

HOMES JOBS COMMUNITY

PPP Forgiveness An Overview

National Development Council May 28, 2020

www.ndconline.org



Paycheck Protection Program Borrower Application Form

OMB Control No.: 3245-0407

Check One: Sole proprietor Partnership C-Corp S-Corp LLC Independent contractor Eligible self-employed individual 501(e)(3) nonprofit S 501(e)(19) veteran organization Tribal business (sec. 31(b)(2)(C) of Small Business Act) Other Business Legal Name					р	DBA or Trader	ame if A	p plicabl	ė		
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ist all (Applicant Ownership ist all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.										
	Owner Name Title Ownership % TIN (EIN, SSN)			Add	lress						
If questions (1) or (2) below are answered "Yes," the loan will not be approved.											
			Question							Yes	No
 Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy? 							ible, in any				
2.		SBA or any other	plicant, or any busines Federal agency that is								
3.			plicant an owner of an and describe the relati						y other		
 Has the Applicant received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yorrovide details on a separate sheet identified as addendum B. 					s,						
If	questions (5) or (6) are	e answered "Yes,"	the loan will not be a	pproved.							
			Question						Yes	No	
5.]		
	Initial here to confirm	n your response to	question 5 →								
6.	Initial here to confirm your response to question 5 → 6. Within the last 5 years, for any felony, has the Applicant (if an individual) or any owner of the Applicant 1) been convicted; 2) pleaded guilty; 3) pleaded nole contender; 4) been placed on pretrial diversion; or 5) been placed on any form of pariote or probation (including probation before judgment)?]		
	Initial here to confirm	n your response to	question 6→								
7.	Is the United States to Applicant's payroll of		of residence for all em	ployees of the	Appli	icant included i	in the]
8.]		

SBA Form 2483 (04/20)

WHO ARE WE?

Who is the National Development Council?

Who is the Grow America Fund?



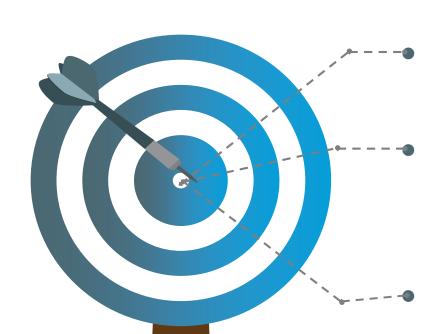
PRESENTERS

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- Lisandro Kellis
- Oseremi Adekoye
- Robert Stitt
- Dryck Bennett



WEBINAR GOALS



To provide an overview of the process

To provide a list of required documentation for loan forgiveness

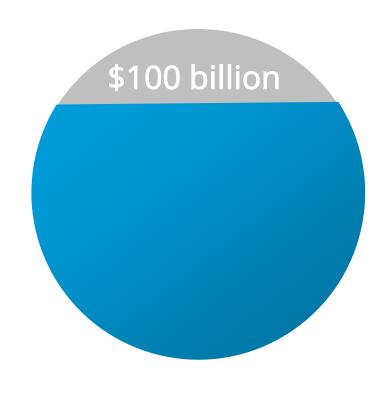
Note, we will not be able to address problems specific to your business. Today's webinar is a high-level overview of the PPP forgiveness process



WHERE DO WE STAND WITH PPP?

 As of today, roughly \$100 billion remains to be lent in Round II.

 Although Congress has discussed easing the process for forgiveness, nothing has become law yet.





WHAT DO WE KNOW ABOUT FORGIVENESS?

We have an application!

Yes, it's an eleven-page application. But it is an application!

 The application form can be found on the <u>SBA</u> website



WHAT DO WE NEED TO KNOW ABOUT THE APPLICATION?

More Basic Rules of Guidance

- You must apply for forgiveness
- It is called the PAYCHECK Protection Program labor costs are the guide
- The "Covered Period" is the 56 days AFTER the RECEIPT of funds. Or, the borrower is allowed an "Alternative Payroll Covered Period"



WHAT DO WE KNOW?

More Basic Rules of Guidance

- Forgiveness is based on:
 - The number of retained, full-time employees
 - Sum of documented payroll costs for each retained employee
 - Mortgage interest payments, rent payments, and utilities paid or incurred over the loan forgiveness period
- Forgiveness can be reduced if headcount declines, or if annual salaries or hourly wages decrease from amounts reported prior to February 15, 2020
 - We will cover exceptions and how to calculate forgiveness amounts
- At least 75% of the forgiven amount must be used payroll costs
- Any portion of the loan that is <u>not</u> forgiven, will have to be repaid over the course of <u>eighteen months at 1% interest rate</u>



WHAT IS AN ELIGIBLE EXPENSE FOR FORGIVENESS?

Payroll (75% or over) and Non-Payroll Expenses (up to 25%)

PAYROLL EXPENSES

- Salaries
- Commissions
- Payment of cash tips (up to an annual rate of pay of \$100,000)
- Employee group health care benefits, including insurance premiums
- Retirement contributions
- Employee Benefits including costs for vacation, parental, family, medical or sick leave
- Income or net earnings from selfemployment (Schedule-C for Sole Proprietors)

NON-PAYROLL EXPENSES

- Interest payments on mortgage obligations, incurred before 2/15/2020
- Rent, under lease agreements in force before 2/15/2020
- Utilities, for which service began before 2/15/2020
- Interest on other debt obligations, previously incurred
- Refinancing an SBA EIDL loan made between January 31, 2020 and April 3, 2020.



