

Latest News: Updated Guidance on PPP Loan Forgiveness

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May 28, 2020

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TriNet does not provide legal, tax or accounting advice.



Welcome

PPP Loans and Forgiveness Today

Forgiveness Application

Wrap Up

PPP Loans and Forgiveness Today

PPP Loan Forgiveness Application



CURRENT FORGIVENESS RULES

- Must spend 75% on eligible payroll costs during the covered period
- Must maintain FTE levels, measured against one of two reference periods:
 - Average FTEs you had between February 15, 2019 and June 30, 2019
 - or
 - Average FTEs you had between January 1, 2020 and February 29, 2020
- Your loan forgiveness will be reduced by the same percentage as the percentage in reduction of FTEs
- Your loan forgiveness will also be reduced if you decrease qualified salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.

The impact of reductions in FTEs or wages on forgiveness can be mitigated, if by June 30, 2020 you eliminate reduction in FTE and reduction in wages.

Walk Through An Example

Breaking Down the PPP Forgiveness Application


There are four components to the forgiveness application form:

1. PPP Loan Forgiveness Calculation Form (application)
2. PPP Schedule A
3. PPP Schedule A Worksheet (must be retained for 6 years)
4. PPP Borrower Demographic Information Form (optional)

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PPP Schedule A

 Federal Payroll Protection Program Payroll Protection Application		OGE Control Number: 1216-0047 Expiration Date: 10/31/2019
PPP Schedule A Worksheet, Table 1 I		
Line 1	Enter Cash Compendium (Sum 1) from PPP Schedule A Worksheet, Table 1:	
Line 2	Enter Average FTE (Sum 2) from PPP Schedule A Worksheet, Table 1:	
Line 3	Enter Salary/Wage (Sum 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1, during the Covered Period, or the Alternative Payroll Covered Period, was at least 75% of each employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check box 1; otherwise, enter 0 on line 3.	
PPP Schedule A Worksheet, Table 2 II		
Line 4	Enter Cash Compendium (Sum 4) from PPP Schedule A Worksheet, Table 2:	
Line 5	Enter Average FTE (Sum 5) from PPP Schedule A Worksheet, Table 2:	
Non-Cash Compensation, Payroll Cost Deductions for Covered Period, or the Alternative Payroll Covered Period		
Line 6	Total amount paid by Borrower for employee benefits to employee health insurance	
Line 7	Total amount paid by Borrower for employee contributions to employee retirement plans:	
Line 8	Total amount paid by Borrower for employee state and local taxes assessed on employee compensation:	
Compensation to Owners		
Line 9	Total amount paid to owner-employees of unaffiliated individual parent parties: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	
Total Payroll Cost		
Line 10	Payroll Costs (add lines 6, 7, 8, and 9):	
Full-Time Employees (FTE) Equivalent Calculation If you have not reduced the number of employees or the average pay level of your employees between January 1, 2020 and the end of the Covered Period, check line 11, slip line 1; and enter 1.0 on line 13.		
Line 11	Average FTE during the Borrower's chosen reference period:	
Line 12	Total Average FTE (add line 2 and 5):	
Line 13	FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Staff Reduction is none	

[illegible]

Let's Use a Case Study to Understand Forgiveness

Setting the stage



An Example:

Company: SMB LLC

Owner-Employee: Mario Lopez

Employee Roster:

- Enrico Fermi
- Jane Goodall
- Kelvin Douglas
- Debra Bass
- Brandy Hong

PPP Loan Amount: \$90,000

PPP disbursement date: April 15, 2020

Payroll period: Bi-weekly

Determining the Covered Period



Borrower friendly payroll accommodation

April '20						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May '20						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June '20						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Completing the Schedule A



Schedule A in 10 steps:

1. Determine applicable payroll covered period ✓
2. Must determine which employees get listed on Table 1 and Table 2 of the Schedule A Worksheet
3. Complete Table 1
4. Complete Table 2
5. Begin completing Schedule A regarding NON-cash compensation
6. Begin completing Schedule A with Table 1 and Table 2 information
7. Determine whether any amounts were paid to owner employees, self-employed persons or general partners
8. Determine “total payroll costs”
9. Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient
10. Determine whether FTE Reduction Safe Harbor applies

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Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
FTE Reduction Exception:				
Totals:		Box 1	Box 2	Box 3

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019

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Completing the Schedule A



Schedule A in 10 steps:

