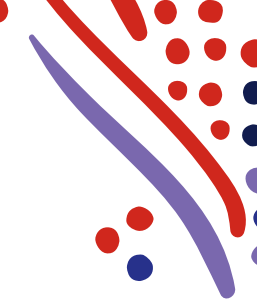


CERINI & ASSOCIATES' ADP TEAM



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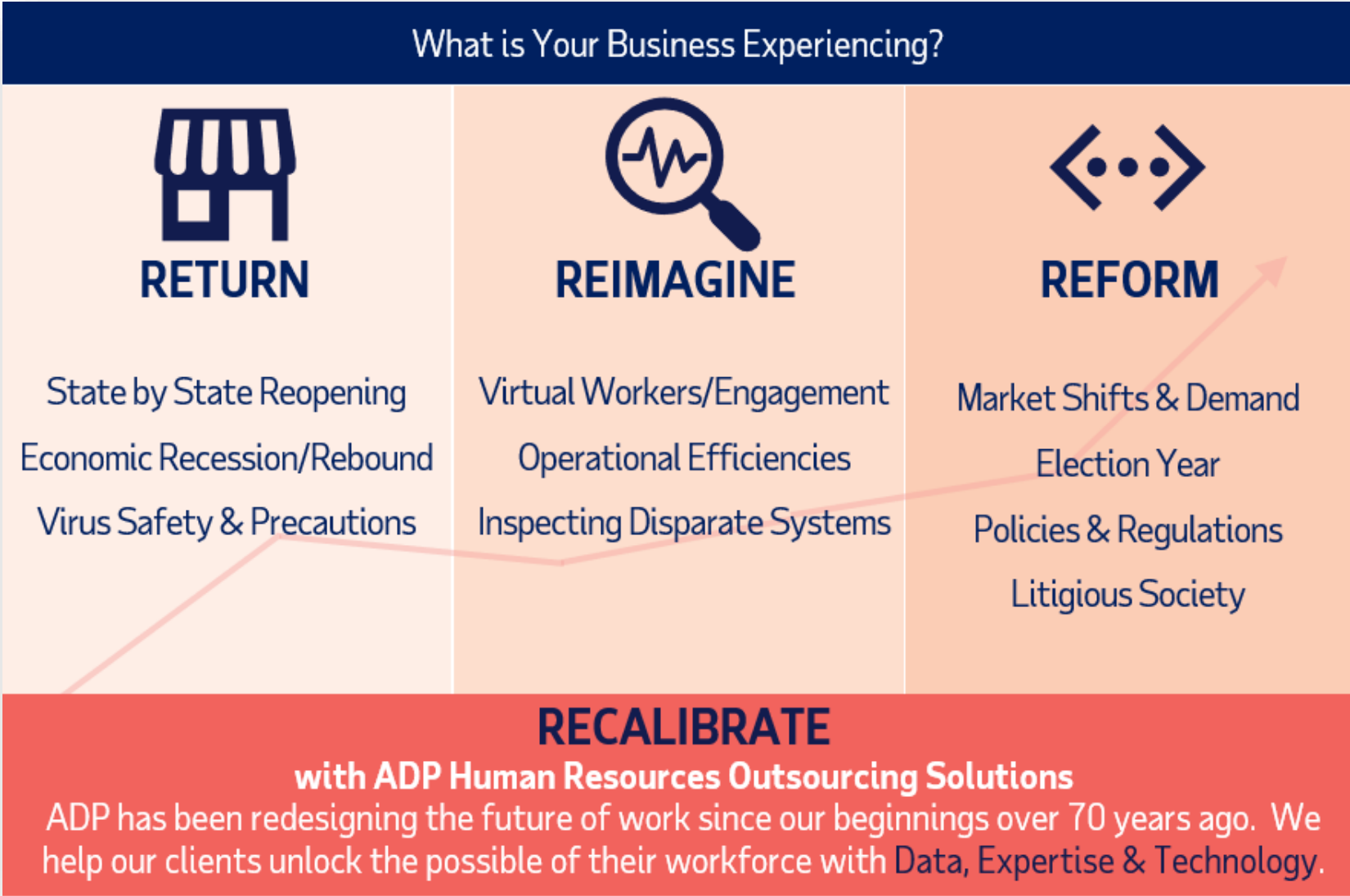
AGENDA

- Back to Business
 - Guides to help our clients reopen in a new environment
- Paycheck Protection Program
 - Loan Forgiveness Resources Update
- Top Resources for You

Disclaimer: This presentation is not legal or tax advice, the final word on today's topics or a political opinion . Before taking any actions on the information contained in this presentation, employers should review this material with internal and/or external counsel



The Business Landscape





Reimagining the World of Work

Helping businesses reopen

Small businesses have been hard at work to address the challenges, disruptions and legislative changes brought on by this global health event.

