

Minimum Suggested  
Contents of Management Agreements

1. Manage and operate the project subject to the operating and employment procedures adopted by the owner.
2. Operate facility based on the annual budget and fee schedule adopted by the owner.
3. Set out the handling of funds. All reserve, depreciation, debt payment, and surplus funds should be transferred to the owner on at least a monthly basis.
4. Provide for monthly and annual reports to the owner covering appropriate financial and operational statistics and inspection of books and records by owner and government.
5. Set out the responsibilities for maintenance.
6. Set out the amount and type of insurance, including fidelity bond or employee dishonesty bonds.
7. Provide for reasonable limits on expenditures for emergency repairs to the facility.
8. Set out the term of the agreement and compensation of the manager including specific positions included in that fee.
9. Set out the remedies for default of the agreement.
10. Require operation in accordance with all Federal, State and local government requirements.
11. Require the manager to comply with all requirements related to the Federal financial assistance as if it were the recipient of the assistance.
12. Set out responsibilities for obtaining and maintaining all necessary licenses, certifications, and accreditations as may be necessary to operate, maintain, or manage the project.