

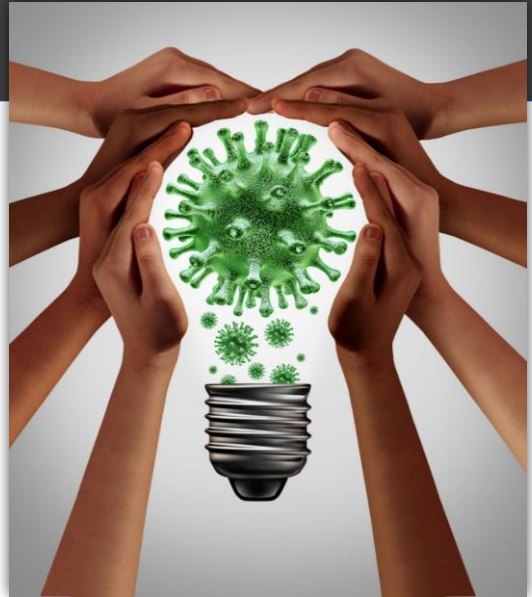


GROSSMAN YANAK & FORD LLP  
Certified Public Accountants and Consultants

# NOT-FOR-PROFIT ORGANIZATIONS

*Welcome to the Next Normal*

Robin Ryan, GYF Audit Services  
Jason Hardy, GYF Audit Services  
Bob Grossman, GYF Tax Services



Not-for-Profit Webinar

May 27, 2020



GROSSMAN YANAK & FORD LLP  
Certified Public Accountants and Consultants

## *Introduction*

### LEARNING OBJECTIVES

- Review newest info related to PPP loans and forgiveness procedures
  - *Loan Forgiveness Application released May 15, 2020*
  - *Additional SBA guidance issued May 22, 2020*
  - *GYF **PPP Update Webinar** on 5/29/20 (go to [www.gyf.com/events](http://www.gyf.com/events) for info)*
- Address accounting for the PPP loan proceeds, related expenses and the treatment of the forgiven portion of the loan



Not-for-Profit Webinar

May 27, 2020



## *Introduction*

### **LEARNING OBJECTIVES**

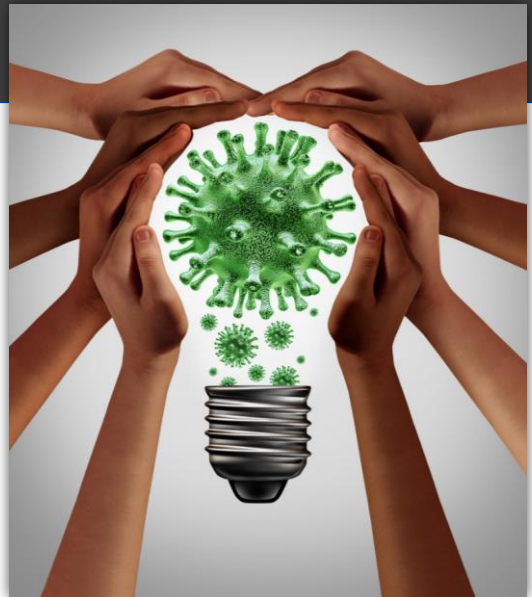
- Discuss ongoing items of financial concern to your Organization
- Address the impact of COVID-19 as it may relate to your year-end financial statement audit
- Review technology considerations that may impact your operations



## **NOT-FOR-PROFIT ORGANIZATIONS**

*Welcome to the Next Normal*

**PPP LOANS UPDATE &  
OTHER TAX-RELATED MATTERS**





## ***PPP Background***

### **CREATED UNDER THE CARES ACT (3/27/20)**

- Relief provisions of the Coronavirus Aid, Relief & Economic Security Act:
  - *Paycheck Protection Program (PPP) Loans*
  - *Economic Injury Disaster Loan (EIDL) Loan Program*
  - *Enhanced Charitable Contribution Deductions for 2020*
  - *Employee Retention Credit*
  - *Deferment of Certain Payroll Taxes for Employers*