To brace for the realities of today and what's yet to come, you might be wondering how the phased approach for easing and lifting of government restrictions and shelter in place mandates impacts businesses.

You may consider:

- Are you ready to pursue the many aspects of the Paycheck Protection Program including the many new aspects for the Loan Forgiveness?
- How have you been evaluating the back to work process?
- How can you adjust business activities and update policies for social distancing, sanitation and employee safety?

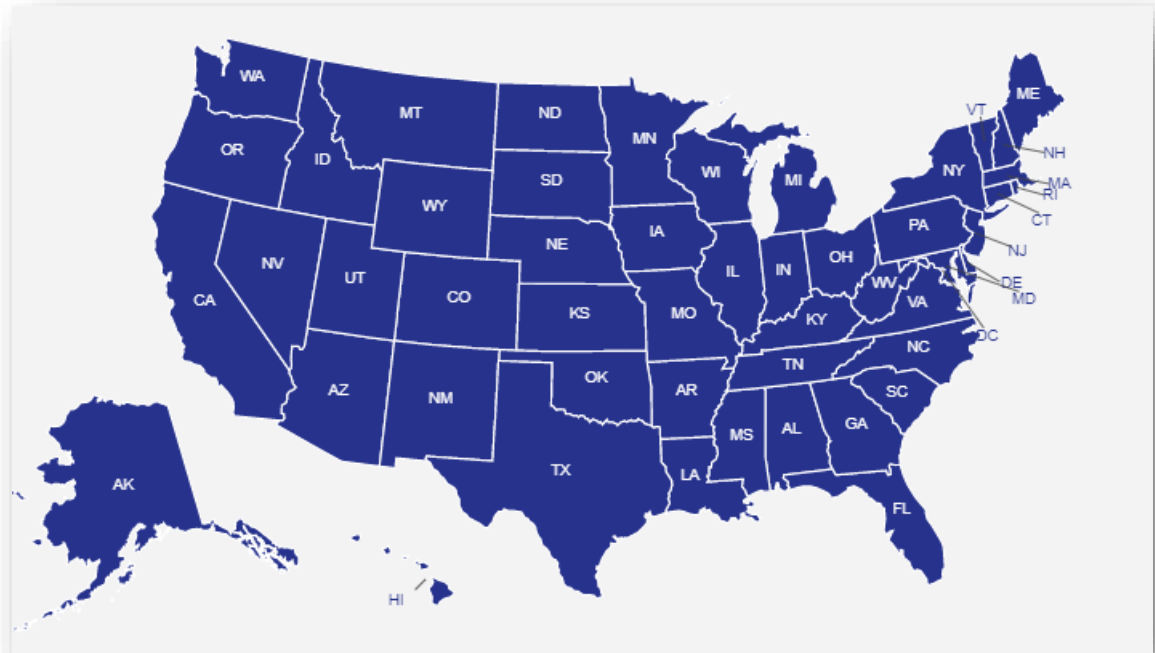
Return: Agency Plans & Guidance

Re-turn: to go back or come back again

Federal and state agencies and governments have started to release basic frameworks and guidance for businesses to follow before reopening.

Timelines for reopening vary from state to state, industry to industry and from business to business. While some states have begun partial reopening, others are in the planning stages.

New York has put into place required safety plans by industry and county. As we continue through the phases, additional guides will be released for the industries opening. Essential businesses that have been open are also required to follow these required safety plans while implementing a safety plan template.



Return: Getting Back to Business Checklist

Here are some key factors to consider:

- Review Official Guidance
- Independently Assess Your Situation
- Consider Screening Practices
- Determine Whether Screening is Subject to ADA Rules
- Maintain Social Distancing
- Designate a Safety Lead
- Train Employees to Practice Good Hygiene
- Thoroughly Sanitize the Workplace
- Provide Masks and Other Protective Equipment
- Require Notice of Potential Exposure
- Prepare for Potential Employee Concerns
- Comply with Rehire Requirements
- Provide Leave as Required
- Provide Reasonable Accommodations
- Develop Protocols for Symptomatic Employees




Getting back to business checklist:

Use our checklist as a starting point to help you and your clients plan for welcoming your team back to work.

