



**THE DEPARTMENT OF BEHAVIORAL HEALTH AND  
DEVELOPMENTAL SERVICES (DBHDS)  
1220 BANK STREET  
RICHMOND, VA 23219**



**MEMORANDUM OF AGREEMENT (MOA)**

Memorandum of Agreement Number: XXX

***This MOA is not subject to the Virginia Public Procurement Act (VPPA)***

This Memorandum of Agreement, hereinafter referred to as “MOA”, “Contract”, or “Agreement” is entered into this **X** day of **XXX** 2020, by **XXX Redevelopment and Housing Authority**, hereinafter called the “Contractor” or “PHA” and the Commonwealth of Virginia through the Department of Behavioral Health and Developmental Services, hereinafter called the “Purchasing Agency” or the “DBHDS.”

**WITNESSETH** that the Contractor and the Purchasing Agency, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

**PERIOD OF PERFORMANCE:** **From XXX, 2020 through XXX, 2025**; to include five (5) one year (1) optional renewals.

The contract documents shall consist of:

- (1) This signed form;
  - (2) The attached purchasing description, which consists of:
    - (I) Purpose
    - (II) Scope of Services
    - (III) General Terms and Conditions
    - (IV) Special Terms and Conditions
    - (V) Attachments A through G
- A: Duties and Responsibilities of the Parties
  - B: State Rental Assistance Program Manual
  - C: Program Timeline & Utilization Milestones
  - D: Data Reporting Requirements
  - E: Fiscal Year **2020** and Fiscal Year **2021** Budget
  - F: Business Associate Agreement
  - G: Matrix of Required Performance Targets

**IN WITNESS WHEREOF**, the parties have caused this Contract to be duly executed intending to be bound thereby

CONTRACTOR:

PURCHASING AGENCY:

BY:	BY:
PRINTED NAME:	PRINTED NAME:
TITLE:	TITLE:
DATE:	DATE:

## PURCHASING DESCRIPTION

For Memorandum of Agreement Number: 720-XXX SRAP (Location)

### I. PURPOSE

The purpose of this Agreement is to delineate the respective duties and responsibilities of the Parties in implementing activities related to the State Rental Assistance Program (SRAP) and to outline the terms and conditions for the receipt and use of SRAP funding.

This Agreement establishes a broad framework between the Parties for partnership and collaboration. It is contemplated that this Agreement will be tailored via Modifications to delineate the respective duties and responsibilities of the Parties as needed to reflect the specific requirements of a particular activity and/or funding opportunity.

#### A. Target Population

The target population for the State Rental Assistance Program (SRAP) is individuals age eighteen (18) or older who:

1. have a developmental disability as defined in the Code of Virginia
2. are in one of the following categories:
  - transitioning from a skilled nursing facility, intermediate care facility, state training center, group home or other congregate setting
  - receiving Building Independence (BI), Family and Individual Support (FIS) or Community Living (CL) Waiver services
  - determined eligible for and currently on a waitlist for the BI, FIS or CL Waiver
3. currently receive no other source of local, state or federal rent assistance, subsidy or supplement, whether tenant-based or project-based rent assistance.

Individuals who are seeking rental assistance to continue living with parents, grandparents or guardians are **not** part of the target population.

The target population must meet the eligibility criteria for SRAP. The eligibility criteria, including reasons for denying assistance, are available in the SRAP Manual, a copy of which is incorporated by reference in Attachment B.

#### B. Definitions

**Administrative fee**- A fee charged by the PHA for administering the State Rental Assistance Program.

**Area Median Income (AMI)** - A number, released every year by the federal Department of Housing and Urban Development (HUD) for metropolitan areas that represents the combined income of an average household and is used as a basis to determine income qualifications for many housing programs.

**Fair Market Rent (FMR)** - the amount of rent that a given property would command, if it were open for leasing at the moment. Fair market rent is an important concept in the Housing and Urban Development's ability to determine how much of the rent is covered by the government for those tenants who are part of Housing Choice Voucher Program (formerly known as "Section 8"), as well as by other government programs.

**Fair Market Rent Standard-** FMRs are gross rent estimates which include the rent for the dwelling plus the cost of all tenant-paid utilities, excluding telephone, cable or satellite television, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all unassisted housing units occupied by recent movers (renter households who moved to their present residence within the past 15 months). In metropolitan areas, HUD defines Small Area Fair Market Rents (SAFMRs) using ZIP Codes within the metropolitan area. Using ZIP codes as the basis for FMRs provides tenants with greater ability to move into lower poverty neighborhoods with opportunities for jobs, public transportation, and good schools. SAFMRs provide multiple payment standards within a metropolitan area, thus potentially reducing the need for extensive market area rent reasonableness studies and overpayments in lower-rent areas.

**Generally Accepted Accounting Principles (GAAP)** - A collection of commonly-followed accounting rules and standards for financial reporting.

**Home and Community Based Services Waivers (i.e. Medicaid Waiver)-** waivers approved by the Centers for Medicare and Medicaid Services that permit state Medicaid programs to provide long-term care services in home and community settings rather than institutional settings to eligible individuals with disabilities.

**Payment Standard** – A payment standard is the maximum amount that the program will pay toward the cost of monthly rent and utilities (before deducting the total tenant payment by the family). DBHDS establishes its schedule of payment standard amounts by bedroom size. The range of possible payment standard amounts is based on either (1) a percentage of HUD’s most recently published fair market rent (FMR) schedule for the PHA’s FMR area or (2) a HUD-approved schedule of payment standards for the jurisdictions the PHA serves. DBHDS adopts changes to SRAP payment standards at the beginning of July for the fiscal year.

**Program receipts-** All funds disbursed by DBHDS to the PHA in connection with the State Rental Assistance Program.

**Program reserve-** A fund balance set aside to provide a cushion against unexpected increases in program costs.

**Public Housing Agencies (PHAs)** – agencies that contract with HUD to administer HUD’s rent subsidy programs. In most cases, these agencies are Public Housing Authorities, but other public and non-profit agencies may also be designated by HUD to serve in this capacity.

**Rental Assistance-** funds provided to reduce the amount that eligible individuals and households pay to lease rental housing.

**Settlement Agreement Target Population-** individuals age eighteen (18) or older who have a developmental disability, as defined in the Code of Virginia, and are included in one of the following categories: 1) are transitioning from a skilled nursing facility, intermediate care facility, state training center, group home or other congregate setting and meet the Level of Functioning for a Building Independence (BI), Family and Individual Support (FIS) or Community Living (CL) Waiver; 2) are receiving Building Independence (BI), Family and Individual Support (FIS) or Community Living (CL) Waiver services; or 3) have been determined eligible for and currently on a waitlist for the BI, FIS or CL Waiver; and 4) currently receive no other source of local, state, federal or private rent assistance, subsidy or supplement, whether tenant-based or project-based.

**State Rental Assistance Program-** Program created by the Department of Behavioral Health and Developmental Services, in partnership with local Public Housing Authorities, to provide funds to help people in the Settlement Agreement Target Population afford safe and decent housing.

**State Rental Assistance Program Payments** – Payments that are made to property owners/landlords on behalf of a program participant in order to defray the cost of leasing a unit.

**SRAP Project-based Rent Assistance (PBRA) Program** – provides a rent subsidy that is used to help individual households afford housing costs such as rent and utilities. The subsidy is attached to a specific unit within a specific rental property and the tenant typically cannot take the subsidy to another location.

**SRAP Tenant-based Rent Assistance (TBRA) Program-** provides a rent subsidy that is used to help individual households afford housing costs such as rent and utilities. Typically, the household can take the assistance anywhere a landlord is willing to accept the assistance as a form of rent payment.

