

While waiting for the application date for the Paycheck Protection Program, what information should I gather?

(This information is adapted from [Armanino, LLP](#), the tax and audit firm used by NewSchools Venture Fund. Some of the advice is based on the standard application process for loans from SBA approved lenders and is not yet customized for the PPL opportunity.)

Early information suggests that the PPP opportunity is intended to be a more simple process than regular SBA 7(a) loan process, but the full guidance has not yet been issued. We are expecting it to be issued sometime between March 30 and April 1. The items below are based on both what is known about PPP so far and the typical requirements for the SBA 7(a) loan program.

Prepare for good faith certification:

- Indicate that uncertainty of current economic conditions makes necessary the loan request to support the ongoing operations;
- Acknowledgment that the funds will be used to retain workers and maintain payroll or make mortgage payments, lease payments, and utility payments;
- Indicate that you don't have an application pending for another SBA 7(a) loan or have received cash under another SBA 7(a) loan, for this same purpose.

Begin gathering all of the documents the lender will likely need:

- Proof that you were in operation on 2/15/20 and prior.
- Proof that you had employees for whom you paid salaries and payroll taxes
- Because the PPL is an SBA 7(a) loan, their standard forms *might* be used for processing. It's not clear yet if different or additional forms will be used, but these will give a helpful idea of what information SBA lenders usually require (stay tuned to your bank for complete information):
 - [SBA Form 1919](#)
 - [SBA Form 912 \(if needed\)](#)
 - [SBA Form 413 \(if needed\)](#)
- Financial statements
 - Year-end balance sheet and P&L (for the last three years)
 - Detailed debt amortization schedule
 - Reconciliation of Net Worth
 - Interim balance sheet & P&L
 - Projected financial statements (including month to month cash flow projections for a year)
 - Business certificate/license
 - Records of loans applied for in the past
 - Income tax returns (previous three years)
 - Resume for each principal detailing their industry experience
 - A summary of the history of the business and an explanation of the business need for the loan
 - A lender's credit memo (the lender will run a credit report and compile this for you)

If sole proprietor, independent contractor, or self-employed, you'll need:

- Payroll tax filings
- 1099-MISC
- Income/Expense from the sole proprietorship