

PPP LOAN FORGIVENESS DOCUMENTATION CHECKLIST

Documents that Each Borrower **Must Submit** with Loan Forgiveness Application:

PAYROLL BACKUP

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

- Cash payments to employees.** Bank account statements or third-party payroll service provider reports documenting the amount of cash compensation paid to employees.
- Federal and state payroll tax filings that have been reported or will be reported.** Must provide 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. Forms required include payroll tax filings submitted to the IRS (typically Form 941) and state quarterly business and individual employee wage reporting and unemployment insurance tax filings.

- Non-cash benefit payments.** 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.

FULL-TIME EQUIVALENTS

Documentation showing:

- Last Year FTEs:** The average number of FTE employees on payroll per month employed by the Borrower between February 15, 2019 and June 30, 2019;
- Current Year FTEs:** The average number of FTE employees on payroll per month employed by the Borrower between January 1, 2020 and February 29, 2020; or
- Seasonal FTEs:** 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 twelve-week period between May 1, 2019 and September 15, 2019.

The selected time period must be the same time period selected for purposes of completing PPP Schedule A, line 11. Documents may include payroll tax filings and state quarterly business and individual employee wage reporting and unemployment insurance tax filings. Documents submitted may cover periods longer than the specific time period.

NON-PAYROLL DOCUMENTS

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; 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; 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, cancelled checks, or account statements verifying those payments. Covered utilities include electricity, gas, water, transportation, telephone, or internet access.

Documents that Each Borrower **Must Maintain** but is Not Required to Submit

- Documentation supporting the listing of each individual employee in PPP Schedule A Table 1, including the "Salary/Hourly Wage Reduction" calculation, if necessary.
- Documentation supporting the listing of each individual employee in PPP Schedule A 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."

The Borrower must maintain all records relating to the PPP loan, including documentation submitted with the original loan application, supporting documents and certification of the Borrower's necessity of the loan eligibility and request, the above documentation to support the application for forgiveness, and supporting documents that demonstrate the Borrower's compliance with PPP requirements.

*The Borrower is to retain all such documentation in its files for **six years** after the date the loan is forgiven or repaid in full, and permit authorized representatives of SBA to access such files upon request.*