**Virginia’s Plan to Increase Independent Living Options-** Plan developed by the Commonwealth of Virginia, in consultation with community stakeholders, to increase the availability of independent living options for individuals in the Settlement Agreement Target Population. The plan meets the requirements of Section III.D.3 of the Settlement Agreement with the United States Department of Justice.

## II. SCOPE OF SERVICES

The Scope of Services for this agreement will include:

### A. Program Manual

This MOA shall be based on activities delineated in the SRAP Program Manual dated August 1, 2018, a copy of which is incorporated by reference as Attachment B. Any subsequent modifications or amendments to the SRAP Program Manual shall be immediately incorporated into and enforceable under the terms of this MOA.

### B. Program Goals

The goals of SRAP are:

- To increase access to mainstream, integrated, independent rental housing options for people in the Settlement Agreement target population
- To increase housing opportunities for the Settlement Agreement target population by leveraging state rental assistance with local public and private housing resources

### C. Proposed Duties and Responsible Parties

The primary duties and responsibilities of the DBHDS and the PHA within the State Rental Assistance Program are outlined in Attachment A.

### D. Performance Indicators

1. Voluntary performance targets

Through the activities described in Attachment B, the PHA commits to the following voluntary performance target:

- Provide State Tenant-based Rental Assistance to at least **X** individuals leasing **X** units in the City of **XXX** and the Counties of **XXX**, Virginia in FY 2020, in accordance with the timeline and utilization milestones in Attachment C.

There are no financial or programmatic penalties associated with failure to achieve voluntary performance targets. However, PHA shall track specific program data elements and produce routine reports to measure progress against this performance target. Attachment D contains a complete list of required data elements and reports PHA must track and submit, including a reporting schedule.

PHA and DBHDS shall periodically review progress against the performance target throughout the year and recommend strategies to help improve performance.

## 2. Required performance targets

Through the activities described in Attachment B, the PHA commits to the required performance targets in Attachment G, “Matrix of Required Performance Targets.” If the PHA fails to maintain performance in accordance with these binding targets, DBHDS may deem the PHA in default of this Agreement and take action in accordance with Section IV (H), “Default of the Agreement.”

### E. **Program Reporting**

PHA shall submit referral status reports and household data reports in accordance with the requirements in Attachment D.

PHA shall submit SRAP demographic data reports to DBHDS upon the request of DBHDS. Reports shall break down the total number of SRAP eligible individuals served by gender, race, ethnicity (Hispanic or Latino/Not Hispanic or Latino), and age. PHA shall use its own data sources to produce these reports. DBHDS shall make requests for demographic data reports in writing, specifying the data needed and the format in which the report should be produced. DBHDS shall give the PHA at least five business days to produce a report.

PHA shall use the SRAP workbook to maintain communication with DBHDS regarding the approved monthly SRAP subsidy for each slot, the unit address, the date of onset of assistance, the date assistance terminates, any changes to the monthly subsidy or unit, and the effective date of such changes.

PHA shall notify DBHDS when an individual’s state rental assistance has been terminated and the reason for termination. Notification may be provided as part of the quarterly referral status reporting process.

### F. **Financial Recordkeeping**

PHA shall submit actual and projected expenditure reports, allocation expenditure reports, and program reserve reports in accordance with the requirements in Attachment D using the SRAP workbook provided by DBHDS. Failure by the PHA to submit accurate and timely SRAP financial reports to DBHDS shall be considered a default as referred to in Section IV (H), “Default of the Agreement.”

The PHA’s accounting system must ensure that agency funds are not commingled with funds from other federal, state or local sources. SRAP funds made available under this MOA must be accounted for separately. The PHA is prohibited from commingling funds on either a program-by-program or project-by-project basis.

Funds specifically allocated and/or received for SRAP may not be used to support another PHA program or project. Where the PHA’s accounting system cannot comply with this requirement, the PHA shall establish a system to provide adequate fund accountability for the SRAP funds it receives.

PHA must maintain complete and accurate books of account and records for a program. The books and records must be kept in accordance with Generally Accepted Accounting Principles, and must permit a speedy and effective audit.

PHA must furnish DBHDS such financial reports, records, statements, and documents at such times, in such form, and accompanied by such supporting data as required by DBHDS.

PHA must engage and pay an independent public accountant to conduct audits that are required by DBHDS. The audits shall consist of a review of financial information consistent with what the PHA is required to submit to HUD at the fiscal year end through the Financial Assessment Subsystem for Public Housing (FASS-PH), and through the Voucher Management System (VMS). The cost of audits required by DBHDS may be charged against program receipts.

### III. GENERAL TERMS AND CONDITIONS:

- A. **AUDIT**: The Contractor shall retain all books, records, and other documents relative to this MOA for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The DBHDS, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- B. **APPLICABLE LAWS AND COURTS**: This MOA shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **AVAILABILITY OF FUNDS**: It is understood and agreed between the parties herein that the DBHDS shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this MOA.
- D. **CHANGES TO THE MOA**: The parties may agree in writing to modify the MOA. Any changes to this MOA including any increase and/or decrease in funding shall be based upon mutual agreement of both parties and shall be in the form of a written modification prior to the implementation of said change.
- E. **CANCELLATION OF MOA**: DBHDS reserves the right to cancel and terminate this Agreement, in whole or in part, without penalty, upon 120 days written notice to the Contractor. In the event the initial Agreement period is for more than 12 months, the Agreement may be terminated by either party, in part or in whole, without penalty, after the initial 12 months of the Agreement period upon 120 days written notice to either party. Any cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding deliverables unless otherwise agreed to in writing by the DBHDS prior to the effective date of cancellation.
- F. **CONTRACT ADMINISTRATION**: Upon execution, the Purchasing Agency will designate an individual(s) as an authorized representative, the Purchasing Agency Contract Administrator, to administer all services performed in conjunction with this MOA. As the Purchasing Agency Contract Administrator is, in the first instance, the interpreter of the conditions of the MOA and the judge of its performance, the Contract Administrator will use all powers under the MOA to enforce its faithful performance. The Purchasing Agency Contract Administrator or designated official will determine the amount, quality, acceptability, and fitness of all aspects of the services and will decide all other questions in connection with the services. The Contract Administrator, inspector, or designated official, will have no authority to approve changes in the services which alter the MOA terms or price. Any MOA modifications made must first be authorized by the DBHDS Procurement office and issued as a written modification to the MOA.
- G. **CONTRACTOR RIGHTS TO USE MATERIALS**: The contractor is hereby granted a royalty-free, non-exclusive and irrevocable license in perpetuity to reproduce, publish or otherwise use the Intellectual Property for noncommercial purposes. Such rights shall include, but are not limited to the



right to claim credit as the original author of the Intellectual Property, the right to use and authorize others to use the Intellectual Property in research and for preparation of teaching materials for noncommercial use, and the right to transfer to publishers the copyrights in scholarly publications and textbooks that include an insubstantial portion of the Intellectual Property. The contractor may seek further rights to use the Intellectual Property by submitting a written request for authorization to the Superintendent of Public Instruction, which authorization shall not reasonably be withheld.

