
NEBRASKA DEPARTMENT OF ECONOMIC DEVELOPMENT

Community Development Block Grant – Coronavirus (CDBG-CV)

Duplication of Benefits (DOB)
Subrecipient Technical Assistance (TA)
Webinar

CDBG-CV Program

June 29, 2022

NEBRASKA
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TA Webinar Objectives

- **Describe** Duplication of Benefits (DOB) process
- **Provide** details on the DOB certification and review processes and the subrecipient P&P template
- **Elicit** feedback, questions, and discussion from participants

AGENDA

Introduction

Important Terms

Duplication of Benefits Overview

How to Determine and Prevent a DOB

Conducting a DOB Check

Calculating DOB

DOB Verification Procedures by Program

Subrecipient DOB Template

Questions

Introductions

CDBG-CV Lead:	Steve Charleston <i>CDBG/CDBG-CV Program Manager</i>
Nebraska Department of Economic Development (DED) CDBG-CV Staff:	Tom Stephens <i>CV Economic Development Program</i>
Steve Charleston <i>CDBG Program Manager</i>	Laura Hart <i>CV Emergency Payments Program</i>
Rebecca Schademann <i>Consolidated Plan Coordinator</i>	Andrew Moffitt <i>CV Emergent Threat Program</i>

CARES Act and the CDBG-CV Program

- **CARES Act:**

- The Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) provided direct economic assistance for American workers, families, small businesses, and industries.

- **CDBG-CV:**

- Nebraska was awarded \$14,130,912 by HUD in CDBG-CV funds to prevent, prepare for, and respond to COVID-19.
- DED is administering CDBG-CV funds and has updated the State's Annual Action Plan to detail CDBG-CV activities and allocations.

- DED has established **three CDBG-CV programs** for which beneficiaries sought CDBG-CV assistance:

- Economic Development
- Coronavirus Related Emergency Payments
- Emergent Threat

Terms to Know

Duplication of Benefits Glossary

See *CDBG-CV Duplication of Benefits Policies & Procedures (P&P)* for additional terms

Term	Description
Duplication of Benefits (DOB)	Occurs when a beneficiary receives assistance from multiple sources and the total assistance amount exceeds the need for a particular recovery purpose.
DOB Funds	Money received for the same purpose that has already been reimbursed or paid for by another source.
DOB Review	The process of analyzing all recovery assistance received by a beneficiary to ensure that recipients and subrecipients do not provide funds that duplicate other assistance.
Subrogation	The process by which duplicative assistance paid to the beneficiary after receiving an award are remitted to the Program to rectify a DOB.

Terms to Know

Duplication of Benefits Glossary

See *CDBG-CV Duplication of Benefits Policies & Procedures (P&P)* for additional terms

Term	Description
Total Assistance	Includes resources received such as cash awards, insurance, proceeds, grants, and loans received by or available to each entity, including awards under local, state, or federal programs, and from private or nonprofit charity organizations.
Total Need	Includes all needs and parameters of necessary activities current to the CDBG-CV Economic Development and Emergent Threat Program subrecipient and Coronavirus Related Emergency Payments Program household and is determined without regard to program-specific grants.
Unmet Need	When total need for eligible activities is more than total assistance for the same purpose, the difference between these amounts is an unmet need.

Statutory Requirement

- The Stafford Act includes a provision addressing DOB that applies to all Federal agencies administering financial assistance for emergency response and long-term recovery. CDBG-CV awards are subject to these requirements.
- The CARES Act states:
 - *“The Secretary shall ensure there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155)”*.¹

