N.C. COMMERCE | COMMERCE FINANCE CENTER | JDIG TEAM

JDIG Compliance Relief

SUSAN RATHER • JULIE SNEE • TAMMARA CHALMERS

cfc@nccommerce.com

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What is JDIG Compliance Relief

- **Companies participating in the JDIG program have the following Compliance Relief options:**
  - Request to shift the **2020** job creation and investment requirements **forward** by one year.
  - If the 1st year of grant eligibility is **after** 2020, grantees may request to shift the **1st grant** year forward by one year.
  - Request to include **NC home-office locations** for grant years **2020 and 2021** in the definition of the facility (CEDA Section 1.19).
    - All home office employees must meet the definition of a Full-Time Employee (CEDA Section 1.20)

What is JDIG Compliance Relief

JDIG Compliance Relief can occur in the following circumstances:

- The grant includes 2020 as any grant year.
  - Even if the grant's base period ends in 2020.
  - Even if the last year of the extended base period is 2020.
  - Even if the last grant year is 2020.
- The 1st year of eligibility is 2021 (or later).
- Home based employees can be added to the CEDA for grant years 2020 and 2021.

How to Request JDIG Compliance Relief

- **All JDIG Grantees are requested to complete the Compliance Relief Letter Template:**
  - Copy the Compliance Relief Letter to the Grantee's letterhead.
  - Complete the check box(es) for the Compliance Relief option(s) the company is/are requesting.
  - Companies **not** seeking Compliance Relief are asked to submit the Letter and check the 3rd box that states the company is not requesting any CEDA amendments.
  - The Compliance Relief Letter must be signed by an Officer of the Grantee.

How to Request JDIG Compliance Relief

- Compliance Relief Letters must be received by the Department of Commerce no later than January 31, 2021.
- No extensions to the January 31, 2021 deadline can be made.
- Signed letters must be sent electronically to cfc@nccommerce.com.
- Hard copies are not required.

Compliance Relief – CEDA Amendments

- Once the signed letter is submitted, Commerce's legal team will create an Amendment to the CEDA. Based on the option(s) chosen, CEDA changes could include:
  - Shifting the job creation and investment requirements **forward** by one year; and/or
  - Including **home-office locations** in the definition of the Facility for grant years 2020 and 2021 (CEDA Section 1.19).

Abridged Grantee Annual Report (GAR)

- Grantees that request to shift the grant year forward one year will be required to file an Abridged Grantee Annual Report (GAR) due no later than **March 1, 2021**. (See Slides 9-10).
- The Abridged GAR will be emailed to all Grantees when GAR materials are sent out in December 2020.
- The employment profile portion of the GAR is not required in the Abridged GAR.
- The Abridged GAR will require the grantee to provide the Non-Eligible and Eligible headcounts as of December 31, 2020 and the average annual wage of the Eligible employees.

Abridged Grantee Annual Report (GAR)

Sample Abridged GAR – page 1

J·D·I·G
JOB DEVELOPMENT INVESTMENT GRANT

North Carolina Department of Commerce
2020 JDIG Compliance Relief Report

This report is the modified Grantee Annual Report for Grantees with approved 2020 Compliance Relief

GENERAL INFORMATION:

1. DOC Grant Number
   found on first page of CEDA
2. Date of this Report (mm/dd/yy)
3. Legal Name of the Grantee
   As registered with N.C. Secretary State Corporations Division
4. FEIN
   (Federal ID Number)

Contact Information

5. Company Contact (employee completing this report that the JDIG Team may contact regarding reporting questions)

a. Name	b. Company	
c. Mailing Address <Street Address 1> <Street Address 2> <City, State, Zip>	d. Title	
	e. Phone	f. Cell phone
g. Web Site	g. Email Address	

6. Complete the table below with the company's headcount and average annual wage at the Project Facility information as of 12:00 noon (Raleigh time), December 31, 2020:

As of 12:00 Noon (Raleigh time) December 31, 2020 Headcount and Average Annual Wage of Eligible Employees	
*Jobs Retained (Ineligible)	
**Jobs Created (Eligible)	
***Average Annual Wage	

* Jobs Retained = Noneligible positions - positions created prior to the Effective Date of the CEDA or at non-project location facilities.
**Jobs Created = Eligible positions - positions created AFTER the Effective Date of the CEDA and at a project location facility.
***Average Annual Wage is calculated on the wages of the Eligible employees that were at the project location on December 31, 2020.
For purposes of this report, 2020 terminations should NOT be included in the headcount or average wage calculation.

DRAFT

Abridged Grantee Annual Report (GAR)

Sample Abridged GAR – Signature page

SIGNATURES:

The information contained in this report has been assembled following diligent inquiry and is true and accurate to the best of my knowledge and that of the company.

