

Behavioral Health Services Flexible Funds Usage Policy
Frequently Asked Questions
3/17/16

This document memorializes answers to questions that have been raised due to implementation of the BHS Flexible Funds Usage Policy. If you need further information, AOA programs should contact Bret Vedder (619-584-5006, bret.vedder@sdcounty.ca.gov) and CYF programs should contact Wendy Maramba (619-584-5076, wendy.maramba@sdcounty.ca.gov).

1. Is it possible to have one set of rules for both CYF and AOA programs?
 - No. The nature and volume of flex fund use at CYF programs are different from AOA. Some things that are anticipated uses of Flex Funds in an AOA program are not necessarily so in CYF programs. That said, we will try to have uniform rules wherever possible.
2. Is it correct that the per year client maximums do not include expenditures made on housing, pharmaceuticals, or client transportation when those separate budget line items exist?
 - Yes. Those amounts are separate from the flex fund cap. It is important that items that can be funded as housing, pharmaceuticals, or transportation for clients are done so and that flex funds are funds used as a last resort.
3. We know that flex funds cannot be spent on tobacco products - can these funds ever be used to purchase smoking cessation aids which contain nicotine (i.e. patches, gums)?
 - For CYF programs, the answer is no. For AOA programs, the answer is yes, nicotine patches/gum can be purchased for adults using either the medical supplies or flex fund line item.
4. If we need to seek COR pre-approval to exceed the per client annual limit, would an email to you outlining the request suffice?
 - Yes. An email, with the COR's response, would suffice. Retain that email for future audits, and submit a copy with the monthly claim/reporting form in the month that the limit was exceeded.
5. We routinely keep supplies for various "care packages" on hand to provide to indigent participants in need. The care packages typically include various basic food, clothing (i.e. socks), and/or toiletry items based on participant need. We were somewhat unclear regarding what type of tracking will be necessary with this bulk purchasing and gradual disbursement of items to participants. Can you provide any additional info?
 - The distribution of low-cost bulk purchase items (e.g., socks, toothpaste, etc.) do not have to be tracked toward the per client cap. As stated in the policy, the bulk purchase would be reported on the monthly form, but the distribution would not.
6. Must the total on the reporting form match the total claimed on the flex fund line item that month?
 - Yes. Any discrepancies will require investigation by the COTR and possible corrections, which would delay the processing of that line until the discrepancy is resolved.
7. Sometimes a flex fund expenditure occurs in one month but is claimed the following month, typically because the credit card billing cycle determines when the expense hits the general

ledger. If we report the expense in the month incurred (say, April), but claim it in the month it hits our GL (May), then the total on the form will not match the total on the claimed flex line item. In light of your answer to 5 above, how do we resolve this?

- Claim and report the flex fund expense in the month that it hits your general ledger. We realize that could occasionally result in expense reported in particular month with a date that occurred in the prior month.

8. If we buy bus passes using the flex fund, how should we handle this?

- Bus passes should be treated like gift cards, which can only be claimed when distributed. If using flex funds to buy bus passes, then the distribution of each pass to a specific client would be reported on the flex fund reporting form. Bus passes could also be purchased and claimed using the Client Transportation line item, and then distribution would not have to be reported on the flex fund form. Programs are expected to maintain internal logs and distribution controls (e.g., recipient signature) regardless of which line item is used to pay for the bus passes.

9. If gift cards are purchased using the Flex Funds line item, do the BHS Gift Card Guidelines apply?

- Yes, the BHS Gift Card Guidelines apply to all purchases of gift cards, no matter what line is used. Remember that gift card purchases are not allowed unless pre-approved in writing by the COR.