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LEAGUE OF AMERICAN ORCHESTRAS

** Communication Access Realtime Translation

(CART) is provided in order to facilitate communication accessibility and may not be a totally verbatim record of the proceedings. ** >>> Welcome to the League of American Orchestras' online conference. I'm Heather Noonan, vice president for advocacy in the League's Washington, D.C. office. We're all individually and institutionally compelled to turn our attention to the critical needs of our communities in the face of ongoing racial justice. We will take audience questions, so to participate please use chat in feedback or Zoom and we will answer as many questions as possible. As a tip, if you navigate away from this broadcast in the browser window you will leave the session. But you can easily rejoin. Just click on the session. I want to give acknowledgment that there may be members of the press in the audience. Your feedback helps inform future offerings. Below the session description there's a brief survey where you can share comments and this feedback is very valuable as we continue to shape our future content. We welcome you to today's session on paycheck protection programs. Joining us is Kyle Miller,

from Pryor Cashman. I thank orchestras for sending questions in advance of the webinar. We have been receiving questions up to the moment, and hope to incorporate as many as possible. We also invite you to share questions in the course of the session through the chat feature. We hope to go through the entire presentation. The landscape of the Paycheck Protection Program policies has changed in the last few days. Following the passage of a paycheck protection flexibility act, this past Wednesday, we pivoted to incorporate as much of the new information as possible. Some information still is not available and will require yet another round of new guidance from the federal agencies. The most up to date information on the changes and information about how the League advances policy efforts through our federal resources, always available on the League website and updated continuously. The League in partnership with Pryor Cashman has available individualized technical assistance on the COVID-19 federal relief opportunity, from qualified legal experts of Pryor Cashman. It is offered at a steeply discounted rate. We deeply appreciate all the work put in, in the last few days, I hand it over to Kyle.

>> Thank you very much. The original focus

was going to be on the forgiveness guidance that came out on the SBA a couple weeks ago. But the House of Representatives and Senate passed the paycheck protection flexibility act. We will start out talking about the flexibility act. When we talk about forgiveness, we assume all the existing guidance continues to apply. When you apply, be sure you have reviewed the latest guidance because there will be more, and they will change how the existing forgiveness guidance applies, and change what our focus is on. For example, when we talk about an -- covered period, there's an emphasis on getting additional days into the covered period.

The new legislation makes several changes. It's frustrating that it's constantly changing, but most of the changes are for the benefit of the borrowers, so for the most part, it's good changes. It extends the maturity for new loans made after the effective date of the PPFA. It says borrowers and lenders may mutually agree, it's not mandatory on the lenders, so they must agree to that with you if you want to extend. It extends the covered period from 8 weeks to 24 weeks. That's the period you have to use your loan procedures to get forgiveness for your payroll costs and non-payroll costs.

Borrowers still have the option to use the earlier 8 week period. Remember, as part of the

program, you must maintain your full time equivalence employees, and not doing salary cuts in excess of 25% throughout the covered period. So if you opt for the longer period, you must maintain those for a longer period of time. What is not clear is if you can choose a period between 8 and 24 weeks.

It's an all or nothing 8-24 weeks. Next, it extends the June 30 safe harbor for rehiring to December 31. In the program, you must maintain full time salaries and employees but if you don't, have them back June 30 -- back to the prior levels, you get the benefit of both, so that extension is helpful.

It adds two new safe harbors. The first is organizations able to show they have an inability to rehire individuals who were employees on February 15. And to hire similarly qualified employees -- reduction in full time equivalence employees, because you're not able to rehire individuals, and in that obviously to hire qualified individuals, you won't have your loan forgiveness amount reduced.

It adds a safe harbor to organizations that show an inability to return to prior levels of business activity due to compliance with government rulings, or related to social distancing or any other worker or customer safety requirements related to COVID-19.

This one will be key for orchestras, as you may not be able to re-open for performances at any period during the COVID period so it will be beneficial to not maintain your FTE during the covered period. We don't know how this will apply, for example, social distancing requirements are relaxed late in the year, say November or December, such that you're able to re-open only for a limited portion of the period between now and December 31.