- H. **DRUG FREE WORKPLACE:** During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

- I. **IMMIGRATION REFORM AND CONTROL ACT OF 1986:** By entering into a written MOA with the Commonwealth of Virginia, the Contractor certifies that the Contractor does not, and shall not during the performance of the MOA for goods and/or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- J. **OWNERSHIP OF INTELLECTUAL PROPERTY:** All copyright and patent rights to all deliverables provided to the DBHDS in the performance of this contract ("the Intellectual Property") shall become the sole property of the DBHDS. The contractor hereby assigns to the Commonwealth exclusively all right, title, and interest in and to all rights in the Intellectual Property that the contractor may have or obtain, without further consideration, free from any claim, lien for balance due, or rights of retention thereto on the part of the contractor. Upon request, the contractor shall promptly provide any further acknowledgment or assignment in a tangible form satisfactory to the DBHDS to evidence the DBHDS' sole ownership of the Intellectual Property.
- K. **RENEWAL OF MOA:** This contract may be renewed by the Commonwealth upon written agreement for five (5) successive one year (1) periods, under the terms of the current contract, and at a reasonable time (approximately 90 days) prior to the expiration.
- L. **SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the contractor desires to subcontract some part of the work specified herein, the contractor shall furnish the purchasing agency the names, qualifications and experience of their proposed subcontractors. The contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
- M. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION, CONTRACTS, AND ORDERS:** The eVA Internet electronic procurement solution, web site portal [www.eVA.virginia.gov](http://www.eVA.virginia.gov), streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution by completing the free eVA Vendor Registration. All bidders or offerors must

register in eVA and pay the Vendor Transaction Fees specified; failure to register will result in the bid/proposal being rejected.

Effective December 1, 2014, all vendors are required to register in eVA in order to get paid by the Commonwealth of Virginia. Governmental entities that register in eVA will not get charged eVA fees for orders from the DBHDS since the DBHDS will key such orders into eVA using eVA PO Category XO2. The Virginia Department of General Services does not charge either party an eVA fee if an order is created using eVA PO Category XO2.

#### **IV. SPECIAL TERMS AND CONDITIONS:**

##### **A. Monitoring:**

PHA shall allow DBHDS the opportunity to monitor and review SRAP programmatic, financial and client records in a manner that is mutually agreeable to the parties.

Any such monitoring, or review, will be scheduled in advance on a date that is mutually agreed upon, and DBHDS staff shall send confirmation in writing.

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

DBHDS reviews may include, but may not be limited to the following areas:

1. Adherence to the policies and procedures set forth in the SRAP Program Manual, including but not limited to:
  - a. SRAP participant eligibility determinations
  - b. Income determinations/redeterminations
  - c. SRAP participant agreements
  - d. The unit approval process
  - e. Tenant rent contributions and subsidy determinations/SRAP payments to landlords
  - f. SRAP contracts
  - g. Reasonable accommodation decisions and appeals
  - h. Program reserves
2. Progress toward program outcomes as indicated by the data from the referral status reports, household data reports, and expenditure reports
3. Maintenance of accurate, organized and accessible applicant and participant records

DBHDS shall also be allowed, at its expense, to conduct a financial audit.

A written report on the monitoring results shall be completed by DBHDS and provided to the PHA within 30 days of the review.

##### **B. Funding Allocations:**

The Fiscal Year **2020** and Fiscal Year **2021** SRAP Funding Allocations for PHA are provided in Attachment E.

It is understood and agreed between the parties herein that DBHDS shall be bound hereunder only to the extent of funds available or which hereafter may become available for the purpose of this MOA.



PHA has the authority to increase or decrease any line item in the funding allocation by up to ten percent, with the exceptions of the program reserve and the administrative fee, which require prior written approval by DBHDS. Any proposed increase or decrease to any line item of more than ten percent shall require prior written approval from DBHDS.

Each year, DBHDS shall develop and submit a proposed funding allocation for the SRAP program to the PHA at least 60 days prior to the onset of the new fiscal year. The funding allocation shall be based upon historical utilization patterns, estimated turnover and new lease-ups, and PHA's assessment of the rental market and potential changes in rent amounts and utility allowances for individuals currently under lease. The funding allocation is subject to PHA review and comment. Any change to the funding allocation shall be incorporated as a Modification to this MOA.

SRAP funds must be used to supplement existing funds for program activities and must not replace those funds that have been appropriated for the same purpose, such as the federal Housing Choice Voucher program. Supplanting will be the subject of monitoring and audit. If there is a potential presence of supplanting, the PHA will be required to supply documentation demonstrating that the reduction in non-SRAP resources occurred for reasons other than the receipt or expected receipt of SRAP funds.

C. **Billing:**

PHA shall submit a written request to the DBHDS Housing Services Manager to advance SRAP funding (excluding the administrative fee) on a semi-annual basis, in July and January.

**The July request shall include:**

- The approved funding allocation for the fiscal year, including all income and expenditure line items
- The amount of funds required for July 1 through December 31, after adding the annual program reserve capitalization contribution and subtracting
  - anticipated income (e.g., overpayments recovered from tenants or landlords, interest on the program reserve, etc.)
  - The fund balance from the prior fiscal year that is to be carried over to the following fiscal year.

**The January request shall include:**

- The approved funding allocation for the fiscal year, including income and expenditure line items
- Actual income and expenditures from July 1 through December 31
- Projected income and projected expenditures from January 1 through June 30, including any deferred income from the July SRAP award
- Funds requested to bridge the gap between projected income and expenditures.

Except for payments from the program reserve account, the SRAP annual payments during a fiscal year shall not exceed the annual funding allocation for the program.

If DBHDS determines that payments by DBHDS to the PHA for a fiscal year exceed the amount of the annual program-related expenditures approved by DBHDS for the fiscal year, the excess must be applied as determined in writing by DBHDS. Such applications determined by DBHDS may include, but are not limited to, application of the excess payment against the amount of the annual payment for a subsequent fiscal year or against the capitalization of the program reserve. The PHA must take any actions required by DBHDS respecting the excess payment, and must, upon demand by DBHDS, promptly remit the excess payment to DBHDS.

D. **Administrative Fees:**

DBHDS has established administrative fees to assist PHAs with covering the costs of the SRAP operations. The administrative fees may be used to support direct and indirect costs including, but not limited to, staffing (salaries and benefits), professional contracts, training, travel, supplies, office equipment, postage, phone, Internet service, office rent and utilities, provision of alternative formats and effective communication, criminal background checks, bank fees, and late fees to landlords.

***Milestone Payments:*** The PHA is permitted to bill administrative fee payments for completing each of the following milestone activities outlined below.

- SRAP Application. Upon the eligible individual's submission of a completed SRAP application, the PHA may bill a one-time administrative milestone payment of \$80.00.
- SRAP Certificate Issued. Upon issuance of an SRAP certificate, the PHA may bill a one-time administrative milestone payment of \$80.00.

***Base Administrative Fee:*** PHA is permitted to bill the Base SRAP Administrative Fee of \$80.00 per unit, per month commencing in the month it makes the first SRAP contract payment to the owner for an eligible unit. Ongoing administrative fees may only be claimed on units with an active SRAP payment contract.

PHA shall submit quarterly invoices to DBHDS for all administrative fees using the DBHDS Administrative Fee Invoice Form. The PHA shall provide a summary specifying the unit addresses for which administrative fees are being billed; the milestones being billed and dates each is accomplished; and for the Base Administrative Fee, the months being billed. PHA's total administrative fee for the fiscal year shall not exceed the allocated amount for the administrative fee.

