

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of:
Regional Administrators; Transmittal Handbook No.: 4350.5 CHG-3
Directors of Regional Housing;
Category A, B, and C Offices; Issued: 8/4/93
Directors of Housing Management Division; Loan Management
Branch Chiefs; Assisted Housing Management Branch Chiefs;
Contract Administrators; Owners and Management Agents of
Projects Covered by this Handbook

1. This Transmits
A change to Chapter 15 of Handbook 4350.5, Subsidy Contract
Administration and Field Monitoring.

2. Explanation of Materials Transmitted:

This change includes (a) information for complying with the
requirements for smoke detectors which was inadvertently
omitted from the recently published Change 2 to this
Handbook and (b) a correction of the reference to the
handbook that must be used in preparing annual audited
financial statements.

3. Effective Date:

Upon receipt

4. Filing Instructions:

Remove:

Pages 15-9 through 15-12
dated 5/93

Insert

Pages 15-9 through 15-12
dated 7/93

Nicolas P. Retsinas
Assistant Secretary for Housing
Federal Housing Commissioner

W-3-1, W-2(H) (FHEO) (ZAS) (OGC) (PD&R), W-4(H), R-1, R-2,
R-3, R-3-1(H) (RC), R-3-2, R-3-3, R-6, R-6-1, R-6-2, R-7,
R-7-1, R-7-2, R-8, R-8-1, Special distribution to Field
Offices and State Agencies

distribution by program area

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of: Regional Administrators; Transmittal Handbook No.
Regional Housing Commissioners; 4350.5 CHG-2
Directors of Regional Housing Management
Category, A, B, and C Offices; Issued: April 6, 1993
Directors of Housing Management Division; Loan Management
Branch Chiefs; Assisted Housing Management Branch Chiefs;
Contract Administrators; Owners and Management Agents of
Projects Covered by this Handbook

1. This transmits:

A change to Chapter 15 of Handbook 4350.5, Subsidy Contract Administration and Field Monitoring.

2. Explanation of Materials Transmitted:

This change clarifies the role of the contract administrator as it relates to on-site reviews. The contract administrator must maintain copies of the management review, physical inspection and unit inspection for a period of no less than three years for review by HUD Field Office and/or Headquarters staff during their monitoring of the contract administrator. The contract administrator may use the HUD forms provided for the on-site reviews or an equivalent format which includes, at a minimum, those items listed on the HUD form.

As it relates to unit inspections, all vacant units must be inspected and, at a minimum, 25% of occupied units must be inspected. If the results of the review of the vacant units or of the 25% of project units indicate there are repeated violations of housing quality standards, the contract administrator must complete a unit inspection on 100% of the units in the project.

This change also clarifies the requirement for use of the Checklist for Monitoring Projects with Subsidy Contracts. This Checklist should be updated each time an action item is completed on the project and a copy should be maintained in the project file. It is not necessary to create a new Checklist each time an action item is completed.

3. Effective date:

Upon receipt

4. Filing Instructions:

Remove:

Pages 15-1 through 15-13
dated 3/92

Insert:

Pages 15-1 through 15-13
dated 5/93

Assistant Secretary for Housing
- Federal Housing Commissioner

W-3-1, W-2(H), W-3(H) (FHEO) (ZAS) (OGC) (PD&R), W-4(H), R-1,

R-2, R-3-1(H) (RC), R-3, R-3-3, R-6, R-6-1, R-6-2, R-7, R-7-1,

R-8, R-8-1 Special Distribution to Field Offices and

State Agencies

HUD-23(9-81)

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of:

Regional Administrators;

Transmittal Handbook No.: 4350.5 CHG-1

Regional Housing Commissioners; Directors of Regional Housing;

Category A, B, and C Offices; Issued: August 6, 1992

Directors of Housing Management Division; Loan

Management Branch Chiefs; Assisted Housing Management Branch

Chiefs; Contract Administrators; and Owners and Management Agents

of Projects Covered by this Handbook

1. This Transmits

Change 1 to HUD Handbook 4350.5, Subsidy Contract
Administration and Field Monitoring.

2. Explanation of Materials Transmitted:

Form [HUD-9602](#), Multifamily Unit Inspection. The appropriate
space to record the inspection of the kitchen was
inadvertently omitted when this Form was first designed and
printed. The transmitted Form [HUD-9602](#) adds space for the
kitchen, and makes no other changes. No changes were made
to Form [HUD-9602A](#), Multifamily Unit Inspection Summary.

3. Effective Date: Upon receipt.

4. Filing Instructions:

HUD Handbook 4350.5

HUD Handbook 4350.5

Remove:

Insert:

Appendix 1, Form [HUD-9602](#)
dated 3/92

Appendix 1, Form [HUD-9602](#)
dated 7/92

Assistant Secretary for Housing
- Federal Housing Commissioner

W-3-1,W-2(H),W-3(H)(FHEO)(ZAS)(OGC)(PD&R),W-4(H),R-1,
R-2,R-3,R-3-1(H)(RC),R-3,R-3-3,R-6,R-6-1,R-6-2,R-7,
R-7-1,R-7-2,R-8,R-8-1

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of: Regional Administrators Transmittal Handbook No.:
Regional Housing Commissioners; 4350.5
Directors of Regional Housing Management; Issued: 3/19/92
Category A, B and C Offices; Directors or housing Management Division;
Loan Management Branch Chiefs; Assisted Housing Management Branch Chiefs;
Contract Administrators, and Owners and Management Agents of Projects
Covered by this Handbook.

1. This transmits a new HUD Handbook 4350.5, Subsidy Contract Administration and Field Monitoring, dated March 19, 1992
2. Explanation of Materials Transmitted:
 - A. This Handbook sets forth:
 1. administrative requirements and guidelines which subsidy contract administrators--HUD, Public Housing Authorities and State Agencies--must follow and
 2. guidelines for HUD Field Offices in monitoring the performance of contract administrators.
 - B. This Handbook supersedes and cancels the June 30, 1987 Video Instructions concerning Section 8 Annual Rent Adjustment.
 - C. The Office originally responsible for establishing the amount of fees the contract administrator is eligible to receive has been designated new responsibilities within the Department. This responsibility is now with the Office of Multifamily Housing Management. Guidelines for calculating fees and the amount of the fee for contract administrators will be issued in the near future. In the meantime, Field Offices must continue to carefully review contract administrators' budgets, fee requests, and requisitions.
 - D. Upon implementation of the Control Files Subsystem

(CFS) and Tenant Rental Assistance Certification System (TRACS), this Office will issue any necessary revision to this Handbook to incorporate changes resulting from CFS and TRACS.

3. Cancellations

This Handbook cancels the following handbooks:

- 4520.1 - Rent Supplement
- 4520.2 - Rent Supplement, Fiscal
- 4530.1 - Non-Insured Assisted Projects by State and
Local Governments
- 7420.11 - State Agency Monitoring

4. Effective Date

Effective upon receipt.

5. Filing Instructions

Insert HUD Handbook 4350.5

Assistant Secretary for
Housing-Federal Housing Commissioner

3/92

2

W-3-1, W-2(H), W-3(A)(H)(OGC)(ZAS), W-4(H), R-1, R-2, R-3,

R-3-1, (H)(RC), R-3-2, R-3-3, R-6, R-7-1, R-8, Special

Distribution to Field Offices and State Agencies

W-3-1 Directives Management Officers--Headquarters and Regions,
library, ACIR (Advisory Commission on Intergovernmental
Relations)

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