



Flexible Funding 2.0 Guidelines

January 1, 2022

This edition of the Flexible Funding Guidelines supersedes the 1/9/18 edition and all other prior editions.

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Overview

The Department of Behavioral Health and Developmental Services (DBHDS) developed the Flexible Funding program in 2015 through a collaborative partnership with six Community Services Boards (CSBs). These CSBs receive periodic funding allocations of Flexible Funding from DBHDS to improve access to integrated, independent housing options for individuals with developmental disabilities who meet the eligibility criteria.

The table below illustrates the CSBs that administer a Flexible Funding program in each DBHDS region and the CSBs that participate in each regional program:

DBHDS Region	Flexible Funding Administrator	Participating CSBs
1	Region Ten CSB	<ul style="list-style-type: none">• Alleghany Highlands• Harrisonburg-Rockingham CSB• Horizon Behavioral Health• Northwestern CSB• Rappahannock Area CSB• Rappahannock-Rapidan CSB• Rockbridge Area CSB• Region Ten CSB• Valley CSB
2	Fairfax-Falls Church CSB	<ul style="list-style-type: none">• Alexandria CSB• Arlington County CSB• Fairfax-Falls Church CSB• Loudoun County Department of Mental Health, Substance Abuse & Developmental Services• Prince William County CSB
3	New River Valley Community Services	<ul style="list-style-type: none">• Blue Ridge Behavioral Healthcare• Cumberland Mountain CSB• Danville-Pittsylvania CSB• Dickenson County Behavioral Health Services• Highlands CSB• New River Valley Community Services• Piedmont CSB• Planning District One Behavioral Health Service• Southside CSB

4	Henrico County Mental Health & Developmental Services	<ul style="list-style-type: none"> • Chesterfield CSB • Crossroads CSB • District 19 CSB • Goochland-Powhatan CSB • Hanover CSB • Henrico Mental Health and Developmental Services • Richmond Behavioral Health Authority
5 (Peninsula)	Hampton-Newport News CSB	<ul style="list-style-type: none"> • Colonial Behavioral Health • Hampton-Newport News CSB • Middle Peninsula-Northern Neck CSB
5 (Southside)	Norfolk CSB	<ul style="list-style-type: none"> • Chesapeake Integrated Behavioral Healthcare • City of Portsmouth Department of Behavioral Healthcare Services • Eastern Shore CSB • Norfolk CSB • Virginia Beach Human Services • Western Tidewater CSB

Flexible Funding Administrators should reference these Guidelines as they establish their regional Flexible Funding budgets, manage their Flexible Funding programs and expend these funds within their respective regions. Participating CSB support coordinators should reference these Guidelines as they assist individuals with applying for Flexible Funding.

Direct all questions regarding these Guidelines to the Regional Housing Coordinators in the DBHDS Office of Community Housing (see <http://www.dhhs.virginia.gov/developmental-services/housing/housing-team>).

A. Eligible Applicants

Individuals who meet ALL criteria below are eligible to apply for Flexible Funding. Eligible applicants must:

1. be age 18 or older, or be a legally emancipated minor;
2. have a developmental disability as defined in the Code of Virginia;
3. be in one of the following categories:
 - a. transitioning from a skilled nursing facility, an intermediate care facility, a state training center, a group home or other congregate setting and meet the level of functioning criteria for a Developmental Services waiver; or
 - b. receiving Building Independence (BI), Family and Individual Support (FIS) or Community Living (CL) Waiver services; or
 - c. determined eligible for and currently on a waitlist for the BI, FIS or CL Waiver
4. meet the criteria for an eligible family;

- a. The individual's household composition cannot include his/her parents, guardians, or grandparents (e.g., individuals with developmental disabilities who are heads of their own households, not living with their parents, guardians or grandparents).
- b. The individual's household composition may include the individual's own child or children.

B. Permitted Housing Settings

Eligible applicants must be either transitioning to or living in a permitted housing setting in order to qualify for Flexible Funding. Permitted housing settings include legal dwelling units that are integrated into the community (e.g., surrounded by units that house people with and without disabilities in natural proportions). Units that are integrated into the community include:

1. a unit in a multifamily apartment building
2. a single family home
3. a mobile or manufactured home that is intended to be a permanent dwelling, is in a fixed location and is built on a permanent chassis. The lease must be for the unit, not the pad on which the unit rests.
4. a unit in a single family home that has a separate, private entrance/exit; a separate bathroom and kitchen; and approval under the local building or zoning ordinance as an accessory dwelling unit
5. legal dwelling units owned, but not occupied by, parents, grandparents, siblings, children and grandchildren of the eligible family.
6. shared housing: a single legal dwelling unit occupied by an individual and another resident or residents, in accordance with state and local zoning ordinances. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each occupant. An occupant has his/her own lease and may share a unit with other persons who have their own leases. The owner of a shared housing unit may reside in the unit. However, a resident owner may not be a parent, grandparent or guardian.

The Administrator may permit other unit types that constitute a legal use and occupancy, require a third party co-signer or guarantor of the lease and promote integration of people with disabilities (e.g., opportunities to live side by side and interact with people without disabilities. Questions regarding permitted settings should be directed to the Administrator's DBHDS Regional Housing Coordinator.

C. Prohibited Settings

Eligible applicants who are transitioning to or living in the settings below do not qualify for Flexible Funding. Prohibited settings include units that are:

1. in a nursing home, board and care home, or facility providing continual psychiatric, medical, or nursing services;
2. in a college or other school dormitory;
3. on the grounds of a penal, reformatory, medical, mental, or similar public or private institution
4. in a facility or property that charges a daily or weekly occupancy fee (e.g., a board and care house, rooming house, or lodging house);
5. not approved by local building or zoning ordinance to be rented as part of another dwelling or property (e.g., an accessory dwelling unit, in-law suite or carriage house);
6. a residential setting licensed by the Department of Behavioral Health and Developmental Services or the Virginia Department of Social Services (e.g., group home, residential treatment program, assisted living facility);
7. a non-residential setting (e.g., homeless shelter, extended stay hotel, vacation timeshare, hostel)

8. occupied by the owner or by a person with interest in the dwelling unit (except in shared housing);
9. leased with a DBHDS licensed service provider as co-signer or guarantor on the lease; or
10. a camper or recreational vehicle (RV)

D. Eligible Uses

The following uses are the standard eligible uses of Flexible Funding which applicants can request. Appendix 4 outlines an exceptional use of Flexible Funding for Landlord Risk Mitigation.

1. ***Funding Option #1: Support to Obtain Housing***

An eligible applicant who is making an initial transition from a less integrated, independent setting (e.g., nursing facility, intermediate care facility, assisted living, group home, sponsored residential, family home, etc.) to a home he or she owns or leases can access up to \$5,000 of Flexible Funding to support this transition under Funding Option #1, Support to Obtain Housing. Funding approval is based upon justification: applicants do not receive automatic approval for the maximum amount of \$5,000. “Initial transition” means:

- the eligible individual is moving into a permitted housing setting and will have a deed or lease in his/her own name for the first time, OR
- the eligible individual has not lived in housing he or she owned or leased for at least 24 consecutive months prior to the Flexible Funding application date.

There are a variety of funding categories in Funding Option #1. Some categories have specific funding limits. Regardless, the total request for Funding Option #1 cannot exceed \$5,000.

Flexible Funding can reimburse a third party intermediary that acts as a fiscal agent and pays for a good or service needed to obtain housing for an applicant who lacks the financial resources to cover the cost. See Section I for details on permitted disbursement methods.

Applicants may not seek, accept or retain Flexible Funding assistance under Funding Option #1 for amounts paid by a third party such as an insurance provider, a vendor gift card or certificate, or another program that provides financial assistance.

Once an individual has made his or her initial transition to housing, the individual **cannot** request assistance under Funding Option #1 to cover expenses for subsequent housing transitions, even if the individual received Flexible Funding assistance for the initial transition and did not exhaust the \$5,000 cap for assistance.

Eligible expenditures within Funding Option #1, Support to Obtain Housing, must fall within one or more of the following categories:

- a. **Temporary Rental Assistance** – Flexible Funding can cover temporary rental assistance of up to two months’ rent for an eligible applicant to 1) secure a unit and 2) have environmental modifications completed so the individual can occupy the unit. This category also covers the first month’s rent to a private owner if a rent subsidy payment cannot be issued at the time of lease signing. Applicants must submit documentation from the property owner/manager showing the balance paid or due. First month’s rent is NOT covered for applicants who use a rent subsidy to lease a unit in a commercial multifamily property.

b. **Initial Housing Transition Services and Supports (IHTSS)** – Flexible Funding can cover the purchase of goods and services that are essential for the applicant to make the initial transition to a permitted housing setting. That is, without these goods and services, the applicant could not access, occupy and use the housing. The eligible applicant and support coordinator must document efforts to access other resources (e.g., Medicaid Waiver, Dominion's assistance vouchers) and demonstrate those resources are not available. IHTSS includes:

- i. **Security deposits:** Flexible Funding can cover a security deposit for the initial transition to housing. A security deposit cannot exceed an amount equal to two months' rent. Applicants must submit a copy of the lease, a welcome letter on the property's letterhead that states the security deposit amount due or a receipt for the security deposit amount paid.
- ii. **Utility connection fees and deposits:** Flexible Funding can cover utility connection fees, utility deposits, and utility arrearages that negatively affect credit. Applicants must submit a copy of the utility statement that documents the fee and/or deposit amount paid or due. For utility arrearages, applicants must submit a utility statement or a statement from a collections agency that indicates the balance that is past due.
- iii. **Rent arrearages:** Flexible Funding can cover up to two months of rent owed to prior property owners or property managers that is negatively affecting credit. Applicants must submit a copy of the statement from the collections agency or the property that reflects the balance that is past due.
- iv. **Moving expenses:** Flexible Funding can cover the costs to move from the current setting to the initial independent housing setting, including a moving truck; movers who load, drive, and unload furniture and other household goods; boxes and tape. Applicants must submit an invoice from a truck rental company or a licensed and insured moving company stating the amount paid or due. Moving services provided by family members, relatives and friends do not qualify for Flexible Funding.
- v. **Temporary Hotel Stay:** Flexible Funding can cover the cost of a temporary hotel stay for the applicant prior to being housed. This hotel stay is only available to persons who would otherwise be literally homeless. Funding must be approved in increments not to exceed two weeks. The applicant must submit documentation showing progress toward the transition to housing in order to receive approval for an additional increment. The total funded temporary hotel stay cannot exceed four weeks, unless an extended stay is approved by the Flexible Funding Administrator. The support coordinator should negotiate with hotel providers when possible to obtain lower daily rates for weekly stays. The applicant must submit an invoice, bill or receipt from a hotel provider stating the amount paid or due.
- vi. **Essential Furniture and Household Supplies:** Flexible Funding can pay for up to \$2,000 for furniture and household supplies that are essential to the applicant's use and occupancy of housing. Delivery charges and sales tax for these items is also included. Certain items can be purchased for a live-in aide whom a rental assistance program or a rental property has approved as a reasonable accommodation. Any items purchased for use by a live-in aide are considered the individual's property.