PHA will be paid within 30 days of receipt of a valid invoice for services provided during the previous billing period. All invoices must include the unique contract and/or purchase order number. Failure to include required elements from the invoices may result in the invoice being returned for correction. PHA shall submit its invoice to the following address by the 10th day of the month following the month in which services were rendered. Invoices shall be sent to:

DBHDS  
1220 Bank Street  
PO 1797  
Richmond, VA 23218-1797  
Attn: Housing Services Manager

***If transmitting an invoice through an email system, the document needs to be sent to:***  
[AccountsPayable@DBHDS.Virginia.gov](mailto:AccountsPayable@DBHDS.Virginia.gov)

1. For valid invoices that exceed \$5,000, payment shall be made within thirty (30) days of receipt of a valid invoice for all services provided by check or EDI. Charge card transaction fees shall not be applied to any invoice issued to the Commonwealth.
2. For valid invoices in the amount of \$5,000.00 or less, payment may be made by check, EDI payment, Commonwealth of Virginia's Small Purchase Charge Card or Gold Card. Charge card transaction fees shall not be applied to any invoice issued to the Commonwealth.

E. **Use of Program Receipts:**

The PHA must use program receipts to provide decent, safe, and sanitary housing for eligible individuals in compliance with DBHDS requirements as outlined in the SRAP Manual. Program receipts may only be used to pay program expenditures.

PHA shall not make any program expenditures, except in accordance with the DBHDS-approved funding estimate and supporting data for a program.

Interest on the investment of program receipts constitutes program receipts.

If required by DBHDS, program receipts in excess of current needs must be promptly remitted to DBHDS or must be invested in accordance with DBHDS requirements.

F. **Depository:**

Unless otherwise required or permitted by DBHDS, all program receipts must be promptly deposited with a financial institution selected as depository by the PHA. The financial institution must be insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund and meet the reserve requirements of depository institutions set forth in the Federal Reserve Bank's Regulation D. All monies deposited by PHA with the Depository shall be credited to the PHA in an interest bearing account. The Depository shall promptly notify the PHA of any monies credited or deposited in the account.

Any portion of PHA funds not insured by a Federal insurance organization shall be fully (100%) and continuously collateralized with specific and identifiable U.S. Government or Agency securities prescribed by DBHDS. Such securities shall be pledged and set aside in accordance with applicable law or Federal regulations.

For the full term of deposit, the PHA shall have possession of the securities (or the PHA shall take possession of the securities), or an independent custodian (or an independent third party) shall hold the securities on behalf of the PHA as a bailee (evidenced by a safe-keeping receipt and a written bailment for hire contract). The Depository may substitute other securities as collateral to equal or increase the value.

PHA may only withdraw deposited program receipts for use in connection with the program in accordance with DBHDS requirements.

G. **Program Reserve:**

PHA shall:

- Establish and maintain a program reserve account in accordance with the State Rental Assistance Program Manual.
- Structure its annual funding allocation to fully capitalize the program reserve. "Full capitalization" of the program reserve is defined as achieving a balance in the reserve that equals 100% of the funding allocation for the current fiscal year.
- Submit requests to DBHDS for approval to access the program reserve to pay any gap between allocated and actual expenses, for which there is insufficient actual program income to cover. Unapproved use of program reserves may constitute a default of this Agreement under Section IV(H), "Default of Agreement."
- Adjust the annual funding allocation to replenish the program reserve if it falls below the target funding level.
- At the beginning of each fiscal year, deposit the amount identified in the funding allocation for the annual program reserve capitalization contribution into the program reserve account to achieve and maintain the program reserve at the target funding level.

- At the end of each fiscal year, provide a statement of account activity which details starting balance, ending balance and all transactions, including deposits, withdrawals, transfers, interest accrued, and fees applied.
- Return excess reserve funds in the manner directed by DBHDS, no later than sixty (60) days from the date the PHA receives a written notice of intent to withdraw excess reserve funds from DBHDS.
- Provide a final program reserve report and return the balance of funds in the program reserve account to DBHDS, if the SRAP contract is terminated or not renewed.

PHA may submit a written request to the DBHDS in June to withdraw interest earned in the program reserve during the fiscal year to cover unfunded, unbilled program or administrative costs to provide decent, safe and sanitary housing for eligible individuals in compliance with DBHDS requirements as outlined in the SRAP Manual. Unfunded, unbilled program or administrative costs must fall within one or more of the following categories: rental assistance, utility allowance, or administrative costs as described in Section IV.D., Administrative Fees. The PHA must submit a narrative request detailing the unfunded, unbilled expenses for which it is requesting reimbursement at the end of the fiscal year. This request must be accompanied by a financial report that shows a line item breakdown of actual program and administrative revenue, actual program and administrative expenses, and those line items in which expenses exceeded revenue. The DBHDS will determine whether the request constitutes a valid program expenditure or expenditures payable from program receipts on annual interest earned in the program reserve. The DBHDS will notify the PHA in writing of its decision and any amounts the PHA is permitted to transfer from the reserve.

DBHDS shall:

- Decide with the PHA whether to move any funding allocation balance at the end of the year into the program reserve or to use this balance to offset the following year's SRAP funding allocation.
- From time to time after the Program Reserve is fully capitalized, give notice to the PHA, if the DBHDS desires to withdraw from the Program Reserve Account any amounts by which the balance exceeds full capitalization, as defined above. DBHDS shall specify the proposed withdrawal amount. The PHA may, within twenty (20) days after receipt of such notice, object to such withdrawal by giving notice thereof to the DBHDS together with current financial projections for the SRAP program including projections of the minimum balance required in Program Reserve Account.
- Discuss such projections with the PHA if the PHA objects to a proposed withdrawal, and shall reasonably and in good faith attempt to agree upon the amount, if any, of excess funds in the Program Reserve Account. If the DBHDS and the PHA shall agree upon such amount, the DBHDS may direct the PHA to withdraw such amount from the Program Reserve Account for payment to the DBHDS. No withdrawal shall be made unless and until the DBHDS and the PHA shall agree upon the amount thereof. If the PHA shall not have objected to a proposed withdrawal by the DBHDS within twenty (20) days after the DBHDS's notice, the PHA shall be deemed to have agreed thereto.

#### H. **Default of the Agreement:**

The following circumstances shall be considered a breach or default of this Agreement by the PHA:

- (1) PHA has failed to comply with any obligations under this MOA; or
- (2) PHA has failed to comply with obligations under a contract for state rental assistance payments with an owner; or
- (3) PHA has failed to take appropriate action, as expressly directed by DBHDS in writing, for enforcement of PHA's rights under a contract for rental assistance payments (including requiring actions by the owner to cure a default, termination, or reduction of rental assistance payments, termination of the contract for rental assistance payments, or recovery of overpayments); or
- (4) PHA has made any misrepresentation to DBHDS of any material fact.

Before the PHA is deemed to be in default, DBHDS will provide written notice describing the alleged breach that has occurred and provide the PHA an opportunity to cure the default, the time for which shall not be less than sixty days.

If after such notice and opportunity to cure, the PHA is nonetheless deemed to be in default, DBHDS may exercise the following remedies depending upon the severity of the default and the level of effort demonstrated to return to compliance:

- Withhold part or all of the monthly administrative fee payment due beginning the first of the month following the specified correction period (including any approved extension). Retroactive payments will be made to the PHA upon verification by DBHDS that the default event has been cured.
- Withhold part or all of the monthly administrative fee payment due beginning the first of the month following the specified correction period (including any approved extension). No retroactive payments will be made to the PHA for the period of time the administrative fees were reduced.
- Withhold the total monthly administrative fee payment due beginning the first of the month following the specified correction period (including any approved extension). No retroactive payments will be made to the PHA for the period of time the administrative fees were abated.
- DBHDS may reduce to an amount determined by DBHDS:
  - The amount of the DBHDS payment for the program.
  - The funding allocation for the program.

