



PPP Loan Payroll Calculation Changes

A COVID-19 Update from Questco – April 6th, 2020

Please be advised that the definitions and regulations surrounding the Payroll Protection Program (PPP) loan program are continuing to evolve. Over the weekend more clarity was provided around the requirements for calculating total payroll costs for purposes of determining the amount of loan the borrower can apply for. Based on this new information, we have determined that, in an effort to be conservative and insure against any push back from your lender, Admin Fees should be excluded from the calculation of total payroll costs.

In order to support this change, a new report has been developed by Questco to aid in the PPP loan application process that will be made available to our clients this week.

Change to method of Payroll cost calculation for PPP loan application:

- Removal of Admin Fees from total payroll costs
- Consolidation of all payroll costs that qualify in the loan calculation onto one report

If you have already received reports and have filed for your PPP loan, please E-MAIL your Client Success Manager (CSM) as soon as possible to prioritize the creation and distribution of your revised report.

Due the nature of this report, it is not available for client self-serve and must be pulled by your Questco service provider. With nearly 700 clients, we are working feverishly to create and send these reports as quickly as possible. Your CSM will e-mail you your report as soon as it is available. We do apologize for the inconvenience this change is causing – but we want to make sure we are providing you with the most relevant reports based on the most current definitions. Please keep in mind the regulations and definitions surrounding the PPP loan program are still subject to change due to continued clarity being provided from regulatory bodies, but as we understand it, the loan application process provides for corrections to previously submitted documents. Furthermore, to date no loans have been approved for funding pending finalization of the federal requirements. If you have already submitted your application, we encourage you to reach out to your lender immediately to make them aware of your need to revise your payroll cost calculation.

Again, the reason for the removal of Admin Fees is to provide a more conservative approach to your total payroll calculation for loan approval in addition to increasing the likelihood of maximum loan forgiveness.

-Your Questco Service Team