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Title of Document: Calculation of Room and Board for Non-ICF/IID Programs
Date of Issue: May 1, 2009
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Date of Last Revision: October 31, 2017 **(REVISED)**
Applicability: All DSN Boards, All Financial Managers, All Contracted Residential Service Providers.

I. PURPOSE

The purpose of this document is to state policy and procedures for calculating room and board charges for DDSN non-ICF/IID programs and applying consumers' income toward room and board.

II. POLICY

All DSN Boards and QPL Residential Service Providers must establish an official policy for charging consumers for the cost of room and board. This policy must address at a minimum both applying consumers' income toward the cost of room and board and the determination of the room and board charge. The monthly charge must be fair and equitable. In no circumstance may the charge for room and board exceed the actual cost of room and board.

DSN Boards and QPL Residential service Providers will review their room and board costs and room and board charges at least on an annual basis.

Room and board calculations will be based on the previous fiscal years audited financial statements. Room and Board calculations must be submitted to the Cost Analysis Division 90 days after the end of the provider's fiscal year.

All room and board calculations and any subsequent changes to the policies must be submitted on one of the attached worksheets in excel format (no PDF files will be accepted), and approved by the Director of Cost Analysis or his/her designee.

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Clinton, SC 29325-5328
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DISTRICT II

9995 Miles Jamison Road
Summerville, SC 29485
Phone: 843/832-5576

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Pee Dee Center - Phone: 843/664-2600
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III. PROCEDURES

1. Calculating Room and Board

Consumer Income

Both unearned and earned income can be applied toward the cost of room and board. Consumers must retain the required minimum of \$50 of unearned income per month and a minimum of 50% of earned income per month.

2. HUD Facilities

RENT: No rent costs are included in the calculation for HUD facilities. HUD determines the “contract rent” for a HUD facility based on the costs of the HUD Corporation as submitted to HUD on Budget Worksheet HUD-92547-A.

BOARD: For the “board” portion, the residential service provider may average the “board” costs across all HUD properties. The “board” costs are on the books of the residential service provider and will be limited to food, household supplies, and administration allocation.

3. Non-HUD Facilities

Community Residential Care Facilities (CRCF) and Community Training Home II (CTH-II)

The room and board charge may be residence specific or an average of all similar residences. For example: all CTH-II’s in a specific geographical area.

For non-HUD facilities, the residential service provider will calculate both the room (rental) component and board component of room and board.

Room and Board charges to a consumer may not exceed the actual cost of room and board. Use of average costs fulfills this requirement.

Examples of cost categories to consider:

Food	Water	Cable/Satellite Television
Telephone (consumer use)	Exterminating	Furnishings
Electricity	Trash Removal	Household Supplies
Property taxes and insurance	Yard Maintenance	
Maintenance (contractual and supplies)	Rental Charge - only depreciation and interest expenses may be used.	

Additional Costs: The cost of additional services consumers may request (e.g., separate telephone lines, cell phone and plans, or special cable services) will be the responsibility of the individual consumers in addition to the basic room and board charge.

4. Supplemental Nutrition Assistance Program (SNAP)

For consumers receiving SNAP, the amount of their individual SNAP benefit must be deducted from each individual’s room and board charge before applying their income toward the approved room and board charge.

5. Supervised Living I and II

Consumers in these programs will be responsible for their own rent, utilities, food, furnishing, and household suppliers. The following cost elements will be included in the SLP-I/II rent charges for those consumers living in agency-owned housing:

- Rental charge based on depreciation expense or mortgage expense for provider owned units. Actual rental charge must be used for individually rented units.
- Maintenance of residence and grounds.
- Property taxes and insurance.
- Pest Control.

6. Community Training Home I (CTH-I)

CTH-I consumers must retain a minimum of \$50.00 of unearned income and 50% of earned income. The remainder of their monthly benefits can be applied to room and board as long as the amount does not exceed the HUD published Fair Market Rental (FMR) for the county in which they reside.

7. Allocation of Administrative Costs

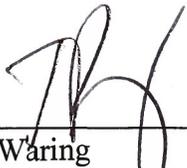
A portion of administrative costs must be allocated to room and board. The costs can only be allocated to costs actually incurred by the board/provider. To calculate percentage, divide total administrative costs by total organization operation costs.

8. Other Items

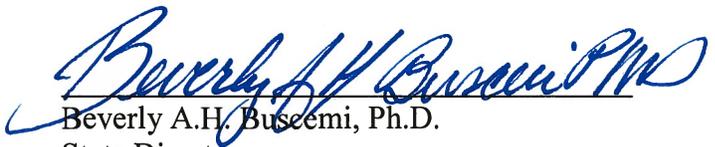
Room and Board rates should not be approved by the local Board of Directors until DDSN has reviewed and approved the rates.

DDSN reserves the right to adjust and approve rates based on the most recent audit.

Attached is a sample residential lease agreement which can be used to comply with DDSN Residential Standard RH 2.6. (see Attachment C).



Tom Waring
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Administration (Originator)



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State Director
(Approved)

To access the following attachments, please see the agency website page “Attachments to Directives” under this directive number at <http://www.ddsn.sc.gov/about/directives-standards/Pages/AttachmentstoDirectives.aspx>.

Attachment A: Calculating Room and Board Example (Non-HUD Property)
Attachment B: Calculating Room and Board Example (HUD Property)
Attachment C: Sample Lease Agreement