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Blind Hiring and Implicit Bias

My Resume

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Over the past several years, many people have become more aware of the implicit biases that exist in our culture. Implicit bias, or hidden bias, occurs when individuals make judgments about people based on certain characteristics without even realizing they're doing it. People may have implicit bias about race, gender, age, religion, marital or parental status, and many other areas.

Unfortunately, these characteristics can affect all stages of the recruiting process – whether the application gets reviewed, if the applicant gets an inter-

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view, and ultimately who gets hired for a position. Recruiters and hiring managers may not even be aware of the impact that their implicit biases cause. So what can you do to mitigate the impact of implicit bias in your recruiting process?

First, ask yourself or your hiring managers some important thought-provoking questions:

- Do you typically hire the same type of people?
- Do you disqualify résumés based on the name and what it may imply?
- What do you mean when you say that someone is “just not the right fit”?

After taking an inventory on your answers to the previous questions, you may want to start implementing blind hiring. Blind hiring ensures that you are focused on the qualifications and the skills that a candidate has rather than focusing on their demographic characteristics.

A great first step would be to create a system so that you can remove or hide an applicant’s name from their résumé while reviewing their qualifications. Other demographic information that you could remove to reduce implicit bias would be the home address, graduation dates, college name, volunteer work, or any hobbies or interests that are listed. These items could give you an indication of an applicant’s socio-economic status, age, parental status, race, or religion.

Keep in mind that you may eventually want to know what college an applicant attended or what volunteer work an applicant participated in, but some of this type of information may change your view of a person. For example, if you see the person volunteers with youth sports, you may assume that the person has children and has particular constraints on time.

Blind hiring may seem like an unnecessary or overwhelming process to implement, but imagine the talent you may find when you remove implicit bias and you are truly looking at a candidate’s qualifications. If you have any questions about blind hiring or any other part of the recruiting process, please feel free to reach out to the HR department.



Build a Fortress Defense for PPP Forgiveness

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More than 70% of small businesses in America now have loan proceeds from the Paycheck Protection Program (PPP) to help retain employees during the current pandemic. The entire amount of a PPP loan is eligible to be forgiven if the funds are used for qualified expenses. Recent legislation liberalizes the terms of loan forgiveness for funds used for payroll, utilities and rent. It is now based on a 24-week period, not just eight weeks.

But how can you best position your company to fully benefit from PPP loan forgiveness? Here are five tips to help meet the challenge.

Restore your staff

If possible, restore the number of full-time equivalent (FTE) employees to previous levels by the safe-harbor due date of December 31 (extended from June 30). Bring back furloughed FTEs as soon as you can. Of course, this should fit into your overall business plan. If an employee does not return, document the refusal. All these actions will help when the forgiveness formula is applied to your loan.

Pile on payroll costs

Run payroll and other remaining qualified expenses—including mortgage interest, rent and utilities—on the last day of the 24-week period. This will enable your business to maximize the amount of loan forgiveness allowed under the calculation.

Reward employees

Consider paying out reasonable incentive amounts to maximize the forgiveness of payroll costs. The bonuses can even go to family members like your spouse or children. But remember that you can only count up to \$100,000 of wages per person,



you must be able to defend these payments as reasonable.

Use the simplified application form

There are two loan forgiveness forms - the regular form (Form 3508) and a simplified version called Form 3508EZ. Review both forms before deciding which one is right for your situation. For instance, there are fewer calculations on the simplified form with less documentation required.

To qualify for the simplified form, you must meet at least one of these requirements.

- You're self-employed and have no other employees.
- You didn't reduce employee hours or reduce their wages and salaries by more than 25%.
- You lost business due to health directives relating to COVID-19 and didn't reduce employee wages and salaries by more than 25%.

Document everything

Once you receive PPP loan funds, keep supporting documentation on everything related to the loan. Document when you receive the loan, each time you spend part of the loan and accrued interest expense on the loan. Also keep copies of receipts and invoices to document all loan expenditures, including bank account statements and journal entries.

IRS Announces Most Common Tax Scams

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The IRS recently announced its 2020 edition of its annual Dirty Dozen list of tax scams with a special emphasis on aggressive and evolving schemes related to COVID-19 tax relief, including Economic Impact Payments. Here are four of the more common scams.

