Paycheck Protection Program Update
May 14, 2020

Necessity Certification & Forgiveness Calculation
Payroll Paycheck Protection

+ Current Status
  + $118 billion remains

Learn More at JewishTogether.org | Reach out to SBALoans@jfna.org
Necessity Certification & Liquidity

+ Loans under $2 million

+ Loans $2 million+ will be subject to SBA review
  + Demonstrate you have met all standards
  + If SBA is not satisfied, they will require repayment of loan
  + No additional administrative penalties or referrals

+ We will provide additional guidance to help you prepare for SBA
Factors to Consider

- Current economic situation and volatility
- Evaluate actual and projected revenue, expenses and cash flow
- Forecast impact of revenue shortfalls on staffing and operational decisions
- Review availability of other liquid assets
- Fiscal and reputational risks
Loan Forgiveness - What We Know - Updated

- Forgiveness will not be impacted if:
  - Employees are replaced with other employees
    - Headcount tested, not specific employees
  - Employees who reject a written offer of reemployment are excluded from the reduction calculation
    - May still impact forgiveness if <75% of the loan is spent
Loan Forgiveness - What We Don’t Know

+ What is the timing of when the loan must be spent – 8 weeks, June 30 or thereafter?

+ Will the 8-week period be modified for businesses that were affected by mandated closures or restrictions?

+ What happens if a business cannot fully use 75% of the funds on payroll within the 8-week period?

+ What does “costs incurred and payments made” mean?

Learn More at JewishTogether.org | Reach out to SBA@loans@jfna.org
Loan Forgiveness - Documentation to Assemble

+ Expected Forgiveness Documents – will vary for each lending institution
  + Reports from payroll provider or payroll system
  + Payroll tax filings to the IRS
  + State income, payroll and unemployment filings
  + Documentation verifying payments on mortgages, rent and utilities
  + Borrower certifications

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Meet Up

Thursdays at 1 PM ET

JewishTogether.org/virtual-meetups

Email

SBALoans@jfna.org