

# ORANGE COUNTY, NY



## Office of Community Development Duplication of Benefit Policies and Procedures

*November 2020*

## Table of Contents

Purpose .....	3
Applicability.....	3
Policy Statement .....	3
Ensuring Compliance.....	3
Proposal Review.....	4
Executing an Award .....	4
Ongoing Compliance .....	4
Administration .....	5
Amendments.....	5
Appendix A: DOB Calculation Worksheet .....	6

## **Purpose**

The purpose of the Policy on Duplication of Benefits (DOB) is to ensure that Orange County is not providing federal funds to pay for particular costs where there is another source of federal financial assistance that has paid for that same cost. Further, this document will identify specific processes that will assist in preventing the DOB.

## **Applicability**

This policy pertains specifically to the funds provided by the Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Public Law 116-136) Act signed into law on March 27, 2020 and all of the County's processes related to the acceptance, prioritization and spending of these funds.

*"The CARES Act requires HUD to ensure that there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Stafford Act, as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 42 U.S.C. 5121 et seq.)."*

This policy also pertains specifically to Community Development Block Grant Disaster Recovery (CDBG-DR) grants, which are one of multiple Federal sources which assist disaster recovery. These sources of Federal assistance often can be used for the same purposes by grantees and disaster survivors.

*"For this reason, the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121-5207) (Stafford Act) and CDBG-DR appropriations acts require HUD and its grantees to coordinate with other Federal agencies that provide disaster assistance to prevent the duplication of benefits (DOB). The Stafford Act's prohibition on DOB aims to ensure that federal assistance serves only to "supplement insurance and other forms of disaster assistance." (42 U.S.C. 5170)."*

## **Policy Statement**

It shall be the policy of Orange County to take affirmative steps to ensure that a duplication of benefit does not occur in the administration of its CDBG-DR, CDBG-CV and ESG-CV funding. Subrecipients and partners responsible for implementing projects and activities funded under Orange County's CDBG-DR, CDBG-CV and ESG-CV grants shall be required to adhere to the policy and procedures outlined in this document and must ensure that DOB prevention is specifically addressed in their policies and procedures.

A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.

## **Ensuring Compliance**

This section outlines Orange County's procedures for ensuring no DOB occurs. The Office of Community Development (OCD) will be responsible for ensuring compliance by subcontractors, subrecipients and other partners. In addition to the procedures below, all grant agreements must contain language indicating that any duplication of benefit received post-award will require repayment.

## Proposal Review

All proposals/applications that are being considered for funds provided by the CARES Act and or CDBG-DR Funds shall be assessed by how they address a community need and to what extent the prevent, prepare for and/or respond to the coronavirus. Additionally, proposals shall be evaluated alongside other available resources to meet the same need.

No proposals that duplicate a benefit at the time of funding will be recommended for approval. An analysis of funding available and current unmet need will be conducted prior to finalizing agreements. OCD staff will consult with community members, professional partners, and other agencies when reviewing proposals to ensure there are not alternative funding sources available.

Prior to award, the OCD shall identify total need and determine whether all costs are reasonable and necessary. The OCD shall require applicants to identify all sources of funding received and reasonably anticipated and provide supporting documentation of such sources (for example, bank statements showing the receipt and expenditure of Payroll Protection Program funds). The OCD shall require the applicant (individual or entity) to certify that all assistance is reported. Whenever possible, the OCD shall attempt to obtain third party verification for all sources of assistance.

To assist in determining the unmet need, all expenses for which the applicant requests reimbursement shall be entered into a DOB Worksheet (sample included in Appendix A). All payments received or anticipated for the expenses shall also be entered. The difference between the total expenses and total payments received or anticipated shall be the maximum amount of CDBG-DR, CDBG-CV or ESG-CV assistance.

## Executing an Award

If the OCD or its subrecipients determine that the CDBG-DR, CDBG-CV or ESG-CV will not be a duplication of benefit, the OCD or its subrecipients will execute grant/loan agreement with recipient/beneficiary. The agreement for assistance must contain the following provisions:

- Any additional funds received will be reported to the program administrator within 15 calendar days of receipt. If the additional funds are determined to be duplicative, the award will be reduced and/or the recipient/beneficiary will be required to repay any disbursed duplicative benefit.
- If it is found that a duplication of benefits occurs after the award of funds (CDBG-DR, CDBG-CV or ESG-CV funds were used to pay expenses covered by other federal coronavirus relief programs and the total paid exceeds the demonstrated and documented need), the applicant/beneficiary must repay the CDBG-DR, CDBG-CV or ESG-CV funds.

## Ongoing Compliance

During subrecipient monitoring, the OCD shall require all subrecipients to report and certify whether additional funds were received for disaster related or COVID-19/coronavirus-related expenses, the amount, and when funds were received. If additional funds were received that are determined to be duplicative, repayment shall be required in accordance with the subrecipient agreement. With each drawdown, subrecipients shall submit an updated copy of the DOB Calculation Worksheet (Appendix A) to ensure continued prevention of DOB.

## Recapture

It is the policy of OCD to recapture any funds that are determined to be a duplication of benefits with other federal assistance.

## Administration

Orange County Office of Community Development is responsible for ensuring that duplication policies and procedures are available for all CDBG-DR, CDBG-CV and ESG-CV funded programs and all subrecipients are monitored for compliance with this policy.

Subrecipients shall be required to update their policies and procedures to ensure that DOB prevention is specifically addressed. Subrecipients directly serving beneficiaries are responsible for ensuring that DOB procedures are followed and DOB calculations and certifications are available on file for all beneficiaries. All subgrantees and subrecipients must include language in all agreements with program beneficiaries that requires the repayment of funds determined to be duplication of benefit.

## Amendments

Orange County may revise this policy as needed or as determined by HUD and will distribute revisions to subrecipients as necessary.

