

# Virginia Opioid Abatement Authority

## Grant Programs Frequently Asked Questions

\*Please note the OAA's [Glossary of Terms](#) is available on the OAA's [Grants Portal](#).

### **General Information**

#### **1. Who can apply to receive funds from the Opioid Abatement Authority (OAA)?**

- a. Only cities, counties, and state agencies in the Commonwealth of Virginia can be awarded funds by the OAA.
  - i. This means that towns, school boards, community services boards, sheriff's offices, planning district commissions, non-profit organizations, service providers, etc., need to partner with a city, county, or a group of cities and/or counties as a contractor/sub-recipient in order to receive funds.

#### **2. How are settlement funds distributed across the Commonwealth?**

- a. Please see the [About](#) page on the OAA's website.

#### **3. What is the OAA's Gold Standard?**

- a. The OAA's Gold Standard is the application of the standards for use of abatement funds outlined in *Code of Virginia §2.2-2370*.

#### **4. How will the use of funds be monitored by the OAA?**

- a. Any city, county, or state agency receiving funds from the OAA will be required to report the use of funds and related performance measures each year.
  - i. The report for Individual Distribution to Cities and Counties will also include the uses of the Direct Distribution from the settlement administrator, as providing this information is part of the requirements to receive the Individual Distribution.
- b. Additionally, the OAA may conduct performance reviews to see the projects in action and how they relate to the reported performance measures.

#### **5. How are local health departments/districts, community service boards, and departments of social services impacted?**

- a. The OAA cannot award funds to these bodies directly. These bodies may partner as a service provider with the city/county they serve for an Individual Distribution Application, with a group of cities and/or counties for a Cooperative Partnership Application, and/or with their related state agency as part of a response to a Request for Proposal (RFP) issued by the OAA.

#### **6. Is a memorandum of understanding (MOU) required for a subrecipient?**

- a. While a MOU is not required, in order to receive funds that would be distributed to a subrecipient, evidence should be provided with the application that demonstrates the relationship between the recipient and the subrecipient and details the responsibility of each.

- 7. Cities and counties enter into agreements with community service boards (CSB) and local health districts (LHD) that detail all services provided by the CSB or LHD as well as funding provided by the city or county. Can the Direct Distribution and/or the Individual Distribution be used as part of the funding from cities or counties for community services boards or health districts if the cities or counties are not currently meeting their commitment?**
- No. This would be considered supplanting. Even if the obligated money hasn't been appropriated, the existing local agreement for services creates the committed obligation for the city or county.
  - The best option for working with a community service board and/or health district is to enter into an agreement with them for specific abatement projects.
- 8. Are abatement funds allowed for administrative costs?**
- Per the February 1, 2023, revision to Direct and Indirect costs for each grant program:
    - Administrative costs that are new to the recipient for the purposes of government oversight and management of an OAA-funded abatement program to include managing and monitoring of expenses, collecting data, and making reports are considered allowable direct costs.
      - New costs are defined as hiring an employee or contractor or increasing the hours of an employee or contractor to meet the oversight and management needs.
      - Utilizing abatement funds for a current employee's costs is considered supplanting and not allowed per *Code of Virginia §2.2-2370*.
    - Including costs for something that is funded and already exists is considered indirect costs and supplanting, both of which are not allowed.
- 9. If a recipient is required to repay awarded funds back to the OAA, where do those repaid funds go?**
- Any funds returned to the OAA will go to the OAA's Unrestricted Fund and will be re-awarded by the Board as follows:
    - Repayments from Individual Distributions will be utilized for opportunities for Individual Cities and/or Counties.
    - Repayments from Cooperative Partnerships Projects will be utilized for opportunities for Cooperative Partnerships.
    - Repayments from State Agencies will be utilized for opportunities for State Agencies.
- 10. Does the requirement for separate accounting mean separate bank accounts or separate general ledger accounts?**
- The requirement is for separate general ledger accounts.
- 11. Is there a requirement for interest earned on any abatement funds to be reported to the OAA?**
- Interest earned on abatement funds only needs to be reported to the OAA if it is going to be used as part of an OAA funded project.
  - Interest generated is not required to be used for abatement purposes, but it is a recommended best practice.
  - If a city or county experiences an investment loss with its OAA funds, the city or county is responsible for making up that loss.

### 12. Are funds awarded by the OAA on an up-front or reimbursement basis?

- a. Funds awarded by the OAA will be provided up-front on a yearly basis.

### 13. May a city, county, or cooperative partnership submit a multi-year proposal?

- a. Yes, however funds will only be awarded annually and require an application or renewal process.

