

JDIG Webinar – GAR Filing Information

Welcome

- The Webinar will begin shortly.
- All attendees are muted.
- To ask a question, please use the Q&A box located on the right side of your screen and select “to all panelists”.
- This webinar will only cover the 2023 Grantee Annual Report (GAR) Filing Information.
- For information regarding how to complete the **Employment Profile**, please join us for our 2nd webinar on **December 13, 2023**.
- GAR Materials for today’s webinar were included in the registration email and can be found on the NC Commerce website at:

<https://www.commerce.nc.gov/documents/compliance-grantee-annual-report-materials-job-development-investment-grant-jdig>. (Password: GAR2023)





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

JDIG Grantee Annual Report Filing Webinar

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JDIG Webinar Agenda

Agenda for JDIG Grantee Annual Report (GAR) Webinar:

1. The GAR form
2. Statutory program requirements and procedures
3. JDIG Default Policy
4. How to File
5. Questions and Answers
6. Note: For information regarding how to complete the GAR Employment Profile, please join us at our next webinar on **December 13, 2023**.



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GAR Contents

The GAR is an Excel workbook containing 9 worksheets:

1. General Information
2. Project Location Employment Profile
3. Project Location Remote Workers Employment Profile (if applicable)
4. Non-Project Employment Profile (if applicable)
5. Reporting Notice
6. Grantee Certification
7. Guarantor Certification (if applicable)
8. Guarantor and Related Member Certification (if applicable)
9. Related Member Certification (if applicable)

Note: Grantees with a Guarantor and/or Related Member, listed in the 1st paragraph of the CEDA, will complete worksheets 7, 8, and/or 9 as indicated.

- Worksheets 1 and 5-9 will be discussed during today's Webinar
- Worksheets 2-4 will be discussed at our GAR Employment Profile Webinar on Dec. 13, 2023.



General Information - Legal Names

Legal Name of the Grantee, Guarantor, and Related Member(s)

Provide full legal names in GAR Questions 3, 5 & 6

- Confirm legal names provided are listed as they are registered with NC Secretary of State Corporations Division. Names can also be found in the 1st paragraph of the CEDA and at this link:
- www.secretary.state.nc.us/corporations/

*Note: **The JDIG Team must be notified** if any legal entity listed in the CEDA changes.*

Examples of legal entity change: Name change, merger, acquisition



General Information – Certifications and Locations

Certifications (Questions 5 and 6) –

- Complete the dropdown boxes (**Yes/No**).
- Failure to complete **both** dropdown boxes will prevent the correct Certifications from being accessible.

Physical Location of NC project site (Question 7) –

- Provide the number of NC project locations as outlined in your CEDA (often listed in Sec. 1.19).
- Complete the ***street address, city, zip + 4*** for each project location.
- If there are more than 4 project locations, provide additional locations in a **separate** unlocked **Excel** explanation document.



General Information– Contact Information

GAR Contact – Question 8

- This is the contact **who completes** the report.
- The JDIG Team will contact this person regarding **any** GAR questions.
- This individual **must** be able to discuss individual employee wage information.
- **Notify** the JDIG Team if this **contact** changes **AFTER** the GAR is submitted.

Disbursement Contact- Question 9

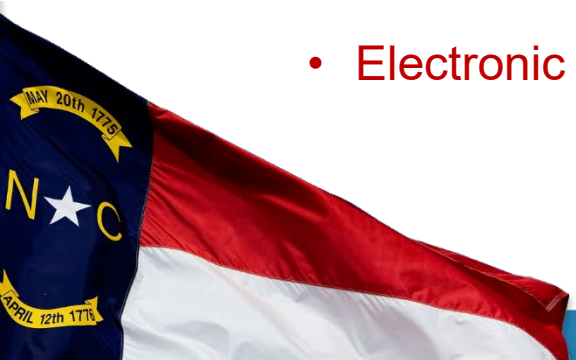
- This is the employee that will receive the approved compliance findings and disbursement check, if applicable.
- If hard copy check is required, there must be a **street address and phone number** in order for UPS to deliver the package.
- **Notify** the JDIG Team if this **contact** or related **address** changes **AFTER** the GAR is submitted.



