

PPP Loan Forgiveness – What have we learned | Kevin Kilpatrick – Peoples Bank of Alabama

- Accessing the Abrigo Software Portal to complete the application: We sent an email to all of our borrowers with a link that directed you to a page on our website where you could securely enter your name, county and indicate you are ready to start the forgiveness application. My office receives a notice signaling us to email you the secure portal link to start the process. If you discover your link doesn't work, send us an email requesting a new link with an active period of 90 days. Hopefully you won't have issues getting back into the software.
- The software password is a Personal Identification Number, or "PIN." Please memorize or keep this written down in a secure place so you can use it when you want to work on the application. If you forgot your PIN, we have to send you a new link and you must create a new PIN. Fortunately, all your data remains intact but it saves us all time if you can remember your PIN.
- The first-time we send a link from the portal, it can only be emailed to the email address we have on record for the account. We cannot forward it to your CPA or someone else in your business – but you can. If you set up the PIN, be sure to share that PIN with others that need access to the software – or allow them to establish the PIN.
- Do not leave the portal open overnight. Sageworks updates their system overnight and if your portal is left open, Sageworks will auto-close it and lock you out of the system. You will have to request a new link the next day to get back in. Please log out and/or turn off your computer each night when finished working in the software for the day.
- The 3508s and 3508EZ forms are easy! The first thing you are asked by the software is to determine your form eligibility and check the appropriate box. It's that simple. The S and EZ forms bypass a lot of information that you may be required to enter otherwise, so be sure to check the right eligibility box first.
- Schedule A is not simple. For those not eligible for the EZ form, the regular form requires the use of Schedule A. We have written a detailed explanation of the Schedule A, complete with column by column explanations and a sample Schedule A to use, as needed. Please let us know if you need this tool to help you complete Schedule A.
- Save button. At the bottom of each section of the software is a "Save" and "Upload Documents" box. Please click "Save" whenever you update a section!
- Uploading documents. When ready to upload documents, click the box "Upload Documents" and a pop-up screen opens. Save all your files as PDF and drag them into the box. Then, select the "related fields" box that applies to best describe what you have uploaded. For example, if you are uploading payroll information, then you click the box beside "Line 1." If you are uploading employer contributions to employee retirement plans, click "Line 3."

- Be sure to name your files something that we can easily tell what is there. It makes it so much faster for us to review when we can see what's saved to the file.
- If you must provide documents to support your use of loan proceeds, you MUST, MUST include both sides of the transaction. In other words, if you have \$10,000 in eligible payroll expenses, provide us both the documentation listing the employees who were paid the \$10,000 and evidence that they were actually paid (i.e. cancelled checks or bank statements, or the IRS 941 Quarterly Filing). We have to support what the money went to and how it was spent.
- This is also required for non-payroll expenses like health care benefits or utility payments. We need both the invoice and evidence of payment of the invoice (again, cancelled check or bank statement). If you would take time to highlight or label what we are to review, it will make our jobs go much more quickly.
- Rent Expense from a third-party landlord. You can deduct the full amount of the rent you pay each month. Be sure to include a copy of the lease as well as evidence of rent payments in your upload file.
- Rent Expense when renting from yourself. If your business pays you rent on a building you own personally (i.e. individually, LLC, partnership, etc.), you can only deduct the interest cost paid on your mortgage loan and NOT the full amount of the rent payment. For example, during the covered period your business pays you \$6,000 in rent but you only paid \$2,000 in interest expense on your building's mortgage, you deduct \$2,000. Be sure to include a copy of the lease as well as evidence of rent payments AND a copy of the mortgage statement showing the amount of interest cost paid in your upload file.
- BE PATIENT. It takes a long time to review the package, make sure everything is uploaded, everything is in the right place and complete, review and in some cases have secondary reviews, and then let you know what is missing or that the package is ready for your electronic signature. If you haven't heard from us yet, please know that we will get to your loan as soon as possible. The SBA allows the bank 60 days to process your forgiveness application. Please realize that we are handling lots of loans as well as other normal bank responsibilities for our customers, so if we don't follow up with you in a few days, we will soon. I've told people that "no news is good news" so be patient. This is not going to happen quickly.
- Remember that the SBA has 90 days (but we've already seen this to take longer) to review the bank's loan recommendation before making their decision. Once we submit the loan to the SBA, it is out of our control and we won't know any more than you about the status of the loan. If there is a problem, SBA will let us know. Otherwise, assume all is good.

Please feel free to call us if you have questions or unique situations that are not discussed above. We are all doing our best to meet the SBA demands for qualifying for full forgiveness and want to see you end this process successfully.