



ONE EAGLE
ADVISORY

Navigating the Employee Retention Credit for Charitable Organizations

**NONPROFIT FINANCE DIRECTOR
SHARES HIS SUCCESS STORY**



POLL QUESTIONS

Today's Presenters



SADLER GRAHAM

President

One Eagle Advisory

- President, One Eagle
- Credit & Incentive Consultant (ERC, R&D, 179D, 45L)
- Over a 1,000 Businesses Served



MATT EDDLEMAN, EA

Managing Director

Strategic Tax Planning

- Managing Director, Strategic Tax Planning
- IRS Enrolled Agent
- Cares Act Subject Matter Expert



GLEN WAGNER

Finance Director

Tucson Non-Profit

- 40 years of Finance & Administration Management
- Operations & Finance Manager

Today's Agenda

- What Is The Employee Retention Credit
- Who It's applicable to
- Methods for qualifying
- A word from Glen Wagner
- Our process for completing ERC eligibility evaluations



One Eagle Advisory & Strategic Tax Planning

KEY PARTNER



STRATEGIC TAX
PLANNING

Certified Public Accounting Firm
Specializing In Credits & Incentives.

TEAM COMPOSITION:

180 Full Time Staff

- ✔ Certified Public Accountants
- ✔ IRS Enrolled Agents
- ✔ Juris Doctors
- ✔ Certified Financial Planners[®]
- ✔ 1000+ Happy Clients



About Us

One Eagle Advisory identifies undiscovered funds for businesses and tax-exempt organizations through credit and incentive programs.

SERVICES PROVIDED:

- ✓ **R&D Tax Credit(s)**
- ✓ **179D – Green Incentive**
- ✓ **45L – Green Incentive**
- ✓ **Employee Retention Credit**





POLL QUESTIONS

So, What Is ERC Anyway?

ERC is a **fully refundable tax credit** which rewards organizations who kept staff through the pandemic. ERC is part of the **CARES Act** & designed to reward employers who kept W-2 employees on payroll during the pandemic.

IMPORTANT:

- ✓ **Not a loan**
- ✓ **Funds can be used at the organization's discretion**
- ✓ **Paid via check for each eligible quarter**

tax credit.
total tax
deduction

CARES Act & ERC Legislation

CARES ACT:

- PPP, FFCRA, ERC, EIDL, & Others

ERC LEGISLATION:

- **Coronavirus Aid Relief, and Economic Security Act** (“CARES Act”) 3-27-2020
- **Taxpayer Certainty and Disaster Tax Relief Act of 2020** (“Relief Act”) 12-27-2020
- **American Rescue Plan Act of 2021** (“ARP”) 3-11-2021
- **Infrastructure Investment and Jobs Act** (“Infrastructure Act”) 11-15-2021



Available ERC Quarters

ERC Availability by Year:

2020

Q1 Through Q4

2021

Q1 Through Q3

Recovery Startup:

Q4 2021 | Applicable to organizations founded after February 15th 2020



Who Is ERC For?

Employee Count Limits:

2020

Business cannot exceed 100 full-time employees

2021

Business cannot exceed 500 full-time employees

Aggregation:

Complexities surrounding organizations who operate additional entities



Large Employers

Businesses Who Exceed the Employee Count Limits:

- **Large Employer:** Only those wages paid to an employee for **not** providing services are qualified wages.



What's ERC Worth To You?

QUALIFIED WAGES:

	2020	2021
Credit Amount	50% of qualified wages/employee per year	70% of qualified wages/employee per quarter
Max qualified wages	\$10,000	\$10,000
Max annual credit per employee	\$5,000	\$21,000 <small>**UNLESS RECOVERY STARTUP**</small>

PPP WAGES

Must be 'backed out', but does not disqualify you.

When you add the potential amount available from both years, that's up to \$26,000 per employee.

Are You Eligible?

