

# SBA LOANS, PAYCHECK PROTECTION AND OTHER RESOURCES FOR YOUR PRACTICE

**MARCUM**  
ACCOUNTANTS ▲ ADVISORS

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**apma** >  
Advancing foot and ankle  
medicine and surgery



# **SBA LOANS, PAYCHECK PROTECTION AND OTHER RESOURCES FOR YOUR PRACTICE**



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# SBA LOANS, PAYCHECK PROTECTION AND OTHER RESOURCES FOR YOUR PRACTICE



## If you have a question during today's broadcast...

1. Type your question in the chat box (for technology questions – sound, etc.) or
2. Ask your question in the Q&A box (for CONTENT related questions)

An instructor will either respond in the chat or Q&A, verbally during the presentation, or as a follow-up to the presentation.



Seth A. Rubenstein, DPM  
President-Elect



# APMA COVID-19 Guidance & Resources

- APMA is the leading professional organization representing every podiatrist and strives to provide timely, informative resources for APMA members in this international crisis
- Resources for small businesses available at [apma.org/covid19SBA](https://apma.org/covid19SBA)
- Visit [apma.org/covid19](https://apma.org/covid19) for all updates



# INTRODUCTIONS



**Mike Trabert, CPA, CVA,  
CMAP, CEPA, CM&AA**

- **Partner, Advisory**
- Leader in the Value Acceleration/Exit Planning Services
- Exit Planner of the Year - 2017



**Dawn Minotas, CPA, MAcc**

- **Managing Director, Managed Services and Consulting**
- 20+ years of experience
- Worked with start-ups to multinational entities



**Maryann Czarnota,  
CPA, MST, CFF, CVA,  
CDFA, CEPA, MAFF**

- **Partner, Tax and Business Services**
- Marcum's National Healthcare Group
- Business valuations, compensation, M&A and practice expansion



**David Mustin, MBA**

- **Partner, Advisory**
- 25+ years of management consulting
- Business and IT growth and transformation

# THE MARCUM CORONAVIRUS RESOURCE CENTER

[marcumllp.com/coronavirus](https://marcumllp.com/coronavirus)

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**Stay up-to-date on how the coronavirus (COVID-19)  
will impact your business.**

# LEARNING OBJECTIVES



**After completing the session, participants will be able to...**

- Understand the two available SBA loan programs including structure, eligibility, amounts, timing and how to apply
- CARES Act provisions and Paycheck Protection
- Identify impact on tax filings and payments
- Understand how to preserve value in the current coronavirus pandemic
- Understand action steps to weather the tide of practice challenges

