

# The Ups and Downs Applying for Federal Funding During COVID-19

**PAYCHEX**  
Business  
Series

Coronavirus



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CPA, Columnist, and Host



**Julie Wineinger**

Owner of Lulabelle's Ice Cream

## Full transcript

### **Gene Marks:**

Hey everybody and welcome to the Paychex Business Series podcast. I'm your host Gene Marks. I am a certified public accountant and regular business columnist for a bunch of publications, including *Forbes* and *Entrepreneur*. But more importantly, I'm a small business owner of a financial and technology management services company. I've teamed up with Paychex, the leading provider of human resources, payroll benefits, and insurance services to bring you real-life advice from real-life business owners and industry experts.

Today I've got back with me Julie Wineinger, who is the owner of Lulabelle's Ice Cream in Washington, D.C. Julie and I have already spoken a few times about her experience navigating the pandemic and what she's done. And just as a recap, Julie runs an ice cream store in Washington, D.C. She was forced to shut it down back on March 16th, as a lot of other retailers and restaurants were forced to do. She preemptively and proactively helped her employees.

She laid them off, but she helped them with resources where they can go to get unemployment insurance, knowing in advance that it was going to be a big mess. And she was right, but most of them have gotten their unemployment insurance. And since then, Julie has been opening her store up on a weekly basis, selling ice cream and other items like milk and produce to her neighbors and customers and been extremely busy doing that. A portion of the amount of money that she has raised has gone to help her employees. She continues to do that, but she's been operating on that basis on a weekly scale, as an essential business, because she is in the restaurant business, and selling ice cream is, as we all know, you can't get more essential than that. So she's been busy. So Julie, welcome back.

**Gene Marks:**

And your story has been absolutely fascinating. We've talked about how you've restarted your business on a weekly basis. We've talked about how you've got your employees, helped them out as well. So that's all good. But now on this episode, I want to talk about your experiences getting help from the federal government. We know that there are some federal loans available. There's the Economic Injury Disaster Loan from the Small Business Administration; there's the Paycheck Protection Program that's available; there's state and local resources. So like every business owner, I'm sure you're like, "Yeah, I could use that help." Tell me your experiences. Tell me your story about trying to get that.

**Julie Wineinger:**

Sure. Well, I have some ... Obviously it's highs and lows with that.

**Gene Marks:**

Ups and downs, yup.

**Julie Wineinger:**

This morning, I did receive the advance for the economic disaster loan.

**Gene Marks:**

Okay. So let's back up. So you applied for the Economic Injury Disaster Loan. And for those of you listening that might not be fully aware, this is a direct loan program directly from [sba.gov](http://sba.gov), where you can apply and they can offer up to \$2 million in loans, long term, 30 years, 3.75% interest rate, but they have been backlogged. And they ran out of money but have received additional funding. And Julie, how long ago did you apply for that loan?

**Julie Wineinger:**

I think it was March 30th.

**Gene Marks:**

Okay. This is a loan program that's supposed to turn around money in three days.

**Julie Wineinger:**

Three days. Yes.

**Gene Marks:**

Okay. So that didn't happen. Did you get an advance?

**Julie Wineinger:**

I did. So I just got the advance today, which I was very happy about. They had changed the rules where you only got \$1,000 per employee. I can't remember initially exactly what it was supposed to be now.

**Gene Marks:**

It was supposed to be a flat 10 grand. And then...

**Julie Wineinger:**

Yeah. Fortunately for me, because the amount of employees I have, I did get the 10 grand.

**Gene Marks:**

That's great. For some employers that don't have that many, they changed the rules in the middle of the game. But okay. So that's what happened. So how quickly did you get your advance?

**Julie Wineinger:**

It was three weeks, I guess. Yeah, so it took the three weeks. I just got it today.

**Gene Marks:**

I'm sorry. You got the advance today. Did you apply for more funds? Or...

**Julie Wineinger:**

There was no way to apply for more funds. At this point, I don't even remember. It was so long ago that I did it. I got no other information. I applied, I got, I think, an email that a lot of people got that said, "We're only giving you \$1,000 an employee." And that was it. That's the only communication that I've had.

**Gene Marks:**

Yep. I've had the same experience as you. I applied when you did. This gives me some encouragement.

**Julie Wineinger:**

I'll tell you what to do. I have a trick.

**Gene Marks:**

Go ahead. We all want to hear.

**Julie Wineinger:**

Well, not a trick necessarily to get it. But I've been on a Reddit thread, and people were saying that they check your credit, your Experian credit. And that when you get that credit pull, you'll probably get your money within a short time frame. And that's exactly what happened. I got a credit pull on Friday, and I got the money in my account this morning.

**Gene Marks:**

Okay. So that has not happened to me yet. I'm not optimistic now. So that's interesting.

**Julie Wineinger:**

Well my sister in Florida is an optometrist. We're back and forth with each other all the time. So she's dealing with the same thing, and she just got a credit pull yesterday.

**Gene Marks:**

Interesting. It looks like they're starting to catch up.

**Julie Wineinger:**

I think so.

**Gene Marks:**

You bring up Reddit, by the way. And for those of you that are not familiar with Reddit, it's R-E-D-D-I-T. To me, it's an incredible... I go on Reddit all the time and belong to certain crazy subreddits that I won't get into. The conspiracy subreddit is hilarious. But you can get great information. What subreddit did you get that off of? I'm curious.

**Julie Wineinger:**

I think it's just small business. I don't even know. I actually don't really use Reddit all that often. Occasionally when it's something like this where it's a larger phenomenon and there's a lot of information, I'll use Reddit. I think it was just small business.

**Gene Marks:**

Okay. Fair enough.

**Julie Wineinger:**

But there's a lot of good information there.