It makes sense to have some personal benefit from the safe harbor, if not the full benefit. But that's TBD. It replaces the requirement that 75% of the forgivable amount -- 60% of the loan be for payroll costs. That's an important decision between the forgiven amount and loan amount. The way it's drafted suggests that if you don't use 60% of the loan amount for payroll costs the loan won't be eligible for forgiveness at all. Couple members of Congress leadership have indicated that was not their intent and they wanted to work the same way the 75% threshold worked, so any could be forgiven, comprises of 60% payroll costs and there will be guidance to make that interpretation. There's a chance Congress to act to amend this provision since right now it clearly states you're not eligible if you don't make at least -- of the loan amount.

It replaces the six month deferral payments. It will now be until the lender has decided on your forgiveness application, that has gone to the FTA, which remitted the forgivable amount to the lender until the final decision was made. It allows borrowers to take advantage of payroll tax deferrals in the CARES act. It allows you to defer your pay roll taxes between March and December of this year, with -- half being due to the end of 2022.

Moving into the forgiveness calculation, and we will talk about that based on the SBA's existing forgiveness guidance that came out before this was passed. It's not clear if anything will change beyond a couple specific things. You will determine the maximum forgivable amount, the sum of your payroll and non-payroll costs during the covered period. Determine whether any reductions apply because there's a reduction in full time equivalence during the covered period. Or, any reductions in salary in excess of 25% during the covered period.

You will determine if the safe harbor applies because you have hired employees restored earlier salary cuts by December 31 and if you took an economic injury disaster loan, there was an advance available of up to ten thousand dollars. That amount will be

deducted forgiveness.

Determining the maximum amount, largely on what we knew is equal to the sum. The following costs made during the covered period. Payroll costs, mortgage interest on real or personal property, payments of rent or utility payments. They must be at least 60% of the loan amount or possibly the forgiveness amount, that's what we're waiting on for additional guidance from Congress.

Payroll costs, again, a little bit of, salary, wages, cash tips, payments for certain types of leave. For independent contractors, self employment earnings, but employee is not eligible to include independent contractor payments. The cash portion, remember not more than \$100,000, prorated for the 8 week covered period. The covered period for payroll costs, certain borrowers have a choice of which period to use. The regular covered period begins on the day the loan was originated. All borrowers have the option of using that. There's an alternative payroll covered period, a 24 week period beginning on the first day of the first payroll cycle after the loan starts. That's only available for borrowers with a biweekly payroll -- many employers use semi monthly pay cycle, which is 24. If you use that, it will be less, not more, frequent so you won't be eligible to the

alternative payroll covered period. The purpose of that is to closely align the covered period with the payroll period to make easier to calculate for certain borrowers.

Borrowers have the option to use an 8 week covered period. Also presumably would apply to the alternative payroll covered period, 24 week, unclear if you can choose something between 8 and 24 weeks.

Payroll costs may be included if they're paid or incurred. Those incurred during the covered period, not paid, are only includable if the employee works during the covered and the amount is paid in the next regular pay date after the covered period. You can't include items that were incurred in advance, like health insurance benefits, maybe paid in advance prior to the covered period that apply during the covered period.

Questions on this paid or incurred concept, has there been more clarification regarding the actual time period that can be forgiven? I've heard they may end up being more than 56 days. The question still applies. If you have a semi monthly pay period, and you're covered period starts April 25, on your April 30 pay date, paying for 16-30, you include that entire pay period, the amounts paid on the 30th, even though days worked were the 15--- prior to the start of the covered period. You will include several pay periods for which the

amounts are incurred for period during the covered period, and paid during the covered period, those are obviously includable, only once, not twice. At the end of the covered period, you have days that are in the covered period but paid immediately after the covered period on the next pay date. Those may be included, but not after the covered period.