***“In the long run, men hit only what they aim at.” – Henry David Thoreau***



# WE LIVE IN INTERESTING TIMES



Businessinsider.com

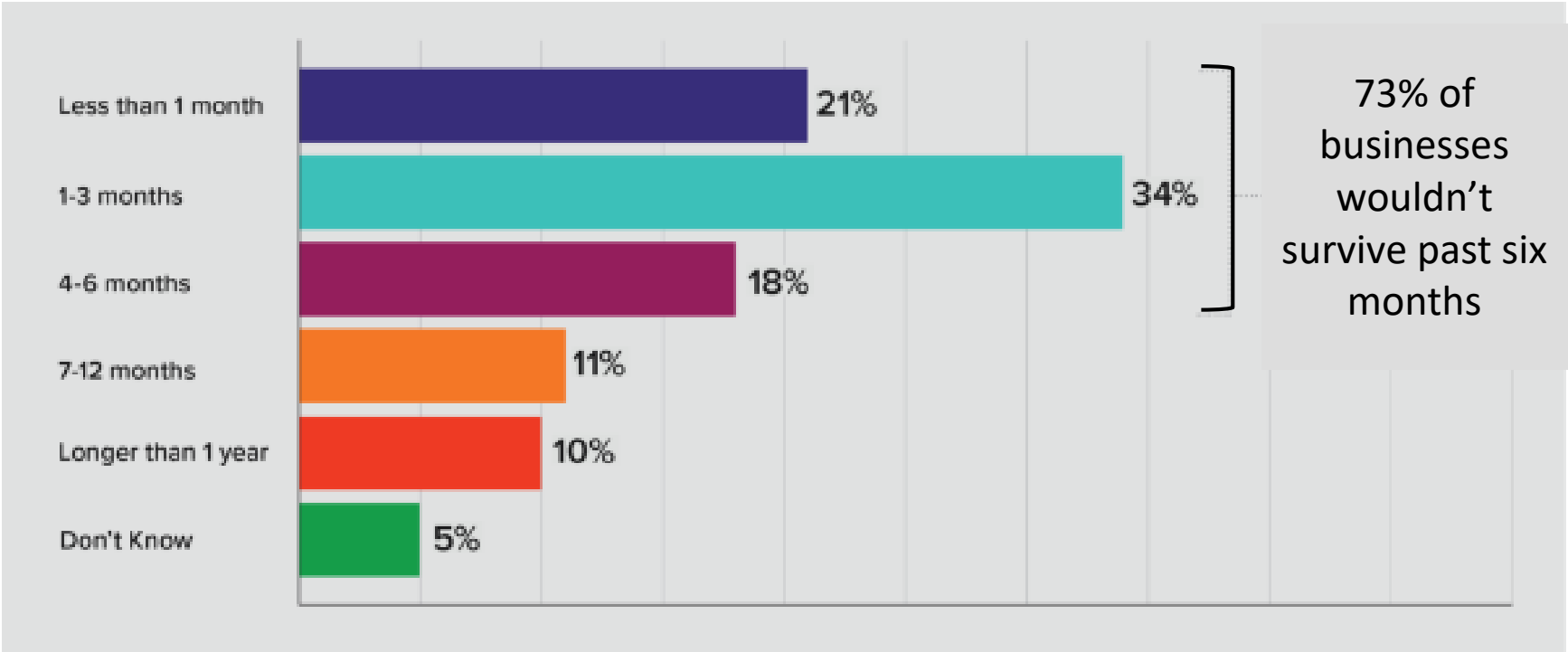


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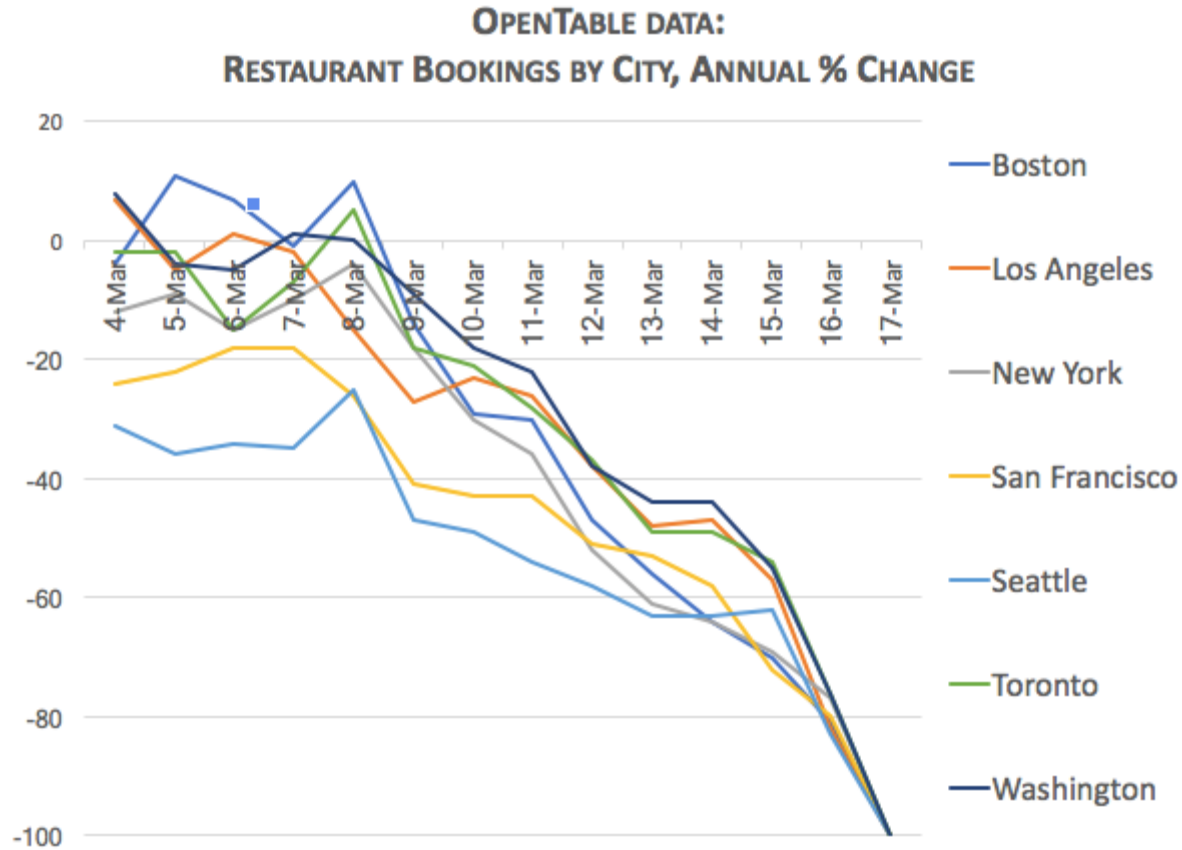