## ***PPP Background***

### **LOAN PROGRAM FOR SMALL BUSINESSES**

- Intended to help pay up to eight weeks of payroll costs, mortgage interest, rent, and utilities during the pandemic and economic crisis
- PPP Funding:
  - *\$349 Billion in Round One*
  - *\$310 Billion in Round Two*



## ***PPP Background***

### **LOAN PROGRAM FOR SMALL BUSINESSES**

- All payments of principal, interest and fees under the loans are deferred for at least six months
- PPP loans are eligible for forgiveness for qualified amounts of payroll costs, mortgage interest or rent obligations and certain utility costs incurred between February 15, 2020 and June 30, 2020
- The loan amount forgiven is excluded from gross income and NOT considered cancellation of debt income for federal income tax purposes



## ***PPP Background***

### **LOAN PROGRAM FOR SMALL BUSINESSES**

- The PPP is an expansion of the SBA's 7(a) loan program
- PPP loans are 100% guaranteed by the SBA
- Program was legislated to be directed by the SBA, in conjunction with Treasury
  - *As a result, prior SBA rules play a significant role in the mechanics of applying and obtaining the loan, as well as with the loan forgiveness requirements*



## ***PPP Background***

### **ELIGIBLE EMPLOYERS/BORROWERS IN NFP SECTOR**

- IRC §501(c)(3) organizations, §501(c)(19) veterans organizations, and tribal business concerns CAN apply for PPP loans
- Other tax-exempt organizations including trade associations, advocacy organizations, unions, and social clubs are NOT eligible
- Loans cannot exceed \$10 million per eligible employer/borrower



## ***PPP Background***

### **ELIGIBLE EMPLOYERS/BORROWERS – SIZE**

- Organizations cannot have more than 500 employees or must meet the SBA's existing size standards
- Volunteers do NOT count for purposes of determining the number of employees



## ***PPP Loan Forgiveness***

### **OVERVIEW**

- One of the most beneficial aspects of the PPP loan is the ability to have the loan forgiven if certain criteria are met
- The mechanics of loan forgiveness are rooted primarily in using the borrowed funds to maintain employment and wages at those levels that were in force in the borrower's operations prior to the onset of the pandemic and economic shutdown



## ***PPP Loan Forgiveness***

### **OVERVIEW**

- The determination of how much of those amounts borrowed under the PPP can, and will, be forgiven is a multiple-step process that requires consideration of the statutory language included in the CARES Act under Section 1106 and later issued guidance issued by the SBA, in conjunction with Treasury



## ***PPP Loan Forgiveness***

### **REQUIREMENTS FOR TOTAL FORGIVENESS**

- The PPP loan amount will be forgiven in its entirety, if the following conditions are met:
  - *Not more than 25% of the forgiveness amount is used for non-payroll costs;*
  - *The employee headcount is maintained; and*
  - *Compensation levels for employees earning less than \$100,000 per year are maintained*



## ***PPP Loan Forgiveness***

### **REQUIREMENTS FOR TOTAL FORGIVENESS**

- To the extent that any of these factors are not satisfied fully (or a business does not use the full amount of the PPP loan in the eight-week period after the loan is made), a portion of the loan will not be forgiven and must be repaid



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION**

- Pursuant to Section 1106 of the CARES Act:

*“...an eligible recipient [of a PPP loan] shall be eligible for forgiveness of indebtedness on a **covered loan** in an amount equal to the sum of the following costs **incurred** and **payments made** during the **covered period**.”*

1. Payroll costs
2. Interest on covered mortgage obligation (no prepayments or principal)
3. Any payment on any covered rent obligation
4. Any covered utility payment



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION**

- General definitions pursuant to Section 1106 of the CARES Act:
  - ***Covered Loan*** – *the PPP loan under Section 1102 of the CARES Act*
  - ***Covered Mortgage Obligation*** – *any indebtedness or debt instrument incurred in the ordinary course of business that:*
    - a) is a liability of the borrower
    - b) is a mortgage on real or personal property and
    - c) was incurred before February 15, 2020





## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION**

- Step 1 definitions pursuant to Section 1106 of the CARES Act:
  - ***Covered Period*** – the eight-week period beginning on the date of the origination of the loan
  - ***Covered Rent Obligation*** – rent obligated under a leasing agreement in force before February 15, 2020
  - ***Covered Utility Payment*** – payment for a service for the distribution of electricity, gas, water, transportation, telephone, or internet access for which service began before February 15, 2020



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION**

- Step 1 definitions pursuant to Section 1106 of the CARES Act:
  - ***Eligible Recipient*** – the recipient of the loan
  - ***Expected Forgiveness Amount*** – the amount of principal that a lender reasonably expects a borrower to expend during the covered period on the sum of any:
    - a) Payroll costs
    - b) Payments of interest on any covered mortgage
    - c) Payments of any covered rent obligations
    - d) Payments of covered utility costs



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION**

- Step 1 definitions pursuant to Section 1106 of the CARES Act:
  - ***Payroll Costs*** – *defined the same as in Section 1102 to determine amount of maximum loan for which the applicant borrower might qualify for under the program, including:*
    - a) Salary, wages, commissions or tips (up to \$100,000/yr per employee) incl. bonuses, hazard pay;
    - b) Employee benefits including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required to provide group health care benefits including insurance premiums; and payment of any retirement benefit;
    - c) State and local taxes assessed on compensation; and
    - d) For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION**

- Further clarification of payroll costs as per the FAQs issued by the SBA
  - ***Payroll costs DO NOT include:***
    - Any payments made to an independent contractor
    - Any adjustments to gross wages, either up or down, for federal payroll taxes including the employer's share of FICA taxes
  - ***Payroll costs DO include:***
    - Any payments made to general active partners



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 1**

- Determine the date that the **eight weeks** begins and that marks the start of the “covered period”
  - *The statute defines this date as the date of origination of the loan*
  - *The FAQs released by the SBA clarify this start date (#20) as the date the lender makes the first disbursement of the PPP loan to the borrower*
  - *In other words, the clock starts ticking the day your PPP loan funds are deposited in your bank account*



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 1**

- Recent guidance\* provides an “alternative payroll covered period”
  - *Under this rule, borrowers with a bi-weekly (or more frequent) payroll cycle may begin their eight weeks covered period beginning with the first day of the first payroll cycle in the covered period and continuing for the eight weeks thereafter*

\*The accommodation of an alternative payroll covered period was made in the SBA’S release of the loan forgiveness application instructions and additional final interim rules released on May 22, 2020, in response to borrowers’ requests for administrative expediency



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 1**

- Determine the total amount of loan proceeds utilized in the covered period for “incurred and paid” payroll costs and other allowable costs, i.e., the “covered expenses”
- If the covered expenses do not rise to the level of the loan proceeds, the difference does not qualify for forgiveness



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 1**

- SBA “75/25 Rule” Regarding Loan Forgiveness
  - *Not more than 25% of the loan forgiveness amount may be attributable to non-payroll amounts expended from the loan proceeds*
  - *Although not discussed in the statute, the Administrator (SBA) determined that the non-payroll portion of the forgivable loan amount should be limited to effectuate the core purpose of the statute*



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 1**

- Next, determine if that amount potentially qualifying for loan forgiveness was used in proper proportions to further qualify for loan forgiveness – was the amount incurred or paid from the remaining \$850,000 used 75% for covered payroll?
  - *If yes, the eligible recipient moves to Step 2*
  - *If the “other, non-payroll” covered expenses exceed 25% of the remaining qualifying loan, there is a further limitation in Step 1*