OFFICER OF THE GRANTEE -

_____ _____
(Signature of Officer) (Date)

_____ _____
(Printed Name) (Title)

NOTARY PUBLIC

I, _____, a notary public of the County of _____ in the State of _____

do certify that _____ personally appeared before me this day, and first being duly sworn, acknowledged that he/she is _____ of and that he/she is authorized to execute the foregoing instrument on behalf of , and executed the foregoing instrument in my presence.

Witness my hand and official seal, this the _____day of _____, 20_____.

(Official Seal)

_____ My commission expires on _____, 20_____
(Signature of Notary Public)

Information in this report and accompanying attachments may become a public record following its submission unless otherwise

JDIG Compliance Relief Required Filing Fee

- All JDIG Grantees filing the Abridged GAR must pay a fee equivalent to that required by N.C. Gen. Stat. § 143B-437.58(a) by March 1, 2021. Just as standard GAR filings required an annual fee, the same is true of abridged GAR filings.

- The grant shall be subject to termination if the fee is not received by the **March 1** due date.

- The statute for the required filing fee can be found by clicking on the link below:

  G. S. 143B-437.58. Grant recipient to submit records.

JDIG Compliance Relief – Related Materials

- Per 143B-437.58(a), the Abridged GAR fee MUST be payable to the **Department of Revenue** (see slide 13-14).
- Fees payable to the Department of Commerce will **NOT** be accepted.
- Fees **must** be sent to the 301 N Wilmington Street address (see slide 15).
- Fees sent directly to DOR will be applied to the company's tax bill **NOT** the Abridged GAR.
- Fees sent incorrectly could cause the Abridged GAR to be considered **late** and result in **grant termination**.

JDIG Compliance Relief – Related Materials

- The check must be written in blue or black ink to one of the following:
  - **NC Department of Revenue**
  - **Department of Revenue**
  - **NCDOR**
  - **DOR**

- Starter checks are NOT permitted

- Checks must have a check number, routing number and account number

- The following cannot appear on the check: Void/Voided; Non-negotiable; Copy; Call to verify

- **JDIG** followed by the **grant number** must be written in the memo field
  - Nothing can be written below the memo line

- The check must be clear, readable, and not torn.

JDIG Compliance Relief – Related Materials

- Fees are found in section 3.7(b)(x) of your CEDA.
- The fee is **$1500** for awards **prior** to 8/1/2013.
- For awards **on or after** 8/1/2013, the fee is the **greater of $2500 *or* .03%** of the award amount to the company (not including the Utility account).
- Invoices will be sent to the **Uploader**.
- "JDIG" and the JDIG Grant Number **must** be included on check.
  Example: JDIG 2019-35

JDIG Compliance Relief – Related Materials

- Express Courier (**FED EX, UPS**) the **GAR Fee** to:

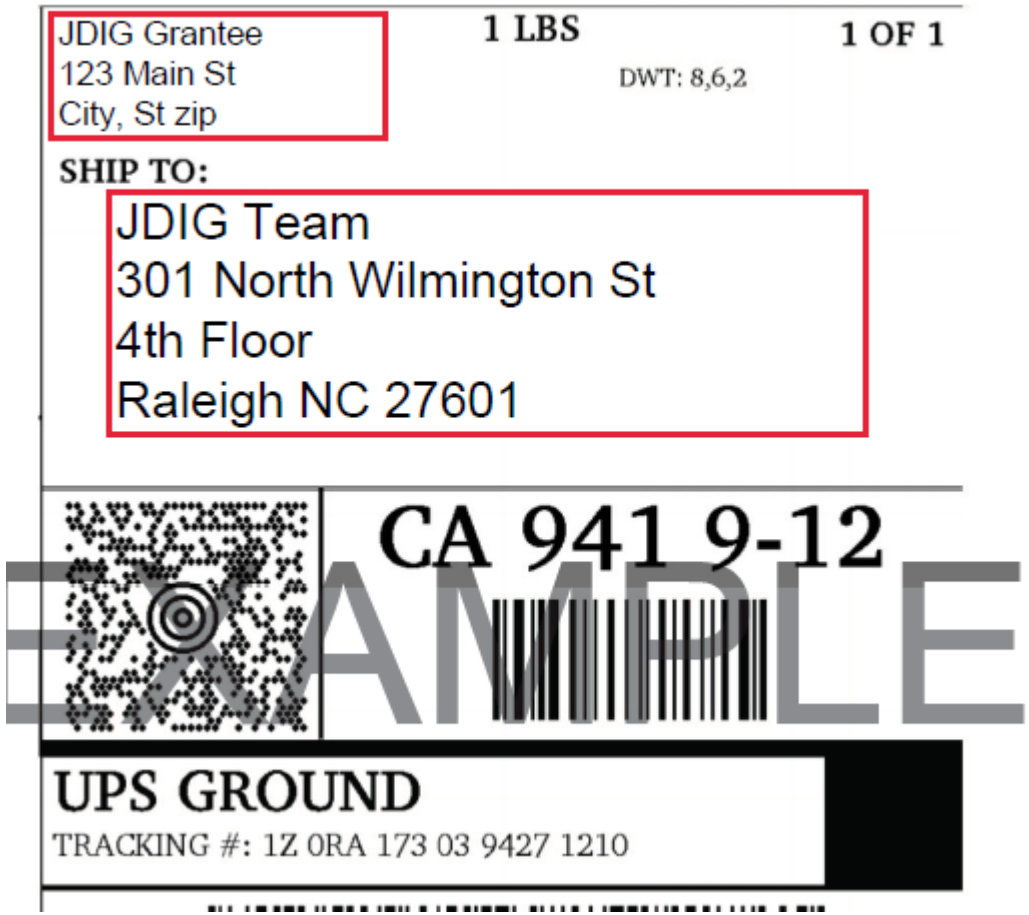
  JDIG Team
  301 North Wilmington Street, 4th Floor
  Raleigh, NC 27601
  ("Revenue or DOR" should NOT be anywhere on the shipping label)