1 **DECLINE IN GROSS RECEIPTS**
(50% in 2020 quarters & 20% in 2021 quarters)

OR

2 **GOVERNMENT MANDATE TEST**

*****Both rules need to be evaluated*****



DECLINE IN GROSS RECEIPTS

For those who experienced revenue
declines during the pandemic

RULE 1: Decline In Gross Receipts

QUARTERLY GROSS RECEIPTS IN 2019 COMPARED TO THE SAME QUARTERS OF 2020 & 2021

REQUIREMENTS FOR 2020:

- 50% decline in gross receipts

REQUIREMENTS FOR 2021:

- 20% decline in gross receipts

COMMON MISS:

- Alternate Quarter Rules

YEAR	Q1	RULE
2019	250,000	
2020	120,000	50% Decline in Revenue
2021	199,000	20% Decline in Revenue

GOVERNMENT MANDATE TEST

For those who experienced operational disruptions
during the pandemic



POLL QUESTIONS

RULE 2: Government Mandate Test

Government Mandate Test: *(Very Misunderstood)*

If your organization experienced operational disruptions as a result of governmental orders that you were required to follow which **limited commerce, travel, or group meetings** due to COVID 19 mandates

EXAMPLE OF PARTIAL SUSPENSION IN YOUR INDUSTRY:

- ✓ **Limited/Reduced Occupancy** requiring modifications to operations
- ✓ **Social Distancing** limiting the way your services are provided & hosted
- ✓ **Increased Sanitization Standards/Requirements** resulting in decreased efficiencies
- ✓ **Funraising Events** suspended & disrupted
- ✓ **Community Outreach Programs** shut down, suspended, or altered as a result of COVID 19

RULE 2: Government Mandate Test | Three Pillars

1

APPROPRIATE GOVERNING BODY

- City, County, State & Federal Governments
- CMS Directives (Circumstantially)
- OSHA (Circumstantially)
- CDC (Circumstantially)

EXAMPLES:

- Social Distancing
- Occupancy Restrictions
- Cleaning & Sanitization



**Keep Social
Distance**

RULE 2: Government Mandate Test | Three Pillars

2

DURING WHAT PERIOD OF TIME WAS THE GOVERNMENTAL ORDER IN AFFECT & REQUIRED VS RECOMMENDED

- You can only claim for a period in which an applicable governmental order was in effect & causing disruptions
- Language in orders must be authoritative (Recommended vs Required)
- Many providers are doing this incorrectly



RULE 2: Government Mandate Test | Three Pillars

3

GOVERNMENTAL ORDER CAUSES OPERATIONAL DISRUPTION

- As a result of these governmental orders, was there more than a nominal disruption to the way you provide your goods and services



GOVERNMENT MANDATE TEST SUMMARIZED SIMPLY

1. Were there governmental mandates imposed and were they required?
2. Over what period of time were they enforced?
3. Was the normal course of business more challenging as a result of complying with the directives?

Quick Recap

- ✓ **WHAT IS ERC**
- ✓ **WHO IT APPLIES TO**
- ✓ **WHAT'S IT WORTH**
- ✓ **RULES FOR ELIGIBILITY**



A Word From Your Peer



GLEN WAGNER

Finance Director

Tucson Non-Profit

- 40 years of Finance & Administration Management
- Operations & Finance Manager for a Tucson Non-Profit



ERC DONE RIGHT



STEP 1

Interview With A
Certified Tax
Professional



STEP 2

Mandate
Research
Completed



STEP 3

ERC
Calculations
Produced



STEP 4

Memorandum
Supporting
Your Claim
Assembled



STEP 5

Audit Support
Included

Step 1

BUSINESS ASSESSMENT INTERVIEW

“You & Team are joined by a tax professional for a **45 minute business assessment interview”**

WHAT IS COVERED:

- Where You Operate
- Services Provided
- Operational Changes & Challenges

Step 2

MANDATE RESEARCH AND DOCUMENTATION

MANDATE RESEARCH:

