

- C. Section 202 or 811 developments with a Project Rental Assistance Contract (PRAC). Owners of Section 202 PRAC developments may obtain funding by requesting an increase in their PRAC payment consistent with the *Management Agent Handbook* 4381.5 Revision-2, Change-2, Chapter 8. There is no statutory authority for Service Coordinators in Section 811 developments.
- D. Developments with project-based Section 8 vouchers are not eligible to receive Service Coordinator grants.

3.3 Eligible and Ineligible Activities

3.3.1 Eligible Activities

- A. Service Coordinator Program grant funds may be used to pay for the salary, fringe benefits, and related support costs for employing a Service Coordinator.
- B. You may use grant funds to pay for Quality Assurance (QA) in an amount that does not exceed five (5) percent of the Service Coordinator's salary. Eligible QA activities are those that evaluate your program, to assure that the position is effectively implemented. A qualified third party must perform the program evaluation work and must have supervisory work experience and education in social or health care services. Your QA activities must include two program evaluation reviews during the first year of program operation and one review each successive year. On-site housing management staff cannot perform QA and you may not augment current salaries of in-house staff for this purpose.
- C. You may propose reasonable costs associated with setting up a confidential office space for the Service Coordinator. Such expenses must be one-time only administrative start-up costs. Such costs may involve acquisition, leasing, rehabilitation, or conversion of space. HUD Field Office staff must approve both the proposed costs and activity and must perform an environmental assessment on such proposed work prior to grant award.
- D. You may use funds to augment a current Service Coordinator program, by increasing the hours of a currently employed Service Coordinator, or hiring an additional Service Coordinator or aide on a part- or full-time basis.
- E. You may use funds to continue a Service Coordinator program that has previously been funded through other sources. In your application, you must provide evidence that this funding source has already ended or will discontinue within six months following the application due date and that no other funding mechanism is available to continue the program.