



CDBG-CV DUPLICATION OF BENEFITS GUIDELINES

The Florida Department of Economic Opportunity (DEO) is in receipt of Community Development Block Grant Coronavirus (CDBG-CV) funds from the Department of Housing and Urban Development (HUD). DEO will use these funds to carry out activities to address projects that are designed to prepare for, prevent, and respond to the COVID-19 pandemic. These activities include projects and programs that provide public services and economic development resources to nonprofits, municipalities, and businesses impacted by the pandemic.

The Robert T. Stafford Disaster Relief and Emergency assistance Act (Stafford Act) requires recipients of federal emergency funding make certain that no “person, business concern or other entity” will receive duplicative assistance¹. In cases of direct assistance to persons or businesses, eligibility for federal funding varies widely based on the individual circumstances of each person/entity. State Grantees and recipients cannot comply with the Stafford Act without first completing a duplication of benefits (DOB) analysis specific to each applicant.

A DOB occurs when:

- A beneficiary receives assistance, and
- The assistance is from multiple sources, and
- The assistance amount exceeds the need for a determined CDBG-CV related expense.

CDBG-CV assistance is intended to supplement—not supplant—other public, private and nonprofit sector resources that have already been provided for the same need or loss and are legally required to constitute a duplicative source of financial assistance.

For example: A Food Pantry is requesting assistance to meet the new demand for services due to the COVID-19 pandemic. They have needed to increase staff time, hire temporary employees, procure personal protective equipment, sanitation supplies, and account for increased costs based on increased food needs. Grantees should assure the project provides assistance to the entity only to the extent that the entity has a CDBG-CV related need that has not been fully met by funds that have already been paid, or will be paid, from another source.

The purpose of this document is to outline how DEO assures that all applications for assistance from the programs it funds—as well as all projects implemented by CDBG-CV grantees, contractors, and sub-recipients—will be reviewed for possible duplication of benefits. The procedures described below are applicable to all CDBG-CV grantees and sub-recipients and must be incorporated in the design and administration of projects undertaken by them. This document details DEO’s general Duplication of

¹ Stafford Act, Title III, Sec. 312, (a)

Benefits policy. Individual programs may be subject to program-specific policies implementing additional Duplication of Benefits requirements or processes, subject to this overarching policy.

The first step of the DOB determination (calculation) is to determine the amount of assistance needed and the amount of funds previously received—or to be received—for a particular CDBG-CV related activity. This is accomplished by first determining the need prior to the receipt or potential receipt of other funds. Other sources of funds can include but are not limited to: private insurance; the Federal Emergency Management Agency (FEMA) Disaster Relief Fund; the Small Business Administration (SBA) Payment Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) loans; the US Treasury Department Emergency Rental Assistance program; local and state funds like the Florida Housing Coronavirus Relief Fund, or the [Florida Affordable Housing Coronavirus Relief Initiative](#); the [State Housing Initiatives Partnership Program \(SHIP\)](#); other federal programs; and private and nonprofit organizations. HUD has developed a [CARES Act Programs spreadsheet](#) to assist Grantees in DOB analysis. Next, all other sources of CDBG-CV assistance received, or available to be received, must be disclosed during the application process and must be verified when reasonably possible. Whether the assistance constitutes a duplicative source can be affected by the use for which it was provided and specific exemptions that may be provided by law, regulation, or waiver, such as provided in the Disaster Recovery Reform Act, Public Law 115-254, which impacts SBA loans for certain presidentially declared disasters.

The next step is to identify assistance that is not available for the activity. This consists of: funds received that are not for the same expense as the CDBG-CV activity(s); funds not available to the applicant; funds from unsubsidized private loans (forgivable loans are duplicative); and any other asset or line of credit available to the applicant, such as checking and savings accounts, stocks, etc. These funds are not considered to be duplicative and may be excluded and not deducted as a duplication of benefit. Finally, after subtracting from the proposed activity cost the duplicate funds received or available to receive, the maximum CDBG-CV award is calculated.

Once the maximum CDBG-CV award has been determined, applicants will be required to sign a duplication of benefit certification—included in the grant/sub-recipient agreement—requiring them to return to DEO any assistance received for the same expense as the CDBG-CV funds. Subgrantees and sub-recipients must monitor compliance with the subrogation agreement for one year following the completion of the activity for which funds were awarded. DEO will monitor subgrantee compliance with DOB requirements as part of the grant closeout process and provide technical assistance to help rectify any instances of DOB miscalculation. Unless an additional need is established, CDBG-CV funds should be recaptured to the extent that they are in excess of the need and duplicate other assistance received by the beneficiary for the same expense.

