



COVID Assistance

Flexible Solutions for Uncertain Times

April 2020

A large graphic on the right side of the slide, consisting of a curved white shape and a grey honeycomb pattern that resembles an escalator.

escalon 

The word "escalon" is written in a dark blue, lowercase, sans-serif font. To its right is a logo consisting of three orange chevrons pointing upwards and to the right, arranged in a staircase pattern.

Escalon's Covid Assistance Plans

Stimulus Max[®]

Our CFO's will help you get the maximum out of over 50 federal, state and local loans and grants, from PPP, EIDL, 2301, 2302 etc.

Cash Stretch[®]

Using our proprietary framework we can help you collect cash faster, defer or stretch out payments, and reduce expenses.

Tax Crush[®]

Escalon's tax experts will help you find a way to reduce your taxes, maximize tax credits, and stretch out payments for federal, state and local taxes.

Work Flex[®]

Furlough, Layoff, Pay cut, or bonus reduction? Our SHRM certified HR pros will help you find the right solution for your circumstances

escalon 



Impact of our Offerings

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Increase Cash Reserves

Delay Cash Outflow

Reduce Cash Burn



Stimulus Max[®]

Economic Injury Disaster Loan (EIDL)

- Directly from SBA
- Up to \$2M @3.75% for 30-year maturity
- No personal guaranty under \$200K

Payroll Protection Program (PPP)

- 2.5x monthly payroll up to \$10M @4% for a 10-year term
- 8 weeks of payroll and additional expenses can be forgiven
- No personal guaranty

Cares Act

Section 2301 incentivizes employers to keep idle workers on their payrolls through tax credits

Families First

Paid sick leave and family leave, with refundable payroll tax credits to fund them (subject to a cap)

State & Local Programs

NYC Small Business Continuity Loan Fund
NYC Employee Retention Grant Program
Etc.

Cash Stretch®

Collections Management

- Comprehensive program to collect outstanding dues from customers.
- Identifying the current DSO & target DSO.
- Implementation of a collections program based on weekly follow ups.

Receivables Factoring

- Analysis of factoring potential based on Client credit and collections history
- Run a competitive bid process to obtain best factoring proposals
- Implement a factoring program as an overlay over existing AR processes

Vendor Payment Extension

- Identify critical/non-critical vendors.
- Obtain competitive quotes from alternative suppliers to get better prices and terms

Expense Reduction

- Detailed review of the company's cost structure
- Identify candidates for cost reduction in order of priority
- Project plan of cost reduction programs and ongoing support

Financial and Cash Flow Review

- Analyze financial position, re-forecast revenues, costs and operating metrics
- Calculate weekly cash flow forecast and cash runway
- Scenario Analysis and Modeling
- Create board/ investor reports or support critical decisions

Tax Crush[®]

Delay of Payroll Taxes - Section 2302 allows all employers to defer paying their share of social security payroll taxes for two years, 50% by December 31, 2021 and 50% by December 31, 2022

Retention Credit - Section 2301 incentivizes employers to keep idle workers on their payrolls through tax credits

Automatic extension to July 15 to file and pay taxes (Business & Individual).

Net operating losses. This provision allows for NOLs arising in tax years 2018, 2019, or 2020 to be carried back 5 years

Modification of §461(l) excess business loss rules. The provision modifies various aspects of the excess business loss (EBL) limitation applicable to pass-through businesses

Refunds for AMT credits. Since the repeal of the corporate AMT, carryover AMT credits currently are refundable over several years, with the balance fully refundable in 2021

Temporary modification of §163(j) interest deduction limitation. This provision increases taxpayer's permitted interest deduction by increasing the 30%-of-ATI limitation to 50% (with adjustments) for 2019 and 2020

Technical amendment regarding qualified improvement property. Qualified improvement property (QIP) is any improvement to the interior of a non-residential building after the building was placed in service

Work Flex[®]

Identify Payroll Cost Reductions

- Based on existing situation, identify pros/cons of various options such as RIF, Furlough, Bonus reduction, across the board pay cuts etc.
- Examine impact, cultural and compliance trade-offs of above options
- Implement decided course of action to minimize compliance and legal risk

FFCRA Assistance

- Provide all the required documentation to obtain payroll tax deferment and tax credits under FFCRA.

Re-Assess your Benefits and Insurance package

- Complete evaluation of your health and benefits package, and P&C insurance coverage to mitigate risks in context of current environment

Remote/WFH Transition Assistance

- Review, modify and/or create required policies and provide necessary training to successfully transition from office to WFH scenarios

Appendix

Levers of Impact