Essential furniture and household supplies include:

- One bed for the eligible individual (including mattress, box spring and frame)
- One set of bed linens for the eligible individual (including blanket/comforter, sheets, pillowcases, and mattress protector)

- One towel set for the eligible individual
- One bed for a live-in aide (including mattress, box spring and frame)
- One set of bed linens for a live-in aide (including blanket/comforter, sheets, pillowcases, and mattress protector)
- One towel set for a live-in aide
- One dining table and chair set
- One dresser for the eligible individual
- One dresser for a live-in aide
- One sofa or living room chair
- One set of plates
- One set of silverware
- One set of glassware
- One saute pot
- One frying pan
- One lamp in every room without overhead lighting
- One area rug in any room where required by the lease
- One mop
- One broom
- One dustpan
- One toilet brush
- One vacuum cleaner

New and/or previously owned furniture and household supplies provided by family members, relatives and friends do not qualify for Flexible Funding.

All other furniture and household supplies are not considered essential to the applicant's use and occupancy of housing and cannot be approved. Applicants must submit an itemized store quote or invoice stating the amount due, or itemized store receipts stating the amount paid for requested items. Applicants who purchase furniture or household supplies from a thrift store that does not issue itemized receipts are permitted to write the item next to each charge on the receipt. Quotes/invoices must contain only the requested furniture and household supplies. Receipts must include only requested eligible furniture and household supplies. Receipts that contain unidentified items or items unrelated to the request will be rejected. Receipts for purchases of furniture and household supplies that are dated more than sixty (60) days prior to the applicant's deed or lease start date will not be approved.

vii. ***Community Housing Guide:*** An eligible applicant on the Medicaid DD Waiver waitlist may contract privately with a Medicaid Waiver provider of Community Housing Guide services to perform any of the following activities. In addition, an eligible applicant who has exhausted his/her annual approved plan hours for Medicaid Waiver Community Housing Guide services can contract with the provider to perform these activities.

- conduct a tenant screening and housing assessment that identifies the participant's preferences and barriers related to successful tenancy. The assessment may include collecting information on potential barriers to obtaining and maintaining housing.

- develop an individualized housing support plan based upon the housing assessment that addresses identified barriers, establishes short and long-term measurable goals for each issue, describes the participant's approach to meeting the goal, and identifies other providers or services that may be required to meet the goal.
- assist with the housing search process.
- assist with the housing application process.
- assist with securing a roommate or a live-in aide.
- identify resources to cover expenses such as security deposit, moving costs, furnishings, adaptive aids, environmental modifications, moving costs and other one-time expenses.
- ensure that the living environment is safe and ready for move-in.
- assist in arranging for and supporting the details of the move.
- develop a housing support crisis plan that includes prevention and early intervention services when housing is jeopardized.

The applicant must submit a signed written service agreement with the Community Housing Guide Provider **and** an itemized bill or invoice showing the amount paid or due. The agreement must specify:

- the housing transition tasks/activities the provider will perform for the individual
- the rate the provider will charge for these activities (e.g., \$X per hour, day, etc.)
- the "Not to Exceed" cost of \$326.50/month
- the start and end date of the service agreement, which cannot exceed two months

viii. ***Shared Living Start-Up Services:*** IHTSS will cover up to two months of start-up activities at \$326.50 per month for an applicant to initiate Shared Living services with a Medicaid Waiver provider of Shared Living services. IHTSS will cover the following Shared Living start-up activities:

- identifying an individual's roommate preferences
- advertising for a roommate
- assisting an individual with interviewing roommates
- performing background checks on potential roommates
- arranging for required trainings of the roommate (CPR, safety awareness, fire safety and disaster planning, conflict management and resolution)
- conducting a visual inspection of the housing unit
- facilitating discussions of expectations for supports between the individual and roommate
- assisting the individual and roommate with completion of the Supports Agreement form

The applicant must submit a signed written service agreement with the Shared Living Provider **and** an itemized bill or invoice showing the amount paid or due. The agreement must specify:

- the set-up tasks/activities the provider will perform for the individual
- the rate the provider will charge for these activities (e.g., \$X per hour, day, etc.)
- the "Not to Exceed" cost of \$326.50/month
- the start and end date of the service agreement, which cannot exceed two months

ix. ***Ineligible IHTSS Expenses:*** The following items are NOT eligible IHTSS expenses:

- payment of the last month's rent up front

- payment for appliances and fixtures that owners traditionally supply (e.g., stove, refrigerator, washer, dryer, overhead lighting, HVAC unit, window AC unit, water heater), unless there is a disability-related reason to purchase a specific appliance or fixture
- payment of IHTSS goods and services for household members other than the applicant and/or live-in aide

c. **Environmental Modifications** – Flexible Funding can cover equipment or modifications of remedial or medical benefit to the individual's primary home, primary vehicle, or worksite when these exceed the Americans with Disabilities Act (ADA) reasonable accommodations requirement to ensure an individual's health and safety, enable an individual to live in their own home and function with greater independence. These funds cannot be utilized if there are any other resources available to cover said expenditures, but may be used in conjunction with other funds (as a match). Submit an itemized bill or invoice from the environmental modifications provider showing the amount paid or due.

d. **Assistive Technology Improvements** – Flexible Funding can cover specialized medical equipment, durable/non-durable medical equipment, adaptive devices, appliances and controls which enable greater independence and equipment and devices which enable communication. Standard communication equipment such as cell or landline telephones, and Internet or cable devices are not assistive technology. This fund cannot be utilized if there are any other resources available to cover said expenditures, but may be used in conjunction with other funds (as a match). Submit an itemized bill or invoice from the assistive technology provider showing the amount paid or due.

e. **Miscellaneous Assistance to Obtain Housing** – Flexible Funding can cover non-traditional costs to obtain housing that are short term and temporary in nature and related to lapses in coordination of housing, benefits and/or services or circumstances that place an individual at risk of eviction, homelessness or a move to a more restrictive setting (e.g., nursing facility, intermediate care facility, assisted living facility, group home, sponsored residential placement). Submit a copy of an itemized bill or invoice from a vendor showing the balance paid or due, or itemized store receipts that detail the items rented or purchased. The Administrator shall provide a written request describing the proposed use to DBHDS and DBHDS must provide prior written authorization before this category may be used.

2. Funding Option #2: Support to Maintain Housing

Flexible Funding may be used in multiple ways to support eligible individuals who have transitioned into homes of their own and later experience temporary financial setbacks that jeopardize their housing stability and place them at risk of (1) eviction or (2) placement in a less integrated setting such as a nursing facility, intermediate care facility, assisted living facility, group home or sponsored residential program. Potential uses of these funds are described below.

Applicants who request Funding Option #2, Support to Maintain Housing, are required to submit a Housing Stability Plan with the Flexible Funding Application UNLESS the request is solely for Subsequent Housing Transition Services and Supports (see the Housing Stability Plan template in Appendix 3, Attachment B). The Housing Stability Plan outlines specific steps the individual and his/her person-centered planning team will take to address the issue that precipitated the Flexible Funding request, as well as other issues that may jeopardize the individual's housing stability. For example, if the applicant missed a rent payment due to hospitalization, the action plan may indicate the support coordinator will notify his/her parents to pay the rent if a future

hospitalization occurs. A Housing Stability Plan template is attached to these Guidelines. The Plan includes a Household Spending Plan that reflects the individual's proposed budget going forward. The proposed budget should include adjustments needed to income and expenses (including any alternative resources or subsidies that can be leveraged) to ensure critical housing bills such as rent and utilities are paid in full and in a timely manner.

The Flexible Funding Administrator must evaluate whether the Housing Stability Plan is realistic and achievable, and must approve the Housing Stability Plan in conjunction with the Flexible Funding request for Support to Maintain Housing. If the Housing Stability Plan is not realistic and/or achievable, the Flexible Funding Administrator shall request that the applicant revise and resubmit the Housing Stability Plan. The Administrator will consult with the DBHDS Regional Housing Coordinator and make a determination to approve or deny the request.

There are a variety of funding categories in Funding Option #2. Some categories have specific funding limits. An applicant who lives in a permitted housing setting can submit multiple requests for assistance under Funding Option #2 over time to cover expenses to maintain housing. However, the total approved expenses in Funding Option #2 cannot exceed the \$5,000 cap per applicant.

Flexible Funding can reimburse a third party intermediary that acts as a fiscal agent and pays for a good or service needed to obtain housing for an applicant who lacks the financial resources to cover the cost. See Section I for details on permitted disbursement methods.

Applicants may not seek, accept or retain Flexible Funding assistance under Funding Option #2 for amounts paid by a third party such as an insurance provider, a vendor gift card or certificate, or another program that provides financial assistance.

If, after submitting a Flexible Funding request, the landlord receives payment for any claimed damages or late rent from the tenant or a third party, the applicant must immediately notify the Flexible Funding Administrator of such payment so the request can be canceled. If the landlord or a third party receives payment with Flexible Funding AFTER being paid by another source, the applicant and Support Coordinator should work with the landlord or the third party to determine how to return the Flexible Funding disbursement in a manner that does not place the applicant at risk of losing his/her housing.

