



Inspector General

California Department of Transportation

Paycheck Protection Program (PPP) Loan Questionnaire

Name of Firm: _____

Contact for Accounting Questions:

Name: _____

Title: _____

Phone Number: _____

Email: _____

Background

The Federal Highway Administration (FHWA) issued [Memorandum HCFB-30](#) dated March 24, 2021, which stated that when PPP loan proceeds are applied to a firm's cost (direct or indirect) within the scope of a federally funded contract and the PPP loan is forgiven, appropriate adjustments to consultant accounting records become necessary to comply with 48 Code of Federal Regulations (CFR) Part 31.

Caltrans issued Guidance for PPP loan forgiveness dated April 15, 2022. [Caltrans PPP Loan Forgiveness Guidance](#). The Guidance stated, in part, an adjustment (to the indirect cost rate) will provide an equitable allocation of the credit across different contracts and customer types for architectural and engineering (A&E) services under Federal-aid or Federal lands highway program funded (federally funded) contracts. All firms will be required to complete and submit a PPP Certification Form.

Locally administered contracts with federally funded funds must adhere to FHWA's requirements. Each local contract federally funded must have each consultant complete this questionnaire unless the firm is requesting the Safe Harbor Rate. The Independent Office of Audits and Investigation will use the completed questionnaire to determine compliance with the applicable requirements.

Questions

1. Did your firm receive a PPP Loan? Yes No

If **no**, skip to the bottom of the questionnaire to sign and date the form. If you did receive PPP Loan(s) continue.

Total Amount Received:

First Round: _____ Date Received: _____ Covered Period: From: _____ To: _____

Second Round: _____ Date Received: _____ Covered Period: From: _____ To: _____

2. Have any of the funds received been forgiven?

a. If yes:

Amount Forgiven: _____ Date Forgiven: _____

Continue to Question 3.

b. If no, does the firm plan to request forgiveness in the future?

Anticipated Date of Request: _____

Skip to the bottom of the questionnaire to sign and date the form.

3. Did the firm account for the loan forgiven funds in its annual audit of the indirect cost rate? If yes, was the FAR related direct labor cost reallocated to the indirect cost schedule as a credit? If yes, skip to the bottom of the questionnaire to sign and date the form and submit the audited indirect cost rate. If no to either, continue to Question 4.

4. What were the loan forgiveness proceeds used for during the covered period(s)?

Indirect Labor Costs - Allowable: _____
Indirect Labor Costs - Unallowable: _____
Direct Labor (federally funded contracts): _____
Direct Labor (non-federally funded contracts): _____
Business Mortgage Interest Payments: _____
Business Rent or Lease Payments: _____
Utility Payments: _____
Other Expenses: _____
Total: _____

Instructions: The total amount should equal the loan forgiveness amount. When classifying labor costs, you should consider the following guidance.

Forgiven PPP loan funds spent on direct labor or other direct costs for commercial or government clients that were not reimbursed through contracts subject to 48 CFR Part 31 or spent on otherwise unallowable indirect costs may be excluded from the credit to the indirect cost pool.

FHWA's Memorandum dated March 24, 2021, states if adjustments to an A&E consultant's indirect cost rate have no bearing on the award of the contract type (e.g., firm fixed price or lump sum contracts), adjustment to that contract would not be required.

5. Was the federally funded related direct labor cost reallocated to the indirect cost schedule as a credit?

Yes No

If no, please explain why?

I certify that to the best of my knowledge and belief this questionnaire is a complete and accurate representation of the above-named organization's treatment of PPP loans.

Name (Print): _____ Title: _____

Signature: _____ Date: _____