

Learning Loss and Enrichment Grant Webinar Q&A Follow-up
7/2/21

- 1. Forgiven PPP funds did not count toward the \$500k threshold for a Single Audit in 2020. Have we heard definitively that they will count towards that threshold in 2021?**

The Payroll Protection Program (PPP) is a loan that may be forgiven at some point. It is not subject to Single Audit at this point. In the future, if the loan is forgiven, it could become subject to Single Audit.

(Source:

<https://www.aicpa.org/content/dam/aicpa/interestareas/governmentauditquality/resources/singleaudit/uniformguidanceforfederalrewards/downloadabledocuments/gaac-summary-of-applicability-for-new-coronavirus-related-fed-programs-20200616.pdf>)

- 2. Do you know if we will be able to have the first part of January 2022 to gather our expenses from December 2021 so we are reimbursed for all expenses from December? Basically what will the cutoff be?**

At this time, NC PRO does not know what the grace period will be for December 2021 expenses, though presumably they will mirror the same guidance as the previous deadline, which is to close out within 45 days after the deadline.

Note: that this window may be shorter for subrecipients because the Alliance/YMCA of the Triangle need to process reimbursements and forms to meet the state's deadline.

Some expenses, such as payroll that has a lag, may not be reimbursable, depending on when the Alliance/YMCA of the Triangle needs to submit to NC PRO.

- 3. Are ERTC (Employee Retention Tax Credit) funds received to be considered as to not double-dip?**

ERTC funds are not subject to Single Audit ([see p. 6 here](#)). If subrecipients applied for the ERTC, they should not seek reimbursement for payroll taxes with the CARES Act funds (Remote Learning Site grant and Learning Loss & Enrichment Grant); that would be double-dipping.

- 4. Does the state contact an organization if they are required to have a Single Audit?**

No, it is the subrecipients' responsibility. If the subrecipient is subject to a Single Audit, All Single Audit reports are required to be submitted to NCPRO by **September 1, 2021**.