Businessinsider.com

# HOW LONG WOULD YOUR BUSINESS SURVIVE IF SALES STOPPED COMPLETELY?



# RESTAURANT BOOKINGS – MAR 4<sup>TH</sup> – 17<sup>TH</sup>



# THERE ARE TWO SEPARATE DISASTER RELIEF LOAN PROGRAMS FOR SMALL BUSINESSES

## ECONOMIC INJURY DISASTER LOAN (EIDL) PROGRAM

- Suffered substantial economic injury in a declared disaster area (US).
- For-profit or Not-for-profit
- Substantial economic injury means the business is unable to meet its obligations and to pay its ordinary and necessary operating expenses.
- EIDLs provide the necessary **working capital** to help small businesses survive until normal operations resume after a disaster.

## \$300B EMERGENCY CORONAVIRUS RELIEF

- Included in the \$2T stimulus relief package
- Part of *Keeping Workers Paid and Employed Act* (CARES)
- Funds used to pay workers, lease and utility payments

# SBA: ECONOMIC INJURY DISASTER LOAN (EIDL) (1)



U.S. Small Business Administration

## Eligibility

- Small businesses affected by the disaster

## Criteria

- Credit History: Acceptable to SBA
- Repayment: Ability to repay
- Eligibility: Suffered working capital damage

## Borrowing Limit

- Up to \$2 Million

## Interest Rate

- 3.75% - For Profit / 2.75% - Not For Profit

## Use \*

- Fixed debts, payroll, accounts payable, and other bills

## Collateral

- Required where available

# SBA: ECONOMIC INJURY DISASTER LOAN (EIDL) (2)



U.S. Small Business Administration

## Applying

- Online only

## Documents

- Loan Application
- Signed and dated **IRS Form 4506-T** allowing the IRS to provide SBA your tax return information

## Payment Terms

- Based on borrowers ability to pay

## Timing (Estimated)

- Decision: 2 – 3 weeks
- Disbursement: 5 days

## Link

<https://covid19relief.sba.gov/#/>

# ECONOMIC INJURY DISASTER LOAN APPLICATION



OMB Control #3247-0406  
Expiration Date: 09/30/2020

## Disaster Loan Assistance

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

### COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



#### STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.

#### 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>.
- Applicant is a business with more than 500 employees that is small under SBA Size Standards found at <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):

# \$300B EMERGENCY CORONAVIRUS RELIEF (1)



U.S. Small Business  
Administration

Notes: This Bill is different from the SBA EIDL  
Businesses are not eligible for both programs

## Covered Loan Period

- April 6 – June 30, 2020

## Eligible Businesses

- Up to 500 Employees,
- In business on February 15, 2020

## Borrowing Limit

- Increases 7(a) loans up to \$10Million thru Dec. 31

## Delegated Authority

- Increases decision making of 7(a) lenders without going thru SBA channels



# \$300B EMERGENCY CORONAVIRUS RELIEF (2)



U.S. Small Business  
Administration

## Repayment Eligibility

- Simply in business February 15, 2020 and employees with payroll

## Fees

- Waives borrower and lender fees for 7(a) loans

## Loan Guarantees

- Increases government guarantees of loans to 100% through December 31, 2020 (\*)