Effectively, you would in this example have 56 days, plus an extra ten or so days at the beginning of the covered period that were included. We received funds from -- on April 22. For pay period of April 3-17 , or we allow use this in our forgiveness application? This is similar to the example I just went over. The difference is that here the pay date is not the last day, for the period ending on that date. It's delayed by a week, so April 24, you pay for the 3-17 so therefore have two pay periods. Both of those cover a period that in part is prior to the start of the covered period. Both some be includable because they're paid during the covered period. It may seem they get ten days over the covered period, even more than that, but remember at the end of the covered period they only can include the one payroll that is paid immediately after the end of the covered period. Their second payroll will include days during the covered period but that would not be eligible because it's not the

next pay date immediately after the covered period.

It's not clear to what extent you could repay old wages and include them because they're paid during the covered period. You're eligible to include bonuses. As long as you're not exceeding \$100,000 per employee as prorated during the covered period you can include an additional amount but it's not clear to what extent you can repay salaries to someone who was furloughed and brought back during the covered period.

If an employee is not working, you can still pay them. We assume that but it's good to have clarity on that. For those not performing work but still on the payroll -- established by the borrower typically each day that the employee would have performed work. What about employees who don't have a regular work schedule, like musicians? Each day the employee would have performed work is not helpful there. If a schedule established by the borrower, implying latitude in establishing your own schedule for when they would have worked, I suggest being reasonable, using history as a guide, that's really all you can do absent further guidance.

Hazard pay and bonuses may be included.

On mortgage, interest, rent, utilities, may be

included if they're paid during the covered period, or if they're incurred and paid on or before the next regular billing date, even if that is after the covered period. The alternate payroll covered period for borrowers using that would not apply to non-payroll costs. So using the alternative period -- regular covered period for non-payroll costs.

Is it correct that expenses incurred during the eligibility period but paid before the next payroll date after the period are allowed -- those who pay rent -- before the due dates. This touches on health care insurance, which would be a payroll cost and rents, a non-payroll costs. You get the same answer, costs paid during the covered period, not paid during the covered period, can only be included if they're paid on or before -- something paid in advance but covers a portion of the covered period who not be includable.

Step two, in general, the maximum forgivable amount determined in step one will be reduced by a percentage equal to the per cent reduction in full time equivalent employees during the covered period compared to a reference period. For example, a borrower has ten FTE's during the reference period. -- the forgivable amount will be decreased by 20%, with the conditions on the slide.

Non-seasonal borrowers can pick February 15, 2020 through February 29, 2020, or January 1, 2020 through February 29, 2020. There's no guidance on what constitutes the seasonal borrower yet. They can use either option. They also can use any consecutive 12 week period between May -- and September 15, 2019, so they're letting you pick the period based on your seasonality.

Determining FTE's, they adopted a simple 40 hour work week standard. Calculate the average number of hours each employee works per week during the reference period, divide by 40 and you get a number around one for a full time employee. No one can be more than a full time employee. For example, an employee working 50 hours per week, divide that by 40, but it caps at 1.0 so that's the number for that employee.

That's option one for determining FTE's. There was an alternative method, essentially allowing you to simplify part time employees to all be 0.5FT all your part time employees can be 0.5, they're trying to make it simpler for those who don't have detailed -- you must be consistently applying the same formula during covered period and your reference period, you can't pick and choose whichever is more favorable.

How do you calculate the reduction amount?

Determine the FTE amount for all employees during the covered period, or alternative payroll covered period and reference period, add them up, divide the total FTE's during the covered period or alternative covered period, by the total FTEs during the reference period to get a reduction factor. If the amount is one or greater, no reduction is required. Less than one, the forgivable amount is determined by multiplying the reduction factor by the maximum forgivable amount.

We should be able to take the total hours of an employee for the look back period and divide by full time hours for the look back period but I heard we calculate for each individual week and then average. That's the question. So, doing this analysis, looking at average hours per week during the -- divided total hours by 24, or 8 weeks. You don't need do an FTE calculation on a weekly basis.

