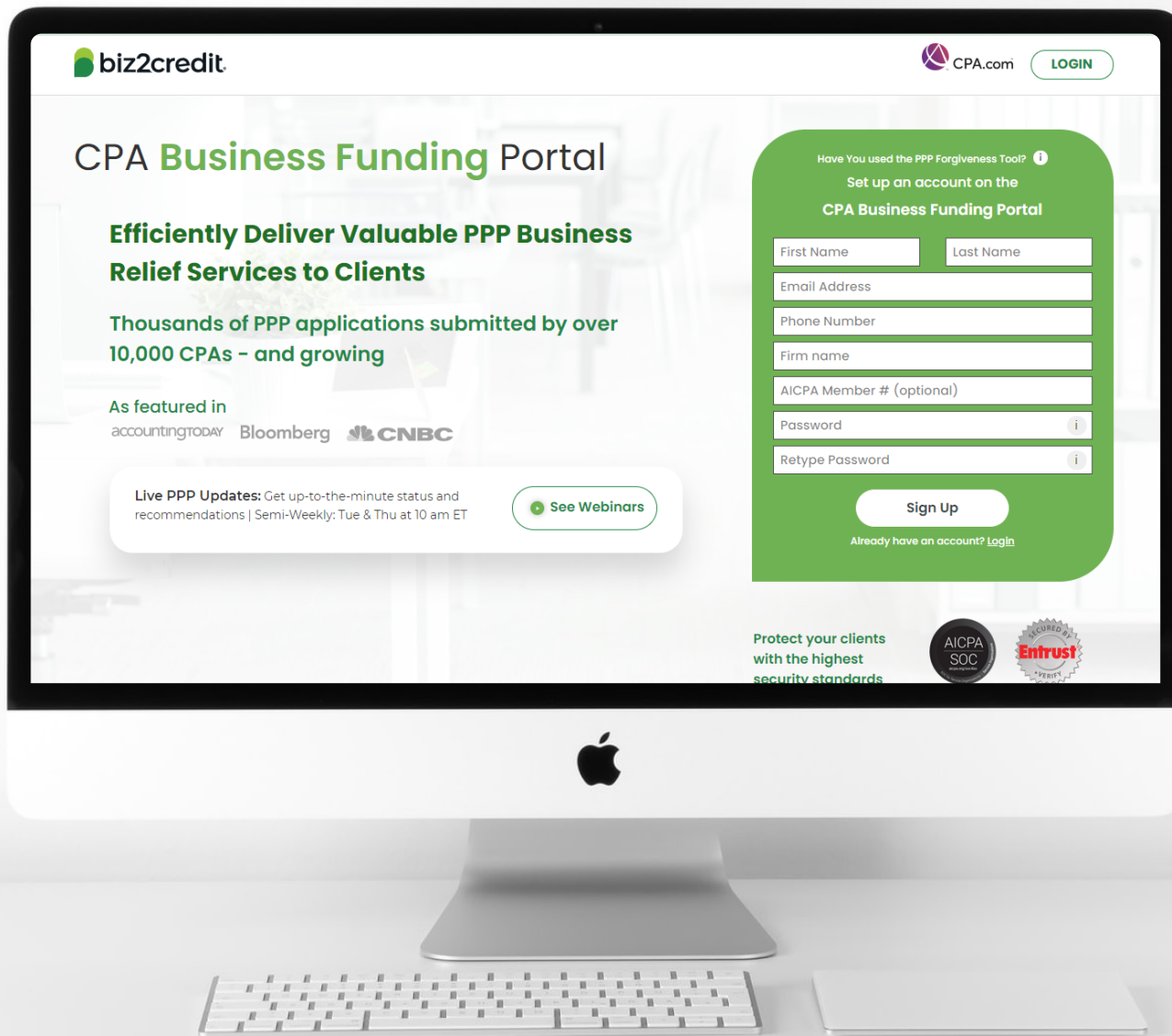




CPA **Business Funding** Portal

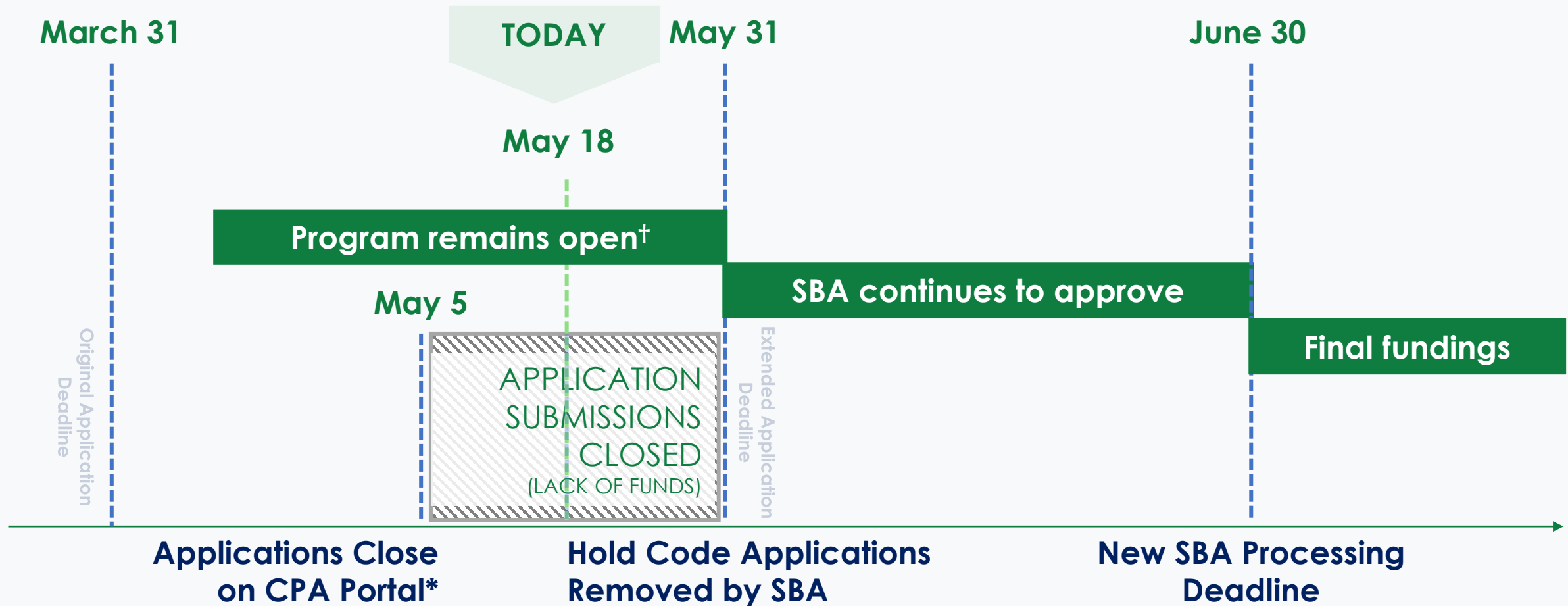
Live PPP Service Updates

May 18, 2021



Operational Updates from the CPA Business Funding Portal Team

PPP Timeline: Looking Ahead



* Closure due to lack of funds availability in PPP general fund † Applications available at Community Financial Institutions (CFIs)

Types of SBA Error Codes

	CLOSED		
	API Validation Error	Compliance Check Error	Hold Code
PHASE OF SUBMISSION PROCESS	Initial Submission (during submit)	After SBA Initial Verification (2021 Loan Application)	During SBA Review (2020 Loan Application)
COMMON ERROR CODE EXAMPLE	Error 0020: <small>detail: You are likely seeing this message because your first PPP Loan was booked under an SSN or EIN Type that is not the same as the loan you are now attempting to enter. These values must match for your submission to move forward. Please follow the correction instructions on the (platform) resources section entitled: Tax ID Changes in ETRAN. Error: E0020</small>	Code 507 <small>7: Mismatch of TIN (EIN/SSN) - Tax ID of Borrower or Principal, as entered in ETRAN, appears to be inaccurate</small>	Code 7 <small>7: Mismatch of TIN (EIN/SSN) - Tax ID of Borrower or Principal, as entered in ETRAN, appears to be inaccurate</small>
RESOLUTION IN SBA PROTOCOL	?	Table 1: Lender Certification Table 2: SBA Resolution	Table 1: Lender Certification Table 2: SBA Resolution
IN SBA PROCEDURAL NOTICE	NO	Yes	Yes

Application Statuses for Error Applications

SBA Validation Error – Program Funding Expired

- An API Validation Error did not make it into the SBA system for further SBA processing – it was submitted and rejected by the SBA system 'at the front door'.
- These applications have now received updated statuses in most cases that can be seen on the dashboard.