1. Determine applicable payroll covered period
2. Must determine which employees get listed on Table 1 and Table 2 of the Schedule A Worksheet
3. Complete Table 1
4. Complete Table 2
5. Begin completing Schedule A regarding NON-cash compensation
6. Begin completing Schedule A with Table 1 and Table 2 information
7. Determine whether any amounts were paid to owner employees, self-employed persons or general partners
8. Determine “total payroll costs”
9. Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient
10. Determine whether FTE Reduction Safe Harbor applies

Completing the Schedule A



Complete Table 1

Table 1

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Jane Goodall	0382	\$ 6,540	0.7	\$ 464
Debra Bass	9812	\$ 15,385	1.0	\$ -
Enrico Fermi	3428	\$ 7,550	0.3	\$ 730
FTE Reduction Exception:			1.3	
Totals:		Box 1 \$29,475	Box 2 3.3	Box 3 \$1,194

Employee Identifier:
last four digits of SSN

For determining employee's "cash compensation":

- Maximum amount is \$15,385 (which is prorated amount of \$100,000 annual salary/wages)
- Indicates this includes "gross" cash remuneration, such as salary, wages, tips, commissions
- Bonus, hazard pay, other incentive compensation
- Also appears to include severance/separation pay

Completing the Schedule A



Complete Table 1

Table 1

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Jane Goodall	0382	\$ 6,540	0.7	\$ 464
Debra Bass	9812	\$ 15,385	1.0	\$ -
Enrico Fermi	3428	\$ 7,550	0.3	\$ 730
FTE Reduction Exception:			1.3	
Totals:		Box 1 \$29,475	Box 2 3.3	Box 3 \$1,194

Jane's work schedule reduced from 40 hours per week on average to 28 hours per week.

Because 28 hours is 70% of a full-time equivalent schedule of 40 hours, she has an Average FTE result of 0.7

Average FTE Calculation

Week of:	Average Hours Paid Per Week
4/19	30.0
4/26	28.0
5/3	27.0
5/10	26.0
5/17	29.0
5/24	28.0
5/31	23.0
6/7	33.0
Total Weekly Average	28.0
Average FTE (Total Weekly Average / 40)	0.7

For determining Average FTE:

- A full-time equivalent employee is an employee who was paid for at least 40 hours per week (work or non-work)
- An individual can only have an Average FTE quotient of 1.0 or less
- calculate FTE for each of the 8 weeks, and then average the sum of the eight weeks to determine final Average FTE quotient

Completing the Schedule A



Complete Table 1

Table 1

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Jane Goodall	0382	\$ 6,540	0.7	\$ 464
Debra Bass	9812	\$ 15,385	1.0	\$ -
Enrico Fermi	3428	\$ 7,550	0.3	\$ 730
FTE Reduction Exception:			1.3	
Totals:		Box 1 \$29,475	Box 2 3.3	Box 3 \$1,194

Simplified method for determining Average FTE:

- The borrower may use an Average FTE quotient of “0.5” for any employee who worked less than 40 hours per week during the covered period.
- If the borrower used this method, Debra Bass would continue to have a score equal to “1”, but the borrower would list a score of “0.5” for Jane Goodall and Enrico Fermi

Completing the Schedule A



Complete Table 1

Table 1

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Jane Goodall	0382	\$ 6,540	0.7	\$ 464
Debra Bass	9812	\$ 15,385	1.0	\$ -
Enrico Fermi	3428	\$ 7,550	0.3	\$ 730
FTE Reduction Exception:			1.3	
Totals:		Box 1 \$29,475	Box 2 3.3	Box 3 \$1,194

FTE Reduction Exceptions:

- Instructions allow borrowers to add additional Average FTE quotients into Table 1 for:
 - Any positions for which the Borrower made a good-faith, written offer to rehire an employee during the Covered Period or the Alternative Payroll Covered Period which was rejected by the employee and
 - Any employees who during the Covered Period or the Alternative Payroll Covered Period (a) were fired for cause, (b) voluntarily resigned, or (c) voluntarily requested and received a reduction of their hours

Completing the Schedule A



Complete Table 1

Table 1

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Jane Goodall	0382	\$ 6,540	0.7	\$ 464
Debra Bass	9812	\$ 15,385	1.0	\$ -
Enrico Fermi	3428	\$ 7,550	0.3	\$ 730
FTE Reduction Exception:			1.3	
Totals:		Box 1 \$29,475	Box 2 3.3	Box 3 \$1,194



ONLY the reduction amounts in excess of 25% are reflected in the tables

For determining Salary/Hour Wage Reduction:

- Only include amounts in excess of a 25% reduction when compared to the employee's compensation for January 1, 2020 to March 31, 2020.
- If there is no reduction when compared to that period or the reduction is less than 25%, then the listed reduction should be \$0.