- ✓ **City Governments**
- ✓ **County Governments**
- ✓ **State Governments**
- ✓ **Federal Government**
- ✓ **CMS Directives (Circumstantially)**
- ✓ **OSHA (Circumstantially)**
- ✓ **CDC (Circumstantially)**

DOCUMENTATION:

Mandate Team researches, assembles, highlights, & organizes all relevant governmental orders in your file

Step 3

CALCULATIONS COMPLETED

2021 Q1 Example Calculations

*Note: This is an **example computation** and not a claim of any One Eagle Advisory Clients*

Name	Gross Wages	ERC Wages	PPP Wages	ERC Health	Total ERC
Amanda Farmer	\$ 264.00	\$ 226.54	\$ 37.46	\$ -	\$ 158.58
Amber Lynn	\$ 5,319.15	\$ 4,727.86	\$ 591.29	\$ -	\$ 3,309.51
Amy Miller	\$ 10,970.71	\$ 9,047.16	\$ 1,923.55	\$ -	\$ 6,333.01
Christina Lee	\$ 7,392.09	\$ 6,664.51	\$ 727.58	\$ -	\$ 4,665.16
Elizabeth Fletcher	\$ -	\$ -	\$ -	\$ 1,118.46	\$ 782.92
Erika Kimm	\$ 39,000.00	\$ 9,716.19	\$ 29,283.81	\$ -	\$ 6,801.33
Glen Brown	\$ 7,428.57	\$ 6,662.50	\$ 766.07	\$ -	\$ 4,663.75
Ivy Michaels	\$ 8,140.90	\$ 7,269.66	\$ 871.24	\$ -	\$ 5,088.76
Jasmin Gibson	\$ 3,041.55	\$ 2,609.93	\$ 431.62	\$ -	\$ 1,826.95
Jasmin Miller	\$ 13,877.27	\$ 9,062.41	\$ 4,814.86	\$ -	\$ 6,343.69
Jeanetta G Payne	\$ -	\$ -	\$ -	\$ 1,426.53	\$ 998.57
Jeffrey Linn	\$ 7,857.56	\$ 7,041.66	\$ 815.90	\$ -	\$ 4,929.16
Jessica Seller	\$ 6,500.00	\$ 5,747.89	\$ 752.11	\$ -	\$ 4,023.52
Jesus J Vera	\$ 4,988.41	\$ 4,488.37	\$ 500.04	\$ -	\$ 3,141.86
John Payne	\$ 11,110.08	\$ 9,012.66	\$ 2,097.42	\$ -	\$ 6,308.86
Juan Perez	\$ 12,777.32	\$ 9,109.30	\$ 3,668.02	\$ -	\$ 6,376.51
Justin Bradley	\$ 5,096.42	\$ 4,573.56	\$ 522.86	\$ -	\$ 3,201.49
Justin M Ledger	\$ -	\$ -	\$ -	\$ 2,403.72	\$ 1,682.60
Justin Marcus	\$ 8,763.77	\$ 7,826.63	\$ 937.14	\$ -	\$ 5,478.64
KaSandra Ramirez	\$ 6,525.23	\$ 5,808.93	\$ 716.30	\$ -	\$ 4,066.25
Kate Peterson	\$ 39,000.00	\$ 9,716.19	\$ 29,283.81	\$ -	\$ 6,801.33
Kenneth Wilt	\$ 7,938.76	\$ 7,220.26	\$ 718.50	\$ -	\$ 5,054.19
Kimberly Carter	\$ 9,021.73	\$ 8,018.85	\$ 1,002.88	\$ -	\$ 5,613.19
Kira Carroll	\$ 3,770.43	\$ 3,477.85	\$ 292.58	\$ -	\$ 2,434.50
Larry Brown	\$ 4,871.37	\$ 4,375.92	\$ 495.45	\$ -	\$ 3,063.14
Louis McDonald	\$ 6,340.35	\$ 5,748.48	\$ 591.87	\$ -	\$ 4,023.94
Lynn Miller	\$ 17,000.00	\$ 9,290.46	\$ 7,709.54	\$ -	\$ 6,503.32
Mark F Davis	\$ 10,912.66	\$ 8,921.85	\$ 1,990.81	\$ -	\$ 6,245.30
Mark Lee	\$ 6,196.21	\$ 5,567.51	\$ 628.70	\$ -	\$ 3,897.25
Mark Lynn	\$ 8,781.00	\$ 7,897.71	\$ 883.29	\$ -	\$ 5,528.39
Mark Santos	\$ 7,062.44	\$ 6,368.71	\$ 693.73	\$ -	\$ 4,458.09
Matthew Graham	\$ 6,628.32	\$ 5,980.40	\$ 647.92	\$ -	\$ 4,186.28
Michael Fisher	\$ 7,346.95	\$ 6,476.04	\$ 870.91	\$ -	\$ 4,533.23
Michael Todd	\$ 7,115.10	\$ 6,326.24	\$ 788.86	\$ -	\$ 4,428.37
Michelle Thomas	\$ 3,726.53	\$ 3,394.32	\$ 332.21	\$ -	\$ 2,376.03
Olivia Bradley	\$ 5,777.20	\$ 5,204.53	\$ 572.67	\$ -	\$ 3,643.17
Patrick Davis	\$ 5,380.75	\$ 4,885.88	\$ 494.87	\$ -	\$ 3,420.12
Rachel Cambell	\$ 18,800.00	\$ 9,375.61	\$ 9,424.39	\$ -	\$ 6,562.93
Roel Ruiz	\$ 10,023.55	\$ 8,957.88	\$ 1,065.67	\$ -	\$ 6,270.52
Samuel Rose	\$ 6,980.00	\$ 6,296.01	\$ 683.99	\$ -	\$ 4,407.20
Shannon Donaldson	\$ 5,984.43	\$ 5,366.73	\$ 617.70	\$ -	\$ 3,756.71
Stacey Allen	\$ 12,500.00	\$ 9,148.56	\$ 3,351.44	\$ -	\$ 6,403.99
Tom Hernandez	\$ 1,102.05	\$ 1,102.05	\$ -	\$ -	\$ 771.44
Victoria Ryder	\$ 9,036.19	\$ 8,098.55	\$ 937.64	\$ -	\$ 5,668.99
Total:	\$ 380,349.05	\$ 266,812.35	\$ 113,536.70	\$ 4,948.71	\$ 190,232.74

