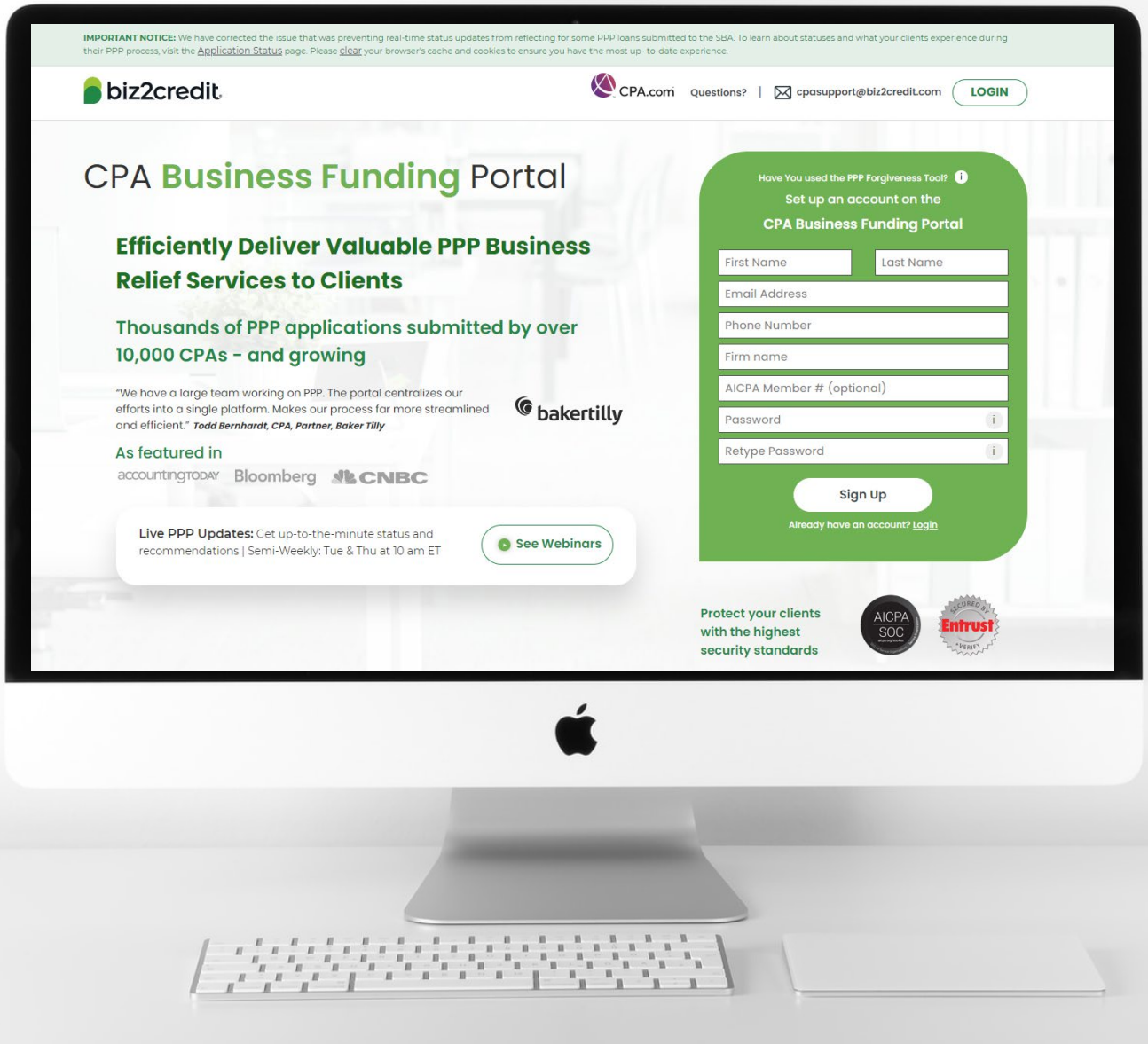
CPA Business Funding Portal

Live PPP Service Updates

February 18, 2021



Operational Updates from the CPA Business Funding Portal Team

PROACTIVE STEPS IN PROGRESS

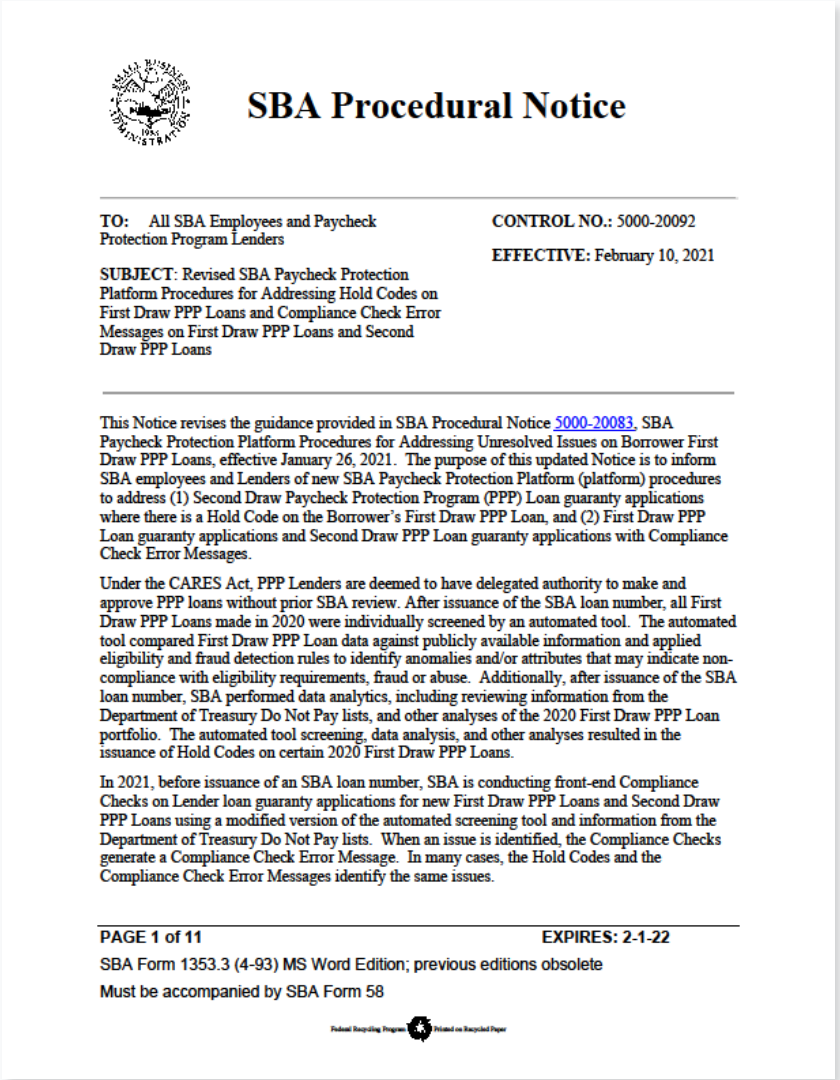
SBA Procedural Notice on Error & Hold Codes (announced on 2.10)

SBA Error & Hold Code Handling

SBA contact info (some lenders choose not to handle errors)

U.S. Small Business Administration

Contact SBA's Answer Desk by email to answerdesk@sba.gov or call 800-827-5722 Monday through Friday, between 9 a.m. and 6 p.m. EST.



SBA Procedural Notice

TO: All SBA Employees and Paycheck Protection Program Lenders

CONTROL NO.: 5000-20092

EFFECTIVE: February 10, 2021

SUBJECT: Revised SBA Paycheck Protection Platform Procedures for Addressing Hold Codes on First Draw PPP Loans and Compliance Check Error Messages on First Draw PPP Loans and Second Draw PPP Loans

This Notice revises the guidance provided in SBA Procedural Notice 5000-20083, SBA Paycheck Protection Platform Procedures for Addressing Unresolved Issues on Borrower First Draw PPP Loans, effective January 26, 2021. The purpose of this updated Notice is to inform SBA employees and Lenders of new SBA Paycheck Protection Platform (platform) procedures to address (1) Second Draw Paycheck Protection Program (PPP) Loan guaranty applications where there is a Hold Code on the Borrower's First Draw PPP Loan, and (2) First Draw PPP Loan guaranty applications and Second Draw PPP Loan guaranty applications with Compliance Check Error Messages.

Under the CARES Act, PPP Lenders are deemed to have delegated authority to make and approve PPP loans without prior SBA review. After issuance of the SBA loan number, all First Draw PPP Loans made in 2020 were individually screened by an automated tool. The automated tool compared First Draw PPP Loan data against publicly available information and applied eligibility and fraud detection rules to identify anomalies and/or attributes that may indicate non-compliance with eligibility requirements, fraud or abuse. Additionally, after issuance of the SBA loan number, SBA performed data analytics, including reviewing information from the Department of Treasury Do Not Pay lists, and other analyses of the 2020 First Draw PPP Loan portfolio. The automated tool screening, data analysis, and other analyses resulted in the issuance of Hold Codes on certain 2020 First Draw PPP Loans.

In 2021, before issuance of an SBA loan number, SBA is conducting front-end Compliance Checks on Lender loan guaranty applications for new First Draw PPP Loans and Second Draw PPP Loans using a modified version of the automated screening tool and information from the Department of Treasury Do Not Pay lists. When an issue is identified, the Compliance Checks generate a Compliance Check Error Message. In many cases, the Hold Codes and the Compliance Check Error Messages identify the same issues.