Eligible expenditures within Funding Option #2, Support to Maintain Housing, must fall within one or more of the following categories:

- a. **Emergency rent payment and associated late fees:** Flexible Funding can cover the tenant's portion of the rent and any associated late fees. Applicants must submit a copy of their rent ledger from the property owner or manager that shows rent is delinquent or a copy of a Pay or Quit Notice. Payment is limited to three months of rent and three late fees per lease year.
- b. **Last resort utility assistance:** Flexible Funding can cover gas, electric, oil, propane, water and sewer bills that are in arrears. Applicants must submit a copy of their utility billing statement showing payment is past due; a statement of utility fees, fines or charges from the property owner or manager; or a shut-off notice from the utility company. Payment is limited to a maximum of \$500 per lease year.

c. **Housekeeping activities:** Flexible Funding can cover specialized cleaning, chore services, pest extermination and trash removal required for an applicant who has received a written complaint or warning from the landlord or rental assistance administrator, or a lease violation notice related to tenant housekeeping. Applicants must submit a copy of an itemized bill or invoice from a service contractor or the property owner/manager showing the balance paid or due, or itemized store receipts that detail equipment rented and supplies purchased. Housekeeping provided by family members, relatives and friends does not qualify for Flexible Funding. Payment is limited to a maximum of \$500 per lease year.

d. **Unit repairs:** Flexible Funding can cover repair damage (including water damage) to an eligible applicant's rental housing unit that was caused by his/her action or inaction. The applicant must have received a lease violation notice related to tenant damage of the unit, and the damage must not be covered by owner's or renter's insurance. The applicant must submit a copy of an itemized bill or invoice from the repair contractor showing the balance paid or due, or itemized store receipts that detail equipment rented and supplies purchased for repairs. Unit repairs provided by family members, relatives and friends does not qualify for Flexible Funding. Payment is limited to one request per lease year, not to exceed \$500.

Temporary relocation: Flexible Funding can cover temporarily relocation of an eligible applicant if his/her rental housing unit is damaged, flooded, contaminated by mold or other biohazard, or condemned and the property owner or manager fails to cover the cost of temporary relocation. The applicant must have documentation the unit did not pass a housing inspection for health and safety reasons from a rent assistance program or a written notice from the Landlord or local code official stating the applicant may not return to the unit. Applicants must submit a copy of an itemized bill or invoice from the hotel showing the dates of lodging, daily rate and the balance paid or due. Lodging provided by family members, relatives and friends does not qualify for Flexible Funding. Payment is limited to one request per lease year, not to exceed \$2,500.

e. **Temporary Hotel Stay:** Flexible Funding can cover the cost of a temporary hotel stay for the eligible individual prior to being re-housed. Funding must be approved in increments not to exceed two weeks. The total funded temporary hotel stay cannot exceed four weeks, unless an extended stay is approved by the Flexible Funding Administrator. This hotel stay is only available to persons who would otherwise be literally homeless. The support coordinator should negotiate with hotel providers when possible to obtain lower daily rates for weekly stays. The applicant must submit documentation showing progress toward the transition to housing in order to receive approval for an additional increment. The applicant must submit an invoice, bill or receipt from a hotel provider stating the amount paid or due. Lodging provided by family members, relatives and friends does not qualify for Flexible Funding.

g. **Subsequent Housing Transition Services and Supports (SHTSS)** – Flexible Funding can cover goods and services that are essential for the applicant to make subsequent transitions to a permitted housing setting. That is, without these goods and services, the applicant could not access, occupy and use the housing. The eligible applicant and support coordinator must document efforts to access other resources (e.g., Medicaid Waiver, Dominion's assistance vouchers) and demonstrate those resources are not available. SHTSS includes:

i. **Security deposits:** Flexible Funding can cover security deposits for subsequent transitions to housing. A security deposit cannot exceed an amount equal to two months' rent. Applicants must submit a copy of

the lease, a welcome letter on the property's letterhead that states the security deposit amount due or a receipt for the security deposit amount paid.

- ii. ***Utility connection fees and deposits:*** Flexible Funding can cover utility connection fees and deposits for subsequent transitions to housing, and utility arrearages that negatively affect credit. Applicants must submit a copy of the utility statement that documents the fee and/or deposit amount paid or due. For utility arrearages, applicants must submit a utility statement or a statement from a collections agency that indicates the balance that is past due.
- iii. ***Rent arrearages:*** Flexible Funding can cover up to two months of rent owed to prior property owners or property managers that is negatively affecting credit. Applicants must submit a copy of the statement from the collections agency or the property that reflects the balance that is past due.
- iv. ***Moving expenses:*** Flexible Funding can cover the costs to move from the current setting to the initial independent housing setting, including a moving truck; movers who load, drive, and unload furniture and other household goods; boxes and tape. Applicants must submit an invoice from a truck rental company or a licensed, insured moving company stating the amount paid or due. Moving services provided by family members, relatives and friends do not qualify for Flexible Funding.
- v. ***Community Housing Guide:*** An eligible applicant on the Medicaid DD Waiver waitlist or an eligible applicant who has exhausted his/her Medicaid Waiver Community Housing Guide maximum allowable hours for the plan year may contract with a Medicaid Waiver provider of Community Housing Guide services to perform any of the following activities:
 - conduct a tenant screening and housing assessment that identifies the participant's preferences and barriers related to successful tenancy. The assessment may include collecting information on barriers to obtaining or maintaining housing.
 - develop an individualized housing support plan based upon the housing assessment that addresses identified barriers, establishes short and long-term measurable goals for each issue, describes the participant's approach to meeting the goal, and identifies other providers or services that may be required to meet the goal.
 - assist with the housing search process.
 - assist with the housing application process.
 - assist with securing a roommate or a live-in aide.
 - identify resources to cover expenses for subsequent housing transitions such as security deposit, moving costs, furnishings, adaptive aids, environmental modifications, moving costs and other one-time expenses.
 - ensure that the living environment is safe and ready for move-in.
 - assist in arranging for and supporting the details of the move.
 - develop a housing support crisis plan that includes prevention and early intervention services when housing is jeopardized.
 - provide education and training on roles, rights and responsibilities of tenants and landlords.
 - provide training in being a good tenant and complying with lease terms. Provide support with household management activities as part of transitional support activities.
 - reduce the risk of eviction or other adverse action.

- assist with the housing recertification process, if or when requested by the support coordinator or the individual's support team.

The eligible applicant must submit a signed written service agreement with the Community Housing Guide Provider and an itemized bill or invoice showing the amount paid or due. The agreement must specify:

- the housing transition tasks/activities the provider will perform for the individual
- the rate the provider will charge for these activities (e.g., \$X per hour, day, etc.)
- the "Not to Exceed" cost of \$326.50/month
- the start and end date of the service agreement, which cannot exceed two months

h. **Miscellaneous Assistance to Maintain Housing** – Flexible Funding can cover non-traditional tenancy support costs that are short term and temporary in nature and related to lapses in coordination of housing, benefits and/or services or other circumstances that place an individual at risk of eviction, homelessness or a move to a more restrictive setting (e.g., nursing facility, intermediate care facility, assisted living facility, group home, sponsored residential placement). Submit a copy of an itemized bill or invoice from a contractor or the property owner/manager showing the balance paid or due, or itemized store receipts that detail the items rented or purchased. The Administrator shall provide a written request describing the proposed use to DBHDS and DBHDS must provide prior written authorization before this category may be used.

3. Funding Option #3: Program Administration

DBHDS permits each Flexible Funding Administrator to designate up to 10% of each one-time Flexible Funding allocation it receives from DBHDS to offset the administrative costs associated with serving as the Flexible Funding Administrator. Flexible Funding Administrators must abide by the DBHDS Regional Administrative Fees policy dated October 1, 2021. Administrative costs include, but are not limited to, Flexible Funding program personnel salaries and benefits, rent, utilities, telephone/Internet service, equipment, supplies, and travel.

E. Application Deadlines

Applicants must submit Flexible Funding applications for Funding Option #1 (Obtaining Housing) no later than thirty (30) days after the date the lease begins.

Applicant must submit Flexible Funding applications for Funding Option #2 (Maintaining Housing) no later than thirty (30) days after a written warning or violation notice is issued by the applicant's landlord or rental assistance program. Applicants requesting funds for a subsequent housing transition must submit a Flexible Funding request for Funding Option #2 no later than 30 days after a new lease begins. The applicant's support coordinator shall submit the applicant's request to the Flexible Funding Administrator.

F. Acknowledgement of Goods or Services Received

Applicants must complete and submit an Acknowledgement of Goods or Services Received (Appendix 3, Attachment E) to the Flexible Funding Administrator and attach packing slips, receipts or other documentation that verifies the items received and/or work performed. The support coordinator must verify the applicant received the goods or services by signing this form.

- The Flexible Funding Administrator will not issue reimbursement for goods or services purchased by the applicant or a third party until and unless the Flexible Funding Administrator receives a completed Acknowledgement form.
- Applicants for whom the Flexible Funding Administrator purchased goods or services must submit this form after receiving these goods or services. Applicants who do not submit this form are prohibited from making future Flexible Funding requests.

G. Per Person Expenditure Limits

Applicants have a cap on per person expenditures under Funding Option #1 and a separate cap on per person expenditures under Funding Option #2.