¹ <https://www.congress.gov/116/plaws/publ136/PLAW-116publ136.pdf>

State CDBG-CV DOB

	What is DOB?	Grantee Requirements	Recommendations
<ul style="list-style-type: none"> • State CDBG-CV funds • State CDBG funds used to Respond to Coronavirus 	<p>Duplication of Benefits occurs when assistance is provided to a person/ entity to address losses and that person/ entity receives assistance for the same costs/ losses from other funding sources</p>	<ul style="list-style-type: none"> • Develop and maintain adequate procedures to prevent a duplication of benefits that address (individually or collectively) each activity or program • Procedures must include: <ul style="list-style-type: none"> • Requirement that persons/ entities receiving CDBG-CV assistance must repay duplicative assistance • Method to assess whether CDBG-CV funds will duplicate financial assistance that is already received or likely to be received by acting reasonably to evaluate need and the resources available 	<ul style="list-style-type: none"> • Maintain documentation of other CARES Act assistance, including eligible activities and availability of assistance to determine risk of duplication • Use CDBG-CV assistance to address unmet needs or provide unduplicated assistance, with special attention to needs of low- and moderate-income persons

Source: CDBG CARES Act Webinar Series: State CDBG-CV Implementation, September 9, 2020, Slide 7
<https://files.hudexchange.info/course-content/cdbg-cares-act-webinar-series-state-cdbg-cv-implementation-webinar/CDBG-CARES-Act-Webinar-Series-State-CDBG-CV-Implementation-Webinar-Slides.pdf>

Determining and Preventing a DOB

Procedures for addressing potential DOB are incorporated into the design and administration of projects and programs. At a minimum, these procedures include required actions for:

- ✓ Verifying all sources of COVID-19 assistance
- ✓ Determining the amount of unmet need before determining award assistance
- ✓ Ensuring beneficiaries enter a signed agreement to repay the assistance if they later receive other disaster assistance for the same purpose
- ✓ Identifying a method to monitor compliance with the terms of the agreement for a reasonable period
- ✓ Identifying the personnel or entity responsible for carrying out the DOB review
- ✓ The completion and retention of documentation demonstrating the review process in compliance with CDBG-CV record keeping requirements

Conducting a DOB Check

- Look for a potential DOB from additional sources:
 - FEMA Disaster Relief Fund and Public Assistance;
 - U.S. Treasury Coronavirus Relief Fund;
 - American Rescue Plan;
 - Locally committed funding;
 - Insurance; and/or
 - Non-profit assistance.

Calculating DOB

- CDBG-CV Program assistance needs are calculated at a point in time and subsequent adjustments may occur.
- If DED and/or subrecipient later determines that beneficiaries of CDBG-CV funds have received additional assistance or did not disclose all assistance received, the award will be reduced or modified to account for the additional funds received.
- The final award amount is calculated by subtracting the duplicative assistance from the proposed activity.
- All CDBG-CV programs follow the same DOB calculation approach.

Duplication of Benefits Calculation Example:

Identify Total Need (need based on the type of program)	\$ 5,000
All potentially duplicative assistance (FEMA, non-profit grant)	\$ 100
Assistance determined to be a DOB (e.g., received rent assistance)	\$ 50
Maximum eligible award (1 less 3)	\$ 4,950
Program Cap (if applicable)	\$10,000
Lesser of Max. Eligible Award Amount or Program Cap = Total Award Amount	\$ 4,950

Economic Development and Emergent Threat Programs

- Implementation of the Economic Development and Emergent Threat Programs are at the subrecipient level, where DOB checks are first reviewed and verified by the subrecipient.
- The subrecipient must work with its beneficiaries by providing a self-certification indicating any funds they have received and for what activities.
- Both the subrecipient or beneficiary are responsible for completing a questionnaire listing potentially duplicative assistance that they have already received or anticipate receiving, which is then submitted to DED for review.
- DED provides sample DOB forms for subrecipients to use to identify all available and duplicative assistance.

