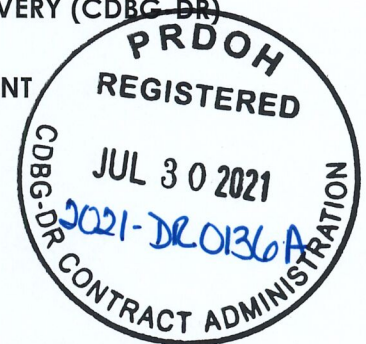




COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)

**AMENDMENT A TO THE SUBRECIPIENT AGREEMENT  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND THE  
UNIVERSITY OF PUERTO RICO-MAYAGÜEZ**  
Contract Number 2021-DR0136



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This **AMENDMENT A TO THE SUBRECIPIENT AGREEMENT** (hereinafter, "**Amendment A**") is entered into this 28 day of July, 2021, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, the "**PRDOH**"), a public agency of the Government of Puerto Rico created under Act No. 97, of June 10, 1972, as amended, 3 LPRA § 441 *et seq.*, known as the "Department of Housing Organic Act" (the "**Organic Act**"), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of San Juan, Puerto Rico; and the **UNIVERSITY OF PUERTO RICO-MAYAGÜEZ** (the "**Subrecipient**"), a public agency, with principal offices at Research & Development Center, University of Puerto Rico Mayagüez, Road 108, KM 1.01 Bo Miradero, Mayagüez, Puerto Rico, represented herein by its Director, Manuel A. Jiménez Cedeño of legal age, married, and resident of Añasco, Puerto Rico, collectively the "Parties".

**I - RECITALS AND GENERAL AWARD INFORMATION**

**WHEREAS**, on March 24, 2021, the Parties entered into an Subrecipient Agreement for the Small Business Incubators and Accelerators Program (hereinafter, "**SBIA**" or "**the Program**") for a period of **forty-eight (48) months** from the day of its execution, ending on March 24, 2025, for **two million four hundred fifty-four thousand nine hundred twenty six dollars and zero cents (\$2,454,926.00)**, registered as Contract Number 2021-DR0136 (hereinafter, "**the Agreement**").

**WHEREAS**, as per Section IX (A) of the Agreement, the Agreement may be amended in writing and signed by a duly authorized representative of each party. Nonetheless, the amendment shall not invalidate the Agreement, nor release the Parties from their obligations under the Agreement.

**WHEREAS**, it is the intention of the Parties to conform the Subrecipient Agreement to the Small Business Incubators and Accelerators Program Guidelines and programmatic requirements.

**WHEREAS**, this Amendment A is not intended to affect, nor does it constitute an extinctive novation of the obligations of the Parties under the Subrecipient Agreement but is rather a modification and amendment of certain terms and conditions under the Agreement.

**WHEREAS**, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, as amended, *supra*, the Federal laws, and regulations creating and allocating funds to the CDBG-DR Program, and the current Action Plan, to enter into this Amendment A.

**WHEREAS**, the Subrecipient, in accordance with its enabling statute, Act No. 1 of January 20, 1966 as amended, 18 LPRA § 601 *et seq.*, known as "University of Puerto Rico Act", has the legal power and authority to enter into this Amendment A and has agreed to undertake the corresponding administrative responsibilities under the

Program and by signing this Amendment A, the Subrecipient assures PRDOH that Subrecipient shall comply with all the requirements described herein.

## TERMS AND CONDITIONS

### II - SAVINGS CLAUSES

The information included in this Amendment A serves the purpose of conforming the Interagency Agreement to the SBIA Program Guidelines and programmatic requirements as set forth in the sections below.

  
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### III - SCOPE OF AMENDMENT

The PRDOH and the Subrecipient have agreed to enter into this Amendment A with the purpose of conforming the Subrecipient Agreement to the SBIA Program Guidelines and programmatic requirements.