TIMING OF THE EXPENSES

Payroll vs. Non-payroll

Borrowers can choose the start date of their eight-week loan forgiveness period for payroll expenses:

- Covered Period: begins the same date as the PPP Loan Disbursement Date for a 56 day period or
- 2. Alternative Payroll Covered Period: begins the first day of the business' first pay period following the PPP Loan Disbursement Date for a 56 day period

Non-payroll costs cannot exceed 25% of the loan amount and can include specific expenses:

- Paid during the 8-week Covered Period <u>or</u>
- 2. Incurred during the 8-week Covered Period and paid on or before the next regular billing date, (even if the billing date is after the Covered Period).



PAYROLL AND EMPLOYEE LEVELS

Three Steps

- 1. Allocate your PPP loan expenses
 - 75% must be payroll
- 2. Calculate your annual and hourly wages/employees
 - Compensation must NOT decrease by more than 25% for any employee earning less than \$100k annually
- 3. Calculate your number of full-time employees
 - With some exceptions, full-time employees must maintain a full-time schedule.



OVERVIEW OF THE APPLICATION

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The application has four sections:

- 1. The PPP Loan Forgiveness Calculation Form
 - Must submit to lender
- 2. PPP Schedule A
 - Must submit to lender
- 3. The PPP Schedule A Worksheet
 - To assist with completing the PPP Schedule A
- 4. The PPP Borrower Demographic Information Form
 - Optional



The Four Sections

A visual glance at each of the four sections:

1. PPP Loan Forgiveness Calculation Form



2. PPP Schedule A

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3. PPP Schedule A Worksheet

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4. PPP Borrower Demographic Information Form (Optional)

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OVERVIEW OF FORGIVENESS CALCULATION

We Recommend This Order

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Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):
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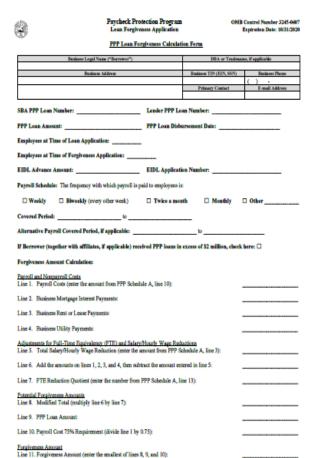
WHAT ARE SOME BASICS?

- Know how to calculate your payroll
- Be familiar with wage reduction in the worksheet
- Learn the FTE Reduction Calculation/Quotient
- Understand what is an FTE (rounding calculation)
- Know the "Safe Harbor" provisions



SAMPLE LOAN FORGIVENESS APPLICATION

Page 3





SBA Form 3508 (05/20)

IS FORGIVENESS COMPLICATED?

Basic Forgiveness Calculation – 11 lines

- Line 1: Enter total eligible payroll costs incurred or paid during Covered Period (Schedule A)
- Line 2: Enter amount of business mortgage interest payments during the covered period on real and personal property incurred before February 15, 2020
- Line 3: Enter amount of business rent or lease payments for real or personal property pursuant to lease agreement in force before February 15, 2020
- Line 4: Enter amount of business utility payments during the covered period for business utility services that began before February 15, 2020



BASIC OF FORGIVENESS – 11 LINES

Continued

- Line 5 Enter the number from PPP Schedule A, line 3.
 - This amount reflects the loan forgiveness reduction required for salary/hourly wage reductions in excess of 25% for certain employees as described in PPP Schedule A.



LINE 5

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Only Needed if You REDUCE Wages

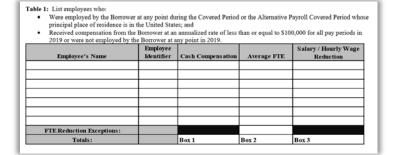
Although not likely necessary, it is two steps:

- 1. Calculate Eligible Payroll Costs
- 2. Determine if any reductions apply
 - A. Due to changes in payroll
 - B. Due to changes in staffing level



There are 3 Parts of the PPP Schedule A Worksheet:

Start with completing Table 1 for employees paid <\$100K



1b

Then complete Table 2 for employees paid >\$100K in 2019

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- . Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

1c

Finally, complete steps 1-5 of the FTE Reduction Safe Harbor



PPP SCHEDULE A

Page 6



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

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	PPP Schedule A	
PPP Sch	edule A Worksheet, Table 1 Totals	
Line 1.	Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	
Line 2.	Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	
Line 3.	Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3.	
PPP Sch	nedule A Worksheet, Table 2 Totals	
Line 4.	Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	
Line 5.	Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	
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Line 6.	Total amount paid by Borrower for employer contributions for employee health insurance:	
Line 7.	Total amount paid by Borrower for employer contributions to employee retirement plans:	
Line 8.	Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	
Comper	asstion to Owners	
Line 9.	Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	
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If you h	ne <u>Equivalency (FTE) Reduction Calculation</u> ave not reduced the number of employees or the average paid hours of your employees between 1, 2020 and the end of the Covered Period, check here □, skip lines 11 and 12 and enter 1.0 on line	13.
Line 11	Average FTE during the Borrower's chosen reference period:	
Line 12	Total Average FTE (add lines 2 and 5):	
Line 13.	FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:	



HOW TO COMPLETE THE SCHEDULE A WORKSHEET

Definitions

- Cash Compensation: Enter the prorated sum of gross salary, gross wages, gross tips, gross commissions, paid leave (vacation, family, medical or sick leave, not including leave covered by the Families First Coronavirus Response Act), and allowances for dismissal or separation paid or incurred during the Covered Period or the Alternative Payroll Covered Period.
 - No employee can earn more than \$15,385 due to the \$100k cap.
- Non-Cash Compensation: Total amount paid for health insurance, contributions to retirement plans and employer state and local taxes assessed on employee compensation.