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 2**

- The amount of loan forgiveness will be reduced by any proportionate reduction in the number of employees retained during the covered period compared to one of two prior pay periods to be determined by the borrower in its sole discretion
  - *A “full time equivalent employee” (FTE) means an employee who works 40 hours or more, on average, each week*
  - *Employees working less than 40 hours per week are included in the reduction calculation on a proportionate basis*



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 3**

- The amount of the loan forgiveness will be reduced by the amount of any reduction in total salary or wages of any employee during the covered period, which is in excess of 25% of the total salary or wages of the employee during the most recent full quarter during which the employee was employed before the covered period
  - *Employees for this calculation are those who did not receive, during any single pay period during 2019, wages or salary at an annualized rate of pay more than \$100,000*
  - *Employers with tipped employees may receive forgiveness for additional wages paid to those employees*



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 3**

- Wage reductions occurring between January 1, 2020, and March 31, 2020, and 30 days following passage of the CARES Act will not reduce the amount of loan forgiveness, if by June 30, 2020, the borrower eliminates the reduction in employees or reduction in wages



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 3**

- The CARES Act includes a provision for a reduction in loan forgiveness for any employee whose compensation decreased by more than 25% from the 12-week quarter ending on March 31, 2020, during the 8-week covered period
  - *However, 8 weeks will naturally have 33% less payroll due to the fewer number of weeks in the time period*
- The reduction calculation is performed on a per employee basis, NOT in the aggregate



## ***PPP Loan Forgiveness***

### **LOAN FORGIVENESS CALCULATION – STEP 3**

- Wage Restoration Provision
  - *If, by June 30, 2020, wages are restored for those employees who had a salary reduction from February 15, 2020, to April 26, 2020, there will be no decrease in loan forgiveness for this specific provision*
  - *If wages are not restored under this provision, loan forgiveness will be limited*
  - *Note that final guidance also allows that the salary/wage reduction applies ONLY to the portion of the decline in salary and wages that is NOT attributable to the FTE reduction (avoids a double penalty to borrower)*



## ***PPP Loans***

### **OTHER IMPORTANT MATTERS**

- Forgivable PPP loans are excluded from federal taxable income (only important to the extent that the loan is in a for-profit subsidiary or related to a taxable activity generating Unrelated Business Income Tax)
- Loan forgiveness applications and their timing
  - *What will the bank accept?*
  - *60-day approval of forgiveness*
- Financial reporting matters related to PPP loans



## ***PPP Loans***

### **OTHER IMPORTANT MATTERS**

- Forgivable PPP loans are excluded from federal taxable income (only important to the extent that the loan is in a for-profit subsidiary or related to a taxable activity generating Unrelated Business Income Tax)
- Loan forgiveness applications and their timing
  - *What will the bank accept?*
  - *60-day approval of forgiveness*
- Financial reporting matters related to PPP loans





## ***Other Loan Programs – EIDLs***

### **ECONOMIC INJURY DISASTER LOANS**

- An EIDL is a low-interest federal loan issued by the SBA to alleviate economic injury to small businesses or private nonprofit organizations
- EIDLs are typically available for eligible borrowers in amounts up to \$2M at a fixed interest rate of 2.75% for nonprofits (3.75% for for-profit businesses), for a term of no more than 30 years



## ***Other Loan Programs – EIDLs***

### **EIDL ELIGIBILITY**

- EIDLs are available to a much broader set of nonprofits than those eligible under the PPP
  - *For the EIDL program, eligible “private nonprofit organizations” include any entity exempt under section 501(c), including the trade associations, advocacy organizations, unions, and social clubs, which are excluded from the PPP*
- In contrast to the PPP, there are no limitations on the size of nonprofits that are eligible to obtain EIDLs
  - *Organizations can verify their eligibility for the EIDL program on the [SBA website](#)*



