



# ARIZONA BANKERS ASSOCIATION

## **Call your bank or locate the online portal for your bank to start the process**

The intention of this program is to get the funding to cover payroll expenses and keep employees whose work is affected by social distancing recommendations to stay connected and employed through their current small business employer, even if that business is currently closed. If your bank is not accepting applications for this process you can search for banks who are extending their process to new customers. As a new customer for a bank you may need to provide more documentation and applications for the new bank to proceed with the PPP loan application.

[SBA Approved Lender List](#)

[AzBA COVID-19 & PPP Resource List](#)

## **Add up your “Payroll Expenses”**

[“Payroll Costs” & PPP Calculation Explanation](#)

## **Keep your paperwork**

Although it is presently unclear whether, and to what extent, banks will need to ask for, make sure to print (or electronically store) and be prepared to provide proof of your payroll costs and foregoing computations. Assume the SBA program will investigate instances of PPP loan application fraud. Make sure to store this important information in a safe place for possible later retrieval.

## **Make sure to use the PPP loan proceeds only for “authorized” purposes**

[Eligible Expense Explanation](#)

## **Understand the impact of your past and possible future firings or layoffs of employees, or reductions in their salaries**

The intention of the CARES Act is to encourage employee retention and discourage wage cuts. Businesses who from February 15, 2020 through April 27, 2020, reduce their “full-time equivalent employees” as compared to their “full-time equivalent employees” on February 15, 2020, and “not later than [by] June 30, 2020” fail to restore that number to its February 15, 2020 level, will have their PPP loan forgiveness proportionally reduced. Similarly, businesses who during this same time period reduce the wages of any their employees earning \$100,000 or less by more than 25 percent, and fail to restore those wages to their February 15, 2020 levels “not later than [by] June 30, 2020” will have part of their loan forgiveness reduced.

The overall [CARES Act](#) is vastly more detailed and addresses many other subjects. The U.S. Department of Treasury has compiled [Top Line Guidance](#) and resources on their [website](#).