WHAT IS A FULL TIME EQUIVALENT (FTE)?

 Average FTE: A full-time employee averaged working 40 hours a week or more. The maximum for each employee is capped at 1.0.

 The borrower can choose to use a simplified method, which assigns a 1.0 for employees who work 40 hours or more per week and 0.5 for employees who work less than 40 hours.



HOW TO COMPLETE THE SCHEDULE A WORKSHEET

FTE "Safe Harbor" Provisions

- A safe harbor under applicable law and regulation exempts certain borrowers from the loan forgiveness reduction based on FTE employee levels. Specifically, the Borrower is exempt from the reduction in loan forgiveness based on FTE employees described above if both of the following conditions are met:
 - 1. The Borrower reduced its FTE employee levels in the period beginning February 15, 2020, and ending April 26, 2020; and
 - 2. The Borrower then restored its FTE employee levels by not later than June 30, 2020 to its FTE employee levels in the Borrower's pay period that included February 15, 2020

In essence, if your employment levels return to pre-February 15, 2020 levels by June 30th, 2020, you are forgiven and have met the safe harbor requirement.



OTHER NOTABLE FTE EXCEPTIONS

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Reduction in Employees Through No Fault of the Borrower

Any FTE reductions in these cases do not reduce the Borrower's loan forgiveness:

- Any positions for which the Borrower made a good-faith, written offer to rehire an employee which was rejected by the employee; and
- 2. Any employees who:
 - a. were fired for cause
 - b. voluntarily resigned, or
 - c. voluntarily requested and received a reduction of their hours.

In these cases, DOCUMENT, DOCUMENT, DOCUMENT



WHAT IS THE SALARY/HOURLY WAGE REDUCTION COLUMN? (LINE 5)

You May Not Get Full Forgiveness

- Complete the Salary/Hour Wage Reduction column only for employees whose salaries or hourly wages were reduced by more than 25% during the "Covered Period."
- The SBA is allowing you to reduce an individual's wages to 75% during the Covered Period and still get a full forgiveness.
- If you did not reduce pay, you still need to complete this column to indicate that.



CALCULATING THE SALARY HOURLY WAGE REDUCTION

Three Easy Steps

- 1. Determine if pay was reduced by more than 25%
- 2. Determine if the Salary/Hourly Wage Reduction Safe Harbor is met
- 3. Determine the Salary/Hourly Wage Reduction



But How?

PPP Schedule A Worksheet

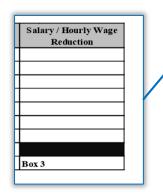
Start with inputting employees during the Covered Period or Alternative Payroll Covered Period into the PPP Schedule A Worksheet Table 1

PPP Schedule A Worksheet								
Table 1: List employees who:								
 Were employed by the Borrowe principal place of residence is in 			d or the Alternative I	Payroll Covered Period whose				
	Employee			Salary / Hourly Wage				
Employee's Name	Identifier	Cash Compensation	Average FTE	Reduction				
	<u> </u>							
	1			 				
	+							
	+							
FTE Reduction Exceptions:								
Totals:		Box 1	Box 2	Box 3				

- Input only employees with 2019 earnings under \$100K
- Employer ID = last 4 digits of employees SSN
- Cash Compensation = sum of gross salary, wages, tips, commissions, leave
- Average FTE = average # of hours per week divided by 40, capped at 1.0.
 Round to the nearest 0.1.
- Follow the <u>3 steps</u> on the next pages to determine Salary/Hourly Wage Reduction



Salary/Hourly Wage Reduction - Step I



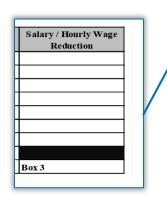
- a. Enter average annual salary or hourly wage during Covered Period or Alternative Payroll Covered Period: _______.
- b. Enter average annual salary or hourly wage between January 1, 2020 and March 31, 2020:
- c. Divide the value entered in 1.a. by 1.b: ______.
- d. If 1.c. is 0.75 or more, enter zero in the column above box 3 for that employee; otherwise proceed to Step 2

Example table that can be used to complete step 1:

Step 1	1a. Average Salary of wage during Covered Period	1b. Average annually salarey or wage between January 1, 2020 1c. Divide 1a by 1d. If 1c is 75% or more, enter zero through March 31, 2020 1b otherwise proceed to step 2				
	1a. Average Salary/Wage during Covered Period	1b. Average annually salarey or wage between January 1, 2020 through March 31, 2020	, 1c. Divide 1a by	1d. If 1c is 75% or more, enter zero, otherwise proceed to step 2		
	\$ 75,000	<u> </u>		0		
	\$ 48,000	\$ 80,000	60%	Preceed to Step 2		
	\$ 72,000	98,000	73%	Proceed to Step 2		



Salary/Hourly Wage Reduction - Step II



Step	2. Determine if the Salary/Hourly Wage Reduction Safe Harbor is met.
a.	Enter the annual salary or hourly wage as of February 15, 2020:
b.	Enter the average annual salary or hourly wage between February 15, 2020 and April 26, 2020: If 2.b. is equal to or greater than 2.a., skip to Step 3. Otherwise, proceed to 2.c.
C.	Enter the average annual salary or hourly wage as of June 30, 2020: If 2.c. is equal to or greater than 2.a., the Salary/Hourly Wage Reduction Safe Harbor has been met – enter zero in the column above box 3 for that