DBHDS must give PHA written notice of the reduction. This notice must include a revised funding Attachment specifying the term and funding allocation for the program. The DBHDS notice of revisions to the funding Attachment constitutes a Modification of this MOA.

Upon written notice to PHA, DBHDS may take possession of all or any rights or interests in connection with the State Rental Assistance Program, including funds held by a depository, program receipts, and rights or interests under a contract for housing assistance payments with an owner.

DBHDS's exercise or non-exercise of any right or remedy under this MOA is not a waiver of DBHDS's right to exercise that or any other right or remedy at any time.

The following circumstances shall be considered a breach or default of this Agreement by the DBHDS:

- (1) DBHDS fails to make payment of SRAP funding advances when due
- (2) DBHDS fails to make payment on SRAP administrative fees when due

Before DBHDS is deemed to be in default, the PHA will provide written notice describing the alleged breach that has occurred and provide DBHDS an opportunity to cure the default, the time for which shall not be less than sixty days. If after such notice and opportunity to cure, DBHDS is nonetheless deemed to be in default, the PHA may immediately terminate this MOA.

I. **Fidelity Bond/Crime Insurance Coverage:**

PHA must carry adequate fidelity bond coverage or a commercial crime/ employee dishonesty insurance policy that protects the PHA and DBHDS in the event that there is a financial loss due to an act of its officers, agents, or employees handling cash or authorized to sign checks or certify vouchers. The fidelity bond coverage and/or the crime insurance policy shall be effective for the entire duration of this

agreement, and coverage limits shall be equal to or exceed the annual funding allocation. The PHA shall provide documentation that the bond coverage or the commercial crime/employee dishonesty insurance policy is current at least annually. This documentation may include but not be limited to: 1) a certificate of insurance naming DBHDS as loss payee; or 2) a copy of the fidelity bond documents.

J. **Exclusion of Third Party Rights:**

An individual that is eligible for state rental assistance under this MOA is not a party to or third party beneficiary of the MOA.

Nothing in this MOA shall be construed as creating any right of any third party to enforce any provision of this MOA, or to assert any claim against DBHDS or PHA.

K. **Health Insurance Portability and Accountability Act (HIPAA) Compliance:**

The PHA must enter into a Business Associate Agreement (Attachment F) with DBHDS to comply with the Health Insurance Portability and Accountability Act (HIPAA).

L. **Incentive Option:**

PHA may make PHA owned and/or operated units with gross rent(s) at or below 50% AMI available to SRAP TBRA participants. At the end of each fiscal year, DBHDS and PHA will verify the total number of PHA owned and/or operated units leased to new SRAP participants that have rents targeted to households with incomes at or below 50% of the area median income for the Fair Market Rent area in which PHA is located. PHA will receive a bonus payment in accordance with the schedule below:

<b>Total PHA Units With Rents At/Below 50% AMI Leased to New SRAP Participants</b>	<b>Bonus Payment</b>
1-5	\$ 10,000
6-10	\$ 22,000
11-15	\$ 34,000
16-20	\$ 48,000



**Memorandum of Agreement for the State Rental Assistance Program  
Attachment A – Duties and Responsibilities of the Parties**

**DBHDS ROLES/RESPONSIBILITIES:**

<b>Activity</b>
1. Accept referrals for the State Rental Assistance Program from DD support coordinators and track them in the DBHDS Coordinated Housing Access and Referral System (CHARS).
2. Screen referrals to verify they meet basic program eligibility criteria, including age, diagnosis, and Medicaid coverage. Check whether the individual is registered as a violent sexual offender in Virginia Sex Offender Registry and conduct outreach to support coordinators to educate them about SRAP mandatory reasons for denial of assistance. Assess whether the individual wants to proceed with the referral. Notify support coordinators when referrals are accepted, rejected or deemed pending due to missing or unclear information.
3. Assign referrals to PHA’s SRAP slots using SRAP prioritization criteria. Forward referrals and slot assignments to PHA. For PBRA slots, assign referrals to specific slots by property type/location/unit size (screen for location preference, accessibility needs, unit size needs).
4. Track PHA’s available and utilized SRAP slots. For PBRA slots, track available and utilized slots by property/unit. Maintain communication with PHA regarding the approved monthly SRAP subsidy for each slot, the unit address, the date of onset of assistance, the date assistance terminates, any changes to the monthly subsidy or unit, and the effective date of the change.
5. Provide support coordinators and families technical assistance with housing searches and housing application processes.
6. Provide support coordinators and families technical assistance with reasonable accommodation requests, fair housing concerns, and identification of resources to cover initial housing expenses such as housing location, security deposits, moving costs, furnishings, adaptive aids, moving costs and other one-time expenses.
7. Assist PHA with developing annual budget projections for rental assistance and approve the annual budget proposal for rental assistance.
8. Monitor the program reserve established by PHA to ensure it is capitalized in accordance with program requirements. Review and approve PHA’s requests to access the rent reserve.
9. Review programmatic and financial reports submitted by PHA.
10. Review and approve PHA’s semi-annual requests for SRAP funding advances.
11. Review and approve PHA’s quarterly invoices for administrative fees.
12. Provide policy and procedural guidance on SRAP program issues.
13. Collect and analyze data on program participant and landlord satisfaction with the SRAP program.
14. Monitor the performance of the PHA under the terms of this MOA and in accordance with the Program Manual.

**Memorandum of Agreement for the State Rental Assistance Program  
Attachment A – Duties and Responsibilities of the Parties  
(continued)**

**PHA RESPONSIBILITIES**

Activity	SRAP Tenant- based Rent Assistance Program	SRAP Project- based Rent Assistance Program
<b><u>A. Referral Management</u></b>		
1. Accept and track SRAP referrals and slot assignments received from DBHDS. For PBRA slots, track available and assigned slots by property/unit.	X	
2. Receive notifications of vacancies from owners and, in turn, notify DBHDS of vacancies in SRAP PBRA units		
<b><u>B. Conduct Solicitation for PBRA Projects</u></b>		
1. Use a competitive process to solicit and select SRAP PBRA proposals from owners in accordance with SRAP Program Manual requirements		
2. Conduct initial inspections and site reviews to verify units meet site and neighborhood standards and substantially comply with housing quality standards (HQS). Notify owners who are selected to participate in the SRAP Project-based Rent Assistance program. Determine initial rent reasonableness, conduct pre-contract inspections, and verify units comply with accessibility requirements in accordance with the Program Manual. Enter into Project-based Rent Assistance Contracts with owners selected to receive project-based rent assistance for units.		
3. Enforce, amend, and when necessary, terminate contracts with owners.		
<b><u>C. Application Process/Eligibility Review</u></b>		
1. Schedule and hold SRAP interviews with referred individuals, and include families or guardians (if applicable) in the process.	X	
a. Obtain completed application materials and a criminal background check release.	X	
b. Require SRAP applicants to submit the same documentation of legal identity, social security numbers, age, familial relationship, citizenship/eligible immigration status, disability, income, assets and deductions as Housing Choice Voucher applicants.	X	
c. Review referrals to determine whether a live-in aide, shared housing, other reasonable accommodation has been requested. Ask individuals, parents/guardians, and/or support coordinators to complete a reasonable accommodation request per PHA policy and procedures.	X	
d. Discuss and confirm living arrangements with individuals, parents/guardians and support coordinators (e.g., individual living alone in 1BR unit, individual living in shared housing with roommate(s), individual requesting a live-in aide). For TBRA, determine unit size for subsidy approval based on living arrangement. For PBRA, verify the individual's household composition qualifies for the unit to which he/she was referred	X	