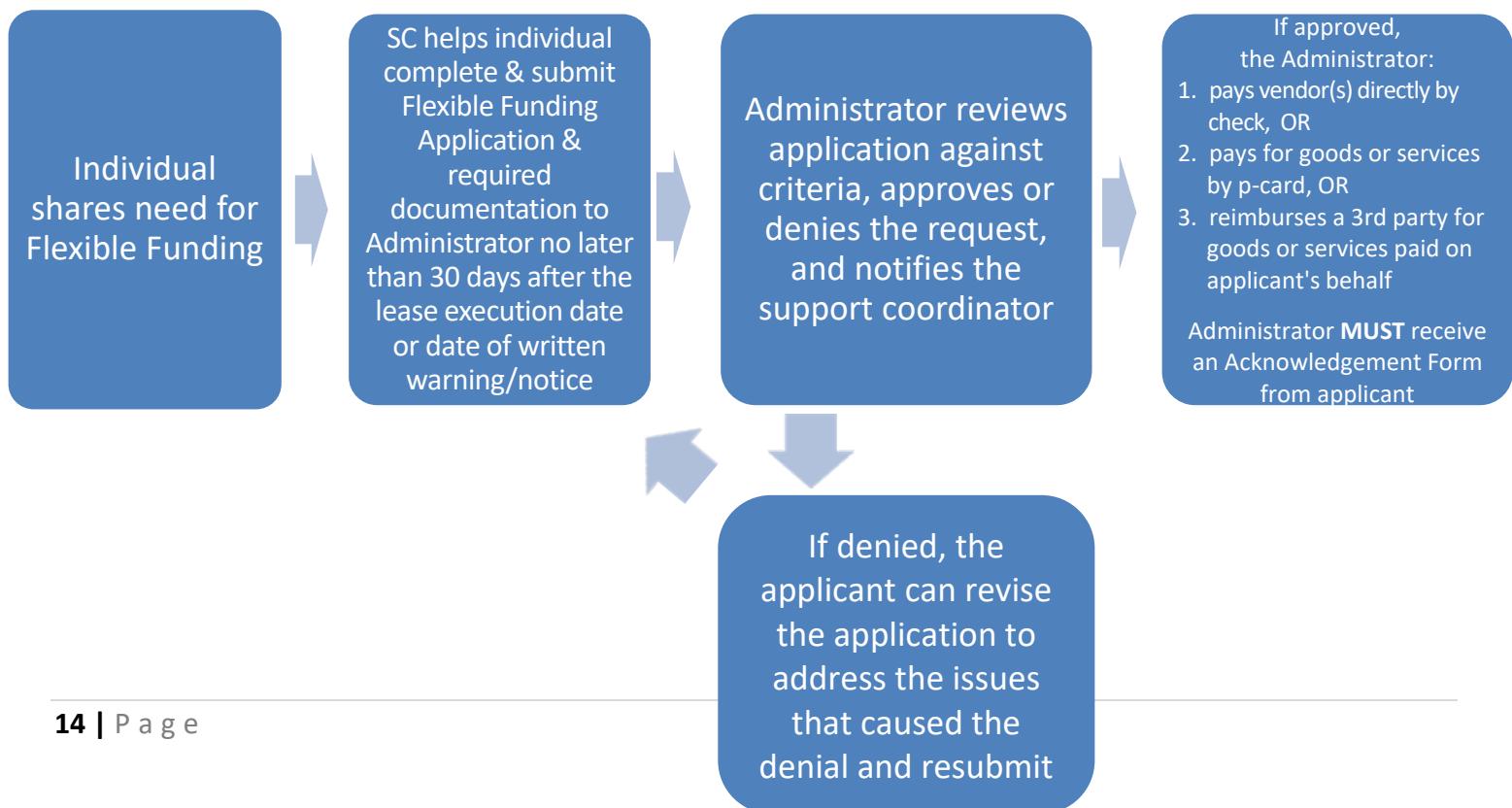
One-time requests for Funding Option #1, Support to Obtain Housing, cannot exceed \$5,000 per person. In the event the funding request for a specific applicant is expected to exceed \$5,000; the Flexible Funding Administrator must petition the DBHDS Office of Community Housing in writing for an exception to this cap. The email shall summarize proposed use of the funds and how it will remove any barrier preventing the eligible applicant from moving into a permitted housing setting. Applicants who do not reach the \$5,000 cap in expenditures for their initial transition to housing CANNOT request the remaining balance for another housing transition and CANNOT apply the remaining balance to Funding Option #2.

Cumulative requests for Funding Option #2, Support to Maintain Housing, cannot exceed \$5,000 per person. In the event that funding amount for a specific applicant is expected to exceed \$5,000, the Flexible Funding Administrator must petition the DBHDS Office of Community Housing for an exception to this cap. The email shall summarize the proposed use of the funds and how they will assist the applicant with maintaining housing stability and preventing the loss of integrated, independent housing.

The Flexible Funding Administrator will maintain a record of Flexible Funding assistance provided to each applicant to avoid making program assistance payments that exceed the caps for Funding Options #1 and #2.

H. Flexible Funding Process

Below is a visual representation of the Flexible Funding process, from the time an individual indicates a need for assistance until the request is approved and payment is disbursed.



I. Assisting Applicants Who Move Between Regions

Periodically, an applicant requests Flexible Funding to move from one DBHDS region to another DBHDS region. In these cases, the applicant's support coordinator should submit the application to the Flexible Funding Administrator in the region to which the individual is moving. If the application reveals the applicant previously accessed Flexible Funding from another CSB, the Administrator should obtain a release of information for that CSB to verify the total amount of Flexible Funding that was disbursed for each funding option.

As appropriate, the Administrator can link the support coordinator to local vendors in the community to which the individual is moving.

J. Reviewing and Approving Flexible Funding Requests

The Flexible Funding Administrator is responsible for reviewing and approving or denying all Flexible Funding applications for payment. The Administrator must review and approved Flexible Funding requests before Flexible Funding can be disbursed. All Flexible Funding requests must meet these criteria for approval:

1. The individual must be an eligible applicant (see Section A). The applicant's support coordinator must attach a screenshot of the applicant's Medicaid Waiver status in WAMs to the individual's Flexible Funding application.
2. The applicant must submit a Flexible Funding application by the deadlines specified in Section E. The applicant's support coordinator shall transmit the application to the Flexible Funding Administrator.
3. Applicants requesting assistance under Funding Option #1 must be making an **initial** transition to a permitted housing setting. Applicants cannot request assistance under Funding Option #1 to transition from a permitted housing setting to another permitted housing setting.
4. Applicants requesting assistance under Funding Option #2 must live in a permitted housing setting at the time of application and must not be moving to a prohibited setting.
5. Applicants must provide the following documents prior to payment of an application fee or security deposit, so the Administrator can verify whether the housing setting is permitted or prohibited:
 - a. a "welcome letter" from the property owner or manager that identifies the unit address the applicant is approved to rent, the contract rent, and the security deposit, or
 - b. the signature page of the lease (fully executed), and the pages of the lease that identify the unit address, the unit rent, the security deposit.
6. Applicants who receive rental assistance and need Flexible Funding to cover the portion of the first month's rent not covered by rental assistance must submit a pro-rata breakdown from the rental assistance provider and/or the housing provider.
7. Requested goods and/or services must fall within one or more allowable expenditure categories for Funding Option #1 or Funding Option #2. If the request is for miscellaneous assistance under either Funding Option, the Flexible Funding Administrator must forward the request to DBHDS Office of Community Housing. The Office of Community Housing will review the request and issue a written decision which the Administrator must share with the support coordinator.
8. The application must demonstrate the applicant has a documented "need" for a good or service to obtain and/or maintain independent housing. **The applicant's written justification must meet at least one of the following approval criteria** (see Appendix 1 for examples of satisfactory and unsatisfactory justifications):
 - a. the applicant could not move into or maintain occupancy of the unit without this good or service (e.g., he/she would remain in or move to a less integrated setting without it).

- b. The good or service is essential for the applicant's health and safety in the home (e.g., his/her health or safety in the home would be in jeopardy without it).
- c. The household item or service is essential for the applicant to maintain lease compliance (e.g., he/she would incur a lease violation without it).
- d. The good or service is essential to the applicant's ability to function in and/or use his or her housing (e.g., he/she could not use the housing without it).

9. An application for funding must include the required documentation for the expense category or categories in which funding is requested (see Sections D.1.[a - e] and D.2[a – h]).

10. An application that requires reimbursement to a third party must include a Reimbursement Request form and documentation of eligible expenditures incurred and an Acknowledgement of Goods or Services Received form.

11. An application for expenses in Funding Option #2 must be accompanied by a Housing Stability Plan (see Appendix 3, Attachment B) that is feasible and sustainable.

12. The request must not result in the applicant exceeding

- a. the \$5,000 one-time cap for Funding Option #1 or
- b. the \$5,000 cumulative cap for Funding Option #2

The Flexible Funding Administrator must review the application against the criteria above and approve or deny the application within 10 days of application receipt. The Administrator will convey the decision to the Support Coordinator and the Support Coordinator will inform the applicant of the decision.

K. Disbursement of Funds

1. Permitted Disbursement Methods:

Flexible Funding payments cannot be disbursed until the Administrator approves the application. Flexible Funding payments shall not be advanced to applicants or third parties. Flexible Funding Administrators can pay for approved expenditures in Funding Option #1 and Funding Option #2 using one or a combination of the following disbursement methods:

- a. The Administrator (or a subcontracted fiscal administrator) can reimburse a third party (e.g., a family member, a service provider or other CSB) for eligible expenditures which the third party paid on behalf of the applicant. The third party must submit itemized receipts which clearly reference the name of the applicant on whose behalf the third party made the purchase and must complete a W-9 form. The third party must submit a reimbursement request with itemized receipts no later than 30 days after the applicant's lease begins or the applicant receives a written warning or lease violation notice, whichever is applicable in the circumstances. Requests submitted after this deadline will not be processed.
- b. The applicant can obtain itemized invoices and W-9 forms from vendors, and the Administrator (or subcontracted fiscal administrator) can pay the vendors directly.
- c. The Administrator can utilize a CSB-issued procurement card to purchase approved goods and/or services for an applicant in accordance with CSB procurement policies.

2. Disbursement Proposal:

The Flexible Funding Administrator must submit a written proposal to the DBHDS Office of Community Housing (OCH) which identifies the disbursement methods the Administrator has selected and answers the questions below:

- a. Please provide contact information (name, address, phone, fax, and email address) for the position that reviews and approves the requested Flexible Funding expenditures.
- b. Please provide contact information (name, address, phone, fax and email address) for the position that processes approved Flexible Funding expenditures for payment.

The DBHDS OCH must review and approve the Administrator's written proposal prior to implementation. Once approved, the Administrator must submit any proposed changes to the approved proposal for the DBHDS OCH review and approval prior to implementation of proposed changes.

L. Monitoring, Reporting and Record Keeping

1. Monitoring

The Flexible Funding Administrator will allow DBHDS OCH the opportunity to monitor and review SRAP programmatic, financial and client records in a manner that is mutually agreeable to the parties. Monitoring may occur through on-site visits or off-site audits of program and financial files and interviews with Flexible Funding staff. DBHDS will review a minimum of ten percent (10%) of program files per monitoring visit.

Any such monitoring or review will be scheduled at least 30 days in advance on a date that is mutually agreed upon. DBHDS OCH staff will send written confirmation of the date and a checklist of the program elements the monitoring staff will review.

The review may result in more than one visit depending on the outcome of the initial report.

DBHDS OCH shall complete a written report of its findings during monitoring review and shall provide this report to the Flexible Funding Administrator within 30 days of the review. The report will identify any violations of requirements in these Guidelines, areas of concern, and any corrective actions required. The report will also provide recommendations to improve program efficiency and effectiveness. The Flexible Funding Administrator must provide a written response within 30 days of the monitoring report date which details the key activities the agency will perform to accomplish each corrective action and the dates by which these activities will be completed.