Example table that can be used to complete step 2:

Step 2:	2a Input annual salary or Wage as of	2b Input average annual salarly or hourly wage between February 15, 2020 and April 26, 2020	skip to step 3, otherwise	2c. Input annual salary or hourly wages as of June 30th, 2020	If 2c is equal to or greater than 2a, the Safe Harbor has been met - enter zeor in the column above box 3 for that employee, otherwise Preoceed to Step 3
	,, _U	Salary/Wage Feb 15, 2020 -April 26, 2020	2. Result	2c. Avg Annual Salary wags as of June 30, 2020	2c. Result
	\$ 90,000		•		Step 3
	\$ 98,000	\$ 90,000	Step 2c		Step 2c

employee. Otherwise proceed to Step 3.



Salary/Hourly Wage Reduction - Step III



Step 3. Determine the Salary/Hourly Wage Reduction.
a. Multiply the amount entered in 1.b. by 0.75:
b. Subtract the amount entered in 1.a. from 3.a.:
If the employee is an hourly worker, compute the total dollar amount of the reduction that exceeds 25% as follows:
c. Enter the average number of hours worked per week between January 1, 2020 and March 31, 2020:
·
d. Multiply the amount entered in 3.b. by the amount entered in 3.c Multiply this amount by 8: Enter this value in the column above box 3 for that employee.
If the employee is a salaried worker, compute the total dollar amount of the reduction that exceeds 25% as follows:
e. Multiply the amount entered in 3.b. by 8: Divide this amount by 52: Enter this value in the column above box 3 for that employee.

Example table that can be used to complete step 3:

by 3c and then by 8 hourly		
	and divide by 52	hourly
3d Result if	3e Multiply 3b by 8	3e result if
inuary 1, 2020 - March 31, 2020 divide by 52	above box 3	
e number of hours worked per 3b by 8 and	enter this into column	
	If employee is salary,	
	3e. Multiply	3e. Multiply If employee is salary,



FTE REDUCTIONS

. . .

FTE Reduction Exceptions: Indicate the FTE of (1) any positions for which the Borrower made a good-faith, written offer to rehire an employee during the Covered Period or the Alternative Payroll Covered Period which was rejected by the employee; and (2) any employees who during the Covered Period or the Alternative Payroll Covered Period (a) were fired for cause, (b) voluntarily resigned, or (c) voluntarily requested and received a reduction of their hours. In all of these cases, include these FTEs on this line only if the position was not filled by a new employee. Any FTE reductions in these cases do not reduce the Borrower's loan forgiveness.

	PPP	Schedule A Workshee	<u>et</u>	
e 1: List employees who:				
 Were employed by the Borrower principal place of residence is in 			l or the Alternative P	ayroll Covered Period whos
Received compensation from the		,	than or equal to \$10	0,000 for all pay periods in
2019 or were not employed by th	e Borrower at a	ny point in 2019.		
	Employee			Salary / Hourly Wage
Employee's Name	Identifier	Cash Compensation	Average FTE	Reduction
FTE Reduction Exceptions:				
Totals:		Box 1	Box 2	Box 3



TABLE 1 SUMMARY

Once you have completed the table, enter the sum of each amount in Box 1, Box 2, and Box 3

PPP Schedule A Worksheet

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
FTE Reduction Exceptions:				
Totals:		Box 1	Box 2	Box 3



TABLE 2

• • •

Complete Table 2 using the same method as Table 1, but note you do not need to complete the Salary/Hourly Wage Reduction Column

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

100001100 compensation from the 2			
Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

Once you have completed the table, enter the sum of each amount in Box 4 and Box 5



BACK TO OUR 11 LINES

We Just Finished Line 5 – The Most Important Step

• Line 6: Add amounts of steps 1-4 and then subtract Line 5.

 Line 7: FTE Reduction Quotient: calculated by dividing the average FTE during Borrower's Chosen Period by the Total Average FTE – it will be 1.0 or lower.



ALMOST DONE

Lines 8-11

- Line 8: Modified Total (multiply line 6 by line 7)
- Line 9: PPP Loan Amount
- Line 10: Payroll Costs 75% Requirement (divide line 1 by .75)
- Line 11: FORGIVENESS AMOUNT (the smallest of lines 8, 9, and 10)



HOW DO I DOCUMENT?

Must Be Submitted With Application

Payroll: Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period consists of each of the following:

- Bank account statements or third-party payroll service provider reports documenting the amount of cash compensation paid to employees.
- Tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period:
- Payroll tax filings reported, or that will be reported, to the IRS (typically, Form 941); and
- State quarterly business and individual employee wage reporting and unemployment insurance tax filings reported, or that will be reported, to the relevant state.
- Payment receipts, cancelled checks, or account statements documenting the amount of any employer contributions to employee health insurance and retirement plans that the Borrower included in the forgiveness amount (PPP Schedule A, lines (6) and (7)).



HOW DO I DOCUMENT?

Must Be Submitted With Application

FTE: Documentation showing (at the election of the Borrower):

- The average number of FTE employees on payroll per month employed by the Borrower between February 15, 2019 and June 30, 2019;
- The average number of FTE employees on payroll per month employed by the Borrower between January 1, 2020 and February 29, 2020; or
- In the case of a seasonal employer, the average number of FTE employees on payroll per month employed by the Borrower between February 15, 2019 and June 30, 2019; between January 1, 2020 and February 29, 2020; or any consecutive 12-week period between May 1, 2019 and September 15, 2019



HOW DO I DOCUMENT?