## ***Other Loan Programs – EIDLs***

### **EIDL LOAN AMOUNTS AND REPAYMENT**

- An EIDL is a working capital loan of up to \$2 million that can be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred (not intended for business expansion)
- A borrower may defer its first repayment for one year after the origination date, though interest will accrue during this deferment
  - *The amount of the loan at the end of the deferred repayment period will be carried forward as an ongoing loan, subject to the terms negotiated between each lender and borrower, with a maximum term of 30 years and a maximum interest rate of 2.75% for nonprofit organizations (3.75% for businesses)*



## ***Expanded Charitable Contribution Limits***

### **CHANGES FOR 2020 TAX YEAR**

- Non-itemizers: One-time “above-the-line” deduction for cash contributions up to \$300 (individual)
- Adjusted Gross Income (AGI) limitation increased from 60% of AGI to 100% of AGI for 2020 (Individual)
- Does not include Donor Advised Funds
- Taxable income limitation increased from 10% to 25% of pre-contribution taxable income (Corporation)



## ***Additional Relief for Employers***

### **EMPLOYEE RETENTION CREDIT (ERT)**

- The ERT is a refundable tax credit for 50% in “qualified wages” (up to a \$10,000 cap) paid to each employee by an “eligible employer” whose business has been financially impacted by COVID-19
  - *This means that an eligible employer receives a \$5,000 credit for each employee who is paid \$10,000 or more in qualified wages paid or incurred from March 13, 2020, through December 31, 2020*



## ***Additional Relief for Employers***

### **EMPLOYEE RETENTION CREDIT (ERT)**

- ***Eligible Employer*** – The credit is available to all employers in the United States (including all nonprofit organizations) whose:
  - a) *operations were fully or partially suspended due to a COVID-19-related shut-down order, or*
  - b) *gross receipts declined by more than 50% when compared to the same quarter in 2019*



## ***Additional Relief for Employers***

### **DELAYED REMITTANCE OF CERTAIN PAYROLL TAXES**

- Under the CARES Act, all employers (including all nonprofit organizations) may defer payment of the employer's share of the Social Security tax for which they are otherwise responsible for the period from March 27, 2020, to December 31, 2020
- Amounts deferred are payable 50% on December 31, 2021 and 50% on December 31, 2022



## ***Additional Relief for Employers***

### **DELAYED REMITTANCE OF CERTAIN PAYROLL TAXES**

- Not available if the organization obtained a PPP loan (amounts borrowed under the EIDL permitted)
- No penalties or interest on deferred deposits of these taxes under this program
- Akin to an interest-free loan (1/2 for one year, and 1/2 for two years)



## ***Proposed Bipartisan Legislation***

### **PAYCHECK PROTECTION PROGRAM FLEXIBILITY ACT**

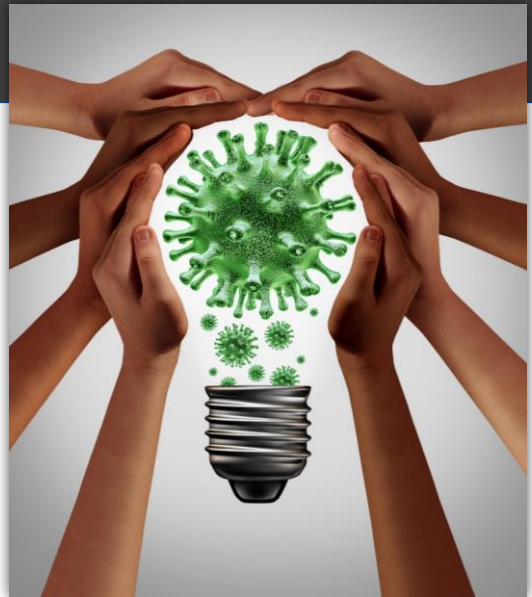
- Introduced by Representatives Chip Roy (R-TX) and Dean Phillips (D-MN)
- Primary provisions include:
  - *Allow forgiveness for expenses beyond the 8-week covered period;*
  - *Eliminate restrictions limiting non-payroll expenses to 25% of loan proceeds;*
  - *Remove restrictions that limit loan terms to two years;*
  - *Ensure full access to payroll tax deferment for businesses that take PPP loans; and*
  - *Extend the rehiring deadline to offset the effect of enhanced Unemployment Insurance*