In general, there will be a reduction in salary or wages of certain employees in excess of 25%. Which do these apply to? Anyone not paid a hundred thousand or more during any period in 2019 and any new employee. So if they start their first day of work in 2020, and they make 200,000 a year, the 25% reduction limit will still apply to them. However, if you have an employee who started prior to 2020 and they made a

hundred thousand annual rate based on one single paycheck in 2019, that employees would not be subject to the 25% cap.

Compare the average weekly compensation during a reference period, here, January to March 31, 2020, to the average weekly compensation during the covered period, or alternative payroll covered period. If the amount during the covered period or alternative period is more than 25% lower than during the reference period the forgivable amount is reduced. The average compensation during the reference period you're comparing to is the base compensation. There's no definition of what that is but it stands to reason if someone gets paid for overtime during the reference period and you decrease beyond 25% based only on overtime, you should not be penalized for that so I expect base compensation excludes things like overtime. The calculation will be on each individual employee, not an aggregate basis, then you use the forgivable amount on a dollar for dollar basis for each employee based on each dollar in excess of 25%.

Reduction in salary won't also result in a reduction of forgiveness to the extent that it results from the reduction in FTEs. For example, an employee previously working 40 hours a week, hours cut to 20

hours a week, and weekly salary was reduced to \$500. There's a reduction in forgiveness as a result in the decrease in FTEs, assuming there was -- someone else's hours. There won't be an additional reduction based on the change in salary because that's attributable to the change in hours. If the hours were cut to 20 hours and salary was reduce from a thousand to 250, the reduction salary is not entirely attributable to the reduction in FTE hours so you have to do both reductions.

Reduction in forgiveness. You have the option of just being consistent with your reference period and paying everyone essentially the same rates. Obviously, that may not be desirable, where you have substitute musicians filling in and they have no expectation of being paid at the principle rate. You can rely on the language I mentioned about looking at base salary during the reference period and suggest that person's salary was based on their substitute musician rate. I don't know how, how much the base salary applies where there's two different rates. There's no guidance on this. You may try, if you don't want to do option one, which is to be (indiscernible) reference period and certain alternative options do not apply, you have to suffer the reduction in forgiveness because the person

will be paid a lower rate during the covered period than the reference period.

>> We -- to paid musicians that worked in the previous quarter -- if you work in February, the first quarter, but not paid for service in May, we still have to pay 75% of what he earned in the first quarter.

Remember, there's no reduction for salary to the extent that the reduction in salary was totally attributable to a reduction in FTEs. If employees were working 40 hours a week, during the reference period, and went down to -- FTEs, during the covered period, and you did not pay them, you'd have a reduction based on the reduction in FTEs, not a separate reduction based on the reduction in salary. If you had other people working, paying different employees, your aggregate loss in FTEs might be zero. If the FTEs are consistent, it should not matter that certain individuals aren't being paid because there's no duplicate reduction for salary.

Restoration of full time equivalence or salaries by December 31, if wages were reduced between February 15 and April 26, such that a reduction in forgiveness would be required, no reduction applies if it's eliminated by December 31, 2020. For salary reductions, it's not clear if you must restore back to 100% or just to within 25%. I originally thought it would

be within 25% of the original salary levels. The latest guidance is not clear on that.

Similarly, if a borrower reduced FTE's during February 15-April 26, no reduction will be required if the reduction in FTEs is eliminated by December 31 or earlier. That's interesting, because it doesn't say how long you have to maintain it for. You'd think it would be through December 31 but it's not clear.

Questions on this? We're likely to have the same head count at the end of our covered period as at the beginning. You're not comparing head count at the end of the covered period -- you're compared it throughout the covered period, average head count compared to the reference period. If your head count during the covered period and reference period are the same, yes, you could do lay offs after the covered period, and not worry about December 31 because that's only a safe harbor for borrowers that did have a decrease that are rehiring workers.