Must Be Submitted With Application

Nonpayroll: Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period.

- Business mortgage interest payments: Copy of lender amortization schedule and receipts or cancelled checks verifying eligible payments from the Covered Period; or lender account statements from February 2020 and the months of the Covered Period through one month after the end of the Covered Period verifying interest amounts and eligible payments.
- Business rent or lease payments: Copy of current lease agreement and receipts or cancelled checks verifying eligible payments from the Covered Period; or lessor account statements from February 2020 and from the Covered Period through one month after the end of the Covered Period verifying eligible payments.
- Business utility payments: Copy of invoices from February 2020 and those paid during the Covered Period and receipts,



DOCUMENTATION BORROWERS ARE REQUIRED TO MAINTAIN

Does Not Need to be Submitted But Maintained (Six Years)

Nonpayroll: Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period.

- PPP Schedule A Worksheet or its equivalent and the following:
- Documentation supporting the listing of each individual employee in PPP Schedule A Worksheet Table 1, including the "Salary/Hourly Wage Reduction" calculation, if necessary.
- Documentation supporting the listing of each individual employee in PPP Schedule A Worksheet Table 2; specifically, that each listed employee received during any single pay period in 2019 compensation at an annualized rate of more than \$100,000.
- Documentation regarding any employee job offers and refusals, firings for cause, voluntary resignations, and written requests by any employee for reductions in work schedule.
- Documentation supporting the PPP Schedule A Worksheet "FTE Reduction Safe Harbor."



WHAT ABOUT OWNER'S COMPENSATION?

We Still Need Guidance

The application will still need to be completed but we are waiting for SBA guidance regarding what is required to validate payroll.

However, these costs are definitely <u>not</u> eligible:

- 1. Health Insurance
- 2. Retirement Benefits



INFORMATION FOR ALL 20% OWNERS AND DIRECTORS - DEMOGRAPHICS



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Borrower Demographic Information Form (Optional)

Instructions

- 1. <u>Purpose</u>. Veteran/gender/race/ethnicity data is collected for program reporting purposes only.
- 2. <u>Description</u>. This form requests information about each of the Borrower's Principals. Add additional sheets if necessary.
- 3. Definition of Principal. The term "Principal" means:
 - For a self-employed individual, independent contractor, or a sole proprietor, the self-employed individual, independent contractor, or sole proprietor.
 - For a partnership, all general partners and all limited partners owning 20% or more of the equity of the Borrower, or any
 partner that is involved in the management of the Borrower's business.
 - · For a corporation, all owners of 20% or more of the Borrower, and each officer and director.
 - For a limited liability company, all members owning 20% or more of the Borrower, and each officer and director.
 - Any individual hired by the Borrower to manage the day-to-day operations of the Borrower ("key employee").
 - Any trustor (if the Borrower is owned by a trust).
 - For a nonprofit organization, the officers and directors of the Borrower.
- 4. Principal Name. Insert the full name of the Principal.
- Position. Identify the Principal's position; for example, self-employed individual; independent contractor; sole proprietor; general partner; owner; officer; director; member; or key employee.

Principal Name		Position	
Veteran	1=Non-Veteran; 2=Veteran; 3=Service-Disabled Veteran; 4=Spouse of Veteran; X=Not		
	Disclosed		
Gender	M=Male; F=Female; X=Not Disclosed		
Race (more than 1	1=American Indian or Alaska Native; 2=Asian; 3=Black or African-American; 4=Native		
may be selected)	Hawaiian or Pacific Islander; 5=White; X=Not Disclosed		
Ethnicity	H=Hispanic or Latino; N=Not Hispanic or Latino	o; X=Not Disclosed	

Disclosure is voluntary and will have no bearing on the loan forgiveness decision



ROSE'S FLOWERS – EXAMPLE OF FULL FORGIVENESS APPLICATION

For the last ten years, Rose Rantanen operates Rose's Flowers in Cleveland, Ohio. The recent situation impacted her business as it was shut down.

- With a monthly payroll of \$8,000, Rose applied for and received a PPP Loan of \$20,000
- Rose received funding for her PPP Loan on May 22, 2020. She utilized the "Covered Period" and spent those monies on payroll through July 16, 2020
- Rose has four employees at application
- During the covered period, Rose had four employees including herself
- Rose did not receive an EIDL Loan
- During the covered period, Rose paid \$18,000 in wages, \$1,000 for health insurance, \$500 in employee retirement plans and \$500 for employer state and local taxes during the covered period (\$20,000 in payroll total)
- Rose paid \$3,000 in rent and \$1,000 for utilities
- Rose did NOT reduce the wages of any employees

What is Rose's forgiven amount? How much does she owe?