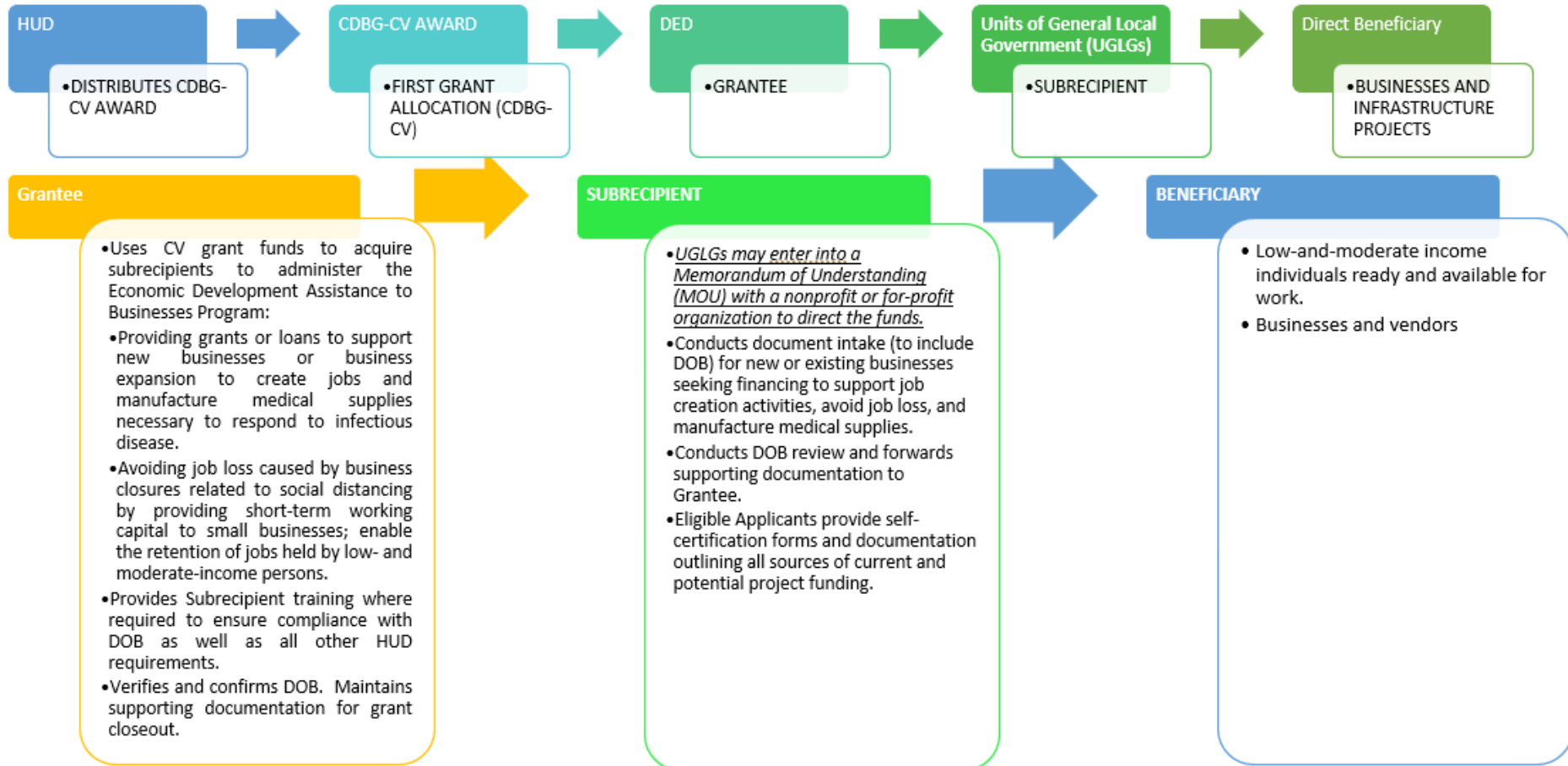


Program-specific DOB Verification Procedures

ECONOMIC DEVELOPMENT

Emergent Threat Program

CDBG-CV Economic Development Program Duplication of Benefits (DOB) Process Flow



Economic Development: DOB Verification Procedures

- DOB source documentation is added to the program or project file and retained in accordance with the CDBG-CV record retention requirements.
- The Economic Development Program is required to verify DOB for all payments to support new businesses, business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease, and to avoid short-term job loss related to enable job retention of LMI persons.

