



DIOCESE OF SACRAMENTO

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MEMO

Date: January 8, 2021

To: Pastors, Parochial Administrators, Parish Stewards, and Parish Finance Council Members

From: Thomas J. McNamara, Chief Financial Officer

RE: Update on Paycheck Protection Program Loan Forgiveness and New Round of Loans

I. PPP Loan Forgiveness

- Finance Office staff has completed the loan forgiveness application on behalf of all 32 parishes who received a PPP Loan greater than \$150,000. 16 of the 32 parish applications have been approved by the parish and submitted to NDFCU for forgiveness. Of these 16, 4 parishes have already received final forgiveness from the Small Business administration.
- The applications for the 66 parishes with loans less than \$150,000 is pending receipt from Notre Dame Federal Credit Union of the final application form. The most recent PPP legislation made modifications to the loan forgiveness process for these smaller loans to make it simpler. NDFCU is in the process of adjusting for those modifications.
- If your parish has a PPP loan greater than \$150,000 and you have not received your draft application for forgiveness as prepared by our staff, please contact the Finance Office.

II. 2nd Round of PPP Loans

- Recently enacted legislation intended to provide additional COVID Relief, includes provision for a 2nd round of PPP loans.
- The 2nd Round PPP Loans would again be in amount up to the equivalent of 2.5 months of average monthly payroll in 2019, though a borrower could use the average monthly payroll for the most recent 12-month period prior to the date the loan is made.
- Eligibility for a 2nd Round PPP Loan includes:
 - Borrower can have no more than 300 employees; and
 - Borrower must demonstrate at least a 25% reduction in gross receipts in either the 1st, 2nd, 3rd, or 4th quarter of 2020 as compared with the same quarter in 2019.

- Finance Office staff are currently running financial analysis by quarter for each parish that received a 1st round PPP loan to determine whether the parish will qualify for a 2nd round PPP loan.
- The loan application form and requirements have not yet been issued by NDFCU.
- As a service to our parishes, it is our intent to support parishes during the application process for 2nd round PPP loans as follows: gather data and documentation; perform financial analysis to determine eligibility; determine maximum loan amount; draft loan application; submit draft application to parish for review and approval; and coordinate submittal of application to NDFCU.
- As we attain additional information on the 2nd round of PPP loans we will update you.

If you have any questions regarding the above information, please do not hesitate to contact me or any member of our team (Tom McNamara 916-733-0288 tmcnamara@scd.org; Dan Pollard 916-733-0287 dpollard@scd.org; Antonette Agustin 916-733-0275 aagustion@scd.org; Ron Hamilton 916-733-0283 Rhamilton@scd.org)