### 14. Will the application process be annual?

- a. Yes, for the Individual Distribution and the Cooperative Partnership Projects. The Individual Distribution is on a rolling 2-year cycle, allowing for the amendment of the current fiscal year and the request for funding in the next fiscal year. For the Cooperative Partnership Projects, awards may be granted for 1 year, with up to 4 annual renewals. Planning Grants are designed to be one-time with all funds awarded up-front.

### 15. Could an application for funding include utilizing abatement funds to replace discretionary grants that are ending such as Substance Abuse and Mental Health Services Administration (SAMHSA) or American Rescue Plan Act (ARPA)?

- a. There is a possibility that abatement funds could be used to replace discretionary funds that are unstable or ending and are currently supporting qualified abatement efforts. The OAA will consider these situations on a case-by-case basis and may require additional documentation to ensure that the funds being replaced aren't dedicated and/or appropriated funds that would constitute supplanting.

## Use of Funds

### 16. What are examples of abatement efforts?

- a. Examples of abatement efforts can be found in [Exhibit E](#) from the Distributors and Janssen settlement agreements and *Code of Virginia §2.2-2370*.

### 17. What drugs are considered opioids?

- a. Please see the [Johns Hopkins Medicine](#) information on opioids. The list is at the bottom of the article.

### 18. Are police salaries considered abatement?

- a. Generally, no. Use of abatement funds for police salaries would have to be directly tied to abatement efforts (treatment, education/prevention, criminal justice involved, recovery, harm reduction) and not for interdiction (patrol, investigation, and arrest activities). Funds utilized under the OAA's Gold Standard must be tied to the OAA's recognized [performance measures](#). Additionally, the use would need to be for new positions or expanded hours as using abatement funds for existing and funded positions would be considered supplanting which is not allowed under *Code of Virginia §2.2-2370*.

### 19. In terms of mental health conditions, would school health counselors (K-12) be considered abatement?

- a. In addition to opioid use disorder, the *Code of Virginia §2.2-2370* references co-occurring substance use disorder or mental health conditions in multiple areas. Funds utilized under the OAA's Gold Standard must be tied to [performance measures](#). The applicant should ensure the project results in outcomes with performance measures that relate to opioid use disorder in addition to the co-occurring conditions.

**20. Can a city, county, or collaborative partnership give money to a community service board for abatement programs?**

- a. Yes. Cities, counties, and collaborative partnerships may enter into memoranda of understanding or contracts with community service boards and/or other service providers for abatement programs. It is the responsibility of the recipient of the funds (city, county, or collaborative partnerships) to ensure the compliance of any sub-recipients with the requirements of the grant award.

**21. Are existing abatement programs an eligible of funds?**

- a. Expansion of existing programs is allowed. Replacing funds already allocated to an abatement program would be supplanting, which is not allowed per *Code of Virginia §2.2-2370*.

**22. Is providing Narcan/Naloxone and related education considered abatement?**

- a. Yes.

**23. Would a recovery coordinator position qualify as abatement?**

- a. Yes, as long as there is a focus on opioid use disorder. The *Code of Virginia §2.2-2370* references co-occurring substance use disorder or mental health conditions in multiple areas. However, the applicant should ensure the project results in outcomes with [performance measures](#) that relate to opioid use disorder in addition to any co-occurring conditions.

**24. Can funding be used in collaboration with other agencies and/or for a contractor who can oversee the administration of a program?**

- a. Yes, however the city or county is ultimately responsible for the use and reporting of abatement funds.

**25. Could funding be used to develop a drug court docket and supportive services to reduce the necessity for incarceration?**

- a. Yes, as long as there is a focus on opioid use disorder. The *Code of Virginia §2.2-2370* references co-occurring substance use disorder or mental health conditions in multiple areas. However, the applicant should ensure the project results in outcomes with [performance measures](#) that relate to opioid use disorder in addition to any co-occurring conditions.
- b. It should be noted that the establishment of alternative dockets requires approval from the Supreme Court, which is an existing process that is outside the purview of the OAA. Therefore, the applicant would be responsible for achieving this approval.

**26. Could abatement funding be used for a crisis receiving center?**

- a. Yes, as long as there is a focus on opioid use disorder. The *Code of Virginia §2.2-2370* references co-occurring substance use disorder or mental health conditions in multiple areas. However, the applicant should ensure the project results in outcomes with [performance measures](#) that relate to opioid use disorder in addition to any co-occurring conditions.