Return: Getting Back to Business Checklist

Preparation Phase:

- Create a **clear employee communication plan** about the company's plans to reopen.
- **Check benefit eligibility** for employees who were furloughed or laid off and ensure the employee is offered the opportunity to enroll in benefits.
- **Notify employees with a "return to work" letter** that includes their return date, work schedule, pay, benefits, PTO, new policies and procedures, and an at-will employment disclaimer.
- Prepare to **address requests from employees who refuse to return to work** or ask to continue telework due to child care, health and safety concerns.
- Implement **cleaning and disinfection protocols**, consistent with CDC and OSHA guidance.




Getting back to business checklist:

19 considerations when welcoming your team back to work

Use this checklist as a starting point to help you plan for welcoming your team back to work.

Preparation phase

- Create a **clear employee communication plan** about the company's plans to reopen. **Tip:** Include your rehiring process, new policies, trainings to expect, and your commitment to protecting workers and customers.
- Determine whether any state, local, or industry **mandates will limit the reopening** of your facilities. **Resources:** [White House guidelines](#), [State Governor's websites](#), [CDC: Communities, Schools, Workplaces, and Events](#), [Federal OSHA COVID-19 website](#)
- Check federal, state, local, and OSHA laws and **update HR policies and procedures**. **Resources:** [Temporary Rule: Paid Leave under the FFCRA](#), [Federal OSHA COVID-19 website](#), [State OSHA plans](#)
- If some employees will remain furloughed, use neutral selection criteria to **determine which employees will be brought back after furlough**. **Tip:** Look at data points such as seniority, performance, or job classification.
- **Check benefit eligibility** for employees who were furloughed or laid off and ensure the employee is offered the opportunity to enroll in benefits.
- **Notify employees with a "return to work" letter** that includes their return date, work schedule, pay, benefits, PTO, new policies and procedures, and an at-will employment disclaimer. **Resource:** [CDC: Guidelines Opening Up America Again](#)
- **Properly classify employees who are returning to work** as exempt or non-exempt. **Resources:** [FLSA Guide](#), [Exemption Info Sheet](#)
- Prepare to **address requests from employees who refuse to return to work** or ask to continue telework due to child care, health and safety concerns. **Resources:** [FFCRA Q&A](#), [EEOC: What You Should Know: COVID-19, ADA, Rehabilitation Act, and Other EEO Laws](#)



Return: Getting Back to Business Checklist



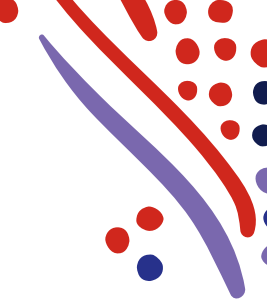
Back to Work Phase:

- **Train employees** on new policies, protocols, and rules.
- Consider **staggered scheduling** and group scheduling to minimize the impact of a COVID-19 exposure on your workforce.
- Consider **updating job descriptions** to address changes in job duties and essential job functions.
- Ensure **COVID-19 cases are recorded** per OSHA guidance.
- Remind and encourage employees that they **should not report to work when sick**. **Resource:** CDC Interim Guidance for Businesses and Employers
- **Communicate regularly** with employees.

ADP HR Outsourcing is a full-service HR solution that provides small and midsize businesses with programs, technology, and consultation across HR, payroll, SUI, employee benefits, talent, and workplace safety.

Back to Business

Helping our Clients Safely Reintroduce Employees to the Workplace



What to consider:

How can your clients adjust business activities and update policies for social distancing, sanitation and employee safety?

Where can your clients get the latest guidance to keep up to date on COVID-19 legislation?

What support would help your clients bring back or hire new staff?

How can small business owners maintain flexible pay options to help their employees?



How HCM can help:

An **Employee Handbook**, to help you document and communicate your policies to your employees.

HR tools, such as **access to HR professionals through a HelpDesk**, to get the latest guidance on rapidly changing legislative updates and HR best practices.

Hiring tools and posting platforms, to help you find qualified candidates for open positions and hiring new staff.

Paperless payroll options, to get the **flexible pay and mobile solutions** to pay your employees on the go.

