|  |  |  |
| --- | --- | --- |
| **Monthly Accounting Reports (MARs) Checklist**Section 232 |  | **U.S. Department of Housing and Urban Development**Office of Residential Care Facilities |

**Warning:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012; 31 U.S.C. §3729, 3802).

|  |
| --- |
| **Project Name:**       |
| **Project Number:**       |
| **Applicant Name:**       |

ORCF uses the Monthly Accounting Reports (MARs) to closely monitor the net income, accounts payable (AP), and accounts receivable (AR) balances of HUD-insured projects that exhibit indications of financial risk. HUD reserves the right to require these reports on a monthly basis from the Operator and/or the Borrower when financial indicators suggest an increased level of monitoring is necessary or if noncompliance with HUD Regulatory Agreements by the Borrower, Operator, or Management Agent is suspected.

Additionally, ORCF may require these reports when a HUD-insured project is assigned to the Risk Mitigation Team (RMT) for enhanced servicing, when a project demonstrates negative Healthcare Facility Working Capital or negative Surplus Cash, as defined in the Project’s Regulatory Agreement(s), when the mortgage payment is delinquent or as otherwise requested by HUD. When requested, the Monthly Accounting Reports must be transmitted to ORCF in the 232 Healthcare Portal no later than the 10th of the month and should cover the operations of the facility for the prior month.

If the project is at risk, the Lender should do an analysis and provide ORCF with a completed *Servicer’s Notification to HUD of Risks to Healthcare Project and Action Plan for Remedy (form* [*HUD-93334-ORCF*](https://www.hud.gov/sites/documents/93334_orcf.docx)*)* and an Action Plan developed by the Borrower, Operator, or Management Agent.

**SUBMISSION REQUIREMENTS:**

* Lender shall transmit the checklist documents via the HUD Healthcare Portal (link [here](https://www.hud232portal.com/)), and one (1) additional hard copy of the documents to the designated HUD attorney. In the Portal, select *Asset Management > Project Request Form*. Fill out the information and from the *Project Action Request Type*, select the applicable type of transaction being submitted.
* It is **critical** that you name each file according to the naming convention provided in the checklist **highlighted in green.** These highlighted numbers are important codes that “guide” the Portal system to recognize the type of transaction submitted, section number of the checklist, and the identity of the document. Therefore, appropriate file names for this submission package would include **99901-a\_Lender’s Narrative [OR] 99901-a\_LendersNarrative [OR] 99901-a\_LNarrative.** In all three examples, the critically important portion of the file name is the five-digit number, dash, letter, and underscore that have been highlighted in green on the checklist. Do not use the following characters in your file names: Less than: (<), Greater than: (>), Colon: (:), Double quote: ("), Forward slash: (/), Backslash: (\), Vertical bar or pipe: (|), Question mark: (?), Asterisk: (\*).

| **No.** | **Item** | **Incl.** | **N/A** |
| --- | --- | --- | --- |
|  | **91901-a\_**Copy of the completed **Monthly Accounting Reports (MARs) Checklist**  | [ ]  |  |
|  | **91902-a\_**Schedule A – Monthly Report for Establishing Net Income (Form HUD-93479-ORCF)  | [ ]  |  |
|  | **91903-a\_**Schedule B – Schedule of Disbursements (Form HUD-93480-ORCF)  | [ ]  |  |
|  | **91904-a\_**Schedule C – Schedule of Accounts Payable (Form HUD-93481-ORCF)  | [ ]  |  |
|  | **91905-a\_**Operating Reports One or more of the following may be required, per the Account Executive: Trailing 12-month summary of monthly occupancy, revenue and expenses, periodic financials statements (including but not limited to Balance Sheet, Statements of Profit/Loss, Cash Flows, Retained Earnings, Computation of Surplus Cash, and AP and AR Aging Analysis). Whenever possible, these deliverables should be consolidated into a single document before submission in the 232 Healthcare Portal. | [ ]  | [ ]  |