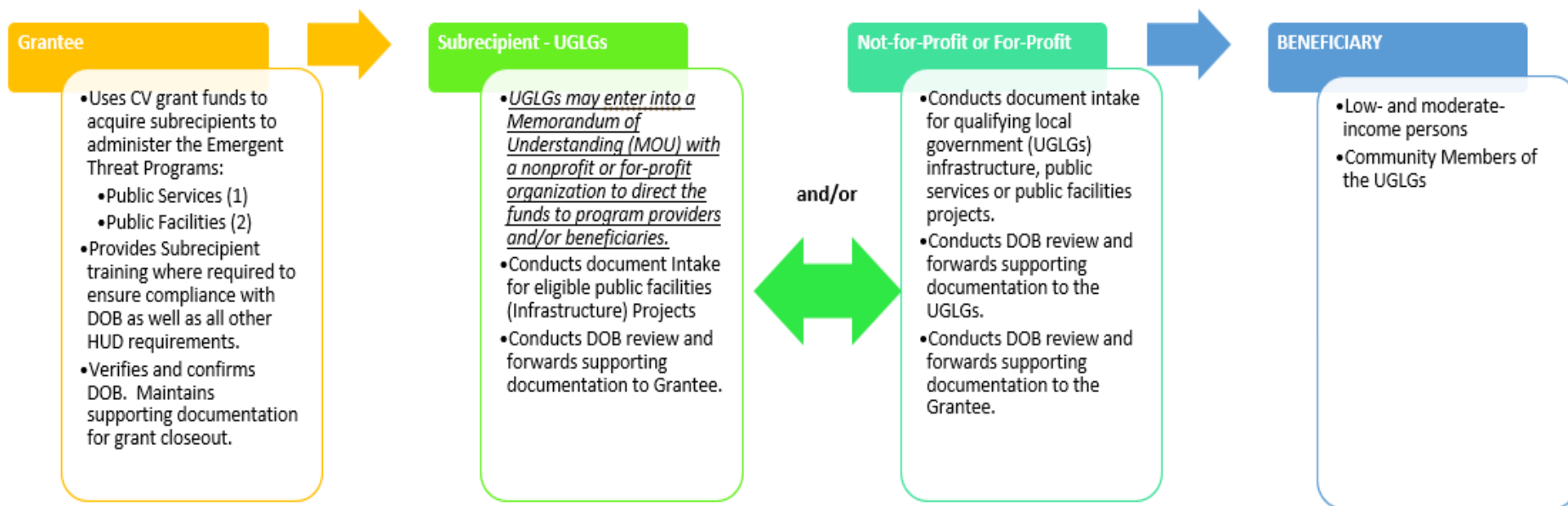
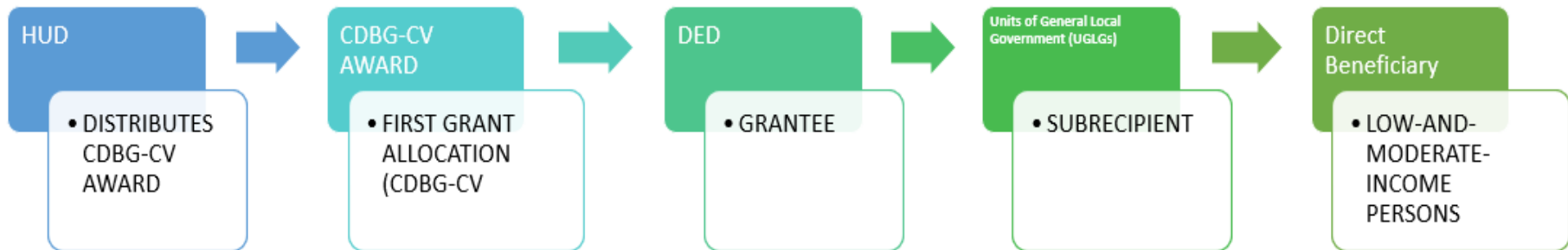