Discount Programs and ancillary benefits, which provides your employees with savings for everyday expenses and day-to-day essentials and increase retention.

Return, Reform, Recalibrate

How our HCM outsourcing helps



- | | | |
|---|--|---|
| <ul style="list-style-type: none">• Personalized guidance from ADP HRBP and Risk & Safety Consultant• MyLife Advisor employee return to work question support• Return to work employer toolkit including sample return to work letter• Sample policies with consultation | <ul style="list-style-type: none">• Infectious disease program• Safety training• Fortune 500 benefits, EAP, 401(k)• Employee relations guidance• Data-driven resource plan support• (Re)onboard employees• Pay and tax adjustments | <ul style="list-style-type: none">• SUI and leave management• Mobile & online self-service tech• Digital pay options for employees• PPP loan forgiveness guidance (once issued)• EPLI and legal defense benefit to back up our advice |
|---|--|---|

Return, Reform, Recalibrate

How our HCM outsourcing helps



- | | |
|--|---|
| <ul style="list-style-type: none">• Jackson Lewis training on new employer regulations• CDC, OSHA, EEOC, and DOL compliance tracking and consultation• CARES Act guidance• Social Security tax deferrals• Affordable Care Act consultation | <ul style="list-style-type: none">• FFCRA guidance• FFCRA tax credits• ADP HRBP personalized consultation• U.S. Presidential election-related reform tracking and consultation• Eye on Washington regulatory alerts |
|--|---|

Guide to the Paycheck Protection Program (PPP)

- adp.com/PPP is a free resource available to you

Guide to the Paycheck Protection Program (PPP)

Learn about the PPP, how to complete your borrower application, loan forgiveness, and ADP's PPP reports that can help you determine your eligibility and maximum loan amount.



How to Apply?

Insight into the Who, What, Where and When of the PPP



PPP Application Reports

Easily identify the reports needed when applying for the loan



Loan Forgiveness Details

Access helpful tools such as the Loan Forgiveness FAQ's, Checklist and Estimator Tool



Additional Resources / FAQs

View additional ADP resources and links to other helpful resources

Free Resources

Loan Forgiveness Checklist, Scenarios, and Sample Calculator

[ADP's PPP Website](#)

Loan Forgiveness Checklist

Guidance on loan forgiveness is evolving and rules may change, so check back for updates. Additionally, be sure to run your ADP PPP loan forgiveness reports as close in time as possible to when you submit your loan forgiveness application. To help you maximize the forgivable amount, consider these steps:

During the applicable Covered Period following receipt of the loan...

In the 8 weeks following receipt of the loan...

- **Maintain staffing levels.**
 - Ensure that the average number of full-time equivalent employees (FTEs) during the Covered Period or Alternative Payroll Covered Period is at least equal to the average number of FTEs during the period from February 15 through June 30, 2019, or January 1 through February 29, 2020. If the number of FTEs is lower during the Covered Period or Alternative Payroll Covered Period than during these two time periods, the amount of loan forgiveness may be reduced proportionately.*
- ***If applicable, reverse any reductions in staffing levels by December 31, 2020.**
 - FTEE reductions occurring between February 15 and April 26, 2020 will not be considered in reducing the loan forgiveness amount if they are reversed by December 31, 2020. However, if the staffing reduction was made outside the February 15 to April 26 timeframe, the forgivable amount may still be reduced even if the staffing reduction is reversed by December 31, 2020.
- **Maintain pay levels.**
 - Where possible, avoid reducing any employee's average annual salary (for salaried employees) or average hourly wages (for hourly employees) by 25% or more during the Covered Period or Alternative Payroll Covered Period compared to the period of January 1 through March 31, 2020. If any employee's pay is reduced by 25% or more, repayment of a corresponding part of the loan may be required.**

Loan Forgiveness Scenarios

Guidance on loan forgiveness is evolving and rules may change, so check back for updates.

Scenario 1

Maria's Eyecare received a PPP loan of \$70,000 on April 10, 2020. The company elects to use the 8-week Covered Period length to meet the criteria* for loan forgiveness. The timeline starts as soon as the company receives the loan*.



