Covid Call Notes – Week 6

Mike Oscar Update:

TESTING: As the call for increased nationwide testing continues, the White House Coronavirus Task Force has announced plans to prioritize testing supplies for the large commercial laboratories currently providing over half of the nation's testing. Hospital and university labs report continued difficulty finding necessary supplies and reagents to perform testing that often provides a more rapid return on results compared to sending away for large commercial lab processing. CDC has communicated the same message regarding a testing supply deficit to ACIL in our conversations to expand testing to eligible member laboratories.

PAYCHECK PROTECTION PROGRAM (PPP): The SBA announced that they would begin accepting PPP loan applications as of 10:30 a.m. EST on Monday, April 27, 2020. The SBA continues to urge businesses in need of this funding to apply as quickly as possible. On Tuesday, April 28, 2020, SBA Administrator Carranza and Treasury Secretary Mnuchin issued a joint statement on oversight of the PPP loans.

“We have noted the large number of companies that have appropriately reevaluated their need for PPP loans and promptly repaid loan funds in response to SBA guidance reminding all borrowers of an important certification required to obtain a PPP loan. To further ensure PPP loans are limited to eligible borrowers, the SBA has decided, in consultation with the Department of the Treasury, that it will review all loans in excess of $2 million, in addition to other loans as appropriate, following the lender’s submission of the borrower’s loan forgiveness application. Regulatory guidance implementing this procedure will be forthcoming. Review the full statement here: https://home.treasury.gov/news/press-releases

OPENING PLAN: On Monday, April 27, 2020, President Trump unveiled the Opening Up America Overview and Testing Blueprint designed to facilitate state development and implementation of robust testing plans and rapid response programs described in the President’s Opening Up America Again Guidelines. The President’s Blueprint sets forth the partnership between Federal, State, local, and tribal governments, along with the private-sector and professional associations, all of which will play important roles in meeting the Nation’s testing needs. The administration’s testing overview and testing blueprint are attached to this email.

Resources are updated daily in the COVID area of the ACIL website and can be accessed from the homepage image just under the main menu, or at the link below:

https://www.acil.org/page/COVID-19_Coronavirus_Information_ACIL

Do you hear any rumors of additional PPP funds for a second round of SBA loans to extend to a second 8-week period?
There was no information suggesting another round.

Several members reported receiving their funding since last week!
I’m curious what processes people have put in place to document PPP loan expenditures to insure loan forgiveness?
One member established a separate account to separate out all the applicable expenses. It was mentioned that when you are ready to provide the information to apply for forgiveness, to have a certified CPA review the paperwork and submit the application for you.

**How critical are the PPP loan funds for your operations over the next 2-3 months? Like related to reduction of revenue or increased expenses?**
Several members retorted that these funds were extremely critical as business has dropped off 25-30%.

There was a discussion regarding business development activities.
Member reported sales activity and customer communication was continuing and in many cases, the sales folks had no issues working from home. There was also no evidence to suggest this was a good or bad time to increase or reduce advertising.

**Anyone else concerned about their staff once things start to open up? Increased exposure risks?**
Yes, and the labs said they would continue many of the safety policies into the new year.

**Is anyone making plans for a second wave of COVID and those potential lock downs?**
Yes, and the labs said they would continue many of the safety policies into the new year.

**Has anyone experienced a virtual accreditation audit?**
Several members said yes and it was a positive experience.