Application – Top Half View



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")		DBA of Tradename, it applicable		
Rose's Flowers	N/A			
Business Address	Business TIN (E)	N, SSN)	Business Phone	
1111 Superior Avenue		12-3456789		216 409-4499
Cl1 OII 44111		Primary Cor	ıtact	E-mail Address
Cleveland, OH 44111				Rose@flowers.com
SBA PPP Loan Number: 123 456 78 -00	Lender PPP Lo	an Number:	999999	
PPP Loan Amount: \$20,000	PPP Loan Disbu	ırsement Date: _	5/20/2	2020
Employees at Time of Loan Application:4				
Employees at Time of Forgiveness Application:	1			
EIDL Advance Amount:\$0	EIDL Application	on Number:	N/A	
Payroll Schedule: The frequency with which payroll is	s paid to employees is	:		
☐ Weekly (every other week)	☐ Twice a mon	th 🗆 Moi	thly [Other
Covered Period: 5/22/2020 to	7/16/2020			
Alternative Payroll Covered Period, if applicable:	N/A	to		
If Borrower (together with affiliates, if applicable) re	eceived PPP loans in	excess of \$2 milli	on, check l	here: □



Application – Bottom Half View

Forgiveness Amount Calculation:

Payroll and Nonpayroll Costs Line 1. Provide Costs (costs the arrespond from PPP Selection A line 10).	\$20,000
Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):	
Line 2. Business Mortgage Interest Payments:	
Line 3. Business Rent or Lease Payments:	\$3,000
Line 4. Business Utility Payments:	\$1,000
Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):	
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:	\$24,000
Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):	1.0
Potential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):	<u>\$24,000</u>
Line 9. PPP Loan Amount:	\$20,000
Line 10. Payroll Cost 75% Requirement (divide line 1 by 0.75):	<u>\$26,667</u>
<u>Forgiveness Amount</u> Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):	\$20,000



Application – Complete View



Paycheck Protection Program Loan Forgiveness Application OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")		DBA or Tradename, if applicable		
Rose's Flowers Business Address		N/A Business TIN (EIN, SSN)	Business Phone	
1111 Superior Avenue		12-3456789	216 409-4499	
•		Primary Contact	E-mail Address	
Cleveland, OH 44111	l		Rose@flowers.com	
SBA PPP Loan Number:123 456 78 -00	Lender PPP Los	n Number:999999		
PPP Loan Amount: \$20,000	PPP Loan Disbu	rsement Date:5/20/	2020	
Employees at Time of Loan Application:4				
Employees at Time of Forgiveness Application: 4				
EIDL Advance Amount:\$0	EIDL Application	on Number: N/A		
Payroll Schedule: The frequency with which payroll is paid	d to employees is:			
⅓ Weekly □ Biweekly (every other week)	☐ Twice a mon	th	Other	
Covered Period: 5/22/2020 to 7/10	6/2020	_		
Alternative Payroll Covered Period, if applicable:	N/A	to		
If Borrower (together with affiliates, if applicable) receive	ed PPP loans in	excess of \$2 million, check	here: 🗆	
Forgiveness Amount Calculation:				
<u>Payroll and Nonpayroll Costs</u> <u>Line 1. Payroll Costs (enter the amount from PPP Schedule</u>	A, line 10):	-	\$20,000	
Line 2. Business Mortgage Interest Payments:		-		
Line 3. Business Rent or Lease Payments:		-	\$3,000	
Line 4. Business Utility Payments:		-	\$1,000	
Adjustments for Full-Time Equivalency (FTE) and Salary/H Line 5. Total Salary/Hourly Wage Reduction (enter the am				
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtra	ct the amount ent	ered in line 5:	\$24,000	
Line 7. FTE Reduction Quotient (enter the number from Ph	PP Schedule A, lir	ne 13):	1.0	
Potential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):		-	\$24,000	
Line 9. PPP Loan Amount:		-	\$20,000	
Line 10. Payroll Cost 75% Requirement (divide line 1 by 0.7	75):	-	\$26,667 <u> </u>	
Forgiveness Amount Line 11. Forgiveness Amount (enter the smallest of lines 8,	9, and 10):	-	\$20,000	



PPP Schedule A Worksheet

Wage Breakdown

	Employee	Cash		Salary/Hourly Wage
Employee's Name	Identifier	Compensation	Average FTE	Reduction
Annalise Smith	1111	\$ 4,250	40	0%
Shelby Silver	2222	\$ 4,250	40	0%
Dan Manly	3333	\$ 4,250	40	0%
Rose Rantanen	4444	\$ 5,250	40	0%
FTE Reduction Exceptions				
Totals:		\$ 18,000	40	



IMPORTANT NOTE FOR SLIDE 47

As discussed during the recording, slide 47 did contain a typographical error on the "PPP Schedule A Worksheet". Due to the importance of this calculation, GAF is offering the proper figures for "average FTE" below (4 instead of 40). To compute "Average FTE, the borrower simply takes the average hours worked divided by 40. In this instance for Rose's Flowers, it was simply 40/40 for each employee adding up to 4. (If an individual employee worked 25 hours, rather than 1 the figure would be 25/40 = .63 rounded to .7)

This figure becomes the entry on PPP Schedule A line 2. Line 2 plus Line 5 equal Line 12 on the Worksheet. This is very important as it reflects the FTE Quotient on the Loan Forgiveness Application on Line 7 which is multiplied to the Eligible Use of Proceeds. The smallest line of 8, 9 or 10 becomes the Forgiveness Amount.