General Information– Contact Information

Select Type of Disbursement Preferred – Question 9(g).

- Complete the drop-down box
- Grantees that have previously received an electronic JDIG disbursement should select “Previously received electronic payment”.
- Grantees that would like to begin receiving funds electronically should select “Set up a new electronic payment”.
- Grantees that require a hard copy check, delivered via UPS, should select “Hard copy check delivered via UPS”.
- **Electronic payments are strongly encouraged.**



General Information– Contact Information

Contact for the Department of Revenue’s (DOR) verification of No Overdue Taxes and withholdings (NC-3) - Question 11

- DOR will contact this person regarding **any** tax or withholdings/NC-3 questions.
- This individual **must** be able to discuss the company’s NC tax and withholding (NC-3) filings.
- Notify the JDIG Team if this **contact** changes **AFTER** the GAR is submitted.



General Information – Job Retention at Non-Project Location(s)

Non-Project Location(s) Retention – Questions 12 & 13

- Both questions 12 and 13 **must** be answered, “Yes” or “No”.
- If **both** are “No”, “Do Not Complete” will appear on the Non-Project Employment Profile worksheet.
- Otherwise, the Grantee and/or Related Member/Affiliate **must** complete the Non-Project Employment Profile.

Non-Project Locations are NC locations with NC jobs, but not included in the definition of the Project or the Facility as defined in Sections 1.19 and 1.33 of the CEDA.



General Information – Remote Workers

Commerce has adopted standardized treatment for **remote workers** under the Job Development Investment Grant (JDIG) Program.

“New Employee” means a Full-Time Employee hired for the Project and employed at the Facility and reporting there at least four days a month, who represents a net increase in the number of the Company’s employees in North Carolina [over the Retained Employment] and who is not a worker with an H-1B visa or with H-1B status.

“New Remote Employee” means a Full-Time Employee hired for the Project, assigned to the Facility and working from a home-office within the State or a satellite location within the State, who represents a net increase in the number of the Company’s employees in North Carolina [over the Retained Employment] and who is not a worker with an H-1B visa or with H-1B status.



General Information – Remote Workers

New Remote Employee – Question #14

- **If Yes:**
 - A separate **Remote Worker** Employment Profile must be completed for each entity that employed North Carolina New Remote Employees during the grant year.
- **If No:**
 - The Grantee confirms that **ALL** employees reported **ON** the Project Location Employment Profile(s) **physically reported to** the project location(s) as defined in the CEDA at least **four (4) days** a **month** AND were NOT located at a satellite or remote office.



General Information – Base Period - Transfers from OUTSIDE North Carolina

Is 2023 in the JDIG Base Period as defined by Section 1.6 of the CEDA? Question 15

Use the drop-down box to answer this question – “Yes” or “No”.

The JDIG Base Period is the job creation period during which the base level of eligible positions is measured, commencing on the Effective Date and ending on the date provided in Section 1.6.

*If Yes, provide the **number** of eligible employees transferred from any CEDA entity (Grantee, Guarantor, or Related Member) to the Project Location from a facility located outside North Carolina between January 1 and December 31, 2023.*

The General Assembly has requested a report on the number of eligible employees transferred from locations outside North Carolina and employed by the JDIG Grantee, Guarantor or Related Member Party(ies) during the Base Period (as defined in Section 1.6 of the CEDA).