Loan received on April 10, 2020

Loan amount:	\$70,000
Total Used on Payroll Costs:	\$62,000
Total Used on Other Permitted Costs:	\$8,000 (rent & utilities)
Total Amount Used for Permitted Reasons During the 8 Weeks:	\$70,000 ✓
Percentage Used on Payroll Costs:	88.57% ✓
Percentage Used on Other Permitted Costs:	11.43%



In the 8 weeks after receiving the loan, Maria's Eyecare didn't reduce the number of full-time-equivalent employees (FTEE) and didn't reduce the pay of any employee****.

Amount Forgiven: \$70,000 ✓

Because the company met all the criteria for loan forgiveness, the entire \$70,000 loan is eligible for forgiveness.

Paycheck Protection Program (PPP) Loan Forgiveness Estimator Tool

If your business has received a Small Business Administration loan through the Paycheck Protection Program (PPP), you might be wondering how much of that loan may be forgivable by the federal government. Many factors determine loan forgiveness, and government guidance is evolving and may change or clarify certain calculations. For the latest information on loan forgiveness, visit our [PPP Guide](#) which includes a checklist, FAQs and examples. To estimate how much of your loan may be forgiven, use the tool below:

Enter the loan amount you received	<input type="text" value="\$ Loan Amount"/>	
Enter your payroll costs for the covered period	<input type="text" value="\$ Payroll Costs"/>	
Enter your eligible mortgage interest, rent and utility payments during the covered period	<input type="text" value="\$ Other Costs"/>	
Enter sum of all employees' decrease in wages greater than 25% during covered period	<input type="text" value="\$ Wage Decrease"/>	
Enter average Full-Time Equivalent employees (FTEs) during the covered period	<input type="text" value="# Covered Period FTEs"/>	
Enter your average FTEs per month for comparison period*	<input type="text" value="# Comparison FTEs"/>	

ESTIMATED AMOUNT OF YOUR PPP LOAN THAT MAY BE FORGIVEN**:

\$0

ESTIMATED AMOUNT OF YOUR PPP LOAN THAT MAY NOT BE FORGIVEN***:

\$0

Start Over

Exploring the PEO Option?

FAQs

Does joining a PEO during the PPP loan forgiveness period adversely impact my business's ability to apply for loan forgiveness?

No. Joining a PEO will not negatively impact loan forgiveness. A business that joins a PEO after receiving an SBA loan and before loan forgiveness will need to be able to produce payroll documentation for the period prior to the PEO relationship and payroll documentation from their PEO for the period following them joining the PEO relationship in order to support any request for loan forgiveness. ([See SBA FAQ 10: A PEO client is considered an eligible borrower](#))

Loan Forgiveness Details & Reports

Up to 100 percent of the PPP loan is forgivable (to the extent that employers maintain specified employment and wage levels). The loan will be fully forgiven if the loan proceeds are spent, or the qualifying costs incurred, within applicable covered period following receipt of the loan (unless using an Alternative Payroll Covered Period for payroll costs, described below); the funds are used for payroll costs and the other permitted Loan Uses described below, provided that at least 60 percent of the loan amount has been used for payroll costs; and certain other conditions are met.

Please note that the government recently passed the Paycheck Protection Program Flexibility Act (PPPFA), which makes important changes to the PPP loan forgiveness process. For more information about the changes made by the PPPFA, please see ADP's Eye on Washington article describing the law, [available here](#).

Loan Forgiveness FAQs

Here are some frequently asked questions about loan forgiveness. Guidance on loan forgiveness is evolving and rules may change, so check back for updates.

- What are permitted uses for PPP loans?
- How will the amount of loan forgiveness be determined? Can a PPP loan be fully forgiven?
- What is the period within which I must spend my loan proceeds to obtain full loan forgiveness?
- How will the determination of whether my business has maintained staffing levels be made?
- When calculating the amount of loan forgiveness, how will the determination of whether my business has maintained pay levels be made?
- My company previously laid off an employee, but later offered to rehire the employee. If the employee declined the rehire offer, will my PPP loan forgiveness amount still be reduced?
- How are "payroll costs" defined under the PPP?
- Do all payroll costs need to be paid within the Covered Period or Alternative Payroll Covered Period?
- What happens if I use less than 60 percent of the PPP loan on payroll costs?
- How do I apply for loan forgiveness? How long will it take?
- I used payroll cost and headcount reports for the PPP loan application. Can I use the same reports for purposes of loan forgiveness reporting?
- Does joining a PEO during the PPP loan forgiveness period adversely impact my business's ability to apply for loan forgiveness?

