

The CARES Act Paycheck Protection Program

HELP TO GET US THROUGH THE COVID-19 CRISIS

Disclaimer

- This presentation is intended to provide a general overview about the PPP.
- It is NOT intended to provide expert financial or legal advice.
- Neither Joe Stepansky nor Rob Blezard is a licensed financial or legal counselor.
- Participants are advised to seek expert legal and financial advice from licensed experts.

Synod PPP information page:

[Lss-elca.org/ppp](https://lss-elca.org/ppp)

There you can find:

- [The US Chamber of Commerce flyer on PPP](#)
- [SBA's FAQ on Faith-based Organizations Participating in PPP](#)
- [ELCA Summary of CARE Act provisions](#)
- [ELCA FAQ on the PPP](#)
- [Treasury Department FAQ on the PPP](#)

What is the PPP?

In March Congress passed the \$2 trillion **Coronavirus Aid, Relief, and Economic Security (CARES) Act**

The Paycheck Protection Program is one part of the CARES Act.

What does PPP do?

The PPP creates a **\$349 billion** fund for loans to help businesses maintain payroll.

The loans are “forgivable” if borrowers meet specified criteria.

Who runs the program?

The PPP is administered through the Small Business Administration (SBA).

PPP funds are distributed as SBA loans.

Where and how do I apply?

Small businesses work through banks, credit unions and other financial institutions who handle SBA loans.

What can I borrow?

Congregations (and other nonprofits) can borrow up to **2.5 times** their “average monthly payroll” for the previous 12 months.

- Wages (full- and part-time; max. \$100K per employee)
- 1099 fees for contractors
- Benefits (Portico, health pension)
- Tax contributions

What can I use the money for?

- Payroll costs
- Interest on a mortgage obligation.
- Rent on a leasing agreement.
- Utilities such as electricity, gas, water, phone.

What documentation may I need?

Gather 2019 and 2020 records in these areas

- Employee salaries and retirement contributions (including clergy)
- State & Local Payroll Taxes
- Insurance premiums (including Portico)
- Mortgage payments
- Rent payments

What is the application deadline?

Applications close on June 30, but the \$349 billion is being loaned first-come, first served, so sooner is better than later.

Information and Links

Go to:

[Lss-elca.org/ppp](https://lss-elca.org/ppp)

ANY
QUESTIONS
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