(\*) – Returns to normal following December 31, 2020

# PAYCHECK PROTECTION PROGRAM

- Lender Authority
  - Loans by banks, not SBA
  - Less SBA oversight
- Eligibility
  - Less than 500 employees (all employees)
    - Based on 12-month average
  - Sole proprietors, self-employed, independent contractors

# PAYCHECK PROTECTION PROGRAM

1. Loan Amount – 12 month average monthly PR costs X 2.5 (\$10M max)
2. Payroll costs – wages, healthcare costs, retirement benefits, certain taxes
  - Exclude > 100k, residence o/s US, sick/family leave (not FFCRA)
3. Payment Terms – Payments deferred 6-12 months
  - Interest rate of 1% on unforgiven, 2 years
4. Uses – Payroll costs (75%), Interest, Rent, Utilities
5. Other – SBA disaster loans 1/31 – 3/27 – can refinance as 7a(P3)
  - No Fees
  - Cancelled debt – not taxable
  - No collateral, no personal guarantee
  - “No credit elsewhere” waived

# PAYCHECK PROTECTION PROGRAM

- Loan forgiveness – cost during 8 week period beginning on loan date
  - Payroll Cost (75%)
  - Interest
  - Rent
  - Utilities
- Forgiveness reduction
  - FTE eliminated 8 week before loan funded
  - Total wage reduction > 25% (Ees < 100k)
  - No reduction if rehired by 6/30
- Need proper documentation for loan forgiveness



**Paycheck Protection Program  
Borrower Application Form**

OMB Control No. 3245-0407  
Expiration Date: 09/30/2020



**Paycheck Protection Program  
Borrower Application Form**

**By Signing Below, You Make the Following Representations, Authorizations, and Certifications**

**CERTIFICATIONS AND AUTHORIZATIONS**

I certify that:

- I have read the statements included in this form, including the Statements Required by Law and Executive Orders, and I understand them.
- The Applicant is eligible to receive a loan under the rules in effect at the time this application is submitted that have been issued by the Small Business Administration (SBA) implementing the Paycheck Protection Program under Division A, Title I of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (the Paycheck Protection Program Rule).
- The Applicant (1) is an independent contractor, eligible self-employed individual, or sole proprietor or (2) employs no more than the greater of 500 or employees or, if applicable, the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry.
- I will comply, whenever applicable, with the civil rights and other limitations in this form.
- All SBA loan proceeds will be used only for business-related purposes as specified in the loan application and consistent with the Paycheck Protection Program Rule.
- To the extent feasible, I will purchase only American-made equipment and products.
- The Applicant is not engaged in any activity that is illegal under federal, state or local law.
- Any loan received by the Applicant under Section 7(b)(2) of the Small Business Act between January 31, 2020 and April 3, 2020 was for a purpose other than paying payroll costs and other allowable uses loans under the Paycheck Protection Program Rule.

For Applicants who are individuals: I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended.

**CERTIFICATIONS**

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

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

\_\_\_\_\_  
Signature of Authorized Representative of Applicant Date \_\_\_\_\_

\_\_\_\_\_  
Print Name Title \_\_\_\_\_

<b>Check One:</b> <input 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 _____		
Business Address _____	Business TIN (EIN, SSN) _____	Business Phone ( ) - _____
Primary Contact _____		Email Address _____

Average Monthly Payroll:	\$ _____	x 2.5 + EDL, Net of Advance (if Applicable) Equals Loan Request:	\$ _____	Number of Employees:	_____
Purpose of the loan (select more than one): <input type="checkbox"/> Payroll <input type="checkbox"/> Lease / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain): _____					

**Applicant Ownership**

List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address

*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 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 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 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 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? <b>Initial here to confirm your response to question 5 →</b> _____	<input type="checkbox"/>	<input 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)? <b>Initial here to confirm your response to question 6 →</b> _____	<input type="checkbox"/>	<input 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 type="checkbox"/>
8. Is the Applicant a franchise that is listed in the SBA's Franchise Directory?	<input type="checkbox"/>	<input type="checkbox"/>

# OTHER CONSIDERATIONS

- Discuss with your lender options:
  - Payment deferment options (principal and interest for three months)
  - Interest only payments
  - Fee suspension programs
  - Refinance current debt
- Business Interruption Insurance
  - Most BII policies exclude interruptions for viruses
  - Check your policy for specific exclusions

