



There is more and more information coming in at every hour regarding COVID-19 and it is unsettling and overwhelming.

We, at SAA, are by your side to help unpack the multitude of questions and to help prioritize responses. Please read this entire email.

Warm regards,  
Carrie Simmons  
Executive Director

Your biggest concerns as of 3/17 are:

1. How do I deal with employees?
2. How do I deal with Cash Flow as a result of reduced business?
3. Should I close?

Let's deal with these one by one:

**1. The employee landscape is also changing daily and the biggest question is how do I pay them/do layoffs?**

- A. We have attached the Department Labor FAQ's about unemployment under COVID-19 conditions. Read this document.
- B. The VT Department of Labor has instructed their staff to process unemployment claims in a very timely manner.
- C. Note that currently the only assured worker covered by unemployment is one who has been diagnosed with COVID-19. All other category of employees is noted in the FAQ.
- D. Note that at this moment all unemployment claims by your employees (if they are eligible) will be charged to your unemployment insurance account.
- E. Eligibility is a case by case assessment based on your paid and sick leave policy and must have a stated return to work date within the next 10 weeks if this is a layoff.
- F. If you are a sole proprietor or an LLC owner and have not been paying into unemployment then you are not covered. You need to call your insurance agent and review your policies (i.e. short or long term disability).
- G. If and when Federal Disaster Unemployment policies become available to broaden the covered categories (including owners) we will share details when we know them.

## **2. Cash Flow and lending options:**

- A. Although there has been a declaration regarding a direct disaster loan program from the SBA please know that the money is not there yet, nor is the application period open. As soon as the application process is finalized, they will be receiving training in how to help businesses do the application (if it is right for you).
- B. Note this will be in the form of long-term, low interest loan monies and will only be available if there is no other lending option.
- C. Note that if you do apply for a gap in funding from the SBA all current lending is taken into account and deducted from the amount they may give you. So these are long term, considered processes and not quick fixes.
- D. In the meantime what we know is VERY important for all of the above options is to begin very detailed documentation on how COVID-19 is effecting your business. Keep narration with dates. And keep your QuickBooks/accounting up to date. Varying level of documentation will be needed for lending options whether it is local, state or federal.

## **3. As of now there is both a National and State Emergency declared and the parameters of these change daily in response to the spread of the virus.**

- A. Currently in VT schools will close on Wednesday and stay closed until 4/6.
- B. The CDC has recommended that all gatherings over 50 people be canceled so the impact of this will be on conferences/tradeshows/workshops on the business side and weddings/celebrations on the personal side.
- C. Of course all of these effect business and response should be decided on a case by case basis. We will email as we know things keeping in mind that you are receiving a good deal of input already. Our advice, gained from post-Irene and other business disasters, continues to be to stay as calm as possible and take a pause.