## **NOT-FOR-PROFIT ORGANIZATIONS**

***Welcome to the Next Normal***

**ACCOUNTING FOR PPP LOANS  
& MANAGING YOUR FINANCES**





## ***Accounting for PPP Loans***

### **TRACKING WITHIN YOUR ACCOUNTING SYSTEM**

- Record the transaction within your accounting system
  - *Until the loan is forgiven, it is a liability and should be tracked as such within your accounting system*
  - *Given the short-term nature of the program, it should be treated as a current liability until it is forgiven*



## ***Accounting for PPP Loans***

### **TRACKING WITHIN YOUR ACCOUNTING SYSTEM**

- Carefully track expenses that will be applied toward loan forgiveness
  - *Primarily payroll*
  - *Other eligible expenses include: business mortgage interest (no pre-payments), business rent or lease payments, and business utility costs*



## ***Accounting for PPP Loans***

### **PAYROLL CALCULATION**

- Must include adjustment for employees with annual salary over \$100,000
- Payroll costs incurred but not paid during the eight-week period are eligible for forgiveness if paid on or before the next regular payroll date
  - *Track this information as the costs are being incurred (as opposed to waiting until the end of eight-week period)*
  - *Keep copies of documentation supporting costs that will be used toward loan forgiveness*



## ***Accounting for PPP Loans***

### **RECLASSIFICATION OF INCOME**

- The portion of the loan that is forgiven will be reclassified from the balance sheet to the income statement in the form of grant revenue

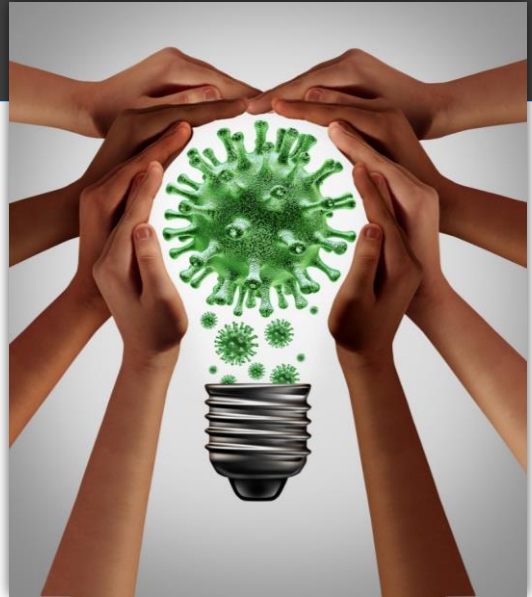


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# NOT-FOR-PROFIT ORGANIZATIONS

*Welcome to the Next Normal*

**MANAGING FINANCES IN AN  
ONGOING PERIOD OF UNCERTAINTY**



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May 27, 2020



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## *Managing Finances Through Uncertainty*

### IMPORTANT CONSIDERATIONS

- Understand your cash position
- Evaluate your current resources including investments, receivables and financing options
- Cash forecasting
- Budgeting concerns



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## ***Managing Finances Through Uncertainty***

### **UNDERSTAND YOUR CASH POSITION**

- Make assessment of current reality and communicate
- Communication should consist of:
  - *Latest information available*
  - *Prioritize cash impact items*
  - *Updated budget (more on this later)*



## ***Managing Finances Through Uncertainty***

### **UNDERSTAND YOUR CASH POSITION (cont.)**

- Determine method and frequency of communication
  - *What level of detail is necessary?*
  - *What should the format be?*
  - *Who needs to know?*



## ***Managing Finances Through Uncertainty***

### **ASSESSING YOUR CASH POSITION (cont.)**

- Inflow improvement ideas
  - *Consider opportunities for other/new sources of income from donors*
  - *Encourage electronic payment methods (including credit cards)*
  - *Try to speed up the invoicing process (if possible)*