# CARES ACT – TAX PROVISIONS

- Cash rebates -\$1,200-single; \$2,400-married; \$500/child
  - If income less than 75,000; 150,000
- Employee retention credit-50% credit up to \$10,000 wages/employee
  - Eligible if mandated shutdown or 50% decrease in revenue
  - Not if debt forgiveness under CARES
- Delays payroll tax payments for 2020 until 2021 and 2022
  - Employer social security (6.2%), 3/27-12/31, not if debt forgiveness under CARES
- NOL from 2018-2020 can be carried back 5 years
- Qualified Improvement Property 100% bonus depreciation retro to 2018
- Retirement Plan Distribution, up to 100k, pay tax over 3 years; loan up to 100k

# CARES ACT – UNEMPLOYMENT RULES

- Expands benefits to self-employed and independent contractors
- \$600/week increase to 7/31
- Additional 13 weeks of benefits beyond what states allow for those needing it
- Jobless claims
  - 2 weeks ago were 3.3M – 4X PREVIOUS RECORD
  - Last week were 6.6M



# TAX RELIEF – FEDERAL INCOME TAXES

- Automatic Extensions to File *and Pay* Federal Income Taxes until 7/15
  - Applies to individual, partnership or corporation, and gift returns
  - No interest or penalties
  - Does not apply to payroll or excise taxes
  - Applies to first quarterly estimated payments due 4/15
  - Most states to follow

# FAMILIES FIRST CORONAVIRUS RESPONSE ACT

## ***TAX RELIEF – REFUNDABLE PAYROLL TAX CREDITS***

- Business Tax Credits for Paid Sick Leave and Paid Family Medical Leave
- Private Companies with Less than 500 Employees

# FAMILIES FIRST CORONAVIRUS RESPONSE ACT (2)

- Sick Leave
- Pay employees full wages up to \$511 for 10 days (\$5110, total) if unable to work:
  - Employee subject to quarantine
  - Employee advised by health care provider to self-quarantine
  - Employee experiencing symptoms

# FAMILIES FIRST CORONAVIRUS RESPONSE ACT (3)

- Pay employee 2/3 of full wages up to \$200/day (\$2000, total) if unable to work
  - Employee caring for individual subject to quarantine or advised to self-quarantine
  - Employee caring for child when school/care facility is closed

# FAMILIES FIRST CORONAVIRUS RESPONSE ACT (4)

- Family Leave
  - Employee unable to work due to care for child when school/care facility closed
  - Paid leave - 10 week maximum
  - 2/3 of regular pay, \$200/day, \$10,000 total
- Credit for health insurance coverage during leave period

• Paid Sick Leave	\$5,000	\$10,000
• Payroll tax liability	\$8,000	\$ 8,000
• Pay/(refund)	\$3,000	(\$ 2,000)

# 1. BE PREPARED: HAVE A PLAN

**The Business Model Canvas**

Designed for: \_\_\_\_\_ Designed by: \_\_\_\_\_ Date: \_\_\_\_\_ Version: \_\_\_\_\_

