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CAPUTO

GROUP

NAVIGATING HR DURING COVID-19

Merlyn Ernest
HR Generalist

ABOUT THE CAPUTO GROUP

The Caputo Group offers complete support services for small to mid-sized businesses so you can focus on your craft.

We take on your Human Resources, Compliance, and Liability giving your small business big business expertise.

DISCLAIMER

- This presentation is intended solely for general educational purposes. The information provided here does not constitute legal, tax, or financial advice. It does not consider your particular circumstances, objectives, legal and financial situation or needs. Before acting on any information, you should consider the appropriateness of the information for your situation in consultation with a professional advisor of your choice. This is a rapidly changing area of law and will be subject to change and interpretation.

CDC GUIDELINES

- Creating a safe environment for businesses that are still open
 - Providing masks
 - Hand sanitizers
 - Gloves
 - Disinfecting wipes
- Follow CDC's "Interim guidance for Businesses' and Employers"
- Cancel Travel
- Eliminate shared food
- Encourage tap and pay or online payments
- Follow social distancing of 6 feet

OSHA GUIDANCE

- Develop a infectious disease preparedness and response plan
- Develop Policies and Procedures for prompt identification and isolation of sick people, if appropriate
- Control and Prevention
 - Wash your hands regularly
 - Avoid touching your eyes, nose, or mouth
 - Stay home if your sick

DEPARTMENT OF LABOR

Families First Coronavirus Response Act (FFCRA)

- Signed into law March 18, 2020
 - Emergency Paid Sick Leave Act (EPSLA)
 - Emergency Family and Medical Leave Expansion Act (EFMLEA)
 - Effective April 1, 2020
 - Expires December 31, 2020
- Employer Coverage
 - Private Sector - Employers of fewer than 500 employees.
 - Public Agencies – Regardless of the number of employees they employ

EMERGENCY PAID SICK LEAVE (EPSL)



Qualifying reasons for leave

- subject to a federal, state, or local quarantine or isolation order related to COVID-19
- Has been advised by a health care provider to self-quarantine due to concerns related to COVID-19
- Is experiencing COVID-19 symptoms and seeking a medical diagnosis
- Is caring for an individual subject to a federal, state, or local quarantine or isolation order related to COVID-19, or who has been advised by a health care provider to self quarantine due to concerns related to COVID-19,
- Is caring for his or her child whose school or place of care is closed (or child provider is unavailable) due to COVID-19 precautions,
- Is experiencing any other substantially-similar condition specified by the U.S. Department of Health and Human Services

Duration of Leave

- Full-time employees may use up to 80 hours – Part-time employees may use a number of hours equal to the number of hours they work, on average, over a 2-week period



EMERGENCY FAMILY AND MEDICAL LEAVE ACT (EFMLA)

- Eligibility and reason for leave
 - Has worked for employer for at least 30 days and are actively scheduled for work
 - Caring for a child out of school due to Covid-19
- Is EFMLA leave paid?
 - First 10 days are unpaid
 - Employee may use accrued Paid Time Off (PTO) instead of unpaid leave
- Required Employee Notice
 - If leave is foreseeable, notice should be given as soon as possible
- Increments & Intermittent use of leave
 - Employees may take leave in increments for example they may only need 4 hours to care for their child

FURLOUGH VS LAID OFF DEFINED

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- Furlough
 - A furlough is considered to be an alternative to layoff. When an employer furloughs its employees, it requires them to work fewer hours or to take a certain amount of unpaid time off.
- Layoff
 - A layoff is a temporary separation from payroll. An employee is laid off because there is not enough work for him or her to perform.



CARES ACT: UI ENHANCEMENT AND ELIGIBILITY

- Additional \$600/week for Pandemic emergency unemployment compensation through July 31, 2020.
- No change to basic state UI eligibility requirements about accepting available work
- Each state sets its own guidelines for eligibility but you usually qualify if you:
 - Are unemployed through no fault of your own. In most states, this means you have to have separated from your last job due to a lack of available work.
- Where Do I File for Unemployment Insurance?
 - Unemployment insurance is a joint state-federal program that provides cash benefits to eligible workers. Each state administers a separate unemployment insurance program, but all states follow the same guidelines established by federal law.

SBA – CARES ACT



- **Paycheck Protection Program**

- All small businesses are eligible
- Loan has a maturity rate of 2 years with a 1% interest rate
- No loan payments for first 6 months
- Loan covers expenses for 8 weeks starting from the origination date
- 75% of the loan must be used to fund payroll and employee benefit costs
- Remaining 25% can be spent on mortgage interest payments, rent or lease payments and Utilities
- Keep a record of every penny used from the loan amount

- Payroll Costs

- Salary, wages, commissions or tips (capped at \$100,000 on annual basis for each employee)

- Required documentation

- Payroll records
- Payroll tax filings
- Payroll tax forms from 2019

Qualifications for loan forgiveness

- In the 8 weeks from origination date, all expenses related to the following can be forgiven
 - Payroll
 - Mortgage interest
 - Rent
 - Utilities



SBA – CARES ACT

Economic Injury Disaster Loan (EIDL)

- SBA is limiting fund disbursement to agricultural businesses and businesses who had already applied before the portal closed on April 15 but had not yet been approved or received funds.
- Agricultural businesses that previously submitted an EIDL application will not need to reapply. All other EIDL applications that were submitted before April 15 will be processed on a first-in, first-out basis.
- loan carries an interest rate of 3.75% for small businesses and 2.75% for non-profits and a term of up to 30 years. The EIDL program also offers eligible businesses a \$10,000 cash advance grant.
- Documents needed:
 - Tax Information Authorization (IRS Form 4506T) for the applicant, principals and affiliates.
 - Complete copies of the most recent Federal Income Tax Return.
 - Schedule of Liabilities (SBA Form 2202).
 - Personal Financial Statement (SBA Form 413).
 - Profit and loss statements
 - Monthly sales figures

EXISTING EMPLOYMENT LAWS

- Remember there are existing employment laws, they are still applicable, it's not the wild west
- Americans with disabilities act (ADA) guidelines still apply

STAY CONNECTED

- Stay in touch with your employees
- Keep them updated

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LINKS

- SBA Coronavirus Relief Options: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>
- SBA Interim Final Rules: <https://tinyurl.com/y8ydjvue>
- Treasury Dept. Updated FAQ: <https://tinyurl.com/ycrtyrl8>
- Oregon Health Authority: <https://govstatus.egov.com/OR-OHA-COVID-19>
- CDC – “Get & Keep America Open”: <https://tinyurl.com/y9lks9y8>
- merlyn@caputo-group.com

WHAT WE CAN DO FOR YOU

For a free consultation about how your business could potentially manage HR mandatory employee sick leave, visit us at:

<http://www.caputo-group.com/covid-19-free-consult/>

For additional resources, including a copy of this

presentation visit: <http://www.caputo-group.com/covid-19-resources/>

