The application for loan forgiveness was released last week. The eleven page document is not an easy read. You may Click here to view the application and instructions.

The majority of the instructions and requirements relate to your labor force and payroll. There are several different time periods in which you are asked provide information on number of employees or average weekly full-time equivalency (FTE). The basic goal of the PPP loans were simply to keep people employed. If your payroll is similar before and after the loan then it should be forgiven. However, when you try to apply this concept within an application it gets a bit detailed.

The same Central Service team that helped provide backup for the applications to receive the loan, met earlier this week to discuss how we can help in the forgiveness process. The team which includes Fiscal Services, Human Resources Ultipro Pro team, and Information Technology met and our confident that the labor schedules and FTE calculations requested they will be able to provide in the format requested by the application.

What should parishes/schools do now?

1. Get familiar with the application. The majority of it will come from Ultipro reports designed by our HRMS/IT team. So don’t panic. The application itself cannot be completed till July.

2. Make sure that you pay your April, May and June health and benefit invoices. Other than the payroll itself, health, unemployment and retirement portions of these make up the largest part of the forgivable portion of the loan. If it is not paid within the covered 56 day period of the loan then it will not be forgiven. The 56 day period started on the day the actual PPP funds were provided to you from the bank.

3. Make sure you have all the backup on Utility type expenses that were incurred or paid within the 56 day covered period. Utility is defined as costs for the distribution of electricity, gas, water, transportation, telephones or internet access.

Frankly, the definition of allowable costs change with different clarification points each week. There is discussion that the entire 56 day period may be increased by two additional weeks which would allow for another payroll to be included as part of the forgiveness period. If the period was extended by two weeks that would most probably mean that all of our parish/school loans would be forgiven.

The Regional Controller group is trying to keep on top of all of the latest information. When it comes time to apply for forgiveness (in July) the Regional Controller group will be there to assist you in confirming your covered period or (alternate covered period) and assembling necessary support.