



# Paycheck Protection Program (PPP)

## Checklist for Round/Draw #2

If you think your business would be interested in applying for PPP Draw #2 funds, there are two steps you need to take.

### 1.) Connect with your Consumers business development manager.

### 2.) Complete PPP Round/Draw #2 application packet.

It is important to note that many borrowers used Q2 2019 – Q1 2020 payroll support for the first PPP loan. That was acceptable for the first loan, but will not be for the second loan. The second draw PPP loan must be based on either calendar year 2019 OR calendar year 2020. In this scenario, the borrower will either need to decide if they want to replace Q1 2020 support with Q1 2019 support or completely switch to calendar year 2020. Either way, updated support will be required.

If Consumers Credit Union assisted you with your first PPP loan and **it was based on all four quarters of 2019 payroll**, and you plan to use the same payroll support and loan amount (or less), you do not need to resubmit the supporting payroll documentation. This is the documentation required:

- Complete the SBA's [second draw application \(a fillable PDF\)](#).
- Applicants must demonstrate that gross receipts in any quarter of 2020 were at least 25% lower than the same quarter of 2019.

Alternatively, applicants may compare annual gross receipts in 2020 with annual gross receipts in 2019. Applicants choosing to use annual gross receipts must enter "Annual" in the 2020 Quarter and Reference Quarter fields and, as required documentation, must submit copies of annual tax forms substantiating the annual gross receipts reduction.

- *Support examples may include:* profit & loss statements comparing quarters (**sign/date first page and initial all others**) OR annual gross receipts; OR Schedule C for 2019 and 2020.

**If you prefer to use the calendar year 2020, the 12-month period prior to the loan application date for average payroll amount, or need to adjust to using strictly calendar year 2019 (removing Q1 2020 and adding Q1 2019), we will need to collect and verify the related payroll support. That information would include the following:**

- [Loan Calculation Worksheet and Supplemental Application \(Excel\)](#)  
*Please note:* There are multiple tabs to be aware of, including loan amount calculation instructions for seasonal employers and new businesses. (Updated loan calculation only if removing Q1 2020 and adding Q1 2019.)
- Collect 4 quarters of payroll forms (941) – 2019 OR 2020. (If you are switching Q1 2020 with Q1 2019, only the missing Q1 2019 support is needed.)
- Verification of the number of employees and payroll\* incurred over the most recent 12-month period identifying employees in excess of \$100,000\*\*
- 2020 Schedule C for self-employed individuals and subcontractors. Additionally, corresponding 1099-MISC for subcontractors.
- Additional documentation to support your payroll calculation (if applicable), i.e. state and local tax verification, health benefits verification, etc.

Funds are limited and subject to availability from the SBA. The loan may be eligible for forgiveness, subject to SBA requirements. Learn more at [www.sba.gov/ppp](http://www.sba.gov/ppp).