**27. Does providing opioid use disorder treatment qualify as abatement?**

- a. Yes.

**28. Would materials for programming (ex. printouts, pamphlets, literature, etc.) qualify as abatement?**

- a. Yes, as long as the materials are for new abatement programs or focus on the expansion of an existing program. Using abatement funds to support existing efforts is considered supplanting.

## **Direct Distributions from the Settlement Administrator**

*\*\*Please note that oversight of the Direct Distributions received from the settlement administrator is the responsibility of the receiving city or county. The questions and answers provided here are about how the Direct Distributions may interact with OAA funds. The [Office of the Attorney General](#) and the [Auditor of Public Accounts](#) have provided guidance as well. Additional guidance should be sought from the city or county's legal counsel.*

### **29. Do cities and counties have to apply to the OAA to utilize funds from the Direct Distribution?**

- a. No.

### **30. Do cities and counties have full authority to appropriate the Direct Distribution?**

- a. Yes. The responsibility for the Direct Distribution lies with the governing body of each city and county. Reporting requirements for the use of Direct Distributions vary based on each individual settlement agreement. Any non-abatement use of the Direct Distribution would disqualify a city or county from eligibility to apply for the [OAA's Gold Standard Incentive](#) in that same fiscal year.

### **31. Do cities and counties need to treat the Direct Distribution from each settlement separately?**

- a. It is a best practice to treat the Direct Distribution from each settlement separately because the Direct Distributions are governed by each respective settlement agreement and are thus the responsibility of the city or county.

### **32. For Direct Distribution funds received in Fiscal Year 2022 before the OAA was providing guidance, should those funds be restricted and allocated to abatement expenses?**

- a. Regarding the Fiscal Year 2022 payments, please see the guidance from the [Auditor of Public Accounts](#).

### **33. Do the distributions from different settlements have different criteria?**

- a. Yes. Each settlement agreement has specific criteria. However, the OAA's Gold Standard, while more restrictive, will always meet or exceed any settlement agreement requirements.

### **34. How does a city or county notify the OAA of the intended use of the Direct Distributions?**

- a. The reporting on the intended use of the Direct Distributions is part of the application process for Individual Distributions to Cities and Counties.

### **35. The Individual Distribution application requests information on the usage of the Direct Distributions from the Distributors and Janssen settlements, but not Mallinckrodt. How should a city or county report Mallinckrodt?**

- a. Please attach an additional form to report Mallinckrodt that mirrors the other settlements. The Mallinckrodt settlement was finalized right as the application was completed and time was not available to make modifications. Subsequent applications will include Mallinckrodt and any other settlements that are finalized.

### **36. If a city or county decides to utilize its Direct Distribution to create a reserve to help fund projects in future years when other distribution payments will be lower, will there be an annual reporting requirement?**

- a. Yes. The reporting requirement would be met by providing the OAA with a copy of the publicly published information as required by the [OAA's terms and conditions](#).

**37. Is there a specific way to report the financial strategy for the reserve in the city or county budget document?**

- a. No. It just needs to include the amounts per year plus the description and the results of any strategy applied.

**38. Is there another avenue to make the reserve financial strategy available to the public if it is being treated in a manner that would normally exclude it from public budget document?**

- a. If publishing in the city or county's public budget document does not fit that document's standards, then the strategy needs to be made available in a public manner (public notice, published on website, etc.).

**39. Is there a limit on the amount of funds that can be held in reserve?**

- a. The amount is only limited by the total of the Direct Distribution for a city or county.
  - i. The reserve is not an option for the Individual Distribution or Cooperative Partnerships Projects.

**40. If the Direct Distribution is combined with the Individual Distribution, is separate accounting still needed for the Direct Distribution?**

- a. Yes.

## **Grants to Individual Cities and/or Counties**

**41. How much does my city or county have available for a particular application cycle?**

- a. Please see the [Estimated Opioid Settlement Funds Distributions by County and City](#) file on the OAA's Grants Portal. This file will be updated as additional settlement information is received.

**42. Are Distributions to Individual Cities and Counties competitive?**

- a. Individual City and County Distributions are not competitive. This is because a specific portion of the OAA's funds have been allocated for each city and county in accordance with the [Virginia Settlement Allocation MOU](#).

**43. Is there any downside to the Board of Supervisors/City Council passing a resolution designating an Official with the authority to apply for and accept a grant award prior to having a finalized plan for the use of funds?**

- a. In order to receive an Individual Distribution award, there must be a plan for use. There is a [sample resolution](#) available on the OAA's Grants Portal.