## ***Managing Finances Through Uncertainty***

### **EVALUATE YOUR CURRENT RESOURCES**

- Look at all cash assets from all sources
- Create a cash forecast
  - *Anticipated cash inflows*
  - *Known and unavoidable cash outflows*



## ***Managing Finances Through Uncertainty***

### **CASH FORECASTING**

- Inflows
  - *Contribution income may be uncertain – use your best judgement*
  - *Consider actual inflows, not just recorded revenue (bad debts?)*
  - *Look for ways to speed up the inflow of cash*



## ***Managing Finances Through Uncertainty***

### **CASH FORECASTING (cont.)**

- Outflow
  - *Look for opportunities to slow down disbursement process*
  - *Cancel significant/flexible automatic payments*
  - *Stretch your payment terms where possible (contact vendors)*
  - *Consider the necessity of each expenditure*



## ***Managing Finances Through Uncertainty***

### **CASH FORECASTING (cont.)**

- Cash Forecast
  - *Prepare a weekly cash forecast using information previously discussed*
  - *Forecast should help identify areas/times of concern*
  - *Forecast will also identify major sources of income/expense*
  - *Areas/times of concern should be discussed w/ management and board on how to fill gaps*



## ***Managing Finances Through Uncertainty***

### **CASH FORECASTING (cont.)**

- How to fill gaps in cash availability
  - *Reach out to significant vendors to modify terms*
  - *Interact with mortgage holder or landlord to discuss deferral*
  - *Attempt to renegotiate pricing with vendors*
  - *Defer purchases or deliveries based upon current activity levels*



## ***Managing Finances Through Uncertainty***

### **CASH FORECASTING (cont.)**

- How to fill gaps in cash availability (cont.)
  - *Reach out to significant donors or income sources*
  - *Have a list of major anticipated out flows of cash (both recurring and non-recurring) for the near future to ensure that necessary cash is available.*



## ***Managing Finances Through Uncertainty***

### **CASH FORECASTING (cont.)**

- How to fill gaps in cash availability (cont.)
  - *Look for large upcoming annual payments and look for options to go monthly/quarterly*
  - *Payroll tax deferral options*
  - *Federal/State assistance and local foundation assistance*



## ***Managing Finances Through Uncertainty***

### **BUDGETING CONSIDERATIONS**

- Start with current budget and financials
- Use the items noted in the inflow/outflow analysis to update the budget (consider budget either monthly or weekly)
- Process should be simplified based upon cash forecast already prepared



## ***Managing Finances Through Uncertainty***

### **BUDGETING CONSIDERATIONS (cont.)**

- Revise budget and cash forecast weekly as activity occurs
- Keep track of budget vs. actual as you revise each week
- Determine appropriate level of detail and interrelated items
- If necessary have budget ranges as there may be a range of possibilities

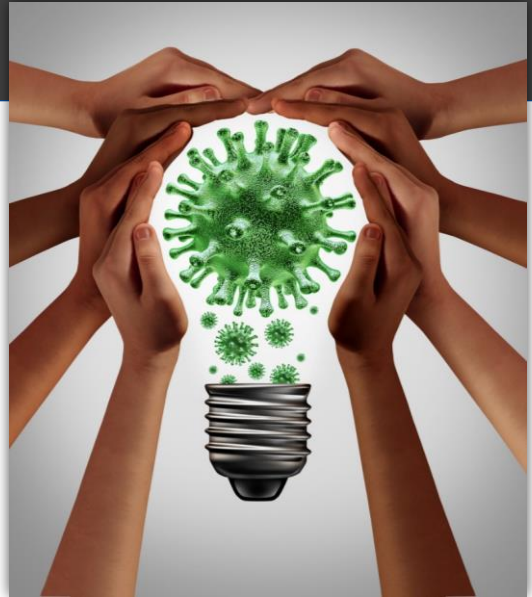


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*Welcome to the Next Normal*