The following is an example of the above-described process steps for DOB determination:

1. Identify the Applicant's Total Need Prior to Any Assistance.....\$100,000
2. Identify All Potential Duplicative Assistance..... \$35,000
3. Deduct Assistance Determined to be Duplicative.....\$30,000

4. Maximum Eligible Award (Item 1 less Item 3).....	\$70,000
5. Program Award Cap (if applicable).....	\$500,000
6. Final Award (lesser of Items 4 and 5).....	\$70,000

UNMET NEEDS

The federal regulation pertaining to this DEO policy and procedure for identifying Duplication of Benefits is found in [FR-6218-N-01, August 20, 2020](#) as required by Section 312 of the Stafford Act, as amended by [section 1210 of the Disaster Recovery Reform Act of 2018](#) (42 U.S.C. 5155).

DOCUMENTATION

Each project file must contain the following:

1. Duplication of Benefit calculation worksheet form to include:
 - a. Identification of unmet need;
 - b. Identification of all sources of assistance provided to applicant;
 - c. Identification of those sources that are duplicative (with comments as needed); and
 - d. Final award calculation.
2. Any required 3rd party verifications of assistance and/or certifications as follows:
 - a. FEMA programs: letter/s from FEMA and/or data provided by FEMA;
 - b. Insurance: letter from insurance company and/or data if available;
 - c. SBA: letter/s from SBA and/or data provided by SBA; or
 - d. Other program documentation.
3. Certification that no additional benefits have been received. This can be a signed affidavit from the beneficiary or other form as created by the program.

Additionally, at the program level each implementing agency must have the following:

4. A description/definition of Duplication of Benefit and likely sources within their program guidelines or in their application, and
5. Recapture policies and procedures.

MONITORING FOR DUPLICATION OF BENEFIT

The process for identifying and then monitoring for DOB begins with the review of each grant application—whether it is for a specific project or an individual beneficiary of CDBG-CV funds. An applicant must provide detailed information about other sources of funds that were received—or that may be received—related to the activity for which CDBG-CV funds are being requested. DEO program management staff review and verify the other funds to determine if they are for the same activity and exceed the need for assistance. Once CDBG-CV funds are awarded (minus any determined to be a DOB), applicants are required to notify DEO of the receipt of any additional funds received for the same activity. Program staff review individual pay requests and project amendments to determine if other funds have been received that represent a DOB. If additional funds are determined to be a DOB, funds will be withheld from future pay requests, and the approved project budget will be amended. If all funds have

been expended and a DOB is identified, the applicant will be required to repay the funds to DEO for return to the U.S. Treasury.

DUPLICATION OF BENEFIT EXAMPLES

Rental Assistance

A family that has suffered job loss due to the economic impact of the coronavirus seeks rental assistance under a CDBG-CV Emergency Payment program for 3 months of arrears payments and 2 months of current/ future rent.

Step 1: Assess Need

Monthly Rent = \$1,000 Potential Total Need: $\$1,000 * 5 \text{ months} = \$5,000$

Step 2: Determine Assistance

In the application, the applicant was asked to report if they are receiving or expecting to receive any additional or similar assistance. The applicant reported that a local faith-based organization provided \$250/ month for the past three months, but that aid is no longer available. The family certified that it has not applied for assistance from any other source.

Step 3: Calculate Unmet Need

Total Need = \$5,000

Other Assistance = \$750 (\$250/ month for three months)

Actual Unmet Need (Maximum Award) = \$4,250 ($\$5,000 - \750)

Step 4: Document the Analysis

Maintain documentation of calculation and justification to confirm amount of unmet need.

Small Business Assistance

A small business requests a grant for working capital funds to retain employees that would otherwise be laid off due to the economic impact of the coronavirus. The small business requests three months of assistance.

Step 1: Assess Need

Capital funds needed via underwriting = \$10,000

Potential Total Need: $\$10,000 * 3 \text{ months} = \$30,000$

Step 2: Determine Assistance

In the application, the applicant was asked to report if it was receiving any additional or similar assistance or had made any claims on existing business insurance. The business reported that it previously received a PPP forgivable loan under the CARES Act to cover payroll, but that the assistance has run out. The business certified that it made a claim on its business interruption insurance but was declined because the insurer said the economic impacts of the coronavirus are outside the scope of the policy.