Phishing

Phishing refers to potential fake emails or websites looking to steal your personal information. Remember the IRS will never initiate contact with you via email about an outstanding tax bill, refund or Economic Impact Payment.

What you can do. If you receive any suspicious phishing emails, forward them to phishing@irs.gov.

Fake charities

Criminals frequently exploit natural disasters and other crisis situations such as this year's pandemic by setting up fake charities to steal donations. Fraudulent schemes normally start with unsolicited contact by telephone, text, social media, e-mail or even in person.

What you can do. Verify the charity's existence by searching for it using the IRS's search tool.

Threatening phone calls from IRS impersonators

IRS impersonation scams include phone calls threatening arrest, deportation or license revocation if you

don't pay a bogus tax bill. The IRS will never demand immediate payment or ask for financial information over the phone.

What you can do. If you received a phone call, contact your local IRS office to verify whether you owe any taxes.

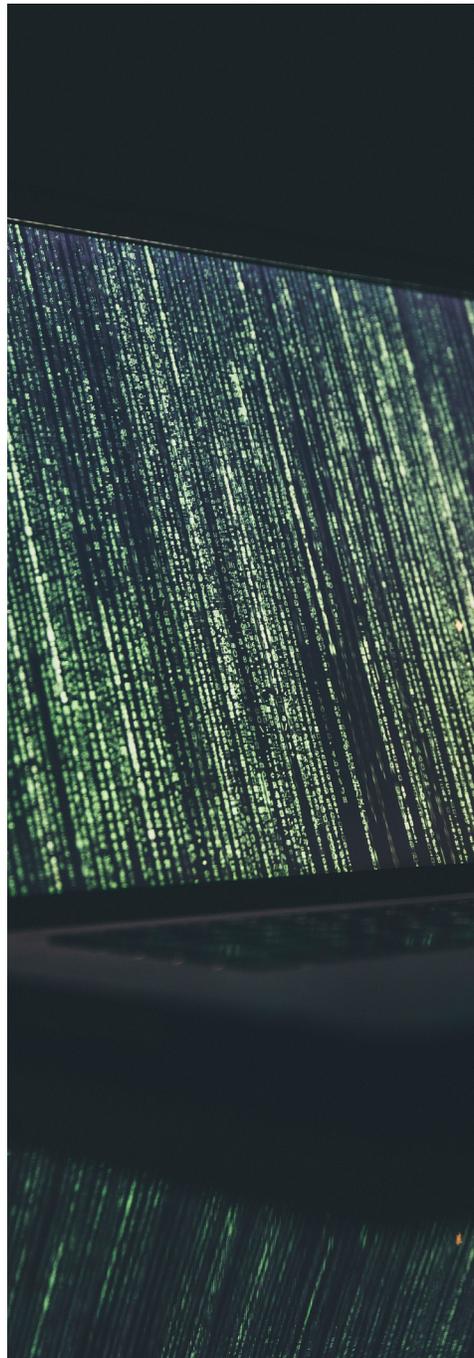
Social Media Scams

A scammer will use social media platforms such as Facebook and Twitter to obtain personal information from you, then use that information to trick you into providing them with confidential information. For example, the scammer could impersonate a family member, friend or co-worker in an attempt to obtain financial information.

What you can do. Be careful of publishing confidential information on social media. Verify the identity of any person or organization that asks you for confidential information.

There will always be new forms of scheming to gain access to private and viable information. The best way to stay on guard, is to always verify sources and report any contact that you are unsure of.

If you have any questions regarding the most common tax scams, or new trends with the Covid-19 pandemic and private information, feel free to contact us!



Small Business Owners Get PPP Loan Forgiveness

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Small business owners, self-employed workers and freelancers received some welcome news when Congress recently passed the Paycheck Protection Flexibility Act. This new law clarifies how businesses can qualify to have all or a portion of its Paycheck Protection Program (PPP) loan forgiven.

Here is what you need to know:

December 31, 2020 is the new deadline to spend loan proceeds. When the PPP program was rolled out this spring, businesses were given 8 weeks after loan funding to use the loan's proceeds if they wanted to qualify for loan forgiveness. That timeline has now moved to 24 weeks. Due to the extended stay-at-home orders and further assessment of the pandemic, the new deadline is now effectively December 31, 2020.