Step 4

MEMO PRODUCED & CLAIM FILED

SO, WHAT'S A MEMO?

A memo is a 200+ page report & the final work-product. This is packaged together in one report for you to keep!

FILING YOUR CLAIM

Your 941-X's are mailed to the IRS, and your refund is tracked by us. It takes 4-6 months on average to receive your funds.

WHAT'S INSIDE A MEMO?

- The Facts and Circumstances specific to your business during COVID times.
- The Laws/guidance relevant to ERC.
- Conclusions based on the findings.
- A breakdown of ERC per employee.
- Every governmental order used to establish a window of governmental restriction

Client Outcomes

Michigan Non-Profit Healthcare

Number of Employees:

25

Total credits earned:

\$440,625

- Staff bonuses
- Facility upgrades

Vermont Non-Profit Organic Farming

Number of Employees:

30

Total credits earned:

\$456,340

- Investment In Growth
- Equipment purchases

Texas Non-Profit Wildlife Rescue

Number of Employees:

45

Total credits earned:

\$510,780

- Put into treasury

For more information



Go to **start.oneeagle.com** then **fill out the form**

*Alternatively, if you have any more questions, don't hesitate to book your **15-minute free consultation with one of our specialists.** OR **CALL/TEXT: (971) 231 2400***

ONE EAGLE ADVISORY 3C's:

1

CALL

No obligation 15-minute phone call to determine qualification.

2

COMPILE

Designated team of ERC experts will prepare all of required documents.

3

CLAIM

File credit and receive check in 4-6 months.