2. Flexible Funding Administrator Reporting Requirements

The Flexible Funding Administrator will provide the following reports to DBHDS OCH:

- a. A quarterly expense report that summarizes the balance at the beginning of the quarter, expenditures for the reporting quarter and the year to date, and the balance at the end of the quarter. The report will reflect this information for each line item, including but not limited to program expenditures and administrative expenditures. This report will also identify the number of discrete persons served each quarter.
- b. A completed program status report that details information about approved applications disbursed during the current reporting quarter and previous quarters/fiscal years.

Administrators will submit quarterly expense and program status reports in a DBHDS-provided Excel workbook that is hosted on a DBHDS-approved, cloud-based storage system by the 30th of the month following the end of the 1st, 2nd and 3rd quarter. Administrators are permitted to submit the quarterly expense and program status report for the 4th quarter (e.g., the end of the fiscal year) within 45 days of the end of the quarter.

3. Documentation and Record Keeping Requirements

The Flexible Funding Administrator will maintain all applications (including attachments), application approvals/denials and receipts documenting program expenditures for five years from the date of application submission. Records may be stored in electronic form such as Adobe PDF (portable document format).

M. Reasonable Accommodation Requests

An applicant may request a reasonable accommodation from the Flexible Funding Administrator if he/she requires a change to one or more Flexible Funding requirements because of his/her disability in order to access and use the program.

Applicants or their designated representative must submit a written request for a reasonable accommodation that responds to the following questions:

- what is the applicant's and/or designated representative's first and last name, address, phone number and email?
- what Flexible Funding requirement needs to be changed so the applicant can access and use the Flexible Funding program?
- how does the requirement need to change?
- why is this change needed?

The applicant must submit documentation from a qualified professional (which includes, among others, a physician or other healthcare provider, therapist, counselor, social service provider, clergy member, or other reliable source that is familiar with the applicant's disability-related needs). This documentation must verify:

- the existence of a disability,
- the need for the requested accommodation, and
- what the accommodation will accomplish

If the Administrator needs additional information regarding the request in order to render a decision, the Administrator will contact the applicant or designated representative in writing, identify the needed information, and set a deadline for the applicant or designated representative to provide this information.

The Flexible Funding Administrator will issue a written response to the applicant and/or designated representative within 10 business days of receipt of all information required to adjudicate the request. If the Flexible Funding Administrator does not have enough information to adjudicate the request, it will be denied.

Administrators will approve requests that demonstrate:

- the applicant's disability is directly related to the reasonable accommodation request, and

- the request is reasonable (e.g., it will not impose an undue financial and administrative burden on the Flexible Funding program or fundamentally alter the nature of the Flexible Funding program's operations).

Administrators will deny requests that fail to meet these two criteria, explain the reason for denial in writing and offer the applicant and/or designated representative an opportunity to appeal the decision (see Section L below).

Finally, if the request is denied because it is not reasonable, the Administrator may suggest another reasonable accommodation that could enable the applicant to access and use the Flexible Funding program. An applicant is not required to accept a suggested reasonable accommodation if the accommodation will not enable him/her to access and use the Flexible Funding program.

N. Appeals Process

1. *What types of decisions can be appealed?*

Applicants have the right to disagree with, and appeal, decisions of the Flexible Funding Administrator that adversely affect them. Denial of assistance includes denials of applications in part or in whole because the Administrator:

- a. made a calculation error when verifying whether the funding request exceeds
 - i. the maximum amount allowed for a specific funding category or
 - ii. the maximum limit for the Funding Option
- b. inaccurately applied the “justification of need” criteria outlined in Section H(8)(a-d)

The following decisions by a Flexible Funding Administrator cannot be appealed:

- a. the applicant does not meet eligibility criteria
- b. the housing setting for the funding request is prohibited
- c. the request does not fall within an eligible use or an allowable expenditure category
- d. the request (alone or in combination with other requests for the same applicant) exceeds the maximum allowable cap for Funding Option #1 or #2
- e. the request for a good or service exceeds the maximum allowed for a specific expenditure category

2. *Who can make an appeal?*

The applicant has the right to appeal. The applicant has the right to have a designated representative or advocate assist with making an appeal.

3. *What are the steps to make an appeal?*

The Flexible Funding Administrator must give the applicant prompt notice of a decision denying assistance. The notice must contain a brief statement of the reasons for the decision, and must also state that the applicant may appeal the decision. The notice must describe how to appeal the decision, including the contact information for the DBHDS Regional Housing Coordinator (“the Coordinator”) who will review the appeal.

The applicant and/or the designated representative must submit a written appeal request via email to the Coordinator within ten (10) business days from the date of the decision being appealed. The appeal request must include the date the appeal is filed; the specific decision or action being contested; suggestions for possible ways to resolve the situation; and where and how the individual and/or the designated representative may be contacted. Include copies of any relevant documents that support the appeal request. Email the written request to the Coordinator for the region in which the Flexible Funding Administrator is located.

The Coordinator will review the applicant's request, supporting documentation and the Administrator's denial and justification. The Coordinator may uphold, modify, or overturn the Administrator's decision. If the grounds for denial are not specified in the Flexible Funding Guidelines, then the Coordinator will overturn the decision to deny assistance. If the facts prove that there are grounds for denial, the Coordinator will uphold the decision to deny assistance. The Coordinator will provide a written response to the applicant and/or the designated representative within ten (10) business days from the date the appeal is received and will copy the Flexible Funding Administrator. The Coordinator may request an extension of an additional five (5) working days, if necessary. The Coordinator's decision is the final agency action within DBHDS.

Appendix 1: Evaluating Flexible Funding Requests

Flexible Funding requests should be approved when there is a documented “need” for a good or service that, if met, will enable an individual to obtain and maintain independent housing. A request must meet at least one of the following four approval criteria. Requests that do not meet at least one approval criteria must be denied. Examples of satisfactory and unsatisfactory justifications for Flexible Funding requests are below each criterion.

<p>1. The applicant could not move into or maintain occupancy of the unit without this good or service (e.g., he/she would remain in or move to a less integrated setting without it).</p>	
Satisfactory Justification	Unsatisfactory Justification
<p>a. Alan has limited income and cannot afford to pay 1st month's rent and security deposit. He is on the waiver waitlist and unable to access Waiver Transition Services. He has no savings and needs financial assistance for a security deposit. Alan has requested assistance from his family and several local housing organizations, but they are unable to help.</p> <p>b. Martha is moving from a group home to her own apartment. She has never lived independently and cannot afford the \$200 deposit to turn on her electricity. Martha cannot occupy the unit without electricity, but she has no savings to cover this cost. Martha has asked her family and church for assistance, but they are unable to help.</p>	
<p>2. The good or service is essential for the person's health and safety in the home (e.g., his/her health or safety in the home would be in jeopardy without it).</p>	
Satisfactory Justification	Unsatisfactory Justification
<p>a. Barbara needs a 24" monitor and camera connected to her doorbell to be able to identify a person buzzing into her apartment because she has a hearing impairment and can't use the speaker. She is on the waiver waitlist and does not have access to waiver funded assistive technology.</p> <p>b. Bill's disability limits his mobility. He needs grab rails installed in his shower to bathe safely, and needs his first month's rent paid while modifications are made. He's exhausted assistance through Waiver Environmental Modifications and Virginia Housing's Rental Unit Modification Program.</p>	

3. The household item or service is essential for the person to maintain lease compliance (e.g., he/she would incur a lease violation without it).

Satisfactory Justification	Unsatisfactory Justification
<p>a. Carl has a documented behavior that when he becomes frustrated, he sometimes punches the walls. He damaged the wall after his last behavior episode and the landlord has issued him a lease violation notice.</p> <p>b. Christine's lease states that she must keep 75% of the flooring in her apartment covered in order to protect it from damage. In order to comply with her lease, she needs to purchase several area rugs.</p>	<p>a. Carl has a documented behavior that when he becomes frustrated, he sometimes punches the walls. He damaged the wall after his last behavior episode but the landlord has not issued any warnings or notices.</p> <p>b. Christine's lease states that she has the option to carpet in her unit if she makes a written request to her landlord and the landlord approves the request. Christine has an area rug in good condition that she can take from her current residence, but she wants a new rug.</p>

4. The good or service is essential to the person's ability to function in and/or use his or her housing (e.g., he/she could not use the housing without it).

Satisfactory Justification	Unsatisfactory Justification
<p>a. Donna uses a wheelchair; she is unable to reach the doorknob/lock on her door. She needs a remote controlled electronic door/lock to enter and exit her home. She's on the waiver waitlist and cannot access waiver-funded environmental modifications and assistive technology. Virginia Housing's Rental Unit Accessibility Modification program will partially cover the expense.</p> <p>b. David is moving from an assisted living facility (ALF) to his own apartment. He is not permitted to take any furniture from the ALF to his new apartment. He needs a mattress, box spring, frame, dresser, kitchen table and chairs, and a sofa in order to function in his apartment.</p>	<p>a. Donna uses a wheelchair; she is unable to reach the doorknob/lock on her door. She needs a remote controlled electronic door/lock to enter and exit her home. She's on the waiver waitlist and has been approved for IFSP funding to cover part of the expense, but has not yet applied to Virginia Housing's Rental Unit Accessibility Modification program.</p> <p>b. David is moving from an assisted living facility (ALF) to his own apartment. He is not permitted to take any furniture from the ALF to his new apartment. He needs a mattress, box spring, frame, dresser, kitchen table and chairs, and a sofa in order to function in his apartment. His social worker has linked him to a furniture bank that can supply all of these items, but David wants new furniture.</p>

Appendix 2: Flexible Funding Q&A

Q1: Can Flexible Funding be used to cover the costs of furniture for a live-in aide?

A1: Flexible Funding can be used to cover the costs of furniture that the individual needs to have a live-in aide reside with him or her and provide the supports the individual needs to maintain housing, IF the live-in aide is unable to provide his/her own furniture. The furniture that Flexible Funding will pay for is limited to the list of furniture that is deemed essential for use and occupancy of housing. The furniture belongs to the individual: if a live-in aide vacates the unit, the furniture must remain.

Q2: Can Flexible Funding be used to cover the costs of furniture for an individual's child, such as a crib or high chair?