More loan proceeds can be used for non-payroll expenses

The original law required 75% of loan proceeds to be spent on payroll. For businesses with high cost of goods sold or who had trouble convincing furloughed workers to return to work, hitting this 75% threshold was problematic. The new law reduces the amount of loan proceeds required to be spent on payroll to 60%.

More flexibility in fully restoring workforce

Borrowers now have through December 31, 2020 to restore their workforce levels and wages to the pre-pandemic levels required for full forgiveness. There are three exceptions allowed for not having a fully-restored workforce by Dec. 31. Borrowers can adjust their loan forgiveness calculations because of:

- Employees who turned down good faith offers to be re-hired at the same hours and wages as before the pandemic;
- Difficulty finding qualified employees;
- COVID-19 related operating restrictions

Loan terms extended

For loans that do not qualify for forgiveness, borrowers now have up to five years to repay the loan instead of

two. The interest rate remains at 1%. Since your bank has 60 days to process your loan forgiveness application, and the SBA has 90 days to process the request, your initial payment is now effectively five to six months after your forgiveness application.

What you need to do:

- Download EZ Application Form. If you are a self-employed worker, independent contractor or sole proprietor who has no employees, you may be eligible to use the EZ Loan Forgiveness Application. [Click here to download the EZ form.](#)
- Download Regular Application Form. If you aren't eligible to use the EZ Loan Forgiveness Application, then you'll need to complete the regular loan forgiveness application. [Click here to download the regular application.](#)
- Stay in contact with your lending institution about when and how to complete the loan forgiveness application.
- Consider reaching out to your legislators to let your voice be heard on how you were impacted and to share your story on your PPP loan experience as several U.S. Senators indicated that there will be more changes in the future regarding the program.



Contact Management Systems



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As this pandemic has shown us, utilizing social media for your business is now more important than ever. This is all in an effort to stay connected to your audience, even when it isn't face-to-face. Social media is an excellent tool to reach people, but you cannot be sure your target audience is really seeing all of your posts. Email marketing is still an incredibly viable source for contact engagement. But to email people, you need to have good lists. Have you ever considered the importance of maintaining your own contact management system? Keeping a detailed online record of your company contacts and the best way of getting in touch with them can ensure more streamlined communication, and more engagement.

Quick Communication

As Covid-19 has shown us the importance of communication, especially when guidelines change overnight, having a proper contact management system in place allows you to communicate with all of your contacts quickly and efficiently. When last minute cancellations or reschedules have to be announced, getting the word out

to your contacts would be virtually impossible without a record of them. Not only does consistent communication boost your company image, but it prevents any confusion or dilemmas that can easily arise during these unprecedented times.

A contact management system will prove to be extremely helpful for several marketing and administrative facets. By keeping a contact management system, you have a quick access point to all of your contacts. Keep in mind that this is more than just email blasts. You can store all contact information, client notes, and even use reporting features to group clients or prospective clients together for targeted messages.

Surveys

When you are looking to build a stronger client/customer relationship or when you are looking for feedback on an event the company has recently held, the easiest way to get feedback is through a survey. They do not take much time to put together, and surveys give you insight into what your customers are looking for. You can

even track your results within your contact management system.

Marketing

In addition to announcements and surveys, you also can be engaging with your client base through regular messaging. However, to do this, you must have an updated contact management system. This way, you are ensuring that whenever you send out advertisements and marketing materials, they are actually reaching your audience. Without having a viable mailing list, you're only reaching a fragment of your clients.

Events

At Donnelly-Boland, we host regular complimentary DBU seminars that provide our community with educational, relevant topics. Without our mailing lists, we would not have nearly as many people attending our events. By reaching a broader pool of contacts, you statistically have better odds at a higher turnout.

If you have any questions on setting up and maintaining an effective contact management system, contact us.



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Securities offered through Avantax Investment ServicesSM, Member FINRA,SIPC. Investment advisory services offered through Avantax Advisory ServicesSM, Insurance services offered through an Avantax affiliated insurance agency.



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