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THE ENTERPRISE CENTER
BUSINESS | CAPITAL | COMMUNITY



DEMYSTIFYING PPP

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About The Enterprise Center

OVER 30 YEARS OF GROWING MINORITY-OWNED
BUSINESSES IN THE GREATER PHILADELPHIA REGION

- Located in West Philadelphia
 - Assists businesses with access to capital, access to contracts, minority- and women owned certifications, and targeted workshops
 - Also operates a Community Development Corporation focused on place-based initiatives to support local residents, business owners, and stakeholders
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About PPP

Key Facts

- Fully forgivable loan funded by the US SBA (Small Business Administration)
- There have been two rounds so far
- Employer firms as well as the self-employed are eligible
- Loan amounts are based on monthly payroll x 2.5



About PPP

First Draw vs Second Draw

- First PPP loan: you do not have to have had a drop in revenue between 2019-2020
- Second PPP loan: you have to demonstrate a Quarter over Quarter drop in revenue between 2019-2020. Use comparable quarters (e.g. Q1 of 2019, Q1 of 2020)

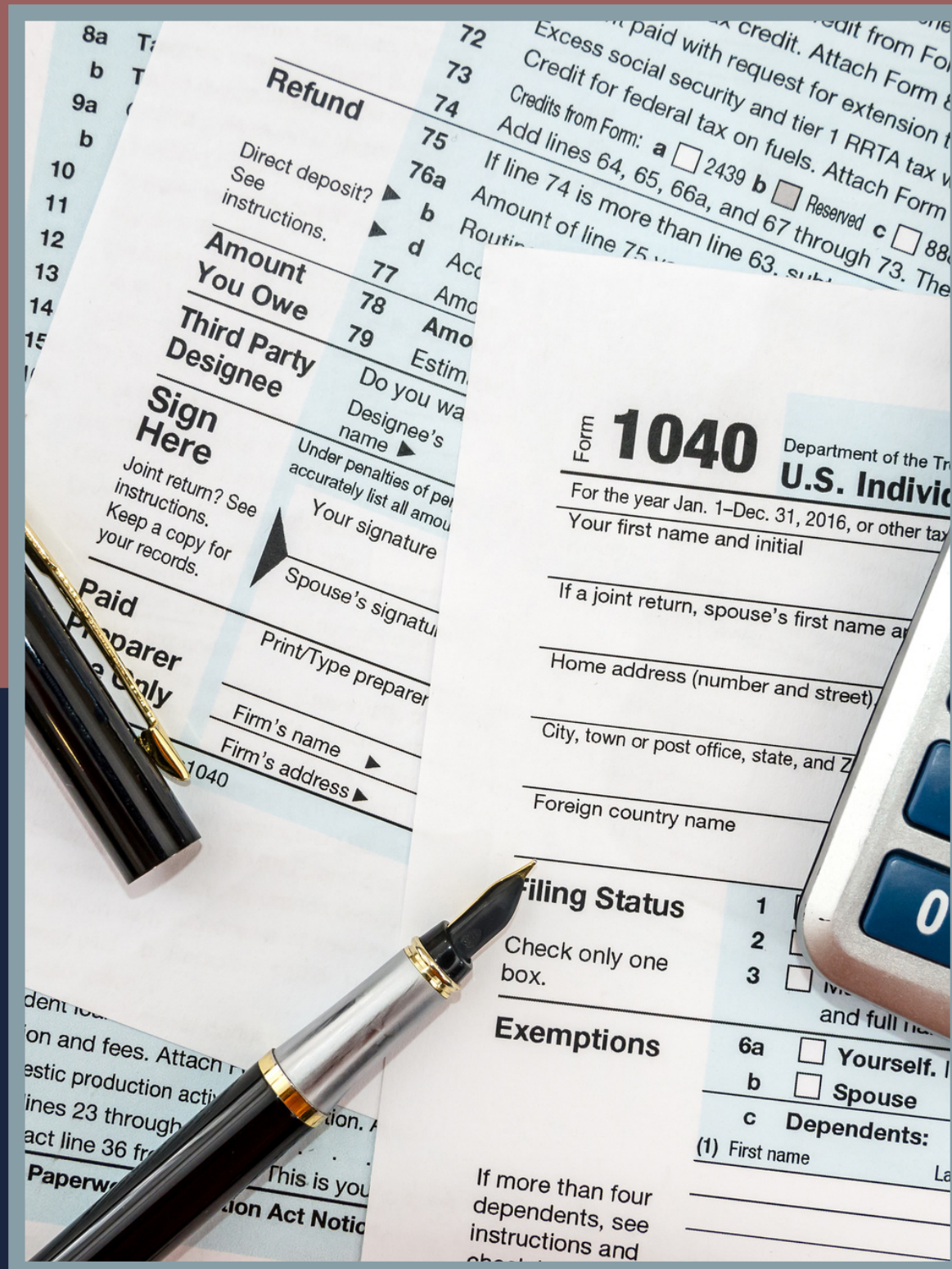


PPP Eligibility

YES, WORKING ARTISTS ARE SMALL BUSINESSES!

- Business must have been established and in operation before February 15th, 2020
- Must be at least 51% by legal permanent US resident
- Must have fewer than 500 employees
- Business must still be open

Note: Business owners who are currently under criminal indictment or in bankruptcy proceedings are ineligible



Required Documents

Note: Requirements may vary by lender

- State-issued ID: front & back of driver's license/ID, or passport
- Verification of business operation prior to 2/15:
 - Invoices, business bank statements, entity documents, certificate of good standing
- Voided check or letter from bank confirming bank account # & routing #

Compiling documents before beginning the application ensures smooth & fast processing!