**IMPACT OF COVID-19  
ON EXTERNAL FINANCIAL  
REPORTING & AUDITS**



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## *Impact on External Financial Reporting*

### **EVALUATION OF IMPACT ON OPERATIONS AND FINANCIAL POSITION**

- Current (impact on revenues and expenses)
- Prospective (anticipated impact on revenues/expenses)
- Management's responses related to the change in operations and expectations going forward



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## ***Impact on External Financial Reporting***

### **DISCLOSURE REQUIREMENTS**

- Sub-event disclosure
- Liquidity disclosure
- PPP and/or other loan proceeds and anticipated repayment requirements
- Changes in grant provisions



## ***Impact on Audits***

### **REMOTE AUDITING**

- Is an accepted option under generally accepted auditing standards
  - *Communication will be key in these situations*
  - *“Face-to-face” interaction via Zoom or other options*





## ***Impact on Audits***

### **REMOTE AUDITING**

- Timing of requests and receipt of information
- Format of audit evidence
- Security of client data
- Fraud inquiries
- Meetings with management/audit and finance committees



## ***Impact on Audits***

### **INTERNAL CONTROL MATTERS**

- Sudden shift in workplaces/styles/available resources
  - *Evaluation of the impact on internal processes due to these shifts, in particular remote work*
  - *How did change in processes impact internal controls during this period*



## ***Impact on Audits***

### **INTERNAL CONTROL MATTERS**

- Communication among the team regarding the changes in control processes and opportunities for mitigating identified risks
- Documentation of these changes



## ***Technology Considerations***

### **IMPORTANT ISSUES TO ADDRESS**

- Is the technology in place sufficient to allow your Organization to operate in an efficient and effective manner?
  - *Consider software upgrades to utilize tools such as bank and credit card feeds, coordination with donor management software, programs to allow for review and approval of accounts payable invoices (such as Bill.com)*
  - *Cloud-based software options (QBO, NetSuite, Xero)*
  - *Communication tools within your Organization (Slack, Teams)*



## ***Technology Considerations***

### **CYBERSECURITY RISKS**

- Videoconferencing security – use the password protection features available within the software
- Remote access – need for multi-factor authentication
- Passwords!!!!



## ***Technology Considerations***

### **CYBERSECURITY RISKS**

- Phishing emails – be sure to verify requests for online funds transfers via phone or video conferencing
- Emails with attachments should be scrutinized – remember to watch for emails from co-workers, donors, etc. that seem odd (their accounts could have been hacked)
- Artificial intelligence



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# QUESTIONS?

*Thanks for Attending!*

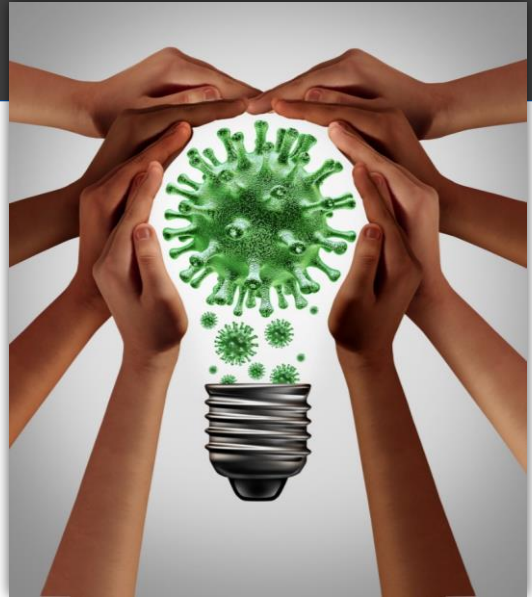
PPP OR AUDIT-RELATED QUESTIONS should be directed to:

Bob Grossman – [GROSSMAN@GYF.COM](mailto:GROSSMAN@GYF.COM)

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Contact Carissa with ADMINISTRATIVE ISSUES: [JANCZEWSKI@GYF.COM](mailto:JANCZEWSKI@GYF.COM)



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