

COVID-19 Funders Briefing Series:
NJ VOAD Responds to the Coronavirus
Monday, March 30, 2020

Additional Questions for Keith Adams, Executive Director, NJ VOAD

On the March 30 Funder Briefing with Keith Adams of NJ VOAD, there were some additional questions that we did not have time to answer. We reached back out to Keith and he kindly provided us with the very comprehensive answers below:

Question 1: Is NJ VOAD planning on increasing the capacity of your staff for the COVID-19 response. If so, how can funders potentially help with that effort?

Keith Adams' Response:

We are currently staffed at 1.5 FTEs, which is below our optimum "blue sky, non-disaster" staffing of 2.5 FTEs. We are also supported by our accounting and audit firms on a contractual basis. So in short, we were struggling to maintain essential programs and services prior to Covid. Our funding normally comes from a mix of corporate and foundation gifts and grants, NJ State government reimbursable program grants, program fees, and individual donors. The state government funds are reimbursable grants (meaning we have to carry expenses for up to 90 days to get paid). The state has frozen all payments in response to the Covid crisis for the time being, and our program revenue is drying up, and we will soon experience cash flow issues as a result. So, we will need help just with operating expenses just to maintain what we are doing now. Our 2020 operating budget is about \$200,000 and we are facing a projected income deficit of about 1/3 of that due to the current crisis. We do have some limited credit/assets to draw upon, but not enough. We are pursuing a loan/grant from the CARE ACT/PPP program which will somewhat help with personnel costs.

Specifically in direct response to Covid, our workload now includes increased communications, coordination efforts, volunteer management, and donation management. I anticipate that we will need the equivalent of at least 3 FTEs on staff to handle this load. We anticipate additional expenses as we deploy additional enhancements to our web-based volunteer and donation management platforms, as well.

Priorities of my ask are for support to replace current income losses, then funding for the equivalent 1.5 FTE addition of staff and the associated equipment costs of setting them up to work virtually, and lastly some programmatic funding to meet anticipated needs that are or may arise as a result of the pandemic

Question 2: Would you please explain again how donations can deplete federal dollars?

Keith Adams' Response:

I have appended applicable sections of 44 CFR 206.191, which is the federal regulation addressing duplication of benefits and sequence of delivery for federal assistance to disaster survivors. As New Jersey has been only approved for IA (Individual Assistance) in the form of Disaster Mental Health services, this isn't really an issue at this time. However as this situation evolves and the state were to receive additional programs, say rental or utilities support, this would come into play. Looking at the sequence highlighted below, this would fall into either category II or IV. If a person received benefits from the voluntary sector, category V, their eligibility for the federal aid under category II or IV could be reduced in a like amount, or they may be subject to "clawback". Effectively, in this situation voluntary agency dollars displace federal dollars in this case.

This is normally pretty straight forward, but we had thousands of households affected by this situation in Sandy. Yes, it was more complicated as it involved rebuilding assistance and much higher dollar amounts than the current response to the pandemic. But, I stand by my advice to try to be the 'last dollar' in, which requires some level of patience on the part of funders.

A note about 'emergency' assistance, Cat I – these are actions confined to support of activities essential to the health and welfare of individuals affected; like food, water, medication, temporary shelter. Most of this is accomplished by the state Office of Emergency Management and voluntary partners involved in the state Mass Care Plan (which operate shelters and mass feeding centers). The majority of the work and dollars expended by non-profit/voluntary agencies, supported by donor dollars, will fall under Category V.

44 CFR § 206.191 - Duplication of benefits.

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§ 206.191 Duplication of benefits.

(a) Purpose. This section establishes the policies for implementing section 312 of the Stafford Act, entitled Duplication of Benefits. This section relates to assistance for individuals and families.

(b) Government policy.

(1) Federal agencies providing disaster assistance under the Act or under their own authorities triggered by the Act, shall cooperate to prevent and rectify duplication of benefits, according to the general policy guidance of the Federal Emergency Management Agency. The agencies shall establish appropriate agency policies and procedures to prevent duplication of benefits.

(2) Major disaster and emergency assistance provided to individuals and families under the Act, and comparable disaster assistance provided by States, local governments, and disaster assistance organizations, is not considered as income or a resource when determining eligibility for or benefit levels under federally funded income assistance or resource-tested programs. Examples of federally funded income assistance or resource-tested programs are the food stamp program and welfare assistance programs.

(c) FEMA policy. It is FEMA policy:

(1) To prevent duplication of benefits between its own programs and insurance benefits, and between its own programs and other disaster assistance. Assistance under the Act may be provided in instances where the applicant has not received other benefits to which he/she may be entitled by the time of application and if the applicant agrees to repay all duplicated assistance to the agency providing the Federal assistance;

(2) To examine a debt resulting from duplication to determine that the likelihood of collecting the debt and the best interests of the Federal Government justify taking the necessary recovery actions to remedy duplication which has occurred when other assistance has become available;

(3) To assure uniformity in preventing duplication of benefits, by consulting with other Federal agencies and by performing selected quality control reviews, that the other disaster relief agencies establish and follow policies and procedures to prevent and remedy duplication among their programs, other programs, and insurance benefits; and

(4) To coordinate the effort of agencies providing assistance so that each agency understands the prevention and remedial policies of the others and is able to fulfill its own responsibilities regarding duplication of benefits.

(d) Guidance to prevent duplication of benefits.

(1) Delivery sequence. FEMA provides the following policy and procedural guidance to ensure uniformity in preventing duplication of benefits.

(i) Duplication occurs when an agency has provided assistance which was the primary responsibility of another agency, and the agency with primary responsibility later provides assistance. A delivery sequence establishes the order in which disaster relief agencies and organizations provide assistance. The specific sequence, in accordance with the mandates of the assistance programs, is to be generally followed in the delivery of assistance.

(ii) When the delivery sequence has been disrupted, the disrupting agency is responsible for rectifying the duplication. The delivery sequence pertains to that period of time in the recovery phase when most of the traditional disaster assistance programs are available.

(2) The delivery sequence is, in order of delivery:

(i) Volunteer agencies' emergency assistance (except expendable items such as clothes, linens, and basic kitchenware); insurance (including flood insurance);

(ii) Housing assistance pursuant to section 408 of the Stafford Act.

(iii) Small Business Administration and Farmers Home Administration disaster loans;

(iv) Other Needs assistance, pursuant to section 408 of the Stafford Act or its predecessor program, the Individual and Family Grant Program.

(v) Volunteer agencies' "additional assistance" programs; and

(vi) The "Cora Brown Fund."

(3) Two significant points about the delivery sequence are that:

(i) Each assistance agency should, in turn, offer and be responsible for delivering assistance without regard to duplication with a program later in the sequence; and

(ii) The sequence itself determines what types of assistance can duplicate other assistance (i.e., a Federal program can duplicate insurance benefits, however, insurance benefits cannot duplicate the Federal assistance). An agency's position in the sequence determines the order in which it should provide assistance and what other resources it must consider before it does so.