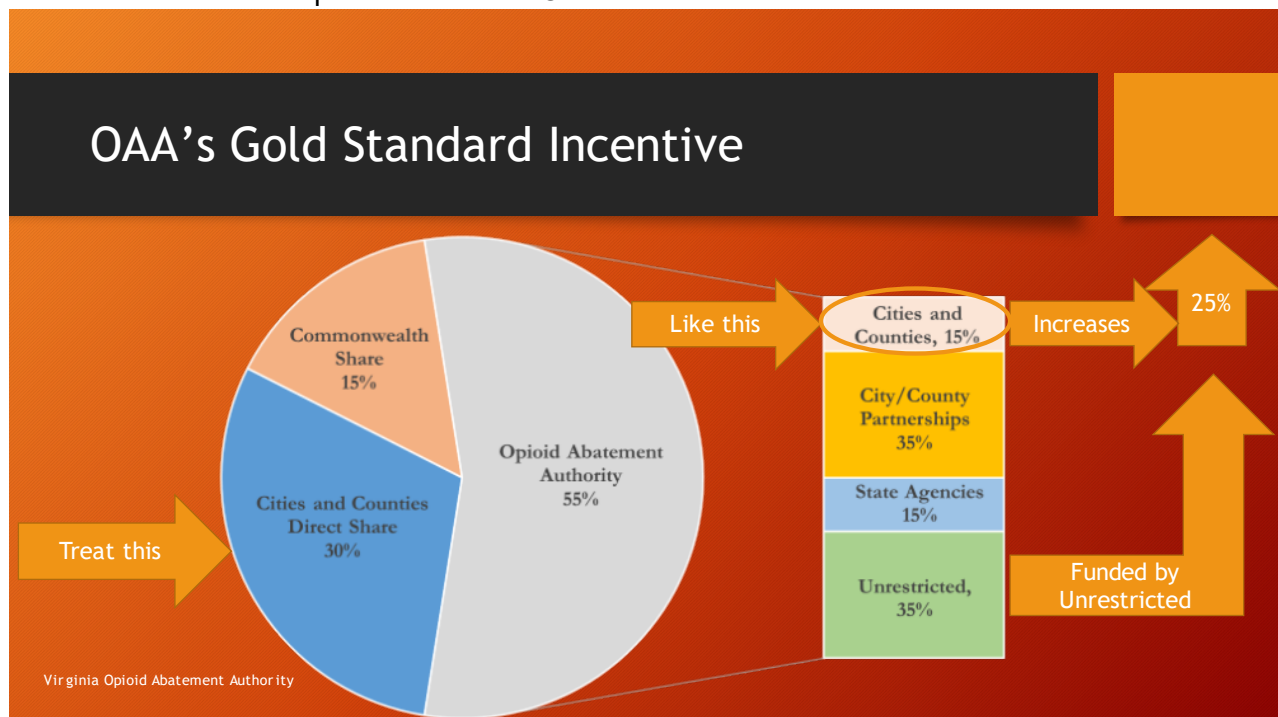
**44. If a city or county does not apply for funds in the current year, will they be held?**

- a. Yes. If funding available for FY23 is not applied for in the initial application period, it will be held until the next application period.



**45. What is the OAA’s Gold Standard Incentive?**

- a. The **OAA’s Gold Standard Incentive** is available for cities and counties. To qualify for the incentive, cities and counties must agree to apply the OAA’s Gold Standard that governs the OAA’s funding to the Direct Distributions they receive from the settlement administrators.
- i. Example: If County X’s portion of the 15% OAA Individual Distribution which for FY23 = \$100,000, 25% of that = \$25,000 which would be available to County X in addition to their \$100,000 (total of \$125,000) if County X treats their portion of the 30% Direct Distribution the same as the requirements of the OAA’s Individual Distribution.



- b. If a city or county elects to participate in the Gold Standard Incentive, please complete and submit the [Application and Terms and Conditions for Cities and Counties to Receive OAA “Gold Standard” Incentive Funds](#) to [info@voaa.us](mailto:info@voaa.us).

**46. What is the timeline for the OAA’s Gold Standard Incentive?**

- a. The application and performance periods for the Gold Standard Incentive will run concurrent with the application and performance periods for the Individual Distribution.

**47. What kind of flexibility is available to a city or county if it does not opt for the OAA’s Gold Standard Incentive?**

- a. If a city or county does not opt for the Gold Standard Incentive, that city or county might have the ability to spend a portion of its Direct Distribution on non-abatement activities.
- b. If the city or county opts to spend a portion of its Direct Distribution on non-abatement activities, then the city or county is individually liable for ensuring compliance with each individual settlement agreement’s requirements for reporting and usage, and for adhering to any Virginia court order that references the settlement agreement in question.
- c. The OAA’s Gold Standard, while more restrictive, will always meet or exceed the requirements of any settlement agreement.

