

## **SBA Paycheck Protection Program (PPP) Forgiveness FAQ**

**Current as of 9/21/2020**

This information applies to First Financial Bank processing and should not be relied upon for legal or tax advice.

Please note that we are still awaiting additional information on several topics from the SBA.

We plan to update this document frequently as we receive those.

All references to “application” in this document refer to the Forgiveness Application.

### **FFB Forgiveness Portal**

#### **What if my portal access email does not work?**

Please email us at [sbaforgivenessquestions@bankatfirst.com](mailto:sbaforgivenessquestions@bankatfirst.com) or contact your local bank office for assistance.

#### **I did not get my portal access email. What do I do?**

The bank is phasing in portal access based on original disbursement date. You will want to check any spam or junk email folders and also allow until about September 20, 2020 for portal access to be completely phased in. If after that date you do not have an access email, please contact the bank at [sbaforgivenessquestions@bankatfirst.com](mailto:sbaforgivenessquestions@bankatfirst.com) or your local bank office.

#### **Can the bank help me complete my application?**

We have provided several resources on our webpage to assist borrowers as much as possible. However, the bank is unable to provide advisory services beyond this information.

#### **Can I log out and back in while doing my application?**

The system does not save progress on the application, so you will want to complete it in one session. You can log out and back in to upload supporting documentation.

#### **I cannot upload documents. What can I do?**

If documents will not upload after completing your application, log out and back in. You may also want to wait for a period of time to log back in. If this does not correct the problem, please contact us at [sbaforgivenessquestions@bankatfirst.com](mailto:sbaforgivenessquestions@bankatfirst.com).

#### **I forgot my password. How do I reset?**

There is a ‘forgot password’ function on the login screen. If after attempting to reset and still cannot get in, please contact [sbaforgivenessquestions@bankatfirst.com](mailto:sbaforgivenessquestions@bankatfirst.com) or your local banking center for assistance.

### **How do I properly calculate my covered period?**

For borrowers with a loan disbursement prior to June 5, 2020, you use either an 8 week (56 days) or 24 week (168 days) period. If your loan is June 5 or after, it is automatically a 24 week period. **For example:** If your loan was disbursed on Monday, April 20 and you use a 24 week period, your ending date would be Sunday, October 4; or, if your loan was disbursed on Friday, May 1 and you use an 8 week period, your ending date would be Thursday, June 25.

### **I used my money in less than 8 or 24 weeks and I can apply for forgiveness. What covered period do I use?**

SBA has stated the covered period must be either 8 or 24 weeks even if the funds were used in less time.

### **I am self-employed and do not have employees and thus no “payroll”. How do I document payroll for PPP forgiveness?**

A best practice is to write a check from your business to you individually with the memo line stating “payroll”. Use bank statements and the canceled check as your payroll documentation.

### **How do I know if my application has been submitted?**

There are three main steps in the process:

- 1) Complete the online forgiveness application and review it.
- 2) Upload the required supporting documentation.
- 3) Electronically sign your application. You will receive a request to sign the application after completing it online so be watching for this additional communication.

You will receive a confirmation email once the application is complete.

### **How do I find out the SBA loan number and bank loan number assigned to me?**

The bank loan number will appear when you sign into the online portal. The SBA number will automatically be inserted into the final application.

### **How do I confirm my original loan amount?**

You may find that on your promissory note or the bank can provide it.

### **Where do I find my original date of disbursement?**

This will populate into your loan forgiveness application automatically. If for some reason it doesn't, First Financial Bank can provide this information to you. Whether your funds were deposited into an FFB account or another bank, you can check your bank statement for the date of disbursement as well.

**When do I need to check the \$2 million box on my forgiveness application?**

You would check this box for any single PPP loan of \$2 million or more. You also would check this box if you have multiple PPP loans totaling \$2 million or more for separate companies that are affiliated.

**What is an affiliate?**

While we recommend reviewing the more detailed affiliate rules with SBA, generally companies with common controlling ownership able to influence decision making is considered an affiliate.