General Information – H-1B Visa

*Statutory Change effective **June 12, 2018**: § 143B-437.51 changed the definition of a Full time employee to a person who is employed for consideration for at least 35 hours a week, whose wages are subject to withholding under Article 4A of Chapter 105 of the General Statutes, who is **not a worker with an H-1 B visa or with H-1 B status**, and who is determined by the Committee to be employed in a permanent position according to criteria it develops in consultation with the Attorney General. The term does not include any person who works as an independent contractor or on a consulting basis for the business.*



General Information – H-1B Visa

Verification of Visa Status – Question 16

For awards on or after 6.12.18:

- a) Provide the number of Eligible (E) H-1 B visa holders reported
- b) Provide the number of Non-eligible (N) H-1 B visa holders reported

*Note: For awards **prior** to 6.12.18, once the effective date of the CEDA is input in question 1(b), questions 16(a) and 16(b), will automatically say “Not Applicable”.*



Verification of Investment/Capital Expenditures

- The investment requirement is outlined in the CEDA in Section 3.3. If Reserved is listed in that section, the grant does not have an investment requirement.
- Provide a company-generated fixed asset report in Excel format, listing each fixed asset that was in service at the project location after the effective date of the JDIG award, and that continued to be in service as of the end of the Grant Year.
- Assets placed in service prior to effective date of the JDIG award or assets transferred to the facility from within North Carolina should NOT be included in the report.
- When listing assets transferred to the facility from outside of North Carolina, provide the book value at the time of transfer rather than the original cost.



Verification of Capital Expenditures

- The report should be an **unlocked Excel** spreadsheet which includes:
 - *Asset description*
 - *Asset classification*
 - *Cost (not depreciated value)*
 - *In-service date for each asset*
- Once the company has reached the investment requirement threshold, even if it is before the CEDA deadline, 10% will be added to the overall compliance rating calculation.
- It is **NOT** necessary to file a fixed asset report if (i) the Grantee has previously met its required capital investment; **OR** (ii) the investment is **NOT** due and **NOT** yet met.



Reporting Notice

- This worksheet contains a Notice of Reporting Requirements (“Notice”) which outlines deadlines and remedies for failing to comply with the Notice.
- This Notice informs Grantees that a **failure to file** by **March 1** is a **default** and will result in the Grantee being ineligible for a grant payment for the grant year.
- **Failure** to file a GAR by Dec. 31 would result in **termination** from the JDIG program.



Certifications

- Section 3.7(b) of the CEDA requires multiple Certifications by the company, guarantor and related members.
- Acknowledge that you have read and understand each certification, and that the certification applies by checking the corresponding box.
- A detailed explanation for each certification that is not checked should be uploaded with the GAR materials.
- The completed Certifications document(s) must be signed, notarized and uploaded.
- Electronic signatures and notaries are acceptable.



Default Policy

- A grant is in performance default when the compliance rating during a grant year is below 100% compliance.
- If a Grantee is in default but achieves a compliance rating of at least 80% or above, a prorated grant payment may be made.
- Payments for performance below 100% may occur only twice consecutively **during** the Base Period.
- If a grantee that is still in its Base Period remains in the program and experiences a third year of Performance Default, no grant payment is permitted for that year, or for any subsequent year of default.



Default Policy

- No payment will be made for compliance ratings below 80% (or 70% in a Tier 1 county).
- If the grantee is in default in the last year of its Base Period and demonstrates that it expects to achieve compliance within the following two years, an Extended Base Period, for up to 24 months, may be requested.
- If in default for 2 consecutive years **after** the base period or extended base period or if in default at the **end** of the extended base period, the grant will be **terminated**.



Default Policy

- The JDIG statute requires the Grantee to maintain operations at the project location for at least one hundred fifty percent (150%) of the grant term. This date is found in the 1st paragraph of the CEDA.
- The statute outlines a recapture policy if the business does not remain at the project site for the required 150% term length (§143B-437.57(a)(10)).



Compliance Rating

- When the required investment has been made, or the investment requirement has been triggered:
 - 70% job creation
 - 20% wages
 - 10% investment
- When the investment requirement has not yet been triggered, or when investment is not a component of a company's CEDA:
 - 80% job creation
 - 20% wages



Shortfall Explanation

If a Grant is in default, a **dated** shortfall explanation is **required**.

The explanation must be **dated** and include:

1. The **cause of default**: i.e. Economic downturn, loss of contracts, restructure in business plan
2. If and how the Grantee plans to **remedy** the default: i.e. New contracts, revised business plan
3. The **timing** associated with the remedy: i.e. Expect to be back in compliance in 2024 or 2025.
Note: The timing to be back into compliance must be by the end of the base period or extended base period.
4. Explanations should be on a **separate** Word or Excel Document, **not** included in the body of an email.

