FUNDING IDENTIFICATION TOOLKIT

Where a Journey subscription belongs in your budget.

Administering rental assistance is program work, and it is paid for with program dollars. The single decision that determines whether your ask succeeds is **which budget line the cost sits on** — and most communities reach for the wrong one first.

Not the administration line

[01 · the wrong line]

Project administration is capped at 10% in a CoC grant and 7.5% in ESG, and it is already committed to executive oversight, fiscal management, monitoring and audit. A subscription proposed against it competes with salaries. The stronger objection is that the work does not belong there at all: **24 CFR 578.59(a)** covers general management, oversight and coordination; training on CoC requirements; and environmental review. Rent calculation is not on that list. Neither is an inspection, a payment, or a recertification.

> "Costs related to administering rental assistance such as calculating participant rent share or conducting housing quality inspections should be charged to the rental assistance budget line item rather than to project administration."
>
> [hud exchange · coc eligible activities · ineligible project administration costs]

Two of the three functions HUD names there are functions Journey performs. Note the direction of the risk: a cost misfiled **into** administration is a monitoring finding, and it lands on the line least able to absorb it.

The program line

[02 · where it belongs]

HUD's operating rule is that the staff time and direct overhead of carrying out an eligible activity are charged to that activity's own budget line — HUD's worked example is the time finance staff spend cutting a check to a landlord, billed to the rental assistance or leasing line. HUD's guidance on managing a rental assistance budget names **staff costs** alongside vacancy payments and security deposits as things that line may carry beyond rent. Journey is the direct overhead of that same work.

WHAT YOU ARE FUNDING	BUDGET LINE	24 CFR
Rent share calculation, income verification, recertification	**Rental Assistance**	578.51
Unit inspection scheduling, results, rent reasonableness	**Rental Assistance**	578.51
Payment execution to the owner, and the ledger behind it	**Rental Assistance / Leasing**	578.51 / 578.49
Helping a household locate, obtain and retain the unit	**Supportive Services**	578.53(e)(8)
Habitability, lead-based paint and rent reasonableness checks	**ESG housing relocation and stabilization**	576.105(b)(1)(vi)
The same work in a voucher program	**HCV administrative fee**	982.152

Eligibility is determined by your grants administrator and your funder, against your grant agreement and your approved budget. This toolkit gives you the mapping and the language, not the determination.

Three tracks, and where they go next

[03 · the map]

[track 01 · page 02]

CoC and federal

The program lines of the grants that already pay for this work, plus voucher administrative fees. The most direct case, and the largest budgets.

[track 02 · page 03]

Private and philanthropic

Sustainability, systems change and compliance readiness grants. The case is protection of a funder's existing housing investment.

[track 03 · page 03]

Local government

County and city program budgets, and local match. The case is audit exposure the government already carries.

TRACK ONE

CoC and federal funding.

The budget lines that carry rental assistance administration are the largest lines in the grant. The ask is not for new money and not for a share of overhead — it is to **spend a program line on the program work it was awarded for**.

Sources to check

[04 · federal]

- **The rental assistance line of a CoC PSH or RRH grant.** The primary path. HUD names rent share calculation and unit inspections as belonging here, and permits staff costs against the line alongside rent itself.
- **The supportive services line.** Where what you are funding is housing search and counseling under 578.53(e)(8) rather than the mechanics of the subsidy.
- **HCV administrative fees.** A PHA earns these fees for recertification, inspections and compliance documentation. Not a capped slice of a grant — the program's own money for the program's own work.
- **ESG services and rental assistance lines.** The habitability, lead-based paint and rent reasonableness assessment at 576.105(b)(1)(vi) is program work, funded from the services line and not the 7.5% allowance at 576.108.
- **CoC Planning grant.** The one place the coordination framing is the right one. Use Planning for a CoC-wide rollout or a system-level HOTMA implementation — not for per-program administration.
- **SSVF administrative budget.** Grantees administering rental assistance can standardize the same workflows. SSVF runs under VA rather than HUD CPD rules, so the HOTMA argument does not apply.

Self-assessment

[05 · fit]

Check each item that applies. Two or more, and this track is worth leading with.

- [ ] One or more CoC-funded rental assistance programs will participate.
- [ ] We know which budget line items HUD approved in those grant agreements.
- [ ] A PHA participates in our rental assistance administration.
- [ ] We receive ESG funding for Rapid Rehousing.
- [ ] Our CoC receives a Planning grant, and we know who manages it.
- [ ] Our finance director has been asked where this cost would sit.

HOW TO FRAME IT

"Journey performs the rent calculation, income recertification, inspection scheduling and payment execution this grant is funded to carry out. Those are program costs, and HUD is explicit that they belong on the rental assistance line rather than in project administration. We are not asking for a share of overhead — we are asking to spend a program line on the program work it was awarded for."

Two dates worth naming

[06 · timing]

HOTMA, January 1, 2027. Income calculation methodology and asset verification change across HUD-funded rental assistance. Where several agencies administer independently, each rebuilds separately — a fresh round of inconsistency on top of the existing one. Journey holds the methodology in the software, so it is one configuration change at the system level.