Completing the Schedule A



Complete Table 1 – almost done, but don't forget...

You can eliminate the Salary/Hourly Wage Reduction if you satisfy the “Salary/Hourly Wage Reduction Safe Harbor”

Safe Harbor Test:

Criteria
1

The employee's annual salary/hourly wage as of February 15, 2020 was GREATER THAN the same employee's average annual salary/hourly wage between February 15, 2020 and April 26, 2020

Criteria
2

The employee's annual salary/hourly wage as of February 15, 2020 was LESS THAN OR EQUAL TO the same employee's average annual salary/hourly wage as of June 30, 2020

If you meet both Criteria 1 and 2, then the safe harbor is satisfied.

Completing the Schedule A



Schedule A in 10 steps:

1. Determine applicable payroll covered period
2. Must determine which employees get listed on Table 1 and Table 2 of the Schedule A Worksheet
3. Complete Table 1
4. Complete Table 2
5. Begin completing Schedule A regarding NON-cash compensation
6. Begin completing Schedule A with Table 1 and Table 2 information
7. Determine whether any amounts were paid to owner employees, self-employed persons or general partners
8. Determine “total payroll costs”
9. Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient
10. Determine whether FTE Reduction Safe Harbor applies

Completing the Schedule A



Complete Table 2

Table 2

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Kelvin Douglas	7938	\$ 9,230	0.5
Totals:		Box 4 \$9,230	Box 5 0.5

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019



Remember

Only list individuals in Table 2 if they worked for any point during the relevant 8-week period AND were paid at an annualized rate of greater than 100k for any pay period in 2019.

Completing the Schedule A



Schedule A in 10 steps:

1. Determine applicable payroll covered period
2. Must determine which employees get listed on Table 1 and Table 2 of the Schedule A Worksheet
3. Complete Table 1
4. Complete Table 2
5. Begin completing Schedule A regarding NON-cash compensation
6. Begin completing Schedule A with Table 1 and Table 2 information
7. Determine whether any amounts were paid to owner employees, self-employed persons or general partners
8. Determine “total payroll costs”
9. Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient
10. Determine whether FTE Reduction Safe Harbor applies

Completing the Schedule A



Complete the Non-cash payroll and compensation to owners

<u>Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period</u>	
Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:	<u>\$700</u>
Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:	<u>\$440</u>
Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	<u>\$152</u>
<u>Compensation to Owners</u>	
Line 9. Total amount paid to owner-employees/self-employed individual/general partners:	<u>\$15,385</u>
This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	



Remember

Individuals included in Line 9 should not be included in Table 1 or Table 2 of the Schedule A Worksheet

Completing the Schedule A



Determine “total payroll costs”

<u>PPP Schedule A</u>	
<u>PPP Schedule A Worksheet, Table 1 Totals</u>	
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	<u>\$29,475</u>
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	<u>3.3</u>
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here . and enter 0 on line 3.	<u>\$1,194</u>
<u>PPP Schedule A Worksheet, Table 2 Totals</u>	
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	<u>\$9,230</u>
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	<u>0.5</u>
<u>Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period</u>	
Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:	<u>\$700</u>
Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:	<u>\$440</u>
Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	<u>\$152</u>
<u>Compensation to Owners</u>	
Line 9. Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	<u>\$15,385</u>
<u>Total Payroll Costs</u>	
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	<u>\$55,382</u>

Completing the Schedule A



Schedule A in 10 steps:

1. Determine applicable payroll covered period
2. Must determine which employees get listed on Table 1 and Table 2 of the Schedule A Worksheet
3. Complete Table 1
4. Complete Table 2
5. Begin completing Schedule A regarding NON-cash compensation
6. Begin completing Schedule A with Table 1 and Table 2 information
7. Determine whether any amounts were paid to owner employees, self-employed persons or general partners
8. Determine “total payroll costs”
9. Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient
10. Determine whether FTE Reduction Safe Harbor applies

Completing the Schedule A



Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient

Full-Time Equivalency (FTE) Reduction Calculation	
If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here " ", skip lines 11 and 12 and enter 1.0 on line 13.	
Line 11. Average FTE during the Borrower's chosen reference period:	<u>4.5</u>
Line 12. Total Average FTE (add lines 2 and 5):	<u>3.8 (3.3 / 0.5)</u>
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:	<u>0.84 (3.8 / 4.5)</u>

Example:

