



Paycheck Protection Program (PPP) loan forgiveness is around the corner

The following is to assist you in the PPP Loan Forgiveness Application and is current based on the information available at May 20, 2020. There are several items that are subject to interpretation; we have interpreted these items based on our understanding of the CARES Act, SBA Temp Final Regs, SBA FAQ and the instructions for the forgiveness application.

The application for loan forgiveness requires a bit of work gathering data and much of it can be done now. Certain data will also need to be collected during your covered period and other data will be collected after June 30th. To assist in the process, here are the items needed for the various collection periods.

Data that should be collected now:

- SBA PPP loan number AND Lender PPP loan number
- EIDL advance amount AND EIDL application number
- Date PPP funds received
- Number of employees reported on loan application
- Name of each covered employee
- Last 4 digits of SSN for each covered employee
- Hourly or salary status for each covered employee
- Hourly rate or annual salary in force on 2/15/2020 for each covered employee
- Total wages paid to each covered employee from 2/15/2020 to 4/26/2020
- Average hours worked per week in 1st quarter 2020 for each covered employee
- Total wages paid to each covered employee during 1st quarter 2020
- Highest gross pay for any pay period during 2019 for covered employees
- Hours worked for each employee from February 15, 2019 through June 30, 2019
- Payroll tax returns for 1st quarter 2020 (federal form 941 and state unemployment)
- If you lease property (real or personal) a copy of the current lease agreement and account statement from February 2020 (to show lease was in effect prior to 2/15/2020)
- Mortgage lender amortization schedule or lender account statement from February 2020
- Invoices from February 2020 for utilities (gas, electric, water), telephone, internet

Data to collect during your Covered period:

- Total wages paid to each covered employee during your covered period
- Hours worked by each covered employee for each week in your covered period



- List of employees that were fired for cause or voluntarily resigned – document these events
- List of employees that voluntarily requested a reduction in hours – get this in writing
- List of employees to whom you made a written, good faith offer to re-hire but the employee refused – document the offer and the rejection
- Payment receipts, cancelled checks or account statements for payments made during your covered period documenting the amount of any employer contributions to health insurance or retirement plans that are included in the application form
- Invoices and cancelled checks for payments made for utilities, telephone and internet during your covered period
- Lessor account statements for your covered period through one month after the end of your covered period, *or* a copy of the current lease agreement and cancelled checks/receipts verifying the amounts paid during your covered period
- Lender amortization schedule (for proof of mortgage interest amount) and cancelled checks/ receipts verifying interest and amounts paid, *or* lender account statements from February 2020 through one month after the end of your covered period

Data to collect after June 30th:

- Number of employees at the time of forgiveness loan application
- Payroll tax returns (federal form 941 and state unemployment) for Quarter 2 and/or quarter 3 of 2020

Data you need to retain for 6 years after the date the loan is forgiven or repaid in full:

- Documentation submitted with the PPP loan application
- Documentation related to the certification as to the necessity of the loan request and eligibility for a PPP loan
- Documentation necessary to support the borrower's loan forgiveness application
- Documentation supporting the listing of each individual employee and wage information, including the salary/hourly wage reduction calculation if necessary
- Documentation regarding any employee job offers and refusals, firings for cause, voluntary resignations, and written requests by any employee for reductions in work schedules