<b>Key Partners</b> Who are our key partners? Who are not key partners? Which key Resources are we acquiring from partners? Which key Activities do partners perform?  <small>CHANNEL PARTNERS                  Suppliers and subcontractors                  Distribution and logistics                  Complementary products and services                  Acquisition of key personnel and activities</small>	<b>Key Activities</b> What key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?  <small>CHANNEL ACTIVITIES                  Production                  Distribution                  Logistics                  Customer Service</small>	<b>Value Propositions</b> What value do we deliver to the customer? Which one of our customer's segments are we helping to create? Which key Resources and key Activities are we offering to each Customer Segment? Which Customer Needs are we addressing?  <small>VALUE PROPOSITIONS                  Performance                  Reliability                  Customization                  Convenience                  Cost                  Risk                  Access                  Compatibility                  Interoperability</small>	<b>Customer Relationships</b> What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which key Resources are we dedicating? Which key Activities do we perform? Which Customer Needs are we addressing? How are they integrated with the rest of our Key Channels and things?  <small>RELATIONSHIPS                  Personal                  Self-Service                  Automated                  Co-creation                  Community                  Customer Support</small>	<b>Customer Segments</b> For whom are we creating value? Who are our most important customers?  <small>CUSTOMER SEGMENTS                  Mass                  Niche                  Segment                  Demographic                  Geographic                  Psychographic                  Behavioral</small>
	<b>Key Resources</b> What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?  <small>KEY RESOURCES                  Channels                  Complementary Resources                  Intellectual Property                  Human Resources                  Financial Resources</small>		<b>Channels</b> Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels integrated? Which ones work best? Which ones are most cost-effective? How are we integrating them with Customer Needs?  <small>CHANNELS                  Direct                  Indirect                  Distribution                  Retail                  Wholesale                  Partners                  Agents                  Franchises                  Resellers                  Distributors                  Retailers                  Wholesalers                  Suppliers                  Intermediaries                  Affiliates                  Influencers                  Community                  Social Media                  Email                  Search Engines                  Referrals                  Recommendations                  Reviews                  Ratings                  Testimonials                  Endorsements                  Co-branding                  Sponsorships                  Partnerships                  Alliances                  Joint Ventures                  Strategic Alliances                  Joint Marketing                  Co-promotions                  Cross-promotions                  Co-branding                  Sponsorships                  Partnerships                  Alliances                  Joint Ventures                  Strategic Alliances                  Joint Marketing                  Co-promotions                  Cross-promotions</small>	
<b>Cost Structure</b> What are the most important costs inherent to our business model? Which key Resources are most expensive? Which key Activities are most expensive?  <small>FIXED COSTS                  Salaries and wages                  Rent                  Utilities                  Insurance                  Depreciation                  Amortization                  Interest                  Taxes                  Research and development                  Marketing                  Distribution                  Customer support                  Legal                  Accounting                  Consulting                  Professional fees                  Office expenses                  Travel                  Entertainment                  Food and beverage                  Transportation                  Communication                  Information technology                  Security                  Compliance                  Environmental                  Sustainability                  Social responsibility                  Corporate citizenship                  Philanthropy                  Community development                  Employee benefits                  Retirement                  Health insurance                  Life insurance                  Disability insurance                  Workers' compensation                  Unemployment insurance                  Paid time off                  Paid sick leave                  Paid vacation                  Paid parental leave                  Paid family leave                  Paid bereavement leave                  Paid jury duty                  Paid court costs                  Paid attorney fees                  Paid expert witness fees                  Paid court reporter fees                  Paid deposition fees                  Paid transcription fees                  Paid travel expenses                  Paid lodging expenses                  Paid meals and beverages                  Paid entertainment expenses                  Paid transportation expenses                  Paid parking expenses                  Paid tolls                  Paid parking fees                  Paid parking permits                  Paid parking tickets                  Paid parking fines                  Paid parking citations                  Paid parking notices                  Paid parking orders                  Paid parking summonses                  Paid parking complaints                  Paid parking appeals                  Paid parking hearings                  Paid parking trials                  Paid parking judgments                  Paid parking settlements                  Paid parking releases                  Paid parking orders                  Paid parking decrees                  Paid parking judgments                  Paid parking settlements                  Paid parking releases                  Paid parking orders                  Paid parking decrees</small>		<b>Revenue Streams</b> For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?  <small>REVENUE STREAMS                  Transactional                  Subscription                  Licensing                  Advertising                  Commission                  Brokerage                  Royalty                  Rental                  Leasing                  Resale                  Wholesale                  Retail                  Direct                  Indirect                  Franchise                  Affiliate                  Referral                  Recommendation                  Endorsement                  Sponsorship                  Partnership                  Joint venture                  Strategic alliance                  Joint marketing                  Co-promotion                  Cross-promotion                  Co-branding                  Sponsorship                  Partnership                  Joint venture                  Strategic alliance                  Joint marketing                  Co-promotion                  Cross-promotion                  Co-branding</small>		

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- Develop/Refine a Plan
- Conduct Scenario Planning
- Identify Risks / Risk Management
- Identify New Services that are Recession Resistant

## 2. MANAGE CASH FLOW

<i>Annualized Expenses after startup costs</i>	
Billing Expenses	3.50%
Marketing	\$ 5,000
Supplies	2%
Medical Equipment	\$ 5,000
Legal	\$ 2,000
Accounting	\$ 12,000
Insurance	\$ 6,000
Answering services	\$ 1,200
Rent	\$ 66,000
Other	5%

