

Project Rental Assistance Contract (PRAC)

Operating Cost Increase Checklist

(This Checklist is to be used when requesting a increase in operating expense amounts for a PRAC Contract)

Project Name: _____

FHA #: _____

1-6	<p>“Front line” staff salaries; and/or management agent central office employees charged to the project’s operating account (Handbook 4381.5, REV-2, Paragraph 6.38)</p> <p>A. List employees, their duties, and the salary charged against the project. The list must include the following information:</p> <ul style="list-style-type: none"> a. Employee’s name title, annual salary or wages, duties, and hours worked per year; b. Percentage of employee’s total hours charged to this project; c. Calculation that determines payroll taxes; workman’s compensation expenses; health insurance, and other benefit expenses charged to this project. 		<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
1-7	<p>Form HUD-92458 Rent Schedule with the following items completed:</p> <ul style="list-style-type: none"> A. Project Name, FHA Project Number and Date Rents Will Be Effective (mm/dd/yyyy) B. Part B – Items included in Rent C. Part C – Charges in Addition to Rent (e.g., parking, cable TV, meals) D. Part D – Non-Revenue Producing Space E. Part E – Commercial Space (retail, offices, garages, etc.) F. Part G – Information on Mortgagor Entity 		<input type="checkbox"/>
1-8	<p>Management Fee:</p> <ul style="list-style-type: none"> A. Operating cost increases more than 20% must have their management fee calculated in accordance to Handbook 4381.5, REV-2, Paragraph 3.9. (Check “N/A” to signify the increase is below 20% and no adjustment is required) B. If a change in management fee is requested, form HUD-9839 A, B, or C completely filled out, containing original signatures from the owner and the agent, must be provided. (Check “N/A” to signify no change is required to the previously HUD approved form) 	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>