*If the grant is in default in the last year of the base period, and a Base Period extension is requested, please **include** the request in the **dated** shortfall explanation.*



JDIG GAR Reporting Requirements

SECTION 15.1.(f) G.S. 143B-437.58(a) reads as rewritten:

"(a) No later than March 1 of each year, for the preceding grant year, every business that is awarded a grant under this Part shall submit to the ~~Committee~~ **Department of Revenue** an annual payroll report showing withholdings as a condition of its continuation in the grant program and identifying eligible positions that have been created during the base period that remain filled at the end of each year of the grant. Annual reports submitted to the ~~Committee~~ **Department of Revenue** shall include social security numbers of individual employees identified in the reports. Upon request of the Committee, the business shall also submit a copy of its State and federal tax ~~returns~~ returns to the Department of Revenue. The Committee may inspect the information submitted to the Department of Revenue pursuant to this section at the Department of Revenue for purposes of award verification and calculation. Payroll and tax information, including social security numbers of individual employees and State and federal tax returns, submitted under this subsection is tax information subject to G.S. 105-259. Aggregated payroll or withholding tax information submitted or derived under this subsection is not tax information subject to G.S. 105-259. When making a submission under this section, the business must **pay** the ~~Committee~~ **Department of Revenue** a **fee** of the greater of two thousand five hundred dollars (\$2,500) or three one-hundredths of one percent (.03%) of an amount equal to the grant less the maximum amount to be transferred pursuant to G.S. 143B-437.61. The fee is due at the time the submission is made. The Secretary of Commerce, the Secretary of Revenue, and the Director of the Office of State Budget and Management shall determine the allocation of the fee imposed by this section among their agencies. The proceeds of the fee are receipts of the agency to which they are credited."



JDIG GAR Reporting Requirements

- ❑ G.S. 143B-437.58(a) designates where the GAR and fee are sent
- ❑ GAR Fees must be payable to the Department of Revenue (*electronic payments and credit card payments are not allowed*)
- ❑ *Hard copy* GAR forms are not required
- ❑ Signed and notarized Certification(s) must be uploaded
- ❑ GAR Materials must be submitted through DOR Sharefile to the Department of Revenue



Reporting Fee

- Per 143B-437.58(a), the GAR fee MUST be payable to the Department of Revenue (see Slide 27).
- Fees payable to the Department of Commerce will NOT be accepted.
- Fees must be sent to the 301 N Wilmington Street address (see Slide 32).
- Fees sent directly to DOR will be applied to the company's tax bill NOT the GAR.
- Fees sent incorrectly could cause the GAR to be considered late and result in loss of payment.



JDIG GAR Check Requirements

- 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 line
 - **Nothing can be written below the memo line**
- The check must be issued from a US bank in US dollars and be clear, readable, and not torn.



Reporting Fee

- GAR 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 on the memo line.
Example: JDIG 9999-99



GAR Fee - On or before March 1

Per 143B-437.58(a), the GAR fee MUST be payable to the Department of Revenue.

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

JDIG Team
DPI (Education) Building
301 North Wilmington Street, 4th Floor
Raleigh, NC 27601

“JDIG” and the JDIG Grant Number must be included on the check’s memo line.

Example: JDIG 9999-99

Email the Fed Ex or UPS Tracking Number and copy of the Shipping Label to cfc@commerce.nc.gov.

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

Contact the JDIG Team if needed



DOR Sharefile Uploader

New Filers

- ❑ If this year is the first year for a GAR filing, the JDIG Team will assign the Uploader.
- ❑ To change the assigned Uploader, email cfc@commerce.nc.gov to provide the name, title, phone and email address of the new Uploader.
- ❑ There is only **one** Upload account available per grant.
- ❑ Uploaders will receive an email from DOR (JDIG Team mail@sf-notifications.com) that says “JDIG Team” has shared the folder “!Upload” with you.
- ❑ To access the folder, you must activate your DOR Sharefile account within **30 days** and set your personal password.