Employee's Name	Employee Identifier	Cash Compen	sation	Average FTE	Salary/Hourly Wage Reduction
Annalise Smith	1111	\$	4,250	1	0%
Shelby Silver	2222	\$	4,250	1	0%
Dan Manly	3333	\$	4,250	1	0%
Rose Rantanen	4444	\$	5,250	1	0%
FTE Reduction Exce	ptions				
Totals:	li i	\$	18,000	4	2

SCHEDULE A – Lines 1-6



PPP Schedule A Worksheet, Table 1 Totals

Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-04 Expiration Date: 10/31/20

PPP Schedule A

18,000 Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1: Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1: Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3. PPP Schedule A Worksheet, Table 2 Totals Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2: Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2: Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period Line 6. Total amount paid by Borrower for employer contributions for employee health insurance: \$1000



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SCHEDULE A – Lines 7-13

Line 7.	Total amount paid by Borrower for employer contributions to employee retirement plans:	<u>\$500</u>
Line 8.	Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	<u>\$500</u>
Comper	nsation to Owners	
Line 9.	Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	0
Total Pa	ayroll Costs	
Line 10	. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	\$20,000
If you h	me Equivalency (FTE) Reduction Calculation ave not reduced the number of employees or the average paid hours of your employees between 1, 2020 and the end of the Covered Period, check here \Box , skip lines 11 and 12 and enter 1.0 on line 1	13.
Line 11	. Average FTE during the Borrower's chosen reference period:	<u>4</u>
Line 12	. Total Average FTE (add lines 2 and 5):	4
Line 13	. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:	1.0



 $\bullet \bullet \bullet$

SCHEDULE A – Complete View

	Paycheck Protection Program Loan Forgiveness Application	OMB Control Number 3245-0407 Expiration Date: 10/31/2020
-011-	PPP Schedule A	
PPP So	hedule A Worksheet, Table 1 Totals	
Line 1.	Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	\$15,000
Line 2.	Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	3
Line 3.	Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3.	0
PPP So	hedule A Worksheet, Table 2 Totals	
Line 4	Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	\$3,000
Line 5.	Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	1
Non-C	ash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered	Period
Line 6	Total amount paid by Borrower for employer contributions for employee health insurance:	\$1,000
Line 7.	Total amount paid by Borrower for employer contributions to employee retirement plans:	\$500
Line 8.	$\label{thm:continuous} \mbox{Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:}$	\$500
Compe	nsation to Owners	
Line 9.	Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	0
Total F	ayroll Costs	
Line 1	D. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	\$20,000
If you	me <u>Equivalency (FTE) Reduction Calculation</u> have not reduced the number of employees or the average paid hours of your employees betwee γ 1, 2020 and the end of the Covered Period, check here \Box 1, skip lines 11 and 12 and enter 1.0 or	
Line 1	l. Average FTE during the Borrower's chosen reference period:	4
Line 1	2. Total Average FTE (add lines 2 and 5):	4



ROSE'S FLOWERS – PARTIAL FORGIVENESS APPLICATION

For the last ten years, Rose Rantanen operates Rose's Flowers in Cleveland, Ohio. The recent situation impacted her business as it was shut down.

- With a monthly payroll of \$8,000, Rose applied for and received a PPP Loan of \$20,000
- Rose received funding for her PPP Loan on May 25, 2020. She utilized the "Covered Period" and spent those monies on payroll through 7/16/2020
- Rose has <u>EIGHT</u> employees at application
- During the covered period, Rose had four employees including herself
- Rose did not receive an EIDL Loan
- During the covered period, Rose paid \$18,000 in wages, \$1,000 for health insurance, \$500 in employee retirement plans and \$500 for employer state and local taxes during the covered period (\$20,000 in payroll total)
- Rose paid \$3,000 in rent and \$1,000 for utilities
- Rose did NOT reduce the wages of any employees

What is Rose's forgiven amount? How much does she owe?



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Application – Top Half View



Paycheck Protection Program Loan Forgiveness Application

Business Legal Name ("Borrower")

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

DBA or Tradename, if applicable

PPP Loan Forgiveness Calculation Form

Rose's Flowers	N/A				
Business Address	Business TIN (EIN, SSN)	Business Phone			
1111 Superior Avenue	12-3456789	216) 409-4499			
	Primary Contact	E-mail Address			
Cleveland, OH 44111	·	Rose@flowers.com			
SBA PPP Loan Number: 123 456 78 -00 Lender PPP Lo	oan Number: 999999				
PPP Loan Amount: \$20,000 PPP Loan Dish	oursement Date: 5/20/2	2020			
Employees at Time of Loan Application:8					
Employees at Time of Forgiveness Application: 4					
EIDL Advance Amount:\$0 EIDL Applicat	ion Number:N/A				
Payroll Schedule: The frequency with which payroll is paid to employees i	s:				
☐ Weekly ☐ Biweekly (every other week) ☐ Twice a mo	nth 🗆 Monthly	☐ Other			
Covered Period: <u>5/22/2020</u> to <u>7/16/2020</u>					
Alternative Payroll Covered Period, if applicable: N/A	to				
f Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: \Box					



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Application – Bottom Half View

Forgiveness Amount Calculation:

Payroll and Nonpayroll Costs Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):	\$20,000
Line 2. Business Mortgage Interest Payments:	
Line 3. Business Rent or Lease Payments:	\$3,000
Line 4. Business Utility Payments:	\$1,000
Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):	
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:	\$24,000
Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):	.5
Potential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):	\$12,000
Line 9. PPP Loan Amount:	\$20,000
Line 10. Payroll Cost 75% Requirement (divide line 1 by 0.75):	\$26,667
Forgiveness Amount Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):	\$12,000