The paycheck protection act added safe harbors that we already discussed. There were a couple safe harbors part of FTE guidance. It's unclear how they still apply after the, the first was after you made a good faith offer to rehire an employee, the borrower may calculate forgiveness excluding -- attributable to the

employee, same to a reduction in hours. There were a number of requirements that went with this. It's not clear if they still apply because there's a safe harbor applied if there's an inability to rehire workers or hire similarly qualified workers, involvement this did not have the additional element of inability to hire other similarly qualified workers. Likely, the new safe harbor under the PPFA would trump the safe harbor that the -- had created. There's a safe harbor for employees who are fired for cause, and this essentially is, voluntarily resigned or requested a reduction in hours. The borrower could count them at the same FTE level before such an event occurred for calculating the reduction. For example, if an employee worked 40 hours during the reference period at the beginning of the covered period, they reduce 20 hours, the -- you can treat the employee as 0.5 FTEs for the entire covered period even though they left during part of the covered period. It's not clear if this will continue to apply.

Next steps, the SBA published a form of forgiveness application. The form will probably change a bit to reflect changes, but downloading and reviewing it, you may wait for the revised form, but look at the documentation you need to include, when you apply. Make sure you can complete the form in advance on the

covered period, coming to an end.

After you apply, the lender has 60 days after the application to make a decision on your forgiveness. After they decide, they submit it to the SBA, where there's an additional 90 days to review it and ultimately make the amount of the forgivable funds available to the lender. It's potentially up to five months after you submit your application before a final decision. The good news is because of the or -- you have the entire period of while you're waiting, as an additional payment deferral.

That's my presentation for today. We have time for questions.

>> Thank you very much. The new safe harbor provided in the flexibility act, someone asked, when it comes to the safe harbor, does it apply to the reduction in wages and FTE count? The language of the act only specifies FTE count. Do we know whether it applies, or how we might, your consideration about that?

>> It only says it applies to FTEs. I'd expect we will get guidance that it also applies to salaries, to the extent that an employee has their hours reduced because there's nothing for them to do and it falls within the safe harbor so it would not make sense that a safe harbor applies to the reduction FTEs, but not to the reduction in salary that results. There may be similar

guidance as to what is put in place for the general rule that salary reductions do not count to the extent they're attributable to the reduction in FTEs.

>> Regarding the timing of seeking forgiveness, given the new dynamics. And considering this safe harbor time for a while through December 31. If borrower elects for the 8 week period, what does the timing look like for applying for forgiveness? A number of orchestras are considering that they, at the conclusion of the period, may need to diminish payroll.

>> I haven't seen anything specific, but I expect you can apply pretty much right away. We may be stuck waiting at least for a couple weeks to get an updated application available. But if you're applying, in the 8 week covered period, you could apply quickly. If you're relying on the December 31 safe harbor, you presumably won't be able to apply until after December 31 because you can't show you maintained your payroll and, or restored payroll and FTEs, until you have actually done that. That's a question mark. We need more guidance on that.

>> The second part is the most important considerations that everyone has in mind. It seems a high percentage of orchestra stakeholders want to make

use of the safe harbor. Another question from those who won't exhaust their -- until beyond the -- week period.

Ideally, they would be able to apply as much as possible to loan forgiveness. Would they need to wait until the end of the 24 period. If they exhaust funds somewhere in between, how will that play out?

That's where it will be key to see if they adopt a rule that permits borrowers to adopt a covered period between eight and 24 weeks. If you're stuck using 24 weeks as your number, you can't apply until the end because you need to submit documentation show that you maintained your FTEs and salaries for the entire 24 week covered period.

It will be key today if that's adopted, it's going to be a challenging decision for orchestras and others organizations to make, on whether they use 24 week period if they must maintain their payroll for the entire longer period.

>> We have a number of questions related to the covered periods allowable costs. We have the two prior webinars that go over basic information around eligible costs, also, we had additional guidance by way of (indiscernible) and have an ever growing list of -- regarding coverable payroll fees.

>> Fees? I haven't seen specific guidance on

whether they're includable.

>> For those providing COBRA assistance, is that allowable payroll costs?