Step 3: Calculate Unmet Need

Total Need = \$30,000

Other Assistance = \$0

Actual Unmet Need (Maximum Award) = \$30,000

Step 4: Document the Analysis

Maintain documentation of calculation and justification to confirm amount of unmet need

**SAMPLE
DUPLICATION OF BENEFITS CERTIFICATION
BUSINESS ASSISTANCE**

The funding program to which you are applying (CDBG-CV) requires verification of additional financial assistance to comply with The Robert T. Stafford Disaster Relief and Emergency Assistance Act, (Stafford Act Section 312 42 U.S.C. 5121–5207) which prohibits federal agencies from providing assistance to any person, business concern, or other entity for “any part of such loss as to which he has received financial assistance under any other program or from insurance or any other source.”

Business Name: _____ Date: _____

Applicant Name: _____

I/We, _____, affirm the following:

I/We own the private for- profit business _____,

at its principal place of business _____,

and make this affidavit in connection with Community Development Block Grant – Coronavirus Funding (CDBG-CV) assistance by the State of Florida, Department of Economic Opportunity (DEO).

- 1) Due to the coronavirus pandemic that began in February, 2020, our business at the above address sustained \$_____ in damages or losses due to the direct effects of the coronavirus, public laws enacted to prevent the coronavirus, and efforts to mitigate the spread of coronavirus. These damages or losses have been verified by a third party (verification documents must be attached).
- 2) I/We have received the following recovery assistance funds as the result of the coronavirus pandemic. This is a listing of all funds related to the pandemic which I/we have received after January 2020.

Assistance	Amount	Use of Funds
Insurance	\$	
Emergency Rental Assistance (U.S. Treasury)	\$	
FEMA Disaster Relief Program	\$	
SBA Paycheck Protection Program	\$	
SBA Economic Injury Disaster Loan	\$	

SBA Express Bridge Loan		
SBA Debt Relief Program		
Coronavirus Relief Fund (U.S. Treasury)	\$	
Economic Impact Payment (U.S. Treasury)		
Supplemental EAA (EDA)		
Other (please name):	\$	
Other (please name):	\$	
Other (please name):	\$	
Total	\$	

/We have received no other assistance funds other than that set forth above.

By executing this Certification, Applicant(s) acknowledge and understand that Title 18 United States Code Section 1001: (1) makes it a violation of federal law for a person to knowingly and willfully (a) falsify, conceal, or cover up a material fact; (b) make any materially false, fictitious, or fraudulent statement or representation; OR (c) make or use any false writing or document knowing it contains a materially false, fictitious, or fraudulent statement or representation, to any branch of the United States Government; and (2) requires a fine, imprisonment for not more than five (5) years, or both, which may be ruled a felony, for any violation of such Section.

Applicant Signature

Date

Applicant Signature

Date

**SAMPLE
DUPLICATION OF BENEFITS CERTIFICATION
RENTAL ASSISTANCE**

I/We have received the following funds for Rental Assistance due to having been financially impacted by the COVID-19 outbreak. (If you have not received other assistance, enter "0", date and sign.)

Funding Source	How much was received?	What month was assistance received?	How much was expended?	What is the total of unexpended funds?
Insurance				
Coronavirus Relief Fund (U.S. Treasury)				
Economic Impact Payment (U.S. Treasury)				
Emergency Rental Assistance (U.S. Treasury)				
Florida Affordable Housing Coronavirus Relief Initiative (??)				
State Housing Initiatives Partnership Program (??)				
Private or Non-Profit Sources (Other Agency)				
Federal Aid				
Section 8 or Other:				
Total				
Duplication of Benefits Total (Column 2 – Column 5) \$ _____ :				
NOTES:				

By executing this certification, applicant(s) acknowledge and understand that Title 18 United States Code Section 1001: (1) makes it a violation of federal law for a person to knowingly and willfully (a) falsify, conceal, or cover up a material fact; (b) make any materially false, fictitious, or fraudulent statement or representation; OR (c) make or use any false writing or document knowing it contains a materially false, fictitious, or fraudulent statement or representation, to any branch of the United States Government; and (2) requires a fine, imprisonment for not more than five (5) years, or both, which may be ruled a felony, for any violation of such Section.

Applicant Signature

Date

Co-Applicant Signature

Date