- "JDIG" and the JDIG Grant Number **must** be included on check.
  Example: JDIG 2019-35

US Postal Service (standard and express mail) requires an alternate address.

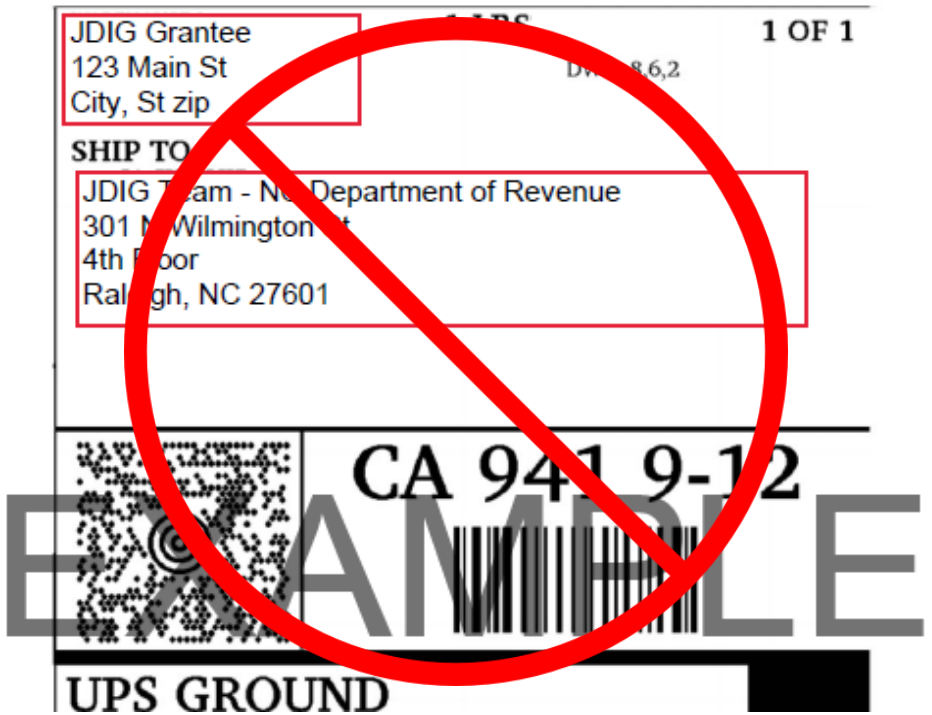
Contact the JDIG Team if needed

JDIG Compliance Relief – Related Materials



JDIG Compliance Relief – Related Materials

Do **NOT** include Department of Revenue or DOR on the Fed Ex or UPS shipping label.



Key Points To Remember

- ✓ Grantees must request Compliance Relief by January 31, 2021.
- ✓ **No** extensions to the January 31, 2021 deadline can be granted.
- ✓ The Compliance Relief Filing Fee is due by March 1, 2021. Failure to pay the fee on time will result in termination of the grant.
- ✓ The Abridged GAR Form should be sent via **cfc@nccommerce.com**
- ✓ Hard copies of the Abridged GAR are not required.
- ✓ The Abridged GAR and signed/notarized Certifications are due by March 1, 2021. Failure to provide both on time will result in termination of the grant.