A2: The purpose of Flexible Funding is to remove barriers to independent housing for an individual in the Settlement Agreement population. Eligibility for funding does not extend to other members of the family. The furniture being purchased for the individual may indirectly benefit other family members (e.g., a sofa or kitchen table and chairs). However, with the exception of a live-in aide (see Q1 above), furniture cannot be purchased expressly for another family member's use if this family member is not in the Settlement Agreement target population for housing.

Q3: Can Flexible Funding be used to reimburse a client for the first propane tank fill when he moves into his own home?

A3: A propane tank would need to be filled periodically throughout the year and that is part of the ongoing cost of the utility service (just like an oil tank). This reimbursement would **not** be covered by Flexible Funds. If there is a one-time deposit to set up the utility account or for the cost of the tank itself, that would be covered.

Q4: Can Flexible Funding cover the cost of a small household repair toolkit to put furniture together?

A4: Flexible Funding will cover this cost under Miscellaneous Support to Obtain Housing if the toolkit is required to assemble furniture that is being bought as part of the individual's **initial move** to independent housing. The justification is that, if the toolkit were not purchased, then the furniture could not be assembled, and this would be a barrier to the individual occupying his/her unit (e.g., the individual would have no bed to sleep in, table to eat on, etc.).

Q5: Can Flexible Funding be used to replace furniture and household items that were donated to an individual who has already moved into independent housing?

A5: No. Flexible Funding is intended to assist individuals with removing barriers to getting into independent housing and to prevent housing instability/potential eviction from housing. The funds are not intended to replace furniture and/or items that individuals already have.

Q6: Can Flexible Funding be used to install a septic tank in a trailer?

A6: The purpose of Flexible Funding is to assist individuals with overcoming barriers to housing so they may lease residential rental dwelling units with a full kitchen and bathroom that are integrated into the community. The purpose of Flexible Funding is not to assist a property to meet a minimum standard so it is rentable to the individual. Flexible Funding may not be used to repair or otherwise bring a residential rental dwelling unit that is uninhabitable into compliance with the Virginia Uniform Statewide Building Code.

Q7: Can Flexible Funding be used to pay for a washer and dryer if the property has a community laundry room that is up a flight of stairs and the individual has a mobility impairment?

A7: Flexible Funding will not pay for appliances and fixtures that owners traditionally supply (e.g., stove, refrigerator, washer, dryer, overhead lighting, HVAC unit, window AC unit, water heater), unless the individual needs a reasonable accommodation to purchase a specific appliance or fixture. In this case, the owner does supply a washer and dryer, but the individual cannot use it because the location is inaccessible. The individual can request a reasonable accommodation to this Flexible Funding policy based on a disability-related need.

Q8: An individual has been approved for rent assistance but the first payment will not be available at lease signing and may take several weeks to process. The private owner is demanding payment of first month's rent in full or it will cancel the application. Can Flexible Funding pay for first month's rent if individual cannot afford it or has no other options for assistance?

A8: If (1) payment of the first month's rent in full is demanded by a private owner, (2) the rent assistance program is unable to make payment of the subsidy toward the first month's rent at lease signing and (3) the individual cannot afford to pay the first month's rent in full and has no other options for assistance such as using savings or borrowing from family, then Flexible Funding may be used. The individual should pay the tenant contribution toward the first month's rent that would otherwise be expected in the rent assistance program, and Flexible Funding should pay the balance owed toward the first month's rent.

Appendix 3: Flexible Funding Application

Flexible Funding Applicants: complete this application form with your Support Coordinator, who will transmit it to _____ CSB to request Flexible Funding to help you secure housing and/or prevent the loss of your housing. Flexible Funding must be used in accordance with the Flexible Funding Guidelines. The Guidelines are available at <https://dbhds.virginia.gov/developmental-services/housing/flexible-funding>.

The application deadline for Funding Option #1 is no later than 30 days after the lease start date. The application deadline for Funding Option #2 is no later than 30 days after a written warning or violation notice is issued by the applicant's landlord or rental assistance program, or, if the applicant is making a subsequent transition, 30 days after the lease start date.

All applications must include a copy of the applicant's lease or a welcome letter from property management. If a third party is requesting reimbursement for eligible expenses, include a Reimbursement Request (Attachment D) and documentation of eligible expenditures and an Acknowledgement of Goods or Services Received form (Attachment E) with the application submission. ***Documentation of eligible expenditures is required for all reimbursement requests (e.g., invoices or paid receipts) and cannot include any items that are unrelated to the Flexible Funding request.*** See Attachment C for a list of acceptable forms of documentation. Applications for Funding Option #2 must also include a Housing Stability Plan, unless the request is solely for Subsequent Housing Transition Services and Supports.

The Flexible Funding Administrator will not issue reimbursement for goods or services purchased by the applicant or a third party until and unless the Flexible Funding Administrator receives a completed Acknowledgement of Goods or Services Received with the application submission. If the Flexible Funding Administrator directly purchased goods or services for the applicant, then the applicant must submit this form after receiving these goods or services. Applicants who do not submit this form are prohibited from making future Flexible Funding requests.

Support Coordinators: Please submit the application package to _____, at FAX (____) - or through encrypted email to _____. If you have questions, please contact _____ at (____) - _____ or by email: _____.

Applicant Certification

I have completed this Flexible Funding application with the assistance of my support coordinator. All of the information I have provided is accurate to the best of my knowledge. I understand that if I misuse the funds granted to me, I may be prohibited from accessing Flexible Funding in the future. I also understand that the CSB and DBHDS may pursue repayment action and/or legal action to recover funds that I misuse.

Applicant's (Guardian's) Signature: _____ Date: _____

Support Coordinator's Signature: _____ Date: _____

Applicant's Information

1. Applicant's first and last name: _____
2. Date of birth: Month: _____ Day: _____ Year: _____
3. Applicant's Medicaid Waiver status (*place an "X" next to the correct status*):
 I have a Medicaid Developmental Disabilities (DD) Waiver
 I am on the Medicaid DD Waiver waitlist

____ Other (please explain): _____

4. Have you ever received Flexible Funding before? YES NO

If yes, which Community Services Board provided you funding? _____

5. Name of Support Coordinator (SC) /Case Manager _____

Name of SC's Organization: _____

SC's Phone Number: _____ SC's Email Address: _____

6. Is this the individual's first transition to independent housing? YES NO

7. If the applicant is making the initial transition to housing, what is his/her current living setting: (e.g. training center, Intermediate Care Facility, nursing facility, group home, family home, individual's own home, etc.): _____

8. Address of the unit for which the individual needs Flexible Funding (Street Address, City, State & Zip): _____

9. Who will live with the individual at this address?

Name	Relationship (e.g., friend, sibling, parent, grandparent, guardian, unrelated caregiver)

10. Is the address where Flexible Funding is needed one of the following? (check any that apply)

- Nursing home Board and care home College or other school dormitory Rooming house
- College or school dormitory Accessory dwelling unit operating without a permit Owner-occupied unit
- Residential program licensed by DBHDS or DSS (e.g., group home, residential treatment program, adult care residence, assisted living facility)
- A dwelling on the grounds of a penal, reformatory, medical, mental or similar public/private institution
- A facility providing continual psychiatric, medical or nursing services
- A dwelling without a permit from the local zoning administrator to lease part of the residence as a rental unit
- A non-residential setting (e.g., a homeless shelter, extended stay hotel, vacation timeshare, camper or recreational vehicle)

11. Is the address where Flexible Funding is needed a shared housing arrangement? YES NO

12. What other resources have you attempted to secure for the individual (e.g., Housing Choice Voucher, State Rental Assistance Program (SRAP), Dominion utility assistance vouchers, Medicaid Waiver, etc.)? _____

13. Check the other resources the individual is utilizing:

- Housing Choice Voucher
- State Rental Assistance Program (SRAP)
- Medicaid Waiver environmental modifications
- Medicaid Waiver transition services
- Medicaid Waiver assistive technology

14. Lease Date or anticipated lease date (attach a copy of the lease or welcome letter from the property): _____

Flexible Funding Request

14. What type of Flexible Funding request is this (check one)?

- Request for Assistance to Obtain Housing (one-time maximum of \$5,000 based upon justification)
- Request for Assistance to Maintain Housing (cumulative maximum of \$5,000 based on justification)

Please check all funding categories that apply and include the amount(s) requested.

Requested Funding Category (see Attachment C for required documentation applicable to each category)	Amount Requested
Assistance to Obtain Housing	
<input type="checkbox"/> Temporary Rental Assistance <ul style="list-style-type: none">• Not to exceed two month's rent if environmental modifications are being made• Not to exceed one month's rent if renting from a private owner and rent subsidy payment is delayed	
<input type="checkbox"/> Initial Housing Transition Services and Supports covers security deposits, utility connection fees and deposits, rent arrearages, moving expenses, temporary hotel stays, essential furniture and household supplies, Community Housing Guide (CHG) services for individuals on the DD Waiver Waitlist, and Shared Living start-up services. See a list of allowable furniture and household supplies in Attachment A. List which initial housing transition services and supports you are requesting: <hr/> <hr/>	
If you are requesting CHG or Shared Living Services, what is the name of the provider agency? _____	
<input type="checkbox"/> Environmental Modifications not covered by another source	
<input type="checkbox"/> Assistive Technology Improvements not covered by another source	
<input type="checkbox"/> Miscellaneous (<i>Please attach a description of how funds will be used</i>) covers non-traditional costs that are temporary in nature and related to lapses in coordination of benefits and other related occurrences. Must receive prior written authorization from DBHDS to use this funding category.	

Assistance to Maintain Housing*

Attach the individual's Housing Stability Plan to this application

<input type="checkbox"/> Emergency Rent Payment & Associated Late Fees	covers tenant's portion of the rent and any associated late fees. Limited to three months of rent and three late fees per lease year.	
<input type="checkbox"/> Last Resort Utility Assistance	covers gas, electric, oil, propane, water and sewer bills that are in arrears. Limited to a maximum of \$500 per lease year.	
<input type="checkbox"/> Housekeeping Activities	covers specialized cleaning, chore services, pest extermination and trash removal. Limited to \$500 per lease year.	
<input type="checkbox"/> Unit Repairs	covers tenant damage to the unit that cannot be paid by owner's or renter's insurance. Limited to one request per lease year, not to exceed \$500.	
<input type="checkbox"/> Temporary Relocation	covers temporary relocation expenses if rental housing is damaged, flooded, contaminated by a biohazard or condemned. Limited to one request per lease year, not to exceed \$2,500.	
<input type="checkbox"/> Subsequent Housing Transition Services and Supports	covers security deposits, utility connection fees and deposits, rent arrearages, moving expenses, and Community Housing Guide services for individuals on the DD Waiver waitlist.	

