-paycheck-protection-program-can-offer-financial-relief>
- You can apply for both the EIDL and the PPP
- If you get both, you must subtract the EIDL amount (\$1,000 if you don't have employees) from your PPP loan
- Banks will determine how much documentation you must provide to show how you spent the money

SBA Paycheck Protection Program (PPP or P3)

Challenges

- Some banks are requiring applicants to have a separate business checking account before February 15th, an EIN and a DBA (Doing Business As) that is registered with the state secretary of state's office
 - THIS IS NOT REQUIRED BY THE CARES ACT, THE NEW FEDERAL LAW
- These requirements seem unnecessary. You may want to press your bank about them to show why it's not necessary in your business
- Now PayPal and Square can process SBA loans



Stick with it!

Note. Undocumented individuals not eligible.

SBA Paycheck Protection Program (PPP or P3)

Tip: SBA relief summary

- You may want to explore unemployment, which will be discussed next. State unemployment benefits, plus \$600 per week runs through July 31st
- Next, you can get \$1,000 from the EIDL and combine with unemployment, however, additional guidance may be needed as to the period of time for which this counts as income.
- You can apply for the PPP and get up to 2 months of your lost profit.
- But, if you want to apply for EIDL or PPP you should do it now! (on the day the money is available) because it may take awhile to get them approved (and funds could run out)
- Watch the SBA website to see when they will start taking new applications:
www.sba.gov

COVID-19: Unemployment



Early Learning Policy Group, LLC
Opening Doors to Quality for All Children

Family Child Care Providers: Open? Closed? Lower enrollment?

- **New Unemployment Rules:** Self-employed people (such as family child care providers) will be able to receive unemployment benefits.
- Congress created a new program for individuals who are typically excluded from state unemployment programs.
- Family child care providers and other self-employed individuals will be eligible under a new **Pandemic Unemployment Assistance (PUA) program**.
- Full or partial benefits depend on your situation (e.g., open, closed, or loss of income- in the event you are caring for fewer children than usual)
- In addition, there's a new temporary supplement to the regular unemployment payment of \$600 weekly through July 31, 2020.



COVID-19: Unemployment



Where do you apply? (In English or Spanish)

- Check your state's [Dept. of Labor/Unemployment Division's web site](#). One agency will administer both the state & new federal program – like a one-stop shop. The goal is to make it easy!
- Many state online systems are not operating yet; but they will be soon.
- **Best advice:** document any loss of income or when you closed, and be ready to provide info when the system is operating.

Unemployment benefits are based on earnings.

- Were your earnings higher in 2019 compared to 2018? If so, file your 2019 taxes online if you haven't already.

How much are benefits?

- Benefits are based on earnings. However, everyone who receives either state unemployment or the new federal unemployment assistance will receive the \$600 weekly supplement (through July 31, 2020).
- Partial payments are possible based on income loss (e.g., you used to care for 6 children and now care for 3).



Unemployment can be paid:

- Through debit cards
- Direct deposit
- Or, a check

Unemployment is income. It's taxable.

- You may be able to opt to have taxes withheld.

Note. Undocumented individuals not eligible.

Summary Wrap-Up

We've discussed A LOT! No doubt, it's complicated. And, it's a stressful time. But, this will pass.

- Congress passed 3 major bills in March and while assistance is available, what works best for each individual family child care provider is an individual decision.
- States have received an increase in child care funding. How that money is spent is decided by individual states. You can see how much additional child care funding your state received [here](#).
- SBA Assistance is [here](#).
- A link to your state's unemployment compensation agency is located [here](#).



Questions? Contact Us!



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RE: Child Care and Development Block Grant



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RE: Unemployment Compensation