Hold Code – Expired - SBA Hold

- As of May 18, SBA has removed all applications with SBA Compliance Check Error & Hold Code
- You can still submit application through CFI lenders, and it can still be funded if the Codes are resolved
- Only some of these Hold Codes can be resolved by the lender. Most are complex and require contacting the original lender (if Second Draw).
- ***SBA has repeatedly stated that not all Hold Codes will be resolved prior to program expiration.***



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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EXPIRES: 2-1-22

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

Must be accompanied by SBA Form 58

Agent Fee Processing

1

Initial Agent Fee Payment

- **50% of the eligible Agent Fees for all applications funded by April 30 will be paid by the end of May**
- The total amount of the payment, with statement of loans included, will be available on the commission report page
- Please reach out to support@biz2credit.com with any questions

By the End of May

2

Final Agent Fee Payment

- All outstanding Agent Fees will be paid on or before the date when the processing of applications is completed per the Terms of Use
- Allows final reconciliation for all outstanding applications
- You will be able to monitor the outstanding Agent Fees in the commission report page

**Program Ends
(Funding Closed)**

Agent Fee Processing

1. Check Commission Report under “My Plan”:

The screenshot shows the biz2credit dashboard. At the top, there is a navigation bar with links for "Watch PPP Update Webcasts", "CPA.com", "FAQs", and a menu icon. Below this, there are buttons for "My Plan", "Create New Client", and "Bulk upload clients". The "My Plan" button is highlighted with a green box, and an arrow points from it to another green box containing the "Commission Report" button. Below these buttons, there is a section titled "Payment & Invoices" which contains a table with the following headers: "Order No.", "Payment Date", "Payment Status", "Payment Amount", "Status", and "Download Invoice".

Navigation Path:

- My Plan
- Commission Report

Order No.	Payment Date	Payment Status	Payment Amount	Status	Download Invoice
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2. Add Bank Account Information by May 21

1. Agent fees are set by the Treasury Department and currently set so they may not exceed One percent (1.00%) for loans of not more than \$350,000; 0.50 percent for loans of more than \$350,000 and less than \$2 million; 0.25 percent for loans of at least \$2 million; for Loans under \$50,000, it is expected that the fee will be based on the lesser of either \$500 or 10% of the loan amount.

Setup Bank Accounts to Receive Payments- The commissions due to your firm will be deposited at the conclusion of the program. Add your firm's bank account details below to ensure you receive timely payment of commissions. If you do not add your account details payment may be delayed.

[Add Account](#)

[Back to My Plan](#)

More Information Needed Applications

PPP Loan applications that are in a More Information Needed status generally have one of three requirements outstanding that you and your clients need to complete. Your clients are receiving reminders about these outstanding requirements where they still exist. You should make sure that the information has been provided into the client's Biz2Credit account or via the Underwriting Notes feature to ensure accurate processing.

COMMON REASONS FOR THE MORE INFORMATION NEEDED STATUS

- ✓ **ACH Deposit Information** – clients must make sure they set up a deposit account. They can complete this step if it is still outstanding quickly and easily from their Biz2Credit dashboard. ([Watch this video](#) that explains this step in the process). The account information will be saved to their account once everything is loaded. When the application is ready for funding these details will be on file with Biz2Credit's finance department.
- ✓ **Online Account Verification** – Some clients have received a request to complete an Online Account Verification using Biz2Credit's secure third-party service. Clients must complete this requirement. These requests for verification are sent by the Biz2Credit verification team and any loan that has received one must connect their account online in order for the application to be confirmed and sent forward for funding.
- ✓ **Required Documentation** – Make sure all documentation is uploaded in the client's Biz2Credit account. Go to the 'Review Documents' page and check for uploaded documents – the row should turn green when the document is there.

HOW TO RESOLVE UNDERWRITING REQUESTS

Firms can now collaborate more closely with the Biz2Credit funding team. You now have the ability to communicate directly with your client's assigned funding specialist and also upload any missing documents that have been requested to move the application to the final stages.

Look for the new menu option on Approved or More Information Needed applications that have been reviewed by a verification specialist:

Feb 25, 2021, 5:58:13 AM	PPP	MOCKDATA 225310	APP18381	Approved ?	
Feb 26, 2021, 1:45:47 AM	PPP	Business funnel 01253	APP18383	Upload document	

Important Advisory: clients should look for an email with the subject line **Connect Your Bank Account Today [Link Expires in 72 Hours]** to complete this request.