Required Documents

Note: Requirements may vary by lender

For non-employer firms:

IRS form 1040: must contain schedule C! When asked to provide business identification #, Schedule C filers should use SSN, not EIN, even if you are a single member LLC!

When available, you can also provide 1099s as a supplement to help verify your business operation & earnings

Compiling documents before beginning the application ensures smooth & fast processing!



Required Documents

Note: Requirements may vary by lender

For employer firms:

- IRS Form 940
- IRS Form 941: all 4 quarters
- IRS Form 944
- Payroll processor records from a PEO (Professional Employer Organization) Examples: Paychex, ADP, etc.

Compiling documents before beginning the application ensures smooth & fast processing!



Required Documents

Note: Requirements may vary by lender

For partnerships without employees:

Schedule K-1 (IRS Form 1065). Check profit noted on line 14a. If you have no employees and line 14a is \$0 or less, you do not qualify for a PPP loan.

Compiling documents before beginning the application ensures smooth & fast processing!

Calculating Max ppp loan amount

It's 2.5 x your monthly payroll!

For Non-employer firms (ex: 1099):

- Calculated based on 1040 Schedule C
 - Divide by 12 and then multiply by 2.5
 - You can use Line 7 or Line 31 (line 7 is likely greater)
 - Max loan is \$20,833 for an individual
 - Businesses claiming over \$150,000 of gross income (line 7 on Schedule C) will be subject to additional SBA scrutiny
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Calculating Max ppp loan amount

It's 2.5 x your monthly payroll!

For Employer firms:

- IRS 1120S: Add Lines 7,8, and Schedule K line 18 - divide by 12, multiply by 2.5
- IRS 941: Add up each quarter, divide by 12, multiply by 2.5
- IRS 940: Divide by 12, then multiply by 2.5
- 1099/Independent Contractors do NOT count as employees!



Calculating Max ppp loan amount

It's 2.5 x your monthly payroll!