based on the SRAP-PBRA subsidy standards. If the individual's household composition does not qualify to rent this unit, notify the individual, support coordinator, parent/guardian and DBHDS that the household must be referred for a PBRA unit that is within the SRAP-PBRA subsidy standards.		
2. Review and process SRAP applications in accordance with PHA's Housing Choice Voucher program policies and procedures regarding income, citizenship/eligible immigration status, and social security number. Review and process SRAP applications in accordance with the uniform criminal exclusion criteria outlined in the SRAP Program Manual. Student status does not affect eligibility for SRAP.	X	
<b><u>D. Income Determination/Subsidy Standard</u></b>		
1. Perform initial income determinations in accordance with PHA's Housing Choice Voucher Program policies and procedures.	X	
2. Calculate payment standards and inform individuals, parents/guardians and support coordinators. Use the payment standard approved by DBHDS. The payment standard is adjusted for unit size. Unit sizes shall be determined in accordance with the SRAP Program Manual procedures. Eligible individuals shall be permitted to use SRAP assistance in shared housing, in accordance with HUD guidelines for calculating shared housing payment standards.	X	
3. If an individual is approved for shared housing, explain the calculation of the payment standard and subsidy and inform the individual, parent/guardian and support coordinator that the other housemates will not receive rental assistance and must pay the rent that the landlord assesses them. The individual must also have a separate lease from his/her housemates.	X	
4. Perform interim income re-examinations in accordance with the SRAP Program Manual guidelines. Perform income redeterminations every year or three years, depending on source of income, in accordance with the SRAP Program Manual guidelines. Use PHA Housing Choice Voucher Program policies and procedures for calculating countable income.	X	
<b><u>E. Certificate Issuance &amp; Program Orientation</u></b>		
1. Issue SRAP rental certificates to eligible individuals.	X	
2. Conduct rental assistance orientation meetings with eligible individuals, their families or guardians (if applicable) and support coordinators to review payment standard, unit size, permitted housing types, housing search strategies, landlord paperwork (Request for Tenancy Approval, W-9, electronic deposit form), Housing Quality Standards inspections, certificate expiration dates and procedures for requesting extensions. Review Tenancy Addendum and Family Obligations and have individuals and guardians (if applicable) sign.	X	
3. Conduct rental assistance orientation meetings with approved individuals, their families or guardians (if applicable) and support coordinators to include information on how the PBRA program works and the responsibilities of the family and owner. In addition to the oral briefing, provide a briefing packet that explains how the PHA determines the total tenant payment for a family, lead paint disclosures and applicable fair housing information. Review the Tenancy Addendum, the Family Obligations and the Family		

Disclosures. Have individuals and guardians (if applicable) sign the latter two documents.		
4. Issue denials of assistance in accordance with PHA Housing Choice Voucher policies and procedures. Include the reason for the denial and an explanation of the appeals process.	X	
5. Process reasonable accommodation requests for eligible individuals according to PHA's policy and procedures.	X	
6. Issue SRAP rental certificates that specify the unit size (or the particular SRAP-PBRA unit) for which the individual qualifies, the date of certificate issuance and date of expiration. Include a brief description of how the program works and explain the individual's obligations under the program.	X	
7. Refer individuals and support coordinators to the regional DBHDS Housing Specialist for assistance with the housing search.	X	
8. Approve and/or deny extensions of rental assistance certificates in writing as appropriate, in accordance with PHA's Housing Choice Voucher Program policies and procedures.	X	
<b>F. Unit Approval</b>		
1. Evaluate the units that individuals request for tenancy approval by:	X	
a. Obtaining Request for Tenancy Approval (RTA) form from landlord. Review and verify all items have been completed.	X	
b. Verifying the unit type is permissible and the owner is not disqualified.	X	
c. Performing a rent reasonableness review at initial occupancy. This review should examine units or buildings with similar features and characteristics in the same neighborhood as the subject unit and obtain information on the rents being charged for comparable units. Rents must be determined reasonable in relation to comparable units. Comparability should consider location, size, type quality, amenities, facilities and management services. If the owner has both assisted and unassisted units, assisted rents may not exceed the unassisted rents in comparable units. The PHA shall keep documentation that demonstrates rent reasonableness.	X	
d. Calculating the individual's utility allowance using the PHA's standard utility allowance, not to exceed the DBHDS maximum utility allowance. Pro-rate the utility allowance in shared housing (for SRAP-TBRA).	X	
e. Documenting the approved unit rent. The approved rent is the lesser of payment standard or the rent charged for comparable, unassisted units in the same market area.	X	
f. Reviewing the lease to verify that it meets the program requirements. Notify the owner and the individual, parent/guardian and Support Coordinator if the lease does not meet program requirements. Explain what lease deficiencies must be corrected.	X	
g. Conducting a Housing Quality Standards Inspection prior to tenant move-in. Schedule the inspection with the landlord and/or management agent. Notify the Support Coordinator of the inspection date. Inform the Support Coordinator if the inspection is delayed or rescheduled. Inform the individual, parent/guardian and Support Coordinator of the inspection results. If the unit does not pass inspection, provide the parties written notification about which items failed, the deadline for making repairs and	X	

when re-inspection will occur.		
h. Notifying the owner and the individual, parent/guardian and Support Coordinator if the unit type is prohibited or the owner is disqualified; the unit is not rent reasonable; or the Tenancy Addendum to the lease does not meet program requirements. Provide information to document a rent amount that meets rent reasonableness requirements and/or explain what lease deficiencies must be corrected.	X	
2. If the landlord proposes a rent increase, obtain a new Request for Tenancy Approval (RTA) or Rent Increase form from the landlord and perform a rent reasonableness review. All SRAP-TBRA rent adjustments will be effective the first of the month following 60 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.	X	
3. Redetermine rent to owners of PBRA units upon the owner's request or when there is a five percent or greater decrease in the published FMR. SRAP-PBRA owners must submit requests for rent increases at least 60 days prior to the SRAP contract anniversary. The PHA must provide at least 30 days written notice of any change in the amount of rent, and the notice of rent adjustment constitutes an amendment of the rent to owner specified in the SRAP contract. The adjusted amount of rent to owner applies for the period of twelve calendar months from the annual anniversary of the SRAP contract.		
4. Perform rent reasonableness determinations for PBRA units in accordance with the SRAP Program Manual when there is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary as compared with the FMR in effect one year before the contract anniversary date; the PHA approves a change in the allocation of responsibility for utilities between the owner and tenant; the SRAP contract is amended to substitute a different contract unit in the same building; or there is any other change that may substantially affect the reasonable rent.		
5. Conduct a Housing Quality Standards inspection no later than twelve months after the initial inspection, in accordance with the Program Manual. If a unit passes both the initial and first annual Housing Quality Standards inspection, PHA may inspect the unit every 24 months thereafter. If the unit does not pass one of these inspections or requires a special inspection, the PHA must inspect the unit annually until the unit passes two successive inspections. PHA has the discretion to inspect units more frequently than every 24 months if PHA has evidence that the property as a whole suffers from deferred maintenance and/or other PHA subsidized units at the property suffer from deferred maintenance or have failed inspections within the past 24 months. In PBRA, a turnover inspection must also be performed before providing assistance to a new SRAP participant in a contract unit. If a unit passes both the turnover and subsequent annual Housing Quality Standards inspection, PHA may inspect the unit every 24 months thereafter.	X	
<b>G. Subsidy Determination</b>		
1. Perform the SRAP subsidy review by:	X	
a. Calculating the total tenant payment and deducting the monthly utility allowance to obtain tenant contribution toward rent.	X	
b. If the approved rent is at or below the payment standard,	X	

