

## ISG COVID-19 Update Webinar Q&A

***This document contains information and answers regarding a rapidly changing environment and topic – COVID-19. Please note that we are not financial advisors and we recommend that you consult your financial advisor and/or bank with any questions related to PPP, CARES Act, loans, etc.***

**Q:** Other than the application form for the "cares" assistance do we need to provide our bank? To clarify the PPP paycheck protection program.

**A:** **Your Bank will have these guidelines.**

**Q:** My concern is the manufacturers requiring authorization for us to buy product as if we don't sell to the healthcare market.

**A:** **Certain manufacturers (e.g. Clorox, Lysol, Dial, etc.) are being directed by the federal government to follow normal healthcare distribution channels.**

**Q:** Did we get the notification of rebate amounts as usual?

**A:** **Yes, you should have received it, but if you didn't please reach out to Jill O'Neill or Kelly Layden.**

**Q:** There has been conversation about Salaries and Wages but many of us have commissioned sales people. Any advice on how commissioned people are going to be handled?

**A:** **Yes the PPP covers commissions, but please seek advice from your financial advisor when applying for loans under the CARES ACT. Here's a link with more helpful information:**

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

**Q:** Biggest issue is NO Product to sell. Wipes, etc.

**A:** **These restrictions will continue for some time, it is a very fluid situation, as many states have yet to enact the necessary measures to "flatten the curve" of COVID-19 infections. Thus, this pandemic will be a slow wave across America, be aware, if you are not in a Pandemic "hot spot", your demand for these COVID-19 products is going to rise.**

**We recommend that you reach out to ISG supplier Sellers (wipers) to ask how & when you can acquire products. As of 4/3/2020, Midlab Chemicals are now on a minimum 4 week shipment timeline for new orders.**

**Q:** Chartpak just told us today that we had to prepay with a credit card. Are any other vendors doing this?

**A:** **Jill O'Neill has reached out to Chartpak.**

**Q:** In the call yesterday, they said that distributions to owners are included in the payroll costs. Can anyone confirm?

**A:** **We believe up to \$100,000, but encourage you to seek advice from your financial advisor.**

**Q:** Do we have an industry specific Covid-19 essential business letter for our employees to keep when traveling to and from work?

**A:** Not specifically, but IOPFDA issued [this guidance](#). You must rely on your own State's guidelines.

**Q:** Are there any risks to dealers that are selling surgical face masks to their customers?

**A:** National Institute of Occupational Safety and Health (NIOSH) manages and develops the standards for face masks. The onus should be put on the manufacturer on how they are rated and never make statements that differ from the manufacturer's statements. Just be honest with your customers about what you can get. N95 masks should always be reserved for Healthcare & First Responders.

**Q:** What agency oversees N95 masks and surgical masks?

**A:** For masks & respirators - NIOSH is the governing body for Standards and Measurements - [www.cdc.gov/NIOSH](http://www.cdc.gov/NIOSH) - National Institute of Occupational Safety & Health. CDC sets the recommendations for masks recommendations for the general public. FDA oversees Healthcare worker standards and practices with regards to masks and respirators.

**Q:** To apply for the 7 (a) loan through to CARE ACT they list what it covers. The Payroll costs does it also include part time employees?

**A:** As long as you keep them employed. Seek advice from your financial advisor.

**Q:** Masks are regulated by FDA from what I know?

**A:** The CDC & National Institute of Occupational Safety and Health (NIOSH) regulates face masks & respirators' standards and measurements. The FDA oversees and approves the types of masks and respirators are used in Food Processing, Drug Manufacturing, and Healthcare environments.

**Q:** Can you comment on all the face mask that are becoming available from Asia that claim to be N95 masks?

**A:** Prior to the COVID-19 Pandemic, many masks come from China and are rated by NIOSH. Understand that if Scott Zintz or Frank Hoard brings a mask to your attention, we've done our due diligence in trying to find documentation to support the manufacturer's rating claims.

**Q:** What if my state shuts down, does the CARES Act apply?

**A:** We believe yes, but seek advice from your financial advisor.

**Q:** Those are KN95 masks and at this point don't have FDA approval.....as far as I understand at this point?

**A:** Starting on 4/3/2020 – The FDA approved non-N95 masks to be used in Healthcare & Medical settings. KN-95 masks & respirators are on the list, go to the FDA website to find out more <https://www.fda.gov/medical-devices/personal-protective-equipment-infection-control/faqs-shortages-surgical-masks-and-gowns>

4/2/2020, N95 masks are the only recommended mask by the CDC for Healthcare officials.