Requested Funding Category (see Flexible Funding Guidelines for Category Descriptions)	Amount Requested
<input type="checkbox"/> Miscellaneous Tenant Support <i>(Please attach a description of how funds will be used)</i> covers temporary, non-traditional tenancy support costs related to lapses in coordination of benefits and services that place an individual at risk of eviction. Must receive prior written authorization from DBHDS to use this funding category.	
<i>Employment and Community Transportation Assistance*</i> see Flexible Funding Memo & Guidelines for required documentation to submit with application.	
<input type="checkbox"/> Employment & Community Transportation covers transportation for trips with a non-medical purpose that are related to the individual's ISP goals. Two travel methods are covered: (1) transportation in a private vehicle by a person such as a co-worker or other community member or (2) the purchase of tickets or farecards for public transportation such as a bus or subway. Attach the Flexible Funding Trips Plan approved by DBHDS.	
	TOTAL REQUEST

* Applicants may not seek, accept or retain Flexible Funding assistance from the CSB for amounts paid by the tenant or by a third party such as an insurance provider or another program that provides financial assistance.

15. Please explain the justification for the Flexible Funding request in the relevant category/categories below:

Category	Describe the Barrier(s) the Individual Is Experiencing:	How Will the Goods, Services and/or Transportation Requested Remove These Barriers?
Obtaining Housing		

Category	Describe the Barrier(s) the Individual Is Experiencing:	How Will the Goods, Services and/or Transportation Requested Remove These Barriers?
Maintaining Housing		

CSB OFFICE USE ONLY: FUNDING ELIGIBILITY DETERMINATION

APPROVED NOT APPROVED

Attachment A

Allowable Furniture and Household Supplies

Flexible Funding requests for furniture and household items are limited to the items on this list. The maximum funding request for furniture and household supplies is \$2,000. Applicants who purchase furniture and household supplies that exceed this cap are financially responsible for any unfunded expenses.

- One bed for the eligible individual (including mattress, box spring and frame)
- One set of bed linens for the eligible individual
- One towel set for the eligible individual
- One bed for a live-in aide (including mattress, box spring and frame)
- One set of bed linens for a live-in aide
- One towel set for a live-in aide
- One dining table and chair set
- One dresser for the eligible individual
- One dresser for a live-in aide
- One sofa or living room chair
- One set of plates
- One set of silverware
- One set of glassware
- One saute pot
- One frying pan
- One lamp in every room without overhead lighting
- One area rug in any room where required by the lease
- One mop
- One broom
- One dustpan
- One toilet brush
- One vacuum cleaner

All other furniture and household supplies are not considered essential to the use and occupancy of housing and will not be approved. Submit an itemized store quote or invoice stating the amount due, or itemized store receipts stating the amount paid for requested items. Quotes/invoices must contain only the requested furniture and household supplies. Receipts must include only eligible furniture and household supply items. Receipts that contain unidentified items or items unrelated to the request will be rejected.

Attachment B

Plan to Maintain Stable Housing

Flexible Funding is not a long term source of financial assistance to help individuals maintain their housing: there are limits and caps on assistance. Therefore, individuals who request assistance for Funding Option #2 must put plans in place to prevent future housing emergencies and reduce the likelihood of the same housing problem occurring again. If the individual is requesting assistance to maintain housing, please complete this plan to maintain stable housing and the household spending plan and submit them to the CSB Program Administrator with the Flexible Funding request. Requests with realistic, achievable plans will be considered for funding.

Individual's Name:

Address:

Phone Number:

Support Coordinator's Name:

Phone Number:

Email:

Landlord's Name:

Company Name:

Address:

Phone Number:

Email:

Maintenance After Hours Phone Number:

Email:

Prevention Planning

Here are the steps I will take to prevent a housing emergency:

- I will put \$_____ per month into an emergency rent fund (can be a checking/savings account, a fund held by family)
- I will put \$_____ per month into a move-out fund to cover damages to my current unit and a security deposit for a future unit
- I will pay my bills on time and review my household budget every month
- I will check with my landlord every three months to see if I am following the rules of my lease
- I will let my landlord know when something in my house needs to be repaired
- I will take good care of my apartment (vacuum the carpets, sweep/mop the floors, clean the sinks and toilets, dust, take out trash, etc.).
- I will keep the noise down so people can't hear what is happening in my house through the walls, floor or ceiling
- Other: _____
- Other: _____

Emergency Planning

1. What will I do if I do not have enough money to pay my rent or utilities this month (electric, gas, water, etc.)?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

2. What will I do if I do not have enough money to pay for other things this month (such as food, transportation, phone, cable, laundry, etc.)?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

3. What will I do if something in my apartment breaks and I have to move temporarily until it is fixed (e.g. a few days)?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

4. What will I do if I get a letter from my landlord saying I have broken the rules of my lease and I have to fix the problem or move out in 30 days?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

5. What will I do if I get a letter saying my landlord will not renew my lease for another year?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

6. What will I do if _____?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

7. What will I do if _____?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

8. What will I do if _____?

PLAN	ACTION	CONTACT PERSON	PHONE	EMAIL
A				
B				
C				

Household Spending Plan

This budget estimates the individual's income and expenses in rental housing. Under Flexible Expenses, be realistic about wants and needs. Apportion expenses to be shared among housemates, and include only the individual's share in this budget. For expenses which will be fully paid by another source (e.g., a Special Needs Trust, ABLE Account, family, etc.), provide the name of the source in the "Alternative Source" column and do not list an amount in the "Cost" column.

Monthly Net Income		Monthly Flexible Expenses	Cost	Alternative Source
Monthly Fixed Expenses	Cost	Alternative Source		
Earned Income	\$	Savings	\$	
SSI	\$	Groceries	\$	
SSDI	\$	Eating Out	\$	
SSA	\$	Entertainment/Hobbies	\$	
Pension	\$	Laundry	\$	
Other	\$	Cleaning/Household Supplies	\$	
TOTAL INCOME [A]	\$	Gasoline/Bus/Taxi	\$	
		Newspaper/Magazines	\$	
Rent*	\$	Alcohol/Cigarettes	\$	
<i>* If the individual has a rent subsidy, insert the tenant rent contribution. If the individual does not have a rent subsidy, insert the total monthly rent as required by the lease.</i>		Tuition/Books	\$	
Electric	\$	Barber/Beautician	\$	
Gas/Oil	\$	Repairs	\$	
Water/Sewer	\$	Doctor/Dentist	\$	
Home Phone	\$	Pets	\$	
Cell Phone	\$	Parking	\$	
Internet Service	\$	Auto Maintenance	\$	
Trash Pickup	\$	Other 1	\$	
Cable	\$	Other 2	\$	
Medical Insurance	\$	Other 3	\$	
Auto Insurance	\$	Other 4	\$	
Life Insurance	\$	TOTAL FLEXIBLE [D]	\$	
Renters Insurance	\$			
Alimony	\$			
Child Support	\$			
Child Care	\$			
Other	\$			
TOTAL FIXED [B]	\$			
Monthly Debt Payments	Cost	Alternative Source		
Installment Loans	\$			
Automobile Loan	\$			
Credit Card Payments	\$			
TOTAL DEBT [C]	\$			

NOTES:

Attachment C

Required Supporting Documentation for Flexible Funding Requests

Applicants must submit documentation for all program expenditures. Submit applications and supporting documentation for requests to obtain housing no later than 30 days after the date of lease execution. Submit applications and supporting documentation for requests related to maintaining housing no later than 30 days after receiving a written warning or violation notice, OR after the date of lease execution, whichever date is applicable to the circumstances.

Supporting documentation for each funding category may include, but not be limited to, the items listed below.

Requests for Assistance to Obtain Housing

- f. **Temporary Rental Assistance** – Submit documentation from the property owner/manager showing the balance paid or due.
- g. **Initial Housing Transition Services and Supports (IHTSS)**
 1. ***Security deposits:*** Submit a copy of the lease, a welcome letter on the property's letterhead that states the security deposit amount due, or a receipt for the security deposit amount paid.
 2. ***Utility connection fees and deposits:*** Submit a copy of the utility statement that documents the fee and/or deposit amount paid or due. For utility arrearages, submit a utility statement or a statement from a collections agency that indicates the balance that is past due.
 3. ***Rent arrearages:*** Submit a copy of the statement from the collections agency or the property that reflects the balance that is past due.
 4. ***Moving expenses:*** Submit an invoice from a truck rental company or a licensed moving company stating the amount paid or due.
 5. ***Temporary Hotel Stay:*** Submit documentation showing progress toward the transition to housing in order to receive approval for an additional increment. Submit an invoice, bill or receipt from a hotel provider stating the amount paid or due.
 6. ***Essential Furniture and Household Supplies:*** Submit an itemized store quote or invoice stating the amount due, or itemized store receipts stating the amount paid for requested items. Quotes/invoices must contain only the requested furniture and household supplies. Receipts must include only eligible furniture and household supply items. Receipts that contain unidentified items or items unrelated to the request will be rejected.
 7. ***Community Housing Guide:*** Submit a signed written service agreement with the Community Housing Guide Provider and an itemized bill or invoice showing the amount paid or due. The agreement must specify:
 - a. the housing transition tasks/activities the provider will perform for the individual
 - b. the rate the provider will charge for these activities (e.g., \$X per hour, day, etc.)
 - c. the "Not to Exceed" cost of \$326.50/month
 - d. the start and end date of the service agreement, which cannot exceed two months

8. ***Shared Living Start-Up Services:*** Submit a signed written service agreement with the Shared Living Provider and an itemized bill or invoice showing the amount paid or due. The agreement must specify:
 - a. the set-up tasks/activities the provider will perform for the individual
 - b. the rate the provider will charge for these activities (e.g., \$X per hour, day, etc.)
 - c. the "Not to Exceed" cost of \$326.50/month
 - d. the start and end date of the service agreement, which cannot exceed two months
- h. **Environmental Modifications** – Submit an itemized bill or invoice from the environmental modifications provider showing the amount paid or due.
- i. **Assistive Technology Improvements** – Submit an itemized bill or invoice from the assistive technology provider showing the amount paid or due.
- j. **Miscellaneous Assistance to Obtain Housing** – Submit a copy of an itemized bill or invoice from a contractor or the property owner/manager showing the balance paid or due, or itemized store receipts that detail the items rented or purchased. The Flexible Funding Administrator must provide a written request describing the proposed use to DBHDS and DBHDS must provide prior written authorization before this category may be used.