How ADP Is Helping

Loan Forgiveness Reports

- ADP has reports to help clients calculate their loan forgiveness amount:
 - **CARES SBA-PPP: Loan Forgiveness Payroll Cost** - provides the total payroll cost for all pay dates during the Covered Period
 - **CARES SBA-PPP: Loan Forgiveness Payroll Cost Details** - provides the total payroll cost for all pay dates during the Covered Period, broken out by employee
 - **2020 CARES SBA - PPP: Loan Forgiveness Employee Wage Comparison** - helps show employee wage levels and if there has been a reduction of wages, by employee, between the Covered Period and the applicable Lookback Period
 - **2020 CARES SBA - PPP: Loan Forgiveness FTEE Comparison** - provides Full Time Equivalent Employee values for the FTEE calculation options and can be used to show if there has been a reduction of FTEEs between the selected Covered Period and the applicable Lookback Period.
- The SBA released the [PPP Loan Forgiveness Application](#)

Questions?



PARTNER SURVEY – ADP

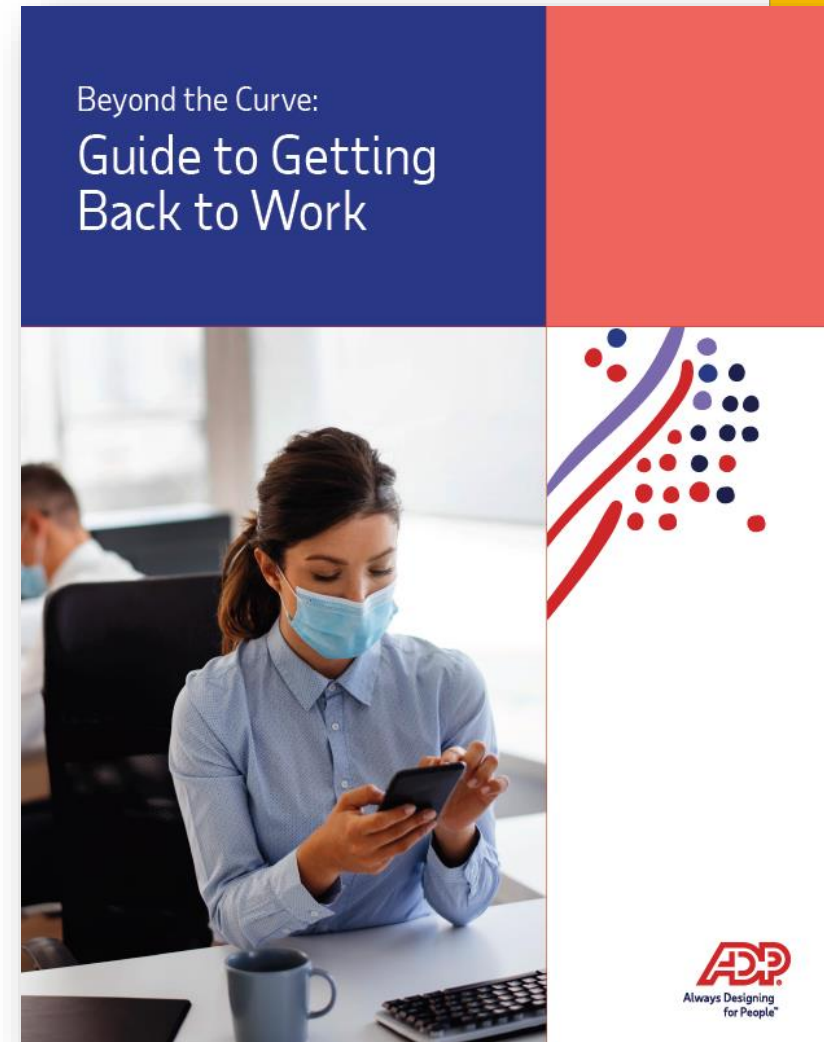
Thank you for listening and learning with us today!

We are excited to provide you with our 20 page “Getting Back to Work Guide” which will be sent to you on completion of this email:

1. Are you a business owner? If no, what is your role in the NFP world?
2. What has been your biggest struggle during the COVID-19 crisis?
3. Is there any feedback you have on today’s presentation?
4. What would you like to have more information on?

Please email your response to Jennifer.Kenny@adp.com and we will send you this awesome free resource!

Footer in sentence case



Stay Safe.

Stay strong.
Stay positive