calculating the rent subsidy by subtracting the tenant contribution from the approved rent.		
c. If the approved rent is above the payment standard, calculating the rent subsidy by subtracting the tenant contribution from the payment standard.	X	
d. Subtracting the payment standard from the approved rent, and add any difference to the tenant contribution. This is the family's share. If, at initial occupancy, the family's share exceeds 40% of the family's adjusted monthly income, notify the assisted family, the parent/guardian and the Support Coordinator that the rental assistance cannot be used in this housing.	X	
e. Informing the assisted family, parent/guardian and Support Coordinator when the unit and the subsidy review have been completed, the unit is approved, and the individual or guardian may sign the lease.	X	
<b>H. State Rental Assistance Program Contract</b>		
1. Prepare and deliver SRAP contracts for owner's signature upon approval of a unit for the SRAP TBRA program and receipt, review and approval of an executed lease. Verify contract rent on executed lease and SRAP contract are the same, and subsidy payment is the same as indicated on SRAP contract.	X	
2. Prepare and deliver a Tenancy Addendum for owner's signature upon approval of an applicant for a unit in the SRAP PBRA program and upon receipt, review and approval of an executed lease and a completed HQS inspection. Verify contract rent, address and term on executed lease and SRAP PBRA contract are the same, and the subsidy payment is the same as indicated on the Tenancy Addendum.		
3. Process landlords' W-9 and ACH forms. Set up and process automatic monthly payments to landlord.	X	
4. When rent, rental assistance or tenant contribution amounts change, provide proper notice of determinations and actions to owners and assisted families by preparing an SRAP Notice of Rent Amount.	X	
5. Process requests to start landlord payments, stop landlord payments and change landlord payments as needed.	X	
6. Issue vacancy payments to owners on units in accordance with SRAP Program Manual guidelines.		
7. Keep a ledger of subsidy payments to landlords for each participant and total funds remaining in the SRAP account.	X	
8. Process annual 1099-MISC forms for subsidy payments to landlords.	X	
<b>I. Policies and Appeals</b>		
1. Apply the vacancy policy to participants as established in the SRAP Program Manual.	X	
2. Apply policies and procedures in the SRAP Program Manual for PBRA participant moves when occupying overcrowded, under-occupied and/or accessible units		
2. Apply policies and procedures for termination of SRAP assistance in accordance with PHA Housing Choice Voucher Program policies.	X	
3. Provide informal reviews and informal hearings to program applicants in accordance with PHA's Housing Choice Voucher	X	



program policies and procedures.		
<b>J. Memorandum of Agreement</b>		
1. Provide financial and program data to DBHDS for development of annual funding allocation	X	
2. Submitting programmatic and financial reports (see Attachment D)	X	

**Memorandum of Agreement for the State Rental Assistance Program  
Attachment B – State Rental Assistance Program Manual**

The State Rental Assistance Program Manual dated August 1, 2018 is hereby incorporated by reference.

**Memorandum of Agreement for the State Rental Assistance Program  
Attachment C – Program Timeline & Utilization Milestones**

<b>BY END OF:</b>	<b>MILESTONE</b>
July 2019	Finalize SRAP Agreement and Budget for FY 2020 and FY 2021. Execute Memorandum of Agreement. PHA makes initial Semi-Annual Draw-down Request.
August 2019	Complete initial steps in development of program infrastructure (e.g., Budget, Hire/Train Staff, Payment Systems, Firm Up Referral Process, Review Congruence of PHA Housing Choice Voucher Policies with SRAP, etc.). DBHDS conducts staff orientation to SRAP.
September 2019	Complete next steps in development of program infrastructure (Review of PHA Housing Choice Voucher Policies, Business Processes, Policy Exceptions, etc.) DBHDS makes first 25% of SRAP tenant-based referrals and PHA completes SRAP interviews.
October 2019	PHA determines eligibility of first 25% of tenant-based referrals and issues SRAP certificates. PHA accepts new referrals.
November 2019	PHA approves units for first 25% of tenant-based referrals, issues SRAP contracts and initiates landlord payments.
January 2020	PHA leases up 50% of the tenant-based slots designated to the PHA.
March 2020	PHA leases up 100% of the tenant –based slots designated to the PHA.

**Memorandum of Agreement for the State Rental Assistance Program  
Attachment D – Data Reporting Requirements**

Reports that are due monthly shall be submitted fifteen days after reporting month ends. Reports that are due quarterly shall be submitted fifteen days after the reporting quarter ends. The fourth quarter financial report is an exception: this report shall be submitted one month and fifteen days after the reporting quarter ends to allow for year-end reconciliation.

<i>Programmatic Reports</i>	<i>Submission Frequency</i>	<i>Method</i>
<p><b>Referrals</b></p> <p>Provide a <b>Referral Status Report</b> for the prior month that tracks data on the status of referrals, SRAP certificates, unit size, shared housing status, leases/contracts, unit addresses, contract rents, utility allowances, gross rents, SRAP/HAPs, tenant rents, names of household members, names of live-in aides, and reasonable accommodations requested/approved.</p>	Monthly	Input data into SRAP Referral Status spreadsheet in the SRAP_XXX workbook on the IBM Box.
<p><b>Household Data</b></p> <p>Provide a <b>Raw Household Data Report</b> for the prior month that tracks data on household size, the household’s monthly adjusted gross income and the tenant contribution.</p> <p>Provide an aggregate demographic data report on SRAP participants (by gender, age, race, ethnicity) using data from the PHA’s own data management system.</p>	<p>Quarterly</p> <p>Upon DBHDS Request</p>	Input data into SRAP Raw Household spreadsheet in the SRAP_XXX workbook on the IBM Box.
<i>Financial Reports</i>	<i>Submission Frequency</i>	<i>Method</i>
<p>Provide an <b>Actual Expenditure Report</b> for the prior quarter that tracks the approved SRAP subsidy payment and actual SRAP subsidy payment made each month for each occupied unit. The SRAP subsidy payment includes the landlord and utility reimbursement to the tenant.</p>	Quarterly	Input data into the SRAP Actual Expenditure Report in the SRAP_XXX workbook on the IBM Box.

<p>For any unit where the actual payment made differs from the contract, provide a date and written explanation in the comment section (e.g., payment was pro-rated due to lease date, payment was withheld due to HQS non-compliance, etc.).</p>		
<p>Provide a <b>Projected Expenditure Report</b> for the prior quarter that tracks:</p> <ul style="list-style-type: none"> <li>• the prorated subsidy payment amount and payment date for the initial month,</li> <li>• the subsidy payment amount for the next monthly subsidy payment and date payments begin, and</li> <li>• any subsequent changes to the SRAP subsidy for the lease term and the dates these changes take effect.</li> </ul> <p>The SRAP subsidy payment includes the landlord and utility reimbursement to the tenant. The projected monthly subsidy expenditure will auto-populate.</p>	<p>Quarterly</p>	<p>Input data into the SRAP Projected Expenditure Report in the SRAP_XXX workbook on the IBM Box.</p>
<p>Provide an <b>Allocation Expenditure Report</b> for the prior quarter that tracks:</p> <ul style="list-style-type: none"> <li>• Annual funding allocation and monthly expenditures against the allocation for the fiscal year, by line item. Line items are delineated in the contract budget.</li> <li>• Total funding expended to date</li> <li>• Remaining budget balance</li> </ul>	<p>Quarterly</p>	<p>Data autopopulates from Referral Status and Actual Expenditure Reports in the SRAP_XXX workbook on the IBM Box.</p>
<p>Provide a <b>Program Reserve Report</b> for the prior quarter that tracks:</p> <ul style="list-style-type: none"> <li>• Initial contributions each fiscal year</li> <li>• Approved draws against the reserve (including date, purpose, amount)</li> <li>• Approved contributions to the reserve for interest (including date)</li> <li>• Other approved contributions to the reserve (including date, purpose, amount)</li> <li>• Approved withdrawals from the reserve (including date, purpose, amount)</li> <li>• Current balance</li> </ul>	<p>Quarterly</p>	<p>Input data into the SRAP Program Reserve Report in the SRAP_XXX workbook on the IBM Box.</p>