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SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete

Must be accompanied by SBA Form 58

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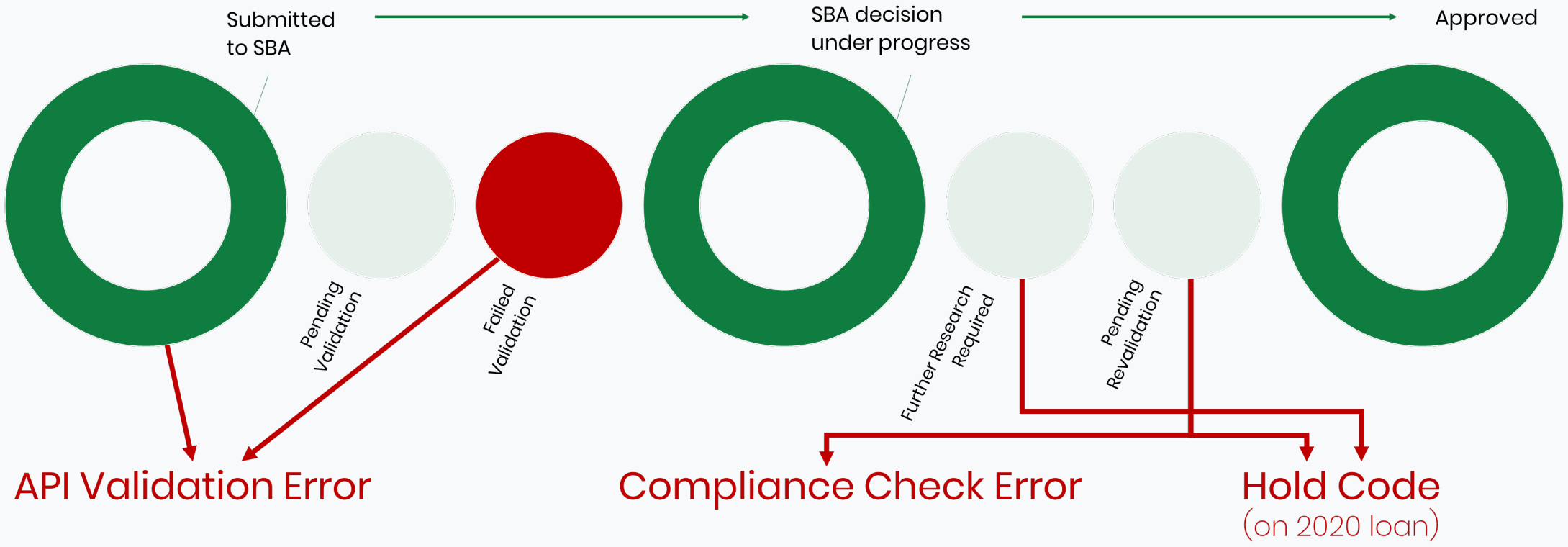
Understand Error Codes During Submission

There are multiple phases of SBA validation, compliance checks and decision logic. Three types of error codes can be reported during these different phases. Understanding when an error code is occurring is the first key to understanding what action can be taken to resolve.

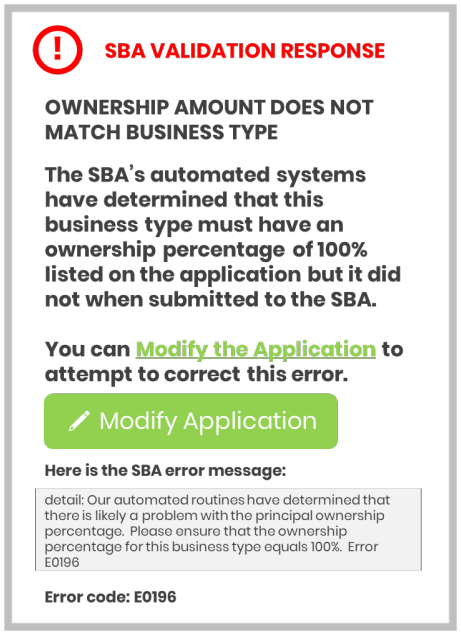


Operational Updates for Applications with Delays

Business Funding Portal Updates to Error Handling

- Following SBA Procedural Notice, Biz2Credit stood up a team to handle applications that are in a hold status and move them to funded.
- So far the team has advanced 25% of applications with a hold code.

API Validation Resolution



COMING SOON

Working With SBA

Biz2Credit is working with SBA to process funding as quickly as possible.

This week SBA confirmed applications with a status of active/undisbursed remain eligible for funding beyond the 20-day mark.

SBA U.S. Small Business Administration

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