## **Grants to Cooperative Partnerships Involving Multiple Cities and/or Counties**

### **48. Is there a set amount of money available for each Cooperative Partnership application?**

- a. No. *Code of Virginia §2.2-2368 (4)* requires the OAA to make awards from the Opioid Abatement Fund in a manner that distributes funds equitably among all [Department of Behavioral Health and Developmental Services \(DBHDS\) regions](#). These funds are competitive.

### **49. When will the OAA begin reviewing Cooperative Partnerships applications?**

- a. Due to the requirements of *Code of Virginia §2.2-2368 (4)* for the OAA to make awards from the Opioid Abatement Fund in a manner that distributes funds equitably among all [Department of Behavioral Health and Developmental Services \(DBHDS\) regions](#), Collaborative Partnership applications will not undergo final review until after the application period closes so that all proposals may be reviewed across the Commonwealth.

### **50. Does the equitable distribution of Cooperative Partnership awards across DBHDS regions mean community service board regions or health planning regions?**

- a. The DBHDS regions refers to the five regions of community services boards.

### **51. Does the equitable distribution of Cooperative Partnership awards mean only 1 will be awarded per region or is it dependent on the pool of applications received?**

- a. It is dependent on the pool of applications received for each application cycle.

### **52. Can any in-kind donation of goods and/or services be considered a monetary match under [§2.2-2370 \(B\) \(4\)](#) for a Cooperative Project?**

- a. No. *Code of Virginia §2.2-2370 (B) (4)* references "...a monetary match...." *Code of Virginia §2.2-4376.2* defines an in-kind contribution as a "...thing of value, other than money." For this reason, the OAA will not consider in-kind goods or services as meeting the requirement of the statute. However, the OAA may view the contribution of the in-kind goods or services as a favorable aspect of the overall application, even if this is not given the same level of prioritization as a monetary contribution.

### **53. Can a community service board serve as the fiscal agent for a Cooperative Partnership?**

- a. The participating cities and/or counties in the Cooperative Partnership must select a city or county to serve as the fiscal agent for the purposes of applying for, receiving, managing, and reporting on the funds and performance measures.
  - i. The participating cities and/or counties may agree to allow the city or county selected as fiscal agent to sub-contract the fiscal agent duties. However, the cooperative partnership should be aware of the prohibition on utilizing funds for indirect costs or supplanting of existing funds. Additionally, the OAA will look to the city or county selected as fiscal agent for the project for any questions, concerns, or issues.

### **54. Could two cities and/or counties who are in the same DBHDS region, but not the same CSB work together on a Collaborative Partnership Project?**

- a. Yes.



**55. If a city or county is entering into an MOU with a neighboring city or county for regional impact, are they eligible for additional funds over the Individual and Direct Distributions?**

- a. Yes. The cities and/or counties working together could pool their Individual and/or Direct Distributions to use as a monetary match to request additional funding under the Cooperative Partnership Project grants.

## **Planning Grants**

**56. Does a city or county need to wait for a planning grant to be completed before spending the Direct Distribution and/or the Individual Distribution?**

- a. The purpose of the planning grant is to help cities and counties determine the best use of their abatement funds. To that end, if enough money is available, a portion of the Direct Distribution and/or Individual Distribution could be spent on a known project while the planning grant is used to determine how to utilize the remaining funds.
- b. It should be noted that planning grants are competitive. The OAA will be prioritizing the award of planning grants to cities and counties that present a more compelling case to describe how they are proceeding in their overall abatement efforts.

**57. Why are planning grants on the same timeline as the Individual Distribution and Cooperative Partnership grants?**

- a. This is to allow those cities and/or counties that are ready to proceed to do so, while at the same time allowing other cities and/or counties the opportunity to conduct planning and analysis so that they can apply for OAA funding at a later cycle.
  - i. The OAA encourages cities and counties to carefully plan the best and highest use of all opioid settlement funds. It is for this reason the OAA is offering planning grants and providing flexibility on how long funds will be available for direct distribution. This allows a city or county to conduct planning efforts without fear of “loosing” its available OAA funds in the same fiscal year.

## **Grants to State Agencies**

**58. When will the Request for Proposal (RFP) for State Agencies be announced?**

- a. It will be announced in the spring of 2023.