DOR Sharefile – Notification Example

JDIG Team has shared the folder '!Upload' with you. Inbox ×



JDIG Team <mail@sf-notifications.com>
to me ▾

2:57 PM (4 mir



JDIG Team has shared the folder **!Upload** with you.

Note From JDIG:

Submit ALL of your NC JDIG GAR electronic materials using DOR ShareFile. The JDIG Team will be alerted after you have submitted your materials. Your GAR file must be titled using your grant number, followed by the grant year. (Ex: 2001-15 2022 GAR). Other materials should have names that include your grant number, grant year reported, and brief description of content. Your grant number is in the 1st paragraph of your CEDA.

In order for the GAR filing to be considered complete and on time, all GAR uploads must be submitted no later than March 1st at 5:00 p.m.

If you have any questions the JDIG Team can be reached at cfc@nccommerce.com.

This account activation link is valid for 30 days. Failure to activate the account could jeopardize your ability to file the GAR by the deadline.


- Do NOT password protect or lock files.
- The GAR Form and Fixed Asset Report must be in Excel (.xls or .xlsx)

> [Click here to view this folder](#)

ShareFile is a tool for sending, receiving, and organizing your business files online. It can be used as a password-protected area for sharing information with clients and partners, and it's an easy way to send files that are too large to e-mail.



DOR Sharefile – Example



1 2

Welcome! Please confirm your personal information.

First Name: * * Required

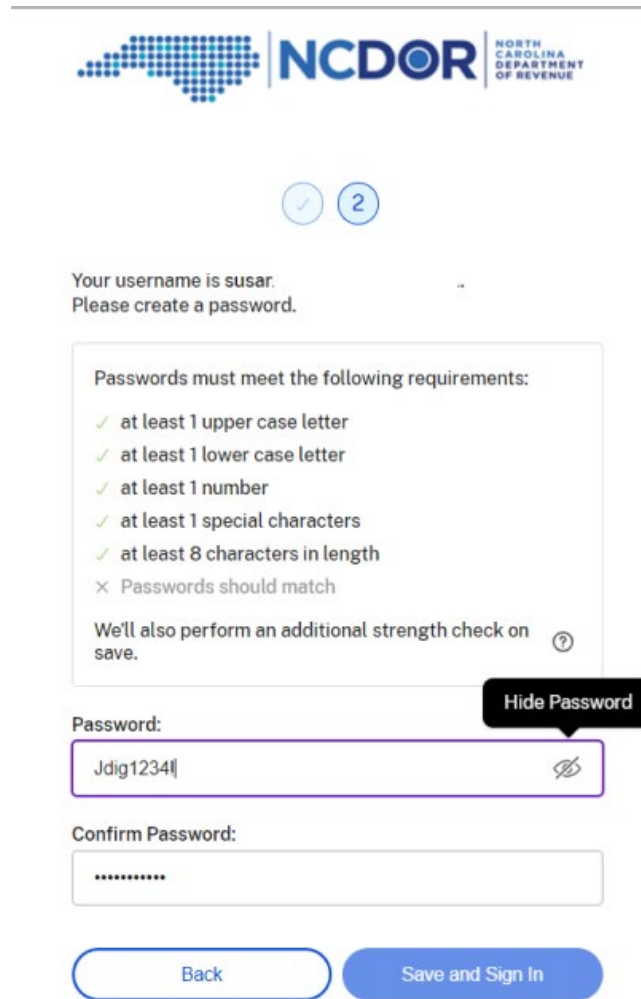
Last Name: *


Company:

Continue



DOR Sharefile – Example



 NORTH CAROLINA DEPARTMENT OF REVENUE

✓ 2

Your username is susar.
Please create a password.

Passwords must meet the following requirements:

- ✓ at least 1 upper case letter
- ✓ at least 1 lower case letter
- ✓ at least 1 number
- ✓ at least 1 special characters
- ✓ at least 8 characters in length
- × Passwords should match

We'll also perform an additional strength check on save. ?