>> I'd think it would be, based on the allowance of -- provision of employee benefits, assistance and health care coverage including insurance premiums. I think that falls into that.

>> You confirm that retirement benefits are covered. Some organizations are currently paying catch up retirement benefits, so they, their payments might exceed the usual benefits per payroll period. Would those catch up payments be eligible as a cost, or do they need to average it back out?

>> I don't know if there's a clear answer. The fact that you can include bonus and hazard pay suggestion that's amounts in excess of ordinary amounts attributable to the covered period could be included as long as you're staying below the one hundred thousand cap. It may be worth it to try. I haven't seen anything indicated this would not be includable.

>> Workers compensation is typically paid on an annualize basis. Would that be an allowable per pay period cost?

>> I haven't seen a specific answer on that. I would want more clarity on that.

>> Shifting to the FTE standards, I think many of us will want to rewatch this webinar several times to understand all the detailed answers, to specific questions apply to orchestras. We will making a recording available as well as the slides. So we can absorb this information at our own pace. In the relatively recent round of regulations from last week, treasury confirmed the 40 hour basis for the FTE formula. It we scroll back to that set of slides?

>> They have to use the 40 hour work week standard for the purposes of calculating this. They don't let you use whatever formula you may generally use for accounting purposes. You must use the 40 hour standard. On a prior webinar we discussed there might be complexity to this, other formulas, various agencies use for calculating FTEs that go on for pages and pages. For example, exclude workers who only work a given number of days, none of that will be relevant here. They go with a relatively simple standard compared to what the government uses for other purposes. It's essentially the 40 hour work week standard.

>> Another question going back to, we had a few people asking, in our initial webinar, we informed potential borrowers that as an organizational applicant

PPE funds, their eligible payroll costs are limit to W2 workers. There are orchestras that exclusives engage through a 1099 relationship. They're into the eligible, correct?

>> Right. They're not considered payroll costs for the organization. Independent contractors are eligible to apply on their own and they did not want them being double counted,

>> One member asked to review the terms on interest accrual for the unforgiven portion of a loan.

>> It's 2%, right? Sorry, I've been so focus on forgiveness.

>> I'm grasping for it, too. We can return to this. We will confirm the amount. If you can scroll up to the proceedings slide, regarding choosing the reference persevered. This question has been asked several times. Am I a seasonal employer? We don't have guidance on any definition, it appears that one can self select.

>> There has been no guidance on what a seasonal borrower is. It seems like the kind of thing that the SBA has had opportunity to issue guidance on, and would have, if it intends to do so. So it seems it's a question of self selection. There's always the risk your lender will say, actually, you're not seasonal. This was

intended for something really seasonal, like agricultural. It may be factor specific for organizations, some have almost a full year season, others a half or quarter year season. Those look very much like seasonal businesses, whereas a 48 week season looks less so. -- 48 week season. You can make the case that it's seasonal. There may be standard in between with a cut off, but nothing spelled out to date.

>> Many orchestras in the spirit of the intention of the paycheck protection program have used resources to bring workers on payroll and maximize their eligible loan amount with the anticipation of full forgiveness, bringing workers back onto the payroll who may not have had work presented to them under the current circumstances. But may or may not have had planned engagements, prior to the public health emergency declaration. We confirmed that since work is not done during this period, it doesn't impact the eligible payroll costs. Can you speak to that again?

>> We always speculated that that would be the case. In the guidance, over specifics, furloughed workers paid are eligible to have the payments included in payroll costs. At this point, it's very clear that if an employee was not working, they're includable. You're supposed to do that -- based on when they would have

been doing work, which may be a question for a worker who doesn't have a normal schedule, like a musician. The date will be less important than if you use the 24 week period. If you're still using 8 week period, paid and incurred may be important because you're trying to get in the extra days at the beginning of the covered period.

I encourage orchestras to try to use a schedule that is reasonable to the extent that they don't have an actual schedule they can use because if, the workers were never scheduled or don't have a schedule they can use based on what the prior expectation was. Something based on historical precedent or a reasonable expectation of when they would have been working.