**4/2/2020, it is recommended by the CDC that all those who enter the public realm, and can't socially distance, should wear a cloth face covering that fits snugly and fully fits over both the nose and mouth. Additionally, disposable gloves are not an essential PPE if a person has the ability to refrain from touching open orifices until they have clean hands. Touching the face with disposable gloves (as I have witnessed) makes the gloves a non-factor in terms of PPE.**

**Q: The PPP specifically addresses employees on the payroll so if members/owners are on the payroll that is included. But nowhere can I find it member distributions to members/owners are covered under the PPP?**

**A: Seek advice from your financial advisor, but we believe it does up to the \$100,000 cap.**

**Q: 100% commissioned sales reps are covered under the government programs?**

**A: Yes the PPP covers commissions, but please seek advice from your financial advisor when applying for loans under the CARES ACT.**

**Q: Does the 80 hours due employees from the emergency paid sick leave act have to be consecutive days/hours?**

**A: The guidance does not specifically say it has to be consecutive. It simply says 80 hours, which I would interpret to mean they can be non-consecutive days or hours.**

**Q: Is yesterday's *Information & Answers About COVID-19 Relief Plans* Presentation webinar taped??**

**A: Yes, here are the links to the visual presentation and the recording for that recording that took place on April 1, 2020:**

- [Audio Only Recording \(click here\)](#)
- [Presentation Visuals \(click here\)](#)

**Q: Is the 10 weeks of 2/3 pay under the Emergency and Family leave act is it a time frame of 10 weeks to cover pay for any time off? Or is it 10 weeks of pay even if it is spread over a longer time frame.**

**A: An employee is eligible for 2 weeks at 2/3 their salary. Up to an additional 10 weeks if they have to stay home and care for a child whose school is closed. An employee can choose to use vacation time to make up for the other 1/3 of lost wages. This extra 10 weeks applies to those who have to care for kids.**

**Q: What kind of ratio is effective to make your own wipes? And it any kind of wipes?**

**A: I recommend using wipes that are made to be used more than once, they typically withstand soaking in liquids. Examples would be food service wipes or products made of "scrim" (a reinforced aspect) material. With regards to chemicals for disinfecting, I would recommend that you stick to using only disinfectants approved as effective against COVID-19 on the [www.epa.gov](http://www.epa.gov) website. Read the label about how to properly use the product. Once the product is in a ready to use liquid format, make sure all the wipes are thoroughly soaked prior to use.**

**Q: How is the retirement calculated company match calculated for an employee that makes in excess of the 100K?**

**Q:** How is everyone handling continuing to pay some employees that may be home (not working) due to age or underlying conditions thru the PPP loan and also paying people that are continuing to work at home or in the office. We have talked with our employees and they seem okay with it being a little "unfair" at this time and they are being very understandable. Just wonder how others are handling this issue?

**A:** Visit the COVID-19 Forum on the Message Board and see what your fellow members have said:  
<https://www.isg.coop/Message-Board/f10/t20892/COVID-19>

**Q:** You stated the rebates were paid 3-27-20. Do you have a document you could provide that we can share with our accounting department?

**A:** You should have received it, but if you do not have it please reach out to Jill O'Neill or Kelly Layden.

**Q:** What if the employee quits to collect unemployment?

**A:** If an employee quits, we don't believe they would be eligible for unemployment benefits, but seek the advice of your financial or legal advisor.

**Q:** Does our software support count as a utility under the cares act?

**A:** The term utility is not defined, but I have seen phone systems listed places as a utility. I personally would include it. Worst scenarios is you would have to pay back that portion over 2-years at 1% interest rate.

**Q:** It's been stated that 1099 payments could be included in baseline calculation for the loan. There appears to be some uncertainty over this. Do you any further information on this?

**A:** According the recently released SBA guidance, 1099's cannot be included. Those people can apply for their own loans. You can include wages, commissions and other similar compensation according to the guidelines.

**Q:** ISG: When you ask whoever you're going to ask about Member Distributions and the PPP, the challenge is that member distributions don't show up on payroll. Just taxes.

**A:** Good point and definitely a question best asked by your financial advisor.

**Q:** Has anyone in CA applied for CA WORK SHARE program?

**A:** Visit the COVID-19 Forum on the Message Board and see what your fellow members have said:  
<https://www.isg.coop/Message-Board/f10/t20892/COVID-19>

**Q:** We have full time employees that are being put on part time hours due to the business slowing down. When we calculate payroll costs, can we as an employer apply for unemployment for them and not be penalized for the Forgiveness of the 7(a) loan we take out?

**A:** No, you would have to bring them back at full pay for loan forgiveness or part-time and have that portion forgiven. The guidelines do not let you pay them partial wages plus unemployment to cover the difference.

**Q:** Is anyone trying to delay payments for credit cards, car payments, etc.?

**A:** Visit the COVID-19 Forum on the Message Board and see what your fellow members have said:

<https://www.isg.coop/Message-Board/f10/t20892/COVID-19>

**Best Practices Examples:**

- Best Practice - Grady, this is a good time for chairs for home offices. Most people don't normally work 40 hours from a home office. Now that they do, they see how bad their chair is and their corporate offices will allow them to purchase at least a chair. We've loaded our landing page with chairs and simple desk shells and pedestals. - Joel DeShane
- Best Practice - Thanks for the webinar going on right now. Furniture manufacturers and office supply manufacturers have sent me fliers advertising their product that I can use to send to my customers. These are great. Thanks, John Dela Rosa