Community Financial Institutions

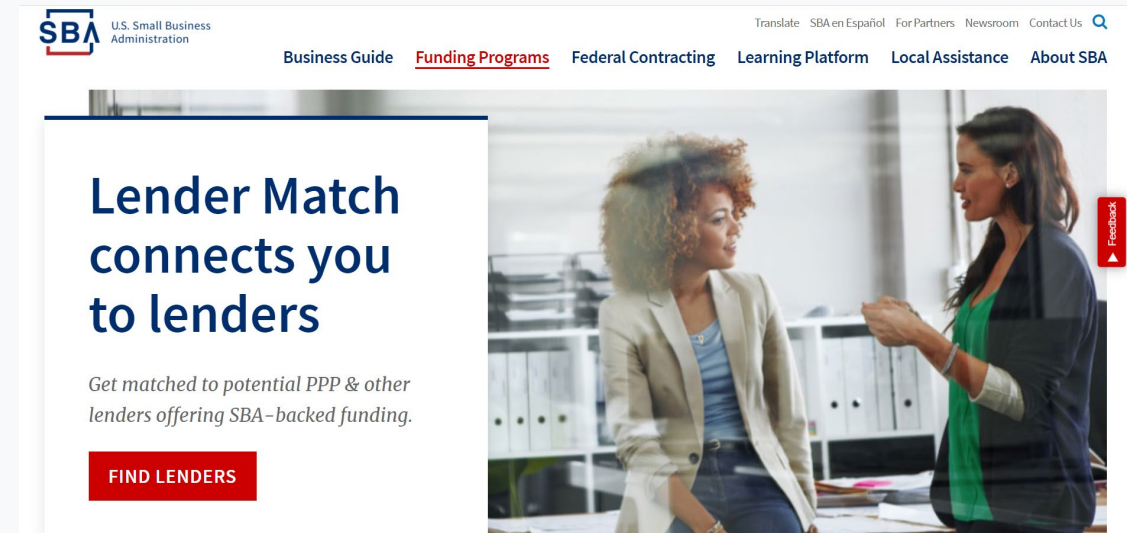
Going forward, the program will only accept new applications from Community Financial Institutions (CFIs), who typically serve minority borrowers. SBA has set aside approximately \$8 billion in funding for such lenders to make PPP loans.

What is a Community Financial Institution?

A Community Financial Institution is a private sector financial institutions that focus primarily on personal lending and business development efforts in poorer local communities requiring revitalization in the U.S. There are four types outlined in the *Economic Aid Act*.

Where can I find a Community Financial Institution?

You can locate an available lender using Lender Match on SBA.gov. You'll receive an email with contact information of interested lenders two business days after you submit the form. From there, you'll start talking to lenders and completing applications. Some will reach out to you, and you're welcome to contact them as well.



Per the Economic Aid Act, a CFI is one of four types of specialized lenders:

- Community Development Financial Institution
- Minority Depository Institution
- Community Development Corporation
- Microlender Intermediary

Locate a CFI with the following links:

CDFI: [CDFI Fund link](#)
MDIs: [FDIC link](#) | [NCUA link](#)

Future for the CPA Business Funding Portal

Continued Support for Your Business Advisory Services



CPA **Business Funding** Portal

Our goal:

Provide CPA firms a state-of-the-art platform which empowers firms to support their clients' business financing needs

How we are providing support:

- Weekly updates to support complexities of SBA validation process PPP round 2
- Regular communication through portal updates and account / customer care team outreach
- Training support related to the platform
- Updates related to SBA announcements

Going forward:

- Continue to deepen the partnership with 1,000+ firms to support a wide spectrum of small businesses

Question & Answer

Enter Your Questions in the GoToWebinar Control Panel. Our team uses these questions to inform future resources and Live Service Update topics.

Summary and Key Takeaways

SBA Announcements

SBA updated rules are fully implemented in the CPA Business Funding Portal and now available for all users.

NEWS ALERT

Funding for the PPP has been exhausted from the SBA general fund for lenders.

Important Reminders

Look for the option to upload missing documentation with the **Underwriter Notes** feature

Firm administrators should check their Commission Report page to review loans that will be eligible to receive **Agent Fees**

Tips & Best Practices

Watch the recap videos available on CPA.com

[CPA.com/PPPresources](https://cpa.com/PPPresources)

Join us on Thursday at 10am ET