>> Thank you. I'm seeing a number of questions about how orchestras should approach calculations for their forgiveness applications compared to the approach they have taken in their original loan application. This applies to maximum loan amounts calculated, based on taking an annual approach for seasonal approach, also just a lot of general questions about how to align their loan forgiveness application, given that the guidance has shifted from what they knew based on their application to, what is known now.

>> In general, your decisions for forgiveness, try to be consistent with the decisions you made in calculating your payroll costs at the time you applied. To the extent that guidance has changed, you should absolutely apply based on the latest guidance. That applies to that issued to date and it may be you should between now and when the application is made. You won't be penalized if you're calculating something differently in your forgiveness application as you did during your initial application, as a result of the change in guidance. The SBA clearly said you're eligible to apply based on guidance in effect at the time you applied but it doesn't mean you get to use the same assumptions indefinitely to the extent there's now contrary guidance.

>> Thank you. This will be case by case specific. We're aware that the application process is still open. There may be some that are approaching this topic for the first time now with the extended period in mind.

>> Right. Still unallocated funds available for the program. They said applications are only available until June 30. Originally we thought the effect of would be to extend it to December 31. That's no longer the case. If you're in a situation, you have about four weeks left to apply. It's possible that the funds will get used up

now that there's a little bit more liberal rules. If you're still waiting to apply, now is a good time.

>> There are ongoing policy conversations on, about what comes next, what major forms of COVID-19 relief will be available. There has not been a lot of interest to substantially recapitalize to give people another bite of the apple. In terms of timing, when we will know more? Congress is intending to be working on COVID-19 4.0 package, but the full shape won't be available until the end of the month, likely early July. It's frustrating because we don't have insight into what might come after this. It's also an opportunity to weigh in, and explain where the unmet need is. Kyle, you know exactly at what point guidelines will be issued on the flexibility provision? (laughing) Any insight on, the League will be making orchestras aware when we see more information, but do you have further insight on where we should be keeping our attention?

>> Reviewing everything out there to date, reviewing the application, and trying to figure out how to apply, whether it makes sense to use the 8 week covered period, or the 20 week cover, I don't want to focus too much on what's out there today, when it may well be trumped by the next set of guidance but on some level, you're stuck doing that because it's so important to

stay up to date. The guidance is constantly changing. Those forgiveness rules issued two weeks ago are more or less going to be effective, probably mostly be a change of 8-24 weeks.

Everything is subject to change now that the paycheck protection flexibility act passed.

>> Borrowers are consulting with lenders, for the forgiveness process. How much could they reallocate, what their lenders know at this moment?

>> It's great to talk to lenders, the single most useful thing you can do. It's entirely possible that the lenders are having conversations directly with the SBA, getting more guidance on, more than the general public is aware of. Review the guidance, application, everything that's out there. Because they have the ability to overrule decisions the lenders make on the forgiveness application. They could very well be wrong and the SBA could make a different decision.

>> There are several questions on the chat feature that we can't dress but they will inform the guidance and resources we make available through the League federal assistance page. There's also an survey form for the webinar, that's a way to continue posing questions to us. We may not be able to address them all in real time but it's very helpful to see where the

information gap so we can develop more resources. We already received reassurance that Kyle is standing by to help us with another learning event of this kind, as soon as more complete guidance is available and we will be making this recording available and also make sure we post on the website, the slides used here, which will one of the most helpful resources to review. Thank you, Kyle, for leading this conversation. It's been 24/7 effort to unpack all the new information and frame it specific to orchestras. Please take a look at the survey linked in the webinar description for today's session. What you inform us really helps us in what we offer next. Review your constituency meetings in the schedule section of PheedLoop, we're continuing to add content and want to be sure you don't miss a single bit of it. Also, in, short of an hour we will have another session on aligning strategic initiatives with COVID-19 response in mind.

Thank you for your participation, and please stay tuned for more information to come.