Hide Password

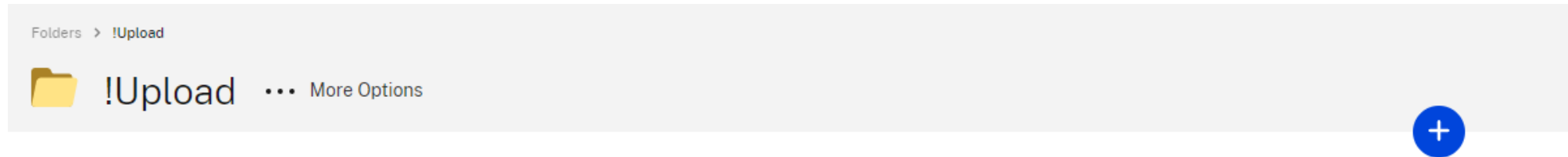
Password:
Jdig1234!

Confirm Password:

Back Save and Sign In



DOR Sharefile – Example



This folder is empty



Drag files here

[Browse files](#)

Email me when a file is: Uploaded to this folder



DOR Sharefile – Example

!Upload More Options

Items People +

<input type="checkbox"/>	Name ▲	Size	Uploaded	Creator	⋮
<input type="checkbox"/>	☆ DOC 9999-99 2023 GAR Test File.docx	12 KB	3:31PM	S. Rather	



DOR Sharefile – Example

Susan Rather Has Created a New Item in ShareFile Inbox x



Susan Rather (NCDOR) <mail@sf-notifications.com>
to me ▾

3:31PM



Susan,

Susan Rather has uploaded a file to the folder **!Upload**.

> [Activate my account and download 9999-99 2023 GAR Test File.docx](#)

NC Dept of Commerce > Companies > Active > !Test Company > !Upload

Name: 9999-99 2023 GAR Test File.docx

Size: 11.73 KB **Created:** 08/04/2023 3:31a

Creator: S. Rather

Dates are displayed in UTC -5

Trouble with the above link? You can copy and paste the following URL into your web browser:

<https://ncdor.sharefile.com/d/d7fb8f3bafab43da?a=a704a09edb9ff271>

[Click here to change how often ShareFile sends emails](#)