EHR / PM cost (as % or flat rate)

(flat amount or a percent of collections)

Square feet times annual rent per square foot

Other Expense as a % of volume or revenue

<i>Startup Expenses</i>	
Enrollment Fees	\$ 3,000
Medical Equipment	\$ 25,000
Legal	\$ 2,000
Marketing	\$ 10,000
Supplies	\$ 12,000
Insurance	\$ 6,000
Accounting	\$ 2,000

<i>Occupancy Expense</i>	
Square feet needed	1,650
Annual Rent per Square Foot:	\$ 40
Rent	\$ 66,000

Square feet times annual rent per square foot

- Develop 13-Week Rolling Cash Flow Forecast
- Accelerate A/R
- Decelerate A/P
- Expand Lines of Credit
- Eliminate Expense

### 3. ATTEND TO PATIENTS



- Prioritize Critical Patients
- Address Patients Needs
- Seek New Patients



## 4. ATTEND TO STAFF



- Retain Valuable Staff
- Address Low Performers
- Utilize Temps for Demand Fluctuations
- Train, Train, Train

Common Response is Fear  
Drop Everything (Including Staff) and Run

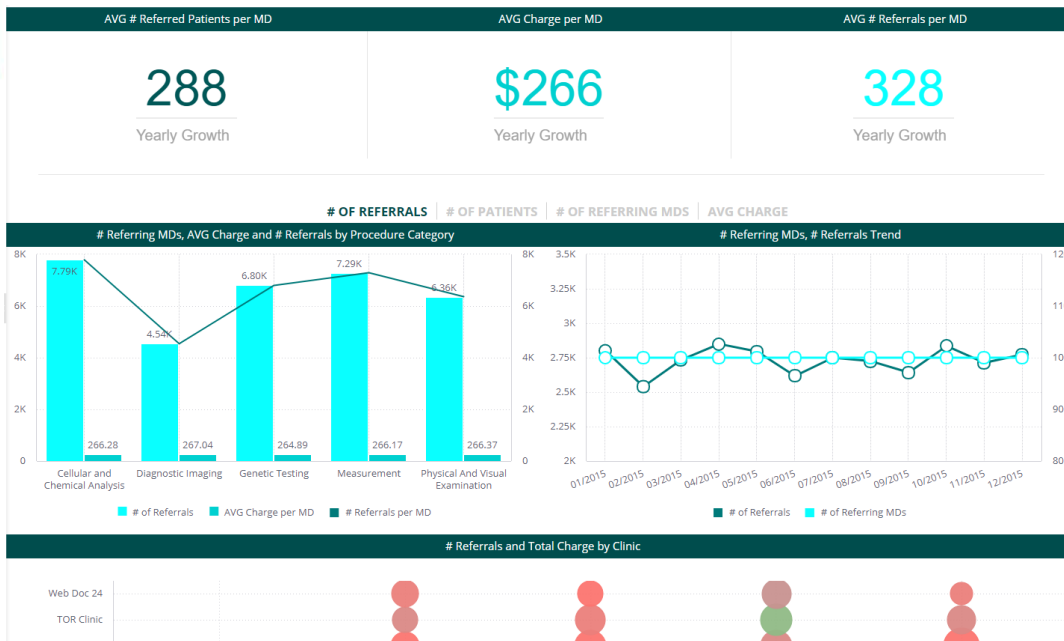
## 5. FOCUS ON MARKETING



MARKETING  
STRATEGIES

- Continue Marketing
- Understand Your Value in Times of Crisis
- Train/Retrain Office Staff
- Increase Communications with Key Patients

# 6. UTILIZE A DASHBOARD AND TRACK EARLY WARNING INDICATORS



- Monitor, Monitor, Monitor
- Track What Drives Your Practice
- Include Early Warning Indicators

# SOURCES OF ADDITIONAL INFORMATION



[apma.org/covid19](https://apma.org/covid19)



[sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources](https://sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources)



[cdc.gov/coronavirus/2019-ncov/index.html](https://cdc.gov/coronavirus/2019-ncov/index.html)



[marcumllp.com/coronavirus](https://marcumllp.com/coronavirus)



# QUESTIONS



**Mike Trabert, CPA, CVA,  
CMAP, CEPA, CM&AA**

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