Requests for Support to Maintain Housing

In addition to this application form and the supporting documentation listed below, applicants seeking assistance to maintain housing must submit a Housing Stability Plan and Household Spending Plan to the CSB serving as the fiscal agent (see Attachment B).

- A. **Emergency rent payment and associated late fees** - Submit a copy of the applicant's rent ledger from the property owner or manager that shows rent is delinquent or a copy of a Pay or Quit Notice.
- B. **Last resort utility assistance** - Submit a copy of the applicant's utility billing statement showing payment is past due; a statement of utility fees, fines or charges from the property owner or manager; or a shut-off notice from the utility company.
- C. **Housekeeping activities** - Submit a copy of an itemized bill or invoice from a service contractor or the property owner/manager showing the balance paid or due, or itemized store receipts that detail equipment rented and supplies purchased.
- D. **Unit repairs** - Submit a copy of an itemized bill or invoice from the repair contractor showing the balance paid or due, or itemized store receipts that detail equipment rented and supplies purchased for repairs.
- E. **Temporary relocation** - The applicant must submit documentation the unit did not pass a housing inspection for health and safety reasons from a rent assistance program or a written notice from the Landlord or local code official stating the applicant may not return to the unit. Applicants must also submit a copy of an itemized bill or invoice from the hotel showing the dates of lodging, daily rate and the balance paid or due.
- F. **Subsequent Housing Transition Services and Supports (SHTSS)**

1. **Security deposits:** Submit a copy of the lease, a welcome letter on the property's letterhead that states the security deposit amount due or a receipt for the security deposit amount paid.
2. **Utility connection fees and deposits:** Submit a copy of the utility statement that documents the fee and/or deposit amount paid or due. For utility arrearages, applicants must submit a utility statement or a statement from a collections agency that indicates the balance that is past due.
3. **Rent arrearages:** Submit a copy of the statement from the collections agency or the property that reflects the balance that is past due.
4. **Moving expenses:** Submit an invoice from a truck rental company or a licensed moving company stating the amount paid or due.
5. **Community Housing Guide:** Submit a signed written service agreement with the Community Housing Guide Provider and an itemized bill or invoice showing the amount paid or due. The agreement must specify:
 - a. the housing transition tasks/activities the provider will perform for the individual
 - b. the rate the provider will charge for these activities (e.g., \$X per hour, day, etc.)
 - c. the "Not to Exceed" cost of \$326.50/month
 - d. the start and end date of the service agreement, which cannot exceed two months

G. **Miscellaneous Assistance to Maintain Housing** – Submit a copy of an itemized bill or invoice from a contractor or the property owner/manager showing the balance paid or due, or itemized store receipts that detail the items rented or purchased. The Flexible Funding Administrator must provide a written request describing the proposed use to DBHDS and DBHDS must provide prior written authorization before this category may be used.

Attachment D

Flexible Funding Reimbursement Request

Applicants who request Flexible Funding to reimburse a third party for expenses paid on the applicant's behalf must complete and submit this request form with the Flexible Funding application. Attach an itemized receipt for each good and/or service included in this request. Receipts for furniture and household supplies must include only eligible furniture and household supply items and related delivery charges, if applicable. Receipts that contain unidentified items or items unrelated to the request will be rejected. Submit a separate Reimbursement Request for each party to be reimbursed.

Applicant First & Last Name: _____

Third Party Contact First & Last Name: _____ Date of Request: _____

Third Party Contact Title (if applicable):

Relationship to Applicant: Family Member Service Provider Other (describe):

Provider Organization Name (if applicable):

Address of Party to Be Reimbursed:

Phone # of Party to Be Reimbursed: _____ Email of Party to Be Reimbursed: _____

Signature of Party to Be Reimbursed:

Attachment E

Flexible Funding Acknowledgement of Goods or Services Received

Instructions: Please complete and submit this form to the Flexible Funding Administrator and attach packing slips, receipts or other documentation that verifies the items received and/or work performed. The Flexible Funding Administrator will not issue reimbursement for goods or services purchased by the applicant or a third party until and unless the Administrator receives a completed Acknowledgement form. Applicants for whom the Flexible Funding Administrator directly purchased goods or services must submit this form after receiving these goods or services. Applicants who do not submit this form are prohibited from making future Flexible Funding requests.

Applicant's First and Last Name: _____ Date _____

Case Manager/Support Coordinator Name: _____

Name of Third Party Purchaser (if any): _____

Third Party Phone #: _____ Third Party Email Address: _____

Date item(s) received and/or work completed: _____

Description of item(s) received/work completed: _____

Check all that apply:

- The work described above was completed according to the agreement. I am satisfied with the work performed.
- I have received the above listed items and I am satisfied with the product.
- I have received the associated warranty information.
- I am not satisfied with the work/product that I received. I would like my support coordinator and/or Flexible Funding Administrator to contact me to discuss these concerns.

Comments: _____

Signatures:

Applicant	Date
-----------	------

Substitute Decision Maker (if applicable) _____ Date _____

I attest that I have viewed the items and/or work described above in the applicant's home.

Support Coordinator _____ **Date** _____

Appendix 4: Using Flexible Funding for Landlord Risk Mitigation

A property owner or management company (“landlord”) can submit a Flexible Funding Landlord Risk Mitigation claim to cover property damage, unpaid rent or vacancy loss attributable to a tenant who is eligible for Flexible Funding (an “eligible tenant”). Eligible tenants meet the criteria in Section A of the Flexible Funding Guidelines. A landlord may submit one claim per eligible tenant. The maximum claim reimbursement limit is \$5,000. Email landlordclaims@dbhds.virginia.gov to request a Flexible Funding Landlord Risk Mitigation claim form.

Claims must be submitted to the DBHDS Office of Community Housing (OCH) at landlordclaims@dbhds.virginia.gov. OCH has 10 business days to review the claim and supporting documentation in accordance with the requirements above and approve or deny the landlord’s request in writing. OCH will submit approved claims to the regional Flexible Funding Administrator for payment. The Administrator will reimburse the landlord the amount owed within 30 days of claim approval.

The Administrator will deduct landlord reimbursements from its Flexible Funding - General line item and track each request in the quarterly Landlord Claims detail report in a DBHDS-provided Excel workbook hosted on a DBHDS cloud-based storage system. The Landlord Claims report must be submitted in accordance with the reporting schedule outlined in Section J of the Guidelines. Landlord Claims will be monitored in accordance with Section J of the Guidelines. There is no appeal process for Landlord Claims that are denied.

The Landlord Risk Mitigation Fund has three categories:

1. **Property damage**: if an eligible tenant vacates a leased unit and caused damage to the unit, the landlord must try to recover payment from the tenant. If the landlord is unable to recover any amounts owed, the landlord may request payment for unreimbursed damages that exceed the tenant’s security deposit (“net damages”). The landlord must submit the following documents within 45 days of the tenant’s move-out date or discovery of the tenant’s absence:

- the Flexible Funding Landlord Risk Mitigation claim form
- a copy of the lease that verifies the end date of the lease term, the security deposit, and the requirements for tenants to provide notice of intent to vacate
- a copy of the move-out condition report
- an itemized list of the damages the tenant caused with accompanying photographs
- documentation showing the landlord has attempted to recover amounts owed for damages from the tenant
- receipts or invoices for repairs

Damages that are the landlord’s responsibility under the lease agreement or that are considered normal wear and tear for the occupancy period will not be reimbursed. If DBHDS determines (1) the housing unit under lease has an unresolved housing inspection violation in a rent assistance program that is related to the request for damages or (2) the unit has been deemed unfit for human habitation by local building code enforcement, the request will be denied.

2. **Unpaid Rent:** if an eligible tenant vacates a unit prior to the end of the lease term without paying rent owed under the terms of the lease, the landlord may request payment of the unpaid rent balance, in an amount not to exceed two months' rent per the lease agreement. Any security deposit must be deducted from the claim amount. Late fees cannot be included in a claim for unpaid rent. The landlord must submit the following documents within 45 days of the tenant's move-out date or discovery of the tenant's absence:

- the Flexible Funding Landlord Risk Mitigation claim form
- a copy of the most recent Pay or Quit notice sent to the tenant's address that states the balance of unpaid rent owed
- a copy of the tenant's rent ledger
- a copy of the lease that verifies the end date of the lease term, the security deposit, and the requirements for tenants to provide notice of intent to vacate
- a copy of any notice of intent to vacate received from the tenant

Eviction Loss: if a landlord terminates a lease, proceeds to evict an eligible tenant for cause, and is unable to gain possession of the unit for more than two months to lease it to a new tenant, the landlord may apply for reimbursement of lost rent. The landlord must file an unlawful detainer in court and obtain an order of possession. If the order of possession is dated more than 60 days after the filing date, the landlord may apply for up to 60 days of lost rent. Landlord shall make all reasonable efforts to mitigate any lost rent (e.g., by applying the security deposit against unpaid rent) . The landlord must submit the following documents within 30 days of gaining possession of the unit:

- a copy of the unlawful detainer filing and a copy of the order of possession
- a copy of the lease that verifies the monthly rent amount and the security deposit
- a rent ledger

Flexible Funding is a Payor of Last Resort. Landlords may not seek, accept or retain Flexible Funding assistance for amounts paid by the tenant or by a third party such as an insurance provider or another program that provides financial assistance. If, after submitting a Flexible Funding request, the landlord receives payment for any claimed damages or late rent from the tenant or a third party, the applicant must immediately notify DBHDS of such payment so the request can be canceled. If the landlord receives payment of Flexible Funding AFTER being paid by another source, the landlord must return the Flexible Funding payment to the Flexible Funding Administrator. Finally, if the landlord receives payment of Flexible Funding unpaid rent and/or property damage and subsequently receives payment for these expenses from another source, the landlord must reimburse the Flexible Funding Administrator. Landlords that do not comply with these requirements will be prohibited from submitting future Flexible Funding Landlord Risk Mitigation claims.