Powered By Citrix ShareFile 2023



DOR Sharefile Uploader

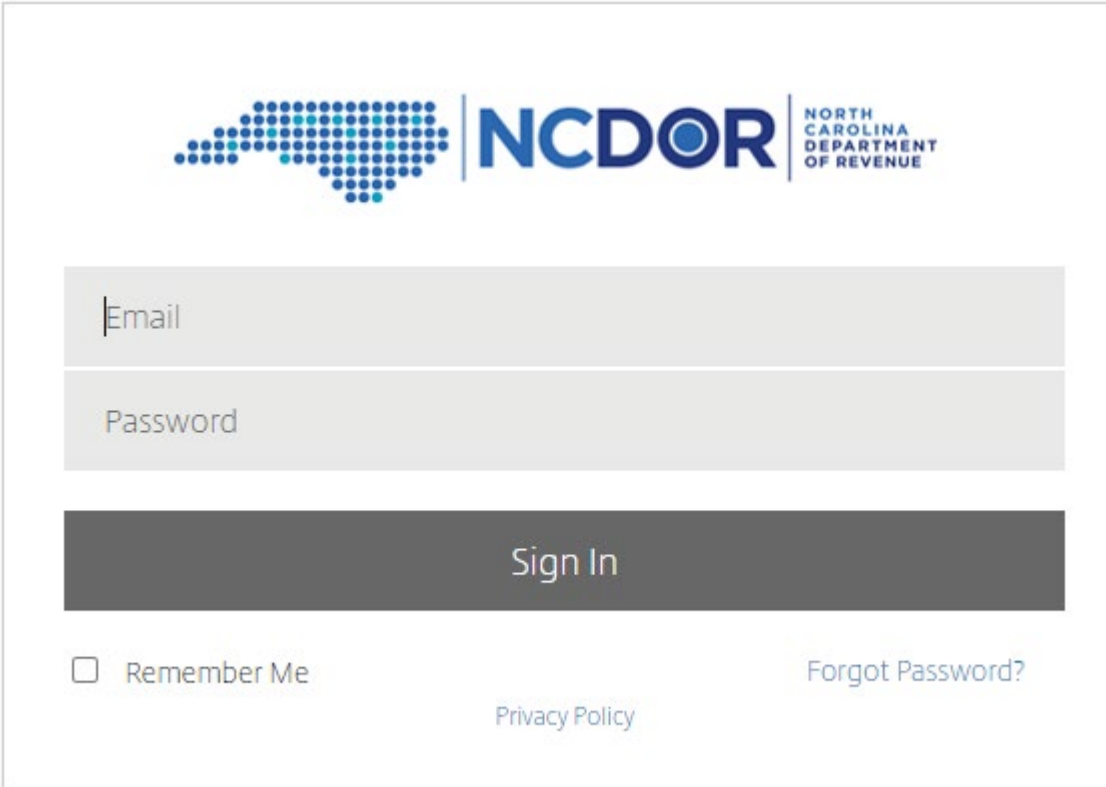
Previous Filers


- Previous filers must log into DOR Sharefile:
<https://ncdor.sharefile.com/Authentication/Login>
- If the account is locked, change your password.
- To change the Uploader, email cfc@commerce.nc.gov and provide the name, title, phone and email address of the new Uploader.
- There is only **one** Upload account available per grant.



DOR Sharefile Example – Sign-in Screen shot

- ❑ ShareFile website: <https://ncdor.sharefile.com/Authentication/Login>



 **NCDOR** | NORTH CAROLINA DEPARTMENT OF REVENUE

Email

Password

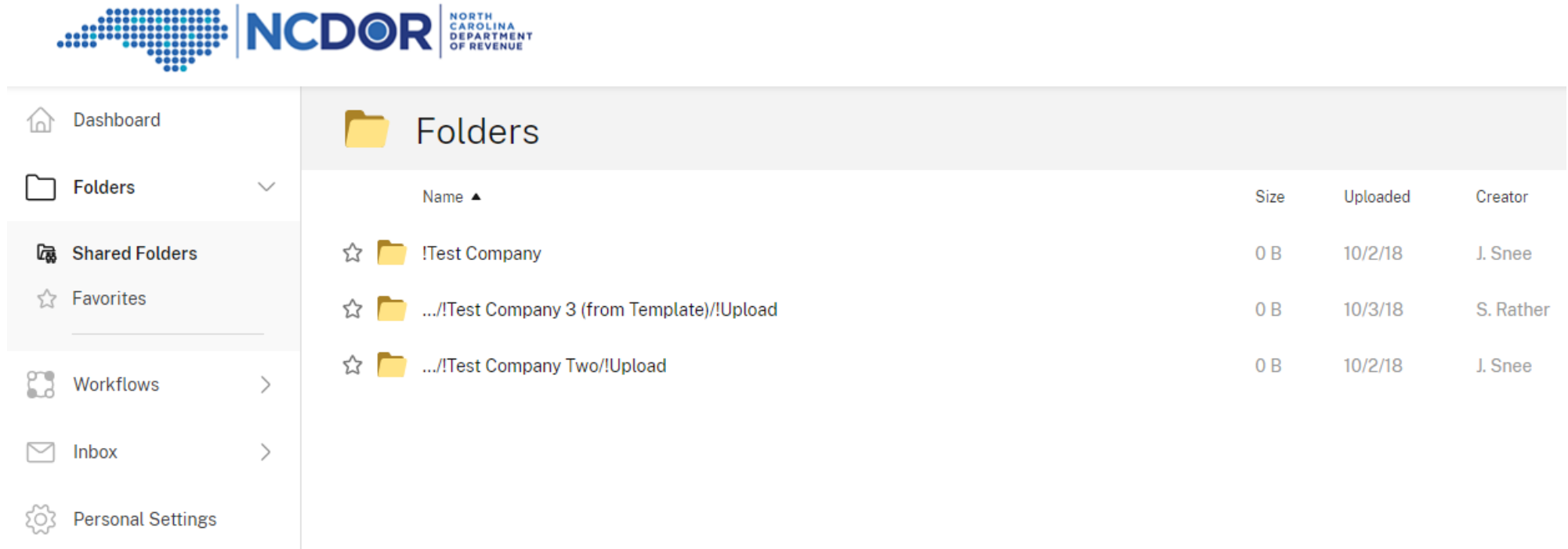
Sign In

Remember Me Privacy Policy [Forgot Password?](#)