**Why do I need to disclose an EIDL advance if I received one?**

Any EIDL advance is a grant not required to be repaid. As a result, its amount is subtracted from the forgivable amount of a PPP loan.

**I received an EIDL advance, but I do not have an EIDL application number. What do I do?**

Advances were granted automatically with no application number attached. You will enter an application number if you actually applied for a regular EIDL loan and an application number was provided.

**With the recent changes to the program, can I apply for more money?**

No, the program only allows for one PPP loan and the amount calculation remains the same as before. The time period to use the funds now has two options: 8 weeks or 24 weeks.

**Why do I need to disclose that I received a PPP loan in excess of \$2 million?**

It is expected that SBA and Treasury will audit all PPP loans in excess of \$2 million. The borrower must disclose if it and its affiliates have a combined total above \$2 million.

**Will my loan be audited if it is under \$2 million?**

SBA and Treasury have reserved the right to audit a PPP loan of any size.

**What is the “alternative payroll covered period”?**

The application allows for an adjusted period to accommodate when the next pay period began after the loan disbursement to better align with the borrower’s normal pay periods. Borrowers should refer to the example in the application for additional clarity.

**What property types can be included as rent/lease payments in the forgiveness amount?**

Business rent or lease payments include real property or personal property.

**What loan obligations can I include in the forgiveness amount?**

Business mortgage interest on real property or personal property.

**What utility payments can I include in the forgiveness amount?**

Utilities include electricity, gas, water, transportation, telephone, or internet access.

**When does my covered period begin?**

It begins on the date of your loan fund disbursement and lasts for 8 weeks (56 days) or 24 weeks (168 days) for loans approved before June 5, 2020. Loans on or after June 5, 2020 have the 24 week covered period. Business may use an alternative payroll covered period as described in the application.

**For employees or owners with over \$100,000 in annual cash compensation, how much is that over the 8 week forgiveness period?**

For an 8 week covered period, the cash compensation maximum is \$15,385 per individual employee. For a 24 week covered period, the cash compensation maximum is \$46,154 per individual employee.

For owner compensation (owner-employees, self-employed individuals or general partners), the \$15,385 is applicable for an 8 week covered period, but is capped at \$20,833 for a 24 week covered period (the 2.5 month equivalent of \$100,000 per year).

**What if an employee chose not to come back to work?**

This situation may not reduce the forgiveness amount. Page 5 of the SBA form 3508 application instructions details the steps required to document properly.

**What documentation will I be required to submit to the bank?**

- PPP Loan Forgiveness Calculation Form (the application) completed fully
- PPP Schedule A (included with application)
- Payroll documentation (see application instructions for a list)
- FTE employee documentation (see application instructions)
- Non-payroll expense documentation (see application instructions for a list)

For borrowers able to use the 3508EZ form, these are the required documents:

- PPP Loan Forgiveness Calculation Form 3508EZ (the application)
- Payroll documentation
- Non-payroll documentation

Instructions for the 3508 and 3508EZ form can be found at [www.Treasury.gov](http://www.Treasury.gov).

**What if I do not fully complete my application?**

Applications not fully completed will be returned and may delay the process, which may result in a portion or all of the loan to not be forgiven.

**What other documentation is required?**

SBA and Treasury have listed additional items the borrower must retain on file in the instructions for both the 3508 and 3508EZ applications. The borrower must retain these in their files for a period of **six years** after the date the loan is forgiven or repaid in full. These documents must be available to SBA or the Office of the Inspector General upon request.

**How long will the bank retain documents I have submitted?**

The bank will retain your documentation for a period of **six years** after submission.

**If I choose the 24 week covered period but require less to spend my PPP funds, can I apply for forgiveness before the 24 weeks run out?**

Yes, SBA has determined that if a borrower exhausts their funds before the 24 weeks is up, they can apply for forgiveness. While the client can apply before the covered period ends (assuming all funds have been used), the covered period still encompasses the entire 8 or 24 week period – keep this in mind as you complete your application.”