With the CARES Act successfully offering financial relief to many businesses through Paycheck Protection Program (PPP) loans, 7(a) lenders now face an uphill battle to analyze, process, and make forgiveness decisions within the mandatory 60-day timeline. This creates obvious and cumbersome obstacles that stress financial institutions’ already stretched SBA and underwriting teams.

While many vendors are rushing to provide lenders with a “bells and whistles” product, these solutions may cause as many problems as they solve. Many are overkill for a lender’s needs – offering capabilities to justify agent fees that don’t provide value to banks or borrowers. Others have the potential to interfere with the banker-borrower relationship.

CohnReznick believes that borrowers chose their lender for a reason and that a solution to the “capacity” issue lenders face in responding to PPP loan forgiveness applications should enhance the borrower-lender relationship. Our PPP Loan Forgiveness Solutions extend the resources, expertise, and capacity of a lender’s internal team to meet compliance demands. We offer:

**Customizable and scalable solutions**
Augment your team with processing and analysis skills to meet deadlines.

**PPP expertise**
A dedicated task force with skills honed by helping thousands of clients enhances your borrower experience.

**Timely and accurate verification**
Proprietary processes and reporting tools and project management transparency deliver no surprises.

**Risk management**
Rapidly identify risky forgiveness applications for focused case management and resolution.

**A value alternative**
Onshore and offshore resources seamlessly collaborate to lower cost-of-service.
COHNREZNICK PPP LOAN FORGIVENESS PLATFORM

**Phase 0**
**Technology/Process Alignment**
Before we start processing applications, we map the process, flesh out hand-offs between our teams, and identify how to connect our technologies and personnel for a seamless borrower experience.

- Establish a Master Loan Tracker
- Map data structure to CR tools
- Establish project guidelines and risk mitigation

**Phase I**
**Documentation Verification**
We verify that borrowers have provided the required documentation to effectively evaluate forgiveness. Exceptions are identified and directed to the lender for client communications.

- Offshore resources vet documentation
- Update Master Tracker
- Exceptions flagged in “Heat Map”
- Case management on exceptions

**Phase II**
**Data Verification**
We diligently verify that each step in the application process, as collected in your portal, is supported by the documentation and leverages acceptable calculation methods.

- Verify the right data
- Automated procedures
- Fraud prevention triggers/metrics
- Heat map
- Case management
- Offshore resources

**Phase III**
**Case Resolution**
As exceptions are flagged during verification, CohnReznick collaborates with the lender team to determine a strategy for resolving the issue.

- PPP task force members analyze cases
- Resolution recommended according to project charter
- Presenting options for next steps

**Phase IV**
**Forgiveness Decision & Notification**
Our process is designed to leave two weeks for a final loan forgiveness decision and borrower communications.

- Forgiveness amount delivered
- Forgiveness amount accepted by bank
- Differential between total loan and forgiveness

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**What we do**

**How we do it**

**Customizable and scalable solutions**
Each institution faces unique compliance challenges based on available personnel, processes, and systems. CohnReznick works alongside your underwriting team to determine which services you truly need, providing a cost-effective and agile solution. Your bankers do not need to have additional training or learn a new technology platform, CohnReznick will adapt to your processes and technologies.

**PPP expertise**
CohnReznick’s PPP task force has been at the forefront of helping borrowers understand the application process, determine the right data to use, and apply the calculations correctly.

We’ve delivered and been quoted in numerous articles and webinars and have an industry-leading Coronavirus Resource Center.

**Timely and accurate verification**
With thousands of clients taking PPP loans, we’ve developed efficient processes and systems to process a high volume of applications. Our team can quickly and effectively address data security concerns, identify incomplete documentation, and verify application data are supported by documentation.

**Risk management**
CohnReznick helps 7(a) lenders mitigate PPP compliance risks. Our “Application Heat Map” identifies which applications fail to support forgiveness claims, steering your focus on these critical cases. When fraud, waste, or abuse is suspected, our Compliance Monitoring and Oversight team has extensive controls and procedures honed by overseeing the distribution of more than $50 billion in federal funds.

**A value alternative**
With a modular “as-you-need-it” solution model, and hundreds of offshore professionals experienced in executing sophisticated testing and analytical procedures, CohnReznick offers compelling value for 7(a) lenders looking for an agency solution that cost-effectively enhances their borrower experience while helping ensure that compliance mandates are achieved.
Collaboration is key to an enhanced borrower experience

Our service delivery platform provides a dedicated account team, industry insight, enabling technologies, and critical project management support to help us understand your goals and risks, collaborate effectively to resolve issues, and perform to exceed your expectations.

Due to the high volume of loan applications and the short timeline for completion, your CohnReznick account team will leverage our Project Management Office to ensure assigned work exceeds your expectations and is delivered on a timely basis.

CohnReznick’s project management deliverables

- **Resource Management**: Resource management confirms that project teams have the competencies needed to deliver successful client outcomes on time and on budget.

- **Client/Project Communications**: Innovative collaboration tools and technology facilitate fluid, real-time communication regarding project status and key deliverables to relevant stakeholders, and standardize communications for ease of use.

- **Risk Management**: Our approach identifies project risks, tracks known risks, and develops a risk response plan if necessary.

- **Performance Monitoring and Reporting**: We monitor delivery performance to remove backlog, foster the implementation of best practices, support the utilization of collaboration tools, and report results.

- **Issue Management**: When an issue arises during the course of the project, subject matter experts are assigned to rapidly remediate the issue and monitor it to resolution.

- **Quality Assurance**: CohnReznick is committed to delivering the highest levels of compliance, accountability, transparency, and satisfaction. We monitor project quality relative to established goals and firm standards.

Pricing

Unlike competitors whose fixed model is priced at 1% of loan fees, CohnReznick offers a pricing model based on the services you need. For most 7(a) lenders, total cost is significantly below the 1% agency threshold. Our pricing model includes a fixed management fee that covers project management office support as well as technology integration and other project set-up fees. Then, depending on the services requested and loan volume, we negotiate a per-loan process charge. You pay for only the services you need and utilize.
About CohnReznick

As a leading advisory, assurance, and tax firm, CohnReznick helps forward-thinking organizations achieve their vision by optimizing performance, maximizing value, and managing risk. Clients benefit from the right team with the right capabilities; proven processes customized to their individual needs; and leaders with vital industry knowledge and relationships. Headquartered in New York, NY, with offices nationwide, the firm serves organizations around the world through its global subsidiaries and membership in Nexia International.

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