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Application – Complete View



Paycheck Protection Program Loan Forgiveness Application OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")			name, if applicable
Rose's Flowers		N/A	Designer Db
Business Address 1111 Superior Avenue		Business TIN (EIN, SSN) 12-3456789	
•		Primary Contact	Q16) 409-4499 E-mail Address
Cleveland, OH 44111		Timely Contact	Rose@flowers.com
BA PPP Loan Number: 123 456 78 -00	Lender PPP Los	nn Number:9999	99
PPP Loan Amount: \$20,000	_ PPP Loan Disbu	irsement Date:5/2	20/2020
Employees at Time of Loan Application:	-		
Employees at Time of Forgiveness Application:4			
EIDL Advance Amount:\$0	EIDL Application	on Number:N/	A
Payroll Schedule: The frequency with which payroll is p	paid to employees is:	:	
☐ Weekly □ Biweekly (every other week)		th	□ Other
Covered Period: <u>5/22/2020</u> to <u>7</u>	/16/2020		
Alternative Payroll Covered Period, if applicable:	N/A	to	
f Borrower (together with affiliates, if applicable) rec	eived PPP loans in	excess of \$2 million, che	ck here: 🗆
Forgiveness Amount Calculation:			
Payroll and Nonpayroll Costs Line 1. Payroll Costs (enter the amount from PPP Sched	hıle A, line 10):		\$20,000
Line 2. Business Mortgage Interest Payments:			
Line 3. Business Rent or Lease Payments:			\$3,000
Line 4. Business Utility Payments:			\$1,000
Adjustments for Full-Time Equivalency (FTE) and Salary Line 5. Total Salary/Hourly Wage Reduction (enter the			
Line 6. Add the amounts on lines 1, 2, 3, and 4, then sub	otract the amount ent	ered in line 5:	\$24,000
ine 7. FTE Reduction Quotient (enter the number from	PPP Schedule A, lii	ne 13):	5
Otential Forgiveness Amounts Line 8. Modified Total (multiply line 6 by line 7):			\$12,000
Line 9. PPP Loan Amount:			\$20,000
ine 10. Payroll Cost 75% Requirement (divide line 1 by	0.75):		\$26,667
Forgiveness Amount	•		
ine 11 Forgiveness Amount (enter the smallest of lines	9 0 and 10):		\$12,000



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Schedule A – Lines 1-6



PPP Schedule A Worksheet, Table 1 Totals

Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407 Expiration Date: 10/31/2020

PPP Schedule A

Line 1.	Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	18,000
Line 2.	Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	4
Line 3.	Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here □ and enter 0 on line 3.	\$0
PPP Scl	nedule A Worksheet, Table 2 Totals	
Line 4.	Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	_\$0
Line 5.	Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	
Non-Ca	sh Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period _	0
Line 6.	Total amount paid by Borrower for employer contributions for employee health insurance:	\$1000



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Schedule A – Lines 7-13

Line 7.	Total amount paid by Borrower for employer contributions to employee retirement plans:	<u>\$500</u>
Line 8.	Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	<u>\$500</u>
Comper	nsation to Owners	
Line 9.	Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	0
Total Pa	syroll Costs .	
Line 10	Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	\$20,000
If you h	ne Equivalency (FTE) Reduction Calculation ave not reduced the number of employees or the average paid hours of your employees between 1, 2020 and the end of the Covered Period, check here □, skip lines 11 and 12 and enter 1.0 on line	13.
Line 11	. Average FTE during the Borrower's chosen reference period:	<u>8</u>
Line 12. Total Average FTE (add lines 2 and 5):		4
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:		<u>0.5</u>



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Schedule A – Complete View

	Paycheck Protection Program Loan Forgiveness Application	OMB Control Number 3245-0407 Expiration Date: 10/31/2020	
	PPP Schedule A		
PPP Schedule A Worksheet, Tabl	le 1 Totals		
Line 1. Enter Cash Compensation	on (Box 1) from PPP Schedule A Worksheet, Table 1:	18,000	
Line 2. Enter Average FTE (Box	x 2) from PPP Schedule A Worksheet, Table 1:	<u>4</u>	
If the average annual sal Schedule A Worksheet, Covered Period was at le	ge Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: ary or hourly wage for each employee listed on the PPP Table 1 during the Covered Period or the Alternative Payroll east 75% of such employee's average annual salary or hourly , 2020 and March 31, 2020, check here □ and enter 0 on line	\$0	
PPP Schedule A Worksheet, Tabl	le 2 Totals		
Line 4. Enter Cash Compensation	on (Box 4) from PPP Schedule A Worksheet, Table 2:	\$0	
Line 5. Enter Average FTE (Box	x 5) from PPP Schedule A Worksheet, Table 2:		
Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period 0			
Line 6. Total amount paid by Bo	prower for employer contributions for employee health insurance:	\$1000	
Line 7. Total amount paid by Bo	prower for employer contributions to employee retirement plans:	\$500	
Line 8. Total amount paid by Bo compensation:	orrower for employer state and local taxes assessed on employee	\$500	
Compensation to Owners			
This amount may not be	mer-employees/self-employed individual/general partners: included in PPP Schedule A Worksheet, Table 1 or 2. If there is l included, attach a separate table that lists the names of and	\$0	
Total Payroll Costs			
Line 10. Payroll Costs (add lines	1, 4, 6, 7, 8, and 9):	\$20,000	
	duction Calculation ser of employees or the average paid hours of your employees betwee Covered Period, check here \Box , skip lines 11 and 12 and enter 1.6		
Line 11. Average FTE during the	Borrower's chosen reference period:	8	
Line 12. Total Average FTE (add	l lines 2 and 5):	4	
Line 13. FTE Reduction Quotient	t (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:	.5	



Q&A