DOR Sharefile Example – Multiple Grants

- ❑ The “!Upload” folder is specific for each grant. Uploaders filing multiple reports must file to the correct “!Upload” folder.



The screenshot displays the NCDOR Sharefile interface. At the top left is the NCDOR logo (North Carolina Department of Revenue). A sidebar on the left contains navigation options: Dashboard, Folders, Shared Folders, Favorites, Workflows, Inbox, and Personal Settings. The main content area is titled "Folders" and shows a table of folders with columns for Name, Size, Uploaded, and Creator.

Name ▲	Size	Uploaded	Creator
☆ !Test Company	0 B	10/2/18	J. Snee
☆ .../!Test Company 3 (from Template)/!Upload	0 B	10/3/18	S. Rather
☆ .../!Test Company Two!/!Upload	0 B	10/2/18	J. Snee



DOR Sharefile Uploader

All Filers

- ❑ Prior to the March 1 submission, **ALL** GAR filers should sign into the DOR Sharefile account and upload a test document.
- ❑ If your IT department blocks the DOR Sharefile site, the company is responsible for obtaining access prior to the March 1 deadline.
- ❑ The Sharefile site is the **ONLY** option for providing the GAR to the Department of Revenue.



DOR Sharefile Uploader

- Upload the GAR Form Excel spreadsheet to the Upload site.
(DO NOT password protect any documents)
- Upload the GAR **signed and notarized** Certification(s).
(DO NOT password protect any documents)
- Upload any supporting documents to the new Upload site.
(Example: Explanation documents; Shortfall explanation; etc.)
- GAR file naming convention: Grant Number 2023 Name of Document
(Example: 9999-99 2023 Shortfall Explanation)



GAR Review Process

- ✓ The JDIG Team reviews the GAR submission in random order beginning in April.
- ✓ The JDIG Team will send an email with any questions regarding the filing with a 15-day deadline to respond.
- ✓ Grantees should respond to **ALL** items, in **ONE** email on or before the deadline.
- ✓ Responses such as “working on this”, “asking payroll”, “will provide” are not acceptable responses.
- ✓ Failure to respond to **ALL** items timely will delay the GAR disbursement.



DOR Review Process

- ✓ DOR Reviews all Grantee Annual Reports to verify withholdings and no overdue tax debts.
- ✓ Grantees cannot receive a payment if there are overdue tax debts.
- ✓ Reach out to your tax department or call DOR Customer Service (877-252-3052) to verify the company's tax standing.
- ✓ The total withholdings provided on the company's Employment Profile(s) cannot be greater than the withholdings reported on the company's NC-3 filed with DOR.



Key Points to Remember



Don't forget:

- GAR Fee is payable to the **Department of Revenue** and submitted via **FedEx or UPS** to the **DPI (Education) Building - 301 N Wilmington St, 4th floor** address.
- Grantee, Related Member(s), and Guarantor's legal names (including punctuation):
 - are provided in questions 3, 5, and 6;
 - match the legal names listed in the 1st paragraph of the CEDA; and
 - match the NC Secretary of State registration.
- New Remote Worker allowances must be identified in the CEDA or CEDA Amendment.
- General Information worksheet is completed.

GAR Employment Profile Webinar

December 13, 2023

- Please join us for our GAR **Employment Profile** Webinar next week on December 13, 2023 at 2:00 pm (EST).
- Details on how to complete the GAR Employment Profile will be discussed
- If you need an invitation to this webinar, please let us know.
- It's not too late to register.

You're
Invited