**Memorandum of Agreement for the State Rental Assistance Program  
Attachment E – Fiscal Year 2020 and Fiscal Year 2021 Funding Allocations**

**Fiscal Year 2020 Funding Allocation**

<b>Funding Category</b>	
Rental Assistance	\$
Utility Allowance	\$
PHA Administrative Fees	\$
Program Reserve	\$
<b>TOTAL</b>	\$

**Fiscal Year 2021 Funding Allocation**

<b>Funding Category</b>	
Rental Assistance	\$
Utility Allowance	\$
PHA Administrative Fees	\$
Program Reserve	\$
<b>TOTAL</b>	\$



## ATTACHMENT F: BUSINESS ASSOCIATE AGREEMENT

Contract Number: 720-XXXX

### *PRIVACY AND SECURITY OF PROTECTED HEALTH INFORMATION*

**THIS BUSINESS ASSOCIATE AGREEMENT** is made as of XXX, 2020, by the Department of Behavioral Health and Developmental Services (herein referred to as “Covered Entity”), with an office at 1220 Bank Street, Richmond, VA 23219 and XXX Redevelopment and Housing Authority (here in referred to as “Business Associate”), a corporation, department or other entity with office at [street address].

This BUSINESS ASSOCIATE AGREEMENT (herein referred to as the “Agreement”) constitutes a non-exclusive agreement between the Covered Entity, which administers health services, and the Business Associate named above.

The Covered Entity and Business Associate have entered into this Business Associate Agreement to comply with the Health Insurance Portability and Accountability Act (HIPAA). The parties signing this Agreement shall comply fully with the provisions of the HIPAA Rules.

NOW THEREFORE, the parties, intending to be legally bound, agree as follows:

- I. Definitions:** As used in this contract, the terms below will have the following meanings:
- a. Business Associate shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean XXX Redevelopment and Housing Authority.
  - b. Covered Entity shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean Department of Behavioral Health and Developmental Services.
  - c. Protected Health Information (PHI): Any information that is created or received by a Covered Entity that relates to the past, present, or future physical or mental health or condition of an individual, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
  - d. HIPAA Rules shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
- II. Obligations and Activities of Business Associate:**
- a. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
  - b. Business Associate agrees to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
  - c. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured protected health information, as required at 45 C.F.R. 164.410.
  - d. In accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information.
  - e. Report to the Covered Entity any security incident of which it becomes aware.
  - f. Business Associate shall notify the Covered Entity of a breach of unsecured PHI on the first day on which such breach is known by Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach, or as soon as possible following the first day on which Business Associate or an employee, officer or agent of Business Associate other than the person committing the breach should have known by exercising reasonable diligence of such breach. Notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the breach. Business Associate shall also provide the Covered Entity with any other available information at the time

Business Associate makes notification to the Covered Entity or promptly thereafter as information becomes available. Such additional information shall include (i) a brief description of what happened, including the date of the breach; (ii) a description of the types of unsecured PHI that were involved in the breach; (iii) any steps the Business Associate believes individuals should take to protect themselves from potential harm resulting from the breach; and (iv) a brief description of what Business Associate is doing to investigate the breach, mitigate harm to individuals, and protect against any future breaches.

*For purposes of this paragraph, unsecured PHI means protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the U.S. Secretary of Health and Human Services.*

- g. Business Associate agrees to provide access, at the request of Covered Entity to Protected Health Information to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- h. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, available to the Secretary of the U.S. Department of Health and Human Services for the purpose of determining compliance with the HIPAA Rules.
- i. Business Associate agrees to document and provide to Covered Entity such disclosures of Protected Health Information and information as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.
- j. Make any amendment(s) to Protected Health Information in a designated record set as directed or agreed to by the covered entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy covered entity's obligations under 45 C.F.R. 164.526.

### **III. General Use and Disclosure Provisions:**

- a. Business Associate may only use or disclose Protected Health Information as provided in the underlying Agreement
- b. Business Associate may use or disclose Protected Health Information as required by law.
- c. Business Associate agrees to make uses and disclosures and requests for Protected Health Information consistent with Covered Entity's minimum necessary policies and procedures.
- d. Business Associate may not use or disclose Protected Health Information in a manner that would violate Subpart E of 45 CFR Part 164 if done by covered entity, except for the specific uses and disclosures set forth below.
- e. Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

### **IV. Obligations of Covered Entity:**

- a. Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity in accordance with 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.
- b. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.
- c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information.

### **V. Permissible Request by Covered Entity:**

Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

**VI. Termination:**

Either party may terminate this Agreement immediately if it determines that the other party has violated a material term of this Agreement. This Agreement shall remain in effect unless terminated for cause with immediate effect, or until terminated by either party with not less than thirty (30) days prior written notice to the other party, which notice shall specify the effective date of the termination; provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under this Agreement before the effective date of termination.

**VII. Effect of Termination:**

Upon termination of this Agreement for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction of Protected Health Information infeasible. Upon agreement that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

**VIII. Amendment:**

Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or of this state relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, the parties shall work in good faith to amend this Agreement in such manner as is necessary to comply with such law or regulation. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate this Agreement by written notice to the other.

EACH PARTY has caused this Agreement to be properly executed on its behalf as of the date first above written.

CONTRACTOR:

PURCHASING AGENCY:

BY:	BY:
PRINTED NAME:	PRINTED NAME:
TITLE:	TITLE:
DATE:	DATE:

**ATTACHMENT G: MATRIX OF REQUIRED PERFORMANCE TARGETS**

The PHA agrees to be bound by the following required performance targets under this Agreement, and understands that DBHDS may deem unsatisfactory performance a default of this Agreement and may take action in accordance with Section IV (H), “Default of Agreement.”

Performance Indicator	Target	Consequences for Failure to Meet Target
Percent of initial SRAP certificates the PHA issues within 60 days of the date the referral is made by DBHDS.	75% of initial SRAP certificates the PHA approves each month are issued within 60 days of the DBHDS referral date.	DBHDS may impose the consequences in Section IV(H), “Default of the Agreement”, in a progressive manner for a pattern of failure to meet the same target repeatedly or for a pattern of failure to meet multiple targets.
Accurate, timely completion of the “Certificate Status Update” and “Certificate Status Update Date” fields in the Referral Status Report.	PHA submits the Referral Status Report within fifteen days after the reporting month ends <b>every</b> month. 90% of the Certificate Status Update and Certificate Status Update Date fields for active records are accurate upon DBHDS review and confirmation.	
Accurate, timely completion of the “Lease Start Date” and “Lease End Date” fields in the Referral Status Report.	PHA submits the Referral Status Report within fifteen days after the reporting month ends <b>every</b> month. 90% of the Lease Start Date and Lease End date fields for active records show a lease term that is in effect during the reporting month.	