NSPIRE, October 1, 2026 for CoC and ESG — HCV follows February 1, 2027, HOME and HTF April 14, 2027. HUD is not building inspection software: PIH Notice 2026-18 decommissioned the NSPIRE-V demonstration app and directs agencies to a fillable checklist or commercial tooling. Inspection results that must attach to a tenancy before a payment releases are a capability you procure, not one you receive.

TRACKS TWO AND THREE

Philanthropic and local government funding.

Both tracks rest on the same claim: the funder is **already paying for rental assistance** in this community, and is not yet paying for the assurance that it is administered the same way in every agency that money reaches.

Philanthropic

[07]

- **Program sustainability and operational capacity.** Journey addresses what makes programs structurally fragile: knowledge held in individual staff, administration that varies by agency, audit exposure that accumulates quietly.
- **Systems change or compliance technology.** Deployed across a CoC, Journey changes how rental assistance is administered at the system level — the same standard in every participating agency.
- **Compliance readiness.** The most time-bound argument available. A funder of rental assistance has a direct interest in those programs staying compliant after January 2027.
- **Housing stability investment.** Inconsistent administration exposes households to documentation failures and calculation errors that interrupt assistance for reasons unrelated to the household.

FRAMING

Position Journey as a structural investment that protects resources the funder is already committed to. Avoid the cost-reduction or efficiency argument — a funder who buys it will measure you against it.

Local government

[08]

- **County rental assistance program budget.** The county is already paying for this administration inside its program dollars. If every agency runs a different process, that appropriation is paying for the inconsistency.
- **City housing stability program budget.** Cities with a housing department or a stability initiative can fund Journey as the operational tool for programs they have committed to publicly.
- **Local match for HUD-funded programs.** Match must itself be spent on activities eligible under the program rule — another reason the program-cost framing matters.
- **County social services contracts.** Where assistance is delivered under county contract, Journey sits inside the contracted program budget as the tool that makes performance verifiable.

FRAMING

The county already owns the audit exposure of the programs it funds. Standardized administration is how that exposure comes down, and HOTMA gives it a date.

Self-assessment

[09 · fit]

- ☐ A local funder supports rental assistance or housing stability here.
- ☐ We have received sustainability, systems change or compliance grants before.
- ☐ A funder or monitor has raised HOTMA with us.
- ☐ Our county or city funds rental assistance, directly or by contract.
- ☐ There is a program budget at the county or city for those programs.
- ☐ We know who at the county manages it.

Objections you will meet

[10 · the room]

- **"This is a technology purchase."** It is the cost of performing a required program activity. The comparison is not a software line — it is the staff time the same line already pays for to do this work by hand.
- **"There is no room in our administration budget."** Agreed, and it does not belong there. HUD puts rent calculation and inspections on the rental assistance line. The administration cap is not the constraint on this ask.
- **"Each of our agencies already has a way of doing this."** That is the condition being funded away. The cost of several ways of doing it appears at the next monitoring visit, not in this year's budget.
- **"Can we wait a year?"** HOTMA lands January 1, 2027 and NSPIRE before it. Waiting means each agency rebuilds its own workflow first, and the standardization happens after the inconsistency, not instead of it.

BLENDING AND NEXT STEPS

If no single line covers it.

Split the cost by **function** rather than by convenience. Each share then sits on a line it is independently defensible against, which is the same test each source had to pass alone.

Agency cost-share

[11 · blending]

Because standardization is the product, every participating agency receives the same benefit — and each has its own program budget to fund a share from. One surveyed Journey community runs exactly this model: the organizations receiving centralized rent administration each contribute, blended with private and federal sources.

— **Count the participating agencies.** Divide by size, program volume, or equal share.

— **Hold the master subscription centrally.** The CoC or lead agency contracts; agencies pay directly or reimburse.

— **Fund each share from its own program line.** Not from each agency's administration line.

Answer these first

[12 · discovery]

1. Which budget line items did HUD approve in the grant agreements of the programs that will participate?
2. Who is the grants administrator who will rule on where this cost sits, and have they seen the HUD guidance on page one?
3. Which agencies will participate, and does each have a program budget it could fund a share from?
4. Who manages our philanthropic and foundation relationships?
5. Who interfaces with county or city government on rental assistance?
6. What is our current or estimated Journey subscription cost?

Who to involve

[13 · people]

CoC coordinator or lead agency executive director · **finance director**, who owns the budget-line question and should see page one · grants manager or development director · program directors at participating agencies, for the cost-share conversation · government affairs staff where the local government track is in play.

What we can do for you

[14 · support]

— A cost and use-case summary written for a specific funder conversation.

— A budget-line justification your finance director can take to a grants administrator.

— A HOTMA or NSPIRE overview for a funder or government contact who needs the compliance framing.

— Peer references from Journey communities that have used a given source.

— A cost-share model walkthrough where several agencies are involved.

Talk to your Padmission contact about a budget-line justification, a peer reference, or a cost-share walkthrough — **contact@padmission.com**