**Gene Marks:**

Let's get back to the money then. So you got the economic injury development, you got the advance. You are correct. My experience when I applied was that you couldn't apply for a certain amount. You just applied.

**Julie Wineinger:**

You did a short form?

**Gene Marks:**

Yes.

**Julie Wineinger:**

Yes. I think people who did the long form and then the short form maybe are getting more information about a further loan.

**Gene Marks:**

Right. I know my accounting manager applied for a loan from the EIDL, but again, we have not heard, like you, not heard anything back from them. So you got the advance, the money got put into your bank account. And then did you receive any other notification? Did you get an email from the SBA saying, "Hey."

**Julie Wineinger:**

Nope.

**Gene Marks:**

You just checked your bank balance and \$10,000 was in there?

**Julie Wineinger:**

Yes, I had the credit tracking thing. I got an Experian account so that I could get the credit tracking. I saw that my credit had gotten pulled, and so I was like, "Okay, hopefully this is happening." And then it was there. And I got no contact from the SBA.

**Gene Marks:**

Unbelievable. That is amazing. Okay. So that's good news. You got the money there. I'm curious, what are you going to do with the money? If I can ask you.

**Julie Wineinger:**

I am trying my best at the moment to keep my business as financially stable as I can, so that when I reopen ... Because the problem for me is that it's not just that I'm trying to stay afloat; I'm going to have to have money to reopen.

**Gene Marks:**

Oh, well, we're going to talk about that. We're going to talk about reopening.

**Julie Wineinger:**

Anyway, I don't know exactly. I'm trying to be zeroed out with my suppliers, talk to my landlord about rent, because I am at this point having a little bit of revenue coming in, seeing what we can do so that I'm not behind three months on rent, that kind of thing.

**Gene Marks:**

Got it. Did you apply for any other federal help? How about the Paycheck Protection Program?

**Julie Wineinger:**

Oh yeah. I applied for anything and everything I could. The Paycheck Protection Program. Yeah. I got nada from that. Nothing.

**Gene Marks:**

Okay. So when you say nothing, did you apply through a bank or through an online lender or how did you ...

**Julie Wineinger:**

So I applied through a bank. I will be really honest with you. The second that that came out and it was said that they're going to go through banking institutions, and knowing who my bank was, which I won't say, I was like, "I am going to be totally screwed on this." And I was. And that's exactly what happened.

**Gene Marks:**

What happened?

**Julie Wineinger:**

Nothing. Nothing happened.

**Gene Marks:**

So you applied through them. You heard nothing back from them. Have you pursued them, called them, emailed them?

**Julie Wineinger:**

I haven't really done anything because I knew that the banks weren't going to work with you unless you had a relationship. And so my choice was going to be to go through this particular bank. I was like, "Ugh, it's not even worth it for me to fight with them." Just because I knew... Well before this I needed to switch banks and I just hadn't got around to it. I haven't contacted them. I did finally get an email from them asking me to upload the additional documents.

**Gene Marks:**

Okay. So that's good news.

**Julie Wineinger:**

I did get that far, but that was, I don't know, two weeks ago. And now the money's gone, and I don't have a lot of hope, even though they're supposed to be funding it further, that that bank is going to help me at all. So I have looked out to other places.

**Gene Marks:**

Okay. My recommendation there, though, is to aggressively pursue that bank. And you can apply to other places. There are a lot of online platforms. Surely there's Kabbage with a K...

**Julie Wineinger:**

I head PayPal is actually really good.

**Gene Marks:**

PayPal. Yep. I've heard that too. So just some advice here. You can still do that. You can apply multiple places and then wherever it gets accepted, you just get one loan for your EIN numbers.

**Julie Wineinger:**

Right. That's what I'm going to try.

**Gene Marks:**

Yeah you should, because there's time to do that, and I think that you should. Finally, and before we wrap things up, any other source of funding, did you apply to any state or local or any ...

**Julie Wineinger:**

Yeah. So D.C. put out a grant, which I have not heard anything back from that. I know that they were inundated with applications too. So I don't know how that's going to work out. I applied for a Verizon grant. I didn't get that. Anytime anybody sent me a link that said, "Here, apply for this," I applied. So a lot of stuff.

**Gene Marks:**

Fair enough. Fair enough. I think Facebook has got a big grant program, JP Morgan Chase has got a big one, and the Opportunity Fund are three others that you can look into. But the problem is that all these grants just seem like they're taking a long time. You just said, you apply, you don't hear anything back. It's taking [crosstalk 00:10:54]

**Julie Wineinger:**

Yeah. I can't basically wait for any of that. So I'm trying to just take matters into my own hands, which is kind of just what I do.

**Gene Marks:**

It's fascinating that small business has a different timetable than big corporations. And when big corporations are offering this with all the best of intentions, it's not on a big corporation kind of timetable. It's like, "No, no, no. We need the money now. We don't need you to have 18 meetings and six weeks of deliberations before you award the money, it needs to happen right away."

Julie, this is great. This is a great conversation. So again, Economic Injury Disaster Loan, you did get an advance from them. You applied for the Paycheck Protection Program and have not had much success. But I think you should be more aggressive. You have applied for a couple of local grants in D.C., not heard back from them yet, and you're keeping your ears open and applying for other corporate and nonprofit grants, and I think that's also absolutely the right thing to do.

We've got another that we're going to have, and that conversation is going to be about the future. But for now everyone, for more information about what we discussed today, Julie and I and other coronavirus questions and topics, please visit the Paychex COVID-19 health center. The address is [paychex.com/coronavirus-resources](https://paychex.com/coronavirus-resources).

Everyone, thanks for listening. I'm going to be back with Julie, and we're going to have another conversation about the future and what she's planning to do when it comes to reopening. And you don't want to miss that. Julie, thank you. We'll be back very shortly.



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