ROCKINGHAM COUNTY

DUPLICATION OF BENEFITS POLICY

Purpose:

The purpose of the policy is to ensure no duplicate benefits are paid by federal, state, or local agencies on behalf of the citizens of Rockingham County. In accordance with the Stafford Act, disaster recovery funds may not be used for costs where other assistance was already provided for the same purpose if no unmet need remains. This policy shall help ensure CDBG-CV awards from the U.S. Department of Housing and Urban Development (HUD) are necessary and reasonable, monitored for compliance, and funds recaptured if duplication is discovered.

Background:

 A duplication of benefits (DOB) 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. Within the CDBG-CV program, all grantees are bound by Section 312 of the Stafford Act, as amended by the DRRA, and the OMB Cost Principles within 2 CFR § 200 that requires all costs to be “necessary and reasonable for the performance of the Federal award.”

To comply with DOB requirements, Rockingham County is required by the CARES Act to establish and follow procedures to ensure that DOB does not occur. Establishing a process to effectively identify and prevent duplication of benefits is critical for CDBG-CV grantees to effectively manage the multiple active funding streams related to coronavirus response and efficiently target CDBG-CV resources to meet unmet needs within the community.

Procedure:

Rockingham County Government will receive referrals from its partners: Rockingham County Department of Social Services, United Way, Help Incorporated – Center Against Violence, The YMCA, Aging Disability & Transit Services of Rockingham County, Salvation Army, Duke Energy, Piedmont Natural Gas and Rockingham County Department of Engineering & Public Utilities. The referral process includes the following:

* + Physical application intake form
	+ Review of application
	+ Obtaining income documentation
	+ Personal identification information
	+ Utility owed documentation
	+ Record keeping

Applications will be reviewed for completeness and to ensure benefits are not granted to same address by multiple persons and by multiple jurisdictions. This will be completed by documenting the name, address, Parcel Identification Number, phone number, and benefit granted on the agency’s shared drive for reviewers to consult and complete.

The application will then be reviewed for approval.

During the intake/application process, persons receiving financial assistance will be required to disclose all sources of disaster recovery assistance received. Reviewers will verify amount(s) received.

Each procedure will:

1. Identify the total need of assistance.
2. Identify the total of all available assistance.
3. Identify the assistance deemed unavailable for the activity (same purpose)

i. Provided for a different purpose

ii. Funds used for a different, eligible purpose

iii. Funds not available to the applicant, e.g., forced mortgage payoff, contractor fraud, etc.

iv. Private loan funds not secured by SBA, forgivable loans are duplicative

v. Any other asset or line of credit available to the applicant, e.g., checking or savings accounts, stocks, etc.

The reviewer will use the CDBG definition of low to moderate income to determine those who qualify. A low-income person is someone whose total annual income is 50% or less of the annual median income (AMI). In addition, a moderate-income person is someone whose total annual income is above 50% but less than 80% of the AMI. The computed number will be rounded to the nearest fifty dollars. The median household income for Rockingham County is $61,700. Income will be computed by using the last four check stubs for the household or the most recent tax return. A table will be computed for quick reference by the reviewers to calculate the income guideline criteria using the data from HUD Exchange website:

Number in Household Low Income 50% Moderate Income 80%

1 $20,850 $33,350

2 $23,800 $38,100

3 $26,800 $42,850

4 $29,750 $47,600

5 $32,150 $51,450

6 $34,550 $55,250

7 $36,900 $59,050

8 $39,300 $62,850

The reviewer will verify the telephone number of the applicant and the Parcel Identification Number for each address given. Proof of Rockingham County residency will also be assessed using the following guidelines:

• Valid North Carolina Driver’s License or state issued identification card.

• Current rental agreement or mortgage receipt/utility bill indicating address.

• Current document from employer.

• Current Voter Registration Card.

Once it has been determined an applicant is eligible the amount of eligibility is determined. The following steps will be completed.

1. Assess Need: Determine the amount of need (total cost)

2. Determine Assistance: Determine the amount of assistance that has or will be provided from all sources to pay for the cost.

3. Calculate Unmet Need: Determine the amount of assistance already provided compared to the need to determine the maximum CDBG-CV award (unmet need)

4. Document analysis: Document calculation and maintain adequate documentation justifying determination of maximum award.

Example:

**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 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.

Finally, a copy of the past due notice the applicant received from their landlord/mortgage company or utility company will be verified. Up to $1,000 per household will be granted directly to landlords/mortgage companies and/or utility companies for the intent to prevent evictions, foreclosures, and interruptions in services. The amounts granted will be determined using a prioritized list submitted by the applicant to the application.

Once the application has been reviewed it will be determined to be either approved or denied for benefits. Each applicant will be notified by phone of the outcome of their application. Landlords/mortgage companies and/or utility companies will be sent pledge notices daily to notify them the County’s intent to pay for such accounts during the weekly check run.

Repayment of Duplication:

Any applicant who is determined to receive duplication of benefits by false means will be required to repay the acquired funds. Such statement explaining the repayment process is a part of the application where a legal signature is required.

If the duplication of benefit amount is not repaid in full, the County will take any legal means available to recoup payment from the applicant. Legal action may include, but not be limited to, the use of the NC Debt Setoff program, garnishments or bank attachments.

Adopted this the day of April, 2021.

Chairman Clerk to the Board

Rockingham County Rockingham County

 (SEAL)