- SMB LLC elects to use the January 1, 2020 to February 29, 2020 reference period
- SMB LLC does not choose to use the “simplified” method. It looks at any employee employed during the 8-week reference period and calculates each employee’s average FTE quotient, then sums the quotients to arrive at the answer
***Note:** It appears that for purposes of determining an employee’s individual Average FTE quotient, each week where the individual was not paid would be counted as a zero (“0”)*
- Result is an Average FTE of 4.5 for the reference period of January 1, 2020 to February 29, 2020

Completing the Schedule A



Schedule A in 10 steps:

1. Determine applicable payroll covered period
2. Must determine which employees get listed on Table 1 and Table 2 of the Schedule A Worksheet
3. Complete Table 1
4. Complete Table 2
5. Begin completing Schedule A regarding NON-cash compensation
6. Begin completing Schedule A with Table 1 and Table 2 information
7. Determine whether any amounts were paid to owner employees, self-employed persons or general partners
8. Determine “total payroll costs”
9. Perform Full-Time Equivalency Reduction Calculation to determine FTE Reduction Quotient
10. Determine whether FTE Reduction Safe Harbor applies

Completing the Schedule A



Determine whether FTE Reduction Safe Harbor applies

If TriNet can get FTEs as of 6/30/20 back to where they were as of 2/15/20, we can eliminate our FTE reduction quotient

FTE Reduction Safe Harbor:

- Step 1. Enter the borrower's total average FTE between February 15, 2020 and April 26, 2020. Follow the same method that was used to calculate Average FTE in the PPP Schedule A Worksheet Tables. Sum across all employees and enter:
_____.
- Step 2. Enter the borrower's total FTE in the Borrower's pay period inclusive of February 15, 2020. Follow the same method that was used in step 1: _____.
- Step 3. If the entry for step 2 is greater than step 1, proceed to step 4. Otherwise, the FTE Reduction Safe Harbor is not applicable and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.
- Step 4. Enter the borrower's total FTE as of June 30, 2020: _____.
- Step 5. If the entry for step 4 is greater than or equal to step 2, enter 1.0 on line 13 of PPP Schedule A; the FTE Reduction Safe Harbor has been satisfied. Otherwise, the FTE Reduction Safe Harbor does not apply and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.

Completing the Schedule A



CONGRATULATIONS! Schedule A is complete

PPP Schedule A	
<u>PPP Schedule A Worksheet, Table 1 Totals</u>	
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:	<u>\$29,475</u>
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:	<u>3.3</u>
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here " " and enter 0 on line 3.	<u>\$1,194</u>
<u>PPP Schedule A Worksheet, Table 2 Totals</u>	
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:	<u>\$9,230</u>
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:	<u>0.5</u>
<u>Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period</u>	
Line 6. Total amount paid by Borrower for employer contributions for employee health insurance:	<u>\$700</u>
Line 7. Total amount paid by Borrower for employer contributions to employee retirement plans:	<u>\$440</u>
Line 8. Total amount paid by Borrower for employer state and local taxes assessed on employee compensation:	<u>\$152</u>
<u>Compensation to Owners</u>	
Line 9. Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.	<u>\$15,385</u>
<u>Total Payroll Costs</u>	
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):	<u>\$55,382</u>
<u>Full-Time Equivalency (FTE) Reduction Calculation</u>	
If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here " " , skip lines 11 and 12 and enter 1.0 on line 13.	
Line 11. Average FTE during the Borrower's chosen reference period:	<u>4.5</u>
Line 12. Total Average FTE (add lines 2 and 5):	<u>3.8 (3.3 / 0.5)</u>
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:	<u>0.84 (3.8 / 4.5)</u>



Now we can begin to complete the actual PPP loan forgiveness application...

Completing the Loan Forgiveness Calculation Form

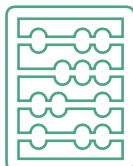
Now complete the application...