For partnerships without employees:

- Use IRS Form 1065 Schedule K-1 Line 14a
- Multiply 14a by 0.9235
- Divide by 12 and then multiply by 2.5





Important Deadlines

Note: Deadlines may vary by lender

- The Enterprise Center's deadline to submit applications is May 17th
- The SBA will not review applications received after May 30th

PPP loan forgiveness

Use your PPP loan on approved
expenses and keep documentation!

Approved expenses include:

Payroll (employees and/or yourself)

- You must use at least 60% of the loan on payroll
- You must maintain payroll as of the time you applied
- You cannot cut salaries more than 25%

Forgiveness will be processed through your lender!



PPP loan forgiveness

Use your PPP loan on approved expenses and keep documentation!

Approved expenses include:

- You can use up to 40% of the loan on other approved expenses
- Mortgage interest (for mortgages established prior to Feb 15th, 2020)
- Rent (for leases signed prior to Feb 15th, 2020)
- Utilities
- Software, PPE, supplier costs, and damages incurred as a result of civil unrest

Forgiveness will be processed through your lender!






THE ENTERPRISE CENTER

BUSINESS SERV

APPLY F

Welcome to our PPP
may not be process

We are a US. Dept of
Administration Micr
United States.

How to Apply

To apply through
The Enterprise Center
(a certified SBA & CDFI lender):

bit.ly/applyppp

www.theenterprisecenter.com

PPP PARTNERSHIP



BRIDGEWAY
CAPITAL

Connect Opportunity with Capital

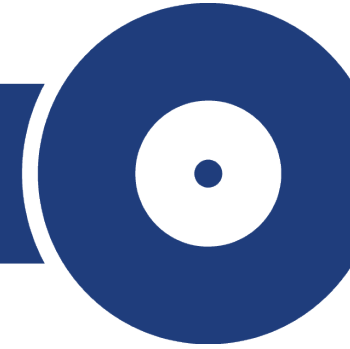
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CRF
USASM



Bridgeway is working with another CDFI, the Community Reinvestment Fund (CRF) to connect small businesses to the PPP loan application portal and provide application assistance in partnership with Paramount Pursuits. In collaboration with our partners, Bridgeway can help you navigate the PPP application process so you can submit your loan request with confidence.

PORTALS TO PPP



When the Paycheck Protection Program was first launched, many businesses – particularly those owned by people of color – found themselves unable to access the application process. We are dedicated to helping underrepresented and under-resourced small businesses access resources to keep their workforce employed and navigate COVID-19.

Partnerships to Access PPP

Bridgeway is not an SBA Lender that is eligible to process PPP loan applications. We have set up partnerships to help Bridgeway clients, businesses owned by people of color, and small businesses applying for the first time access the PPP application process. We are working with another CDFI, the [Community Reinvestment Fund \(CRF\)](#) to connect small businesses to the PPP loan application portal and provide application assistance in partnership with [Paramount Pursuits](#). In collaboration with our partners, Bridgeway can help you navigate the PPP application process so you can submit your loan request with confidence.

PPP Extended

The SBA is currently offering PPP loans until May 31, 2021. President Biden announced [program changes](#) to make access to PPP loans more equitable. The extension and changes have made PPP accessible to even more small businesses. We can help answer any questions about PPP or eligibility, please connect with us at connect@bridgewaycapital.org or 412-201-2450.

Apply for PPP

Begin your PPP application with Bridgeway + CRF

GET STARTED

- For western PA based small businesses
- Visit bridgewaycapital.org/ppp/ to apply through portal
- CRF ends PPP application window 4/30/21
- Enterprise Center can take PPP application until 5/17/21



How to Apply

Traditional banks, fintechs, and other lenders:

- You may be able to apply with your traditional bank. Many banks require you to have a business banking account to apply for PPP, and may require a minimum loan amount.
 - Fintech companies such as Paypal are also providing PPP, approval is conditional on meeting loan minimums
 - Your local CDFIs may also be providing PPP directly or through a partner. Check their websites!
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Questions?

You can also reach us at
CARES@theenterprisecenter.com

