

April 9, 2020

On behalf of everyone at the Massachusetts Office for Victim Assistance (MOVA), we hope that you and your loved ones are healthy and managing through this challenging time. We recognize programs are facing unexpected expenses and exploring creative ways to continue providing services. We are in this together and are available to answer questions.

There are a few updates from our March 26, 2020 communication. While the environment around us is uncertain and everchanging, we are committed to providing funded programs the clarity they may need during these unprecedented times. Additionally, we will be archiving all communications and other information on our webpage so you can find them for easy reference. Prior communications and resources can be found at https://www.mass.gov/service-details/for-currently-funded-agencies.

<u>VOCA Match Requirements</u>: If your program finds that meeting the match requirement will be challenging due to COVID-19 (i.e. lack of volunteers or hours that can be provided, lack of donations, etc.), please contact Kristin Potrikus (<u>Kristin.potrikus3@mass.gov</u>) and your grants manager as soon as possible with detailed reason. MOVA can assist your program by issuing a partial match waiver for the remainder of FY20. We recognize that this may not be something you consider immediately as you work to change the way services are delivered, but we ask that you communicate with us as soon as you notice that match is being impacted.

FFCRA and PPP Loan Program: Regarding the Families First Coronavirus Response Act (FFCRA) and the Paycheck Protection Program (PPP), we wanted to share the guidance we have received from the Office for Victims of Crime (OVC). As stated in prior communications, MOVA is committed to working with and allowing our sub-recipients to adapt to remote work, teletherapy, remote services, etc. Your grant award will not be impacted nor reduced should your organization move to temporary remote services. MOVA will allow subrecipients to continue to charge salaries and benefits to their awards consistent with the subrecipients' policy of paying salaries and benefits under unexpected or extraordinary circumstances from all funding sources (Federal and non-Federal).

We want to assure our funded programs that funding is secured for the FY21-FY22 fiscal year and the new emergency funding RGA. Due to this, MOVA will not accept budget amendments significantly reducing FTE levels. To reiterate, MOVA has obligated funding for renewal awards and emergency funding, and request that your program does not change the scope of funded services by decreasing the FTEs supported by VOCA and/or SAFEPLAN.

Regarding the PPP loans, we ask that you consider the following guidance on duplication and supplantation if/when receiving loan money and wanting to use the costs for payroll or other expenses currently supported by VOCA and/or SAFEPLAN funds.

Duplication occurs when the subrecipient uses VOCA Assistance funds to pay for specific costs already covered by other sources. For example:

- If the subrecipient pays a staff position from the PPP loan then draws down VOCA funds to cover the *same* staff position, but never pays the loan back because it was forgiven, the subrecipient may have duplicated costs (or otherwise made an improper payment, see 2 C.F.R. 200.53), unless the forgiven loan funds are allocated to a different cost item. For example:
 - The PPP loan paid salary for employee 1, but then reallocated to pay salary for employee 2, and then used the VOCA funds to pay for employee 1.
- If the subrecipient pays back the loan, it would *not* be duplication.

<u>Supplanting</u> occurs when a subrecipient intentionally replaces its other state or local victim service funding sources with VOCA funding. For example:

- If a subrecipient uses VOCA funds to replace a PPP loan, then repays that loan instead of keeping the loan funds under the forgiveness provisions, it would *not* be supplanting.
- If a subrecipient uses VOCA funds to replace a PPP loan, then uses those loan funds for another expense (whether the loan is forgiven or not), it typically would **not** be supplanting because PPP funding is not specifically designated for victim service purposes.

For further clarification on supplanting, please visit MOVA's VOCA Policies and Procedures Manual.

<u>Match and PPP Loans</u>: Unless waived, subrecipients must contribute at least 25% of project costs for projects funded under VOCA Assistance. Regarding match, a subrecipient using funds from a private loan (whether forgiven later or not) is essentially a subrecipient's commitment of its own funds. Although the PPP loan is a federally guaranteed loan, OVC does not consider this loan (even if forgiven) to be funds "paid by the Federal Government under another Federal award" for purposes of match (see 2 C.F.R. § 200.306) – thus, such funds would be a permissible source of match for VOCA Assistance projects. The subrecipient could not, however, use VOCA funds to replace those loan funds and still count the loan funds as match.

As always, please reach out to your grants manager with any questions or concerns. We thank you for your continued commitment to the victim services community and wish you and your loved ones well.