Complete the administrative particulars and the pertinent PPP loan info

Enter all payroll (Schedule A, line 10) and Nonpayroll costs

Paycheck Protection Program Loan Forgiveness Application		OMB Control Number 3245-0407 Expiration Date: 10/31/2020
PPP Loan Forgiveness Calculation Form		
Business Legal Name ("Borrower")		DBA or Tradename, if applicable
Business Address		Business TIN (EIN, SSN)
		Business Phone () -
		Primary Contact
		E-mail Address
SBA PPP Loan Number: _____ Lender PPP Loan Number: _____		
PPP Loan Amount: _____ PPP Loan Disbursement Date: _____		
Employees at Time of Loan Application: _____		
Employees at Time of Forgiveness Application: _____		
EIDL Advance Amount: _____ EIDL Application Number: _____		
Payroll Schedule: The frequency with which payroll is paid to employees is:		
<input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly (every other week) <input type="checkbox"/> Twice a month <input type="checkbox"/> Monthly <input type="checkbox"/> Other _____		
Covered Period: _____ to _____		
Alternative Payroll Covered Period, if applicable: _____ to _____		
If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: <input type="checkbox"/>		
Forgiveness Amount Calculation:		
<u>Payroll and Nonpayroll Costs</u>		
Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):		\$55,382
Line 2. Business Mortgage Interest Payments:		\$0
Line 3. Business Rent or Lease Payments:		\$11,200
Line 4. Business Utility Payments:		\$1,216

Completing the Loan Forgiveness Calculation Form



Now calculate forgiveness...

Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3): \$1,194

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5: \$66,604

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13): 0.84

Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7): \$55,947

Line 9. PPP Loan Amount: \$90,000

Line 10. Payroll Cost 75% Requirement (divide line 1 by 0.75): \$73,843

Forgiveness Amount

Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10): \$55,947

TriNet's "**Forgiveness Amount**" is equal to the smallest of lines 8, 9 and 10, which in its case is line 8 at **\$55,947**. This means that TriNet will need to repay the remaining balance of \$34,053 at a maximum 1% interest rate over the two-year term of the loan

The Forgiveness Application Stays With You



Remember the archiving requirements...



Some documents
must be submitted
with the application



Other documents **must**
be retained by the
borrower for 6 years

Reminders and takeaways

Your Questions



May the PPP loan proceeds be used to pay for new employees, or are funds only able to be used for "retained" employees?

Can I use the PPP loan to pay for my HR service fees?

Your Questions



I've read about the Covered Period and Alternative Payroll Covered Period, but do I still need to change my payroll cycle?

What does the “capped at \$15,385 per individual” reference really mean in the certification section?

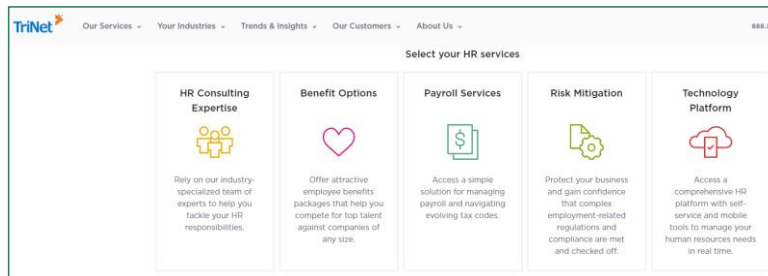
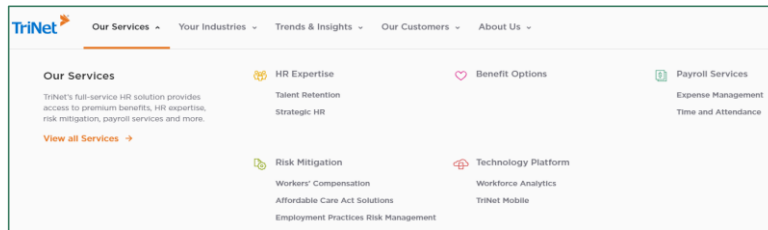
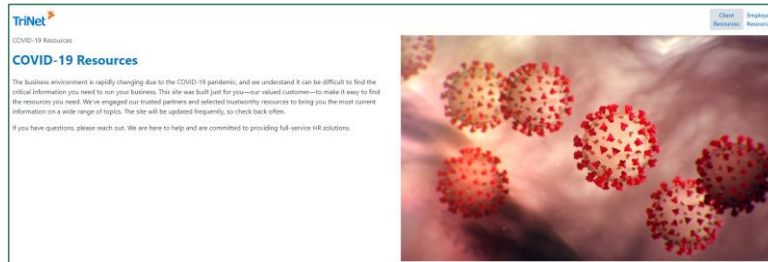
Your Questions



My loan funded April 17th, and my 8 week window ends June 12th. I brought back all my staff, but we do not have the work to keep them beyond my 8 weeks.

To get the loan 100% forgiven, do I just need to be at 100% of my staffing during my 8 week period, or do I need to keep them employed through 6/30?

Reminders and takeaways



- Visit the **Client Resources site** on the TriNet platform
- Read our **COVID-19 Newsletters**, sent to TriNet clients weekly
- Keep up to date on other **webinars, blogs** and events by visiting [TriNet.com](https://www.trinet.com)

Thank you!