Program-specific DOB Verification Procedures

Economic Development

EMERGENT THREAT PROGRAM

CDBG-CV Emergent Threat (1 & 2) Program Duplication of Benefits (DOB) Process Flow



Emergent Threat Program: DOB Verification Procedures

- The CDBG-CV Emergent Threat Program is required to verify DOB for all payments for public facilities and public services projects that prevent, prepare for, and respond to COVID-19.
- Subrecipients of DED are responsible for verifying all potential beneficiary DOB and DED will then confirm the verification.
- Beneficiaries are responsible for submitting and notifying Subrecipients of any dollars they may have received for the same scope of work throughout the life cycle of the CDBG-CV grant.

DOB Required Forms

- Program subrecipients and/or beneficiaries under the Economic Development and Emergent Threat programs must complete the below forms and submit to DED:
 - CDBG-CV Duplication of Benefits Affidavit
 - CDBG-CV Duplication of Benefits Certification
 - CDBG-CV Subrogation Agreement

Recapturing Duplicative Assistance

- If a duplication is discovered after CDBG-CV Program assistance has been provided, funds will be recaptured to the extent that they are in excess of need and duplicate other assistance received for the same purpose.
- In advance of the recapture, DED will perform a reconciliation of the files for all recipients, subrecipients and/or beneficiaries who have been identified as having been overpaid.
- DED will document the amount and basis for repayment in a written letter to the subrecipient or beneficiary (as applicable), as well as procedures for repaying the funds.
- If a subrecipient or beneficiary disagrees with the amount owed or the basis for repayment, a written appeal of the repayment determination can be submitted.

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Questions?



Subrecipient DOB P&P Template

Subrecipient DOB Policies & Procedures

- Subrecipients completed initial DOB forms as a part of completing Special Conditions for Subrecipient Agreements with DED.
- DED requires subrecipients to develop and maintain adequate written policies and procedures to prevent a DOB.
- These policies and procedures are not adequate unless they include, at a minimum:
 - (1) a requirement that any person or entity receiving CDBG-CV funds (including subrecipients and direct beneficiaries) must agree to repay assistance that is determined to be duplicative; and
 - (2) a method of assessing and documenting whether the use of CDBG-CV funds will duplicate financial assistance that is already received or is likely to be received by acting reasonably to evaluate need and the resources available to meet that need.

Subrecipient DOB Policy & Procedure Template

- Entities may utilize their existing DOB P&Ps (if available) or utilize the template provided by DED to create a P&P guide for the entity.
- The template provided by DED contains instructions in **RED** to assist in the development of your entity's P&P.
 - Remove any red text prior to submission.
- The template includes substantive background information and best practices. You may keep, remove, or add additional details on your entity's processes to the existing information provided, however, you must include at a minimum the requirements set forth in the Subrecipient Agreement.

Subrecipient DOB P&P Submission and Review

- Please submit the P&P to DED at DED.CBGCV@Nebraska.gov no later than 45 days from the date of DED's outreach email.
- The document should clearly reference your entity's name (e.g., place on your entity's stationary).
- If your entity is implementing projects under both programs, please submit one document covering the process for both programs.
- DED will review to ensure the P&P meets the requirements set forth in the Subrecipient Agreement and may reach out with questions or requests for more information.

CDBG-CV Resources

- **DED DOB Policies & Procedures**

- <https://opportunity.nebraska.gov/programs/community/cdbg-cv/>

- **CDBG-CV Federal Register Notice published on 8/7/20**

- [Federal Register Notice](#)

- **CDBG-CV Resources**

- https://www.hud.gov/program_offices/comm_planning/cdbg_programs_covid-19
- <https://www.hudexchange.info/programs/cdbg-cv/>

- **CDBG-CV Ask a Question**

- <https://www.hudexchange.info/program-support/my-question/>

- **Other Link(s)**

- Environmental Guidance

- <https://www.hudexchange.info/programs/environmental-review/>



Questions?



Contact Information

CDBG-CV Assistance

DED.CDBGCV@nebraska.gov

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