  
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### IV – AMENDMENTS

- a. The following Exhibits are being replaced by a modified Exhibit:
- i. **Exhibit C** ("Key Personnel") of the Agreement, is being replaced by a modified **Exhibit C** hereto incorporated by reference into the Agreement and made part of the Agreement. (**Attachment A**)
  - ii. **Exhibit D** ("Budget") of the Agreement is being replaced by a modified **Exhibit D** hereto incorporated by reference into the Agreement and made part of the Agreement. (**Attachment B**)
- b. The Parties intend to include a new **Exhibit H**, SUBROGATION AND ASSIGNMENT PROVISIONS, hereto incorporated by reference into the Agreement and made part of the Agreement. (**Attachment C**)
- c. The Parties agree to amend, **Exhibit A, Scope of Work, Section 4.4.2, Conduct**, as follows:
- 4.4.2 Conduct proper procurement as needed for successful implementation and administration of the Tasks and Activities contained within this SRA. All procurement must be done in accordance with the federal procurement rules and regulations found in 2 C.F.R. § 200.318 through § 200.327.
- d. The Parties intend to amend **SECTION III, Scope of Work, Part (A) Subrecipient Management Responsibilities** of the Subrecipient Agreement, as follows:

"A. Subrecipient Management Responsibilities

1. As a condition of receiving this Subaward, the Subrecipient is responsible for the management, monitoring, and reporting of all services included in the **Exhibit A** for the Program.
2. All services shall be made in accordance with PRDOH guidelines, HUD guidelines and regulations, and other applicable state and federal laws and regulations.
3. The Subrecipient will develop plans in accordance with the Exhibit A. The PRDOH reserves authority and discretion to review and approve such plans."

- e. The Parties intend to amend **SECTION IV, PERFORMANCE, MONITORING AND REPORTING, Part (A) Monitoring** of the Subrecipient Agreement, as follows:

"A. Monitoring

The PRDOH shall monitor the performance of the Subrecipient as necessary to ensure that the funds allocated to the Subrecipient are used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this Agreement, including the timeframes and performance goals set forth in **Exhibit B** associated with the activities included in the Scope of Work (**Exhibit A**).

This review shall include: (1) reviewing financial and performance reports required by the PRDOH; (2) following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from the PRDOH detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Subrecipient from the PRDOH as required by 2 C.F.R. § 200.521.

Substandard performance, defined as a performance that falls short of the standard expected of the Subrecipient, as specified in the Agreement's exhibits, shall constitute noncompliance with this Agreement.

If action to correct such substandard performance is not taken by the Subrecipient within **fifteen (15) days** after being notified by PRDOH, PRDOH may impose additional conditions on the Subrecipient and suspend or terminate this Agreement, disallow all or part of the cost of the activity or action not in compliance or initiate other remedies for noncompliance, as appropriate and permitted under 2 C.F.R. § 200.339."

- f. The Parties intend to amend **SECTION V, EFFECTIVE DATE AND TERM, Part (A) Contract Extensions** of the Subrecipient Agreement, as follows:

"A. Contract Extensions

PRDOH may, at its sole discretion, extend the Agreement's term for additional terms, upon mutual written agreement of the Parties. The term of this Agreement shall not exceed the lifetime of the initial Grant Agreement between PRDOH and HUD, unless the term of the initial Grant Agreement is extended by HUD, in which case the term of this Agreement cannot exceed the extension."

- g. The Parties intend to amend **Part (A) Amendments** under **SECTION IX, AMENDMENTS AND TERMINATION** as follows:

"A. Amendments

This Agreement may be amended provided that such amendments make specific reference to this Agreement, comply with programmatic policies, procedures, and guidelines, are executed in writing and signed by a duly authorized representative of each party, and approved by PRDOH. Such amendments shall not invalidate this Agreement, nor relieve or release the Parties from their obligations under this Agreement. Unless specified, such amendments are not intended to affect nor will they constitute an extinctive novation of the obligations of the Parties under the Agreement and amendment.

  
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This Agreement may be amended by the parties hereto, for the purpose of including any other CDBG-DR funded program included in the HUD-approved Hurricanes Irma and María current Action Plan.

The PRDOH may, in its discretion, amend this Agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications shall be incorporated only by written amendment signed by both the PRDOH and the Subrecipient.

However, PRDOH reserves the right to notify the Subrecipient Subrecipient in writing, email, or any other electronic method, of any applicable policies, procedures, regulations, requirements, guidelines, or change in law, whether existing or to be established, as well as changes and/or amendments thereof, and the notified policies, procedures, regulations, requirements, guidelines and laws shall be deemed incorporated by reference to this Agreement without the need of executing a separate written and signed amendment."

- h. The Parties intend to amend **SECTION X, COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, Part (M) Client Data and Other Sensitive Information**, of the Subrecipient Agreement, as follows:

"M. Client Data and Other Sensitive Information

In the event that the Subrecipient comes to possess client data and other sensitive information as a result of this Agreement, then the Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of services provided. Such information shall be made available to PRDOH monitors or their designees for review upon request.

The Subrecipient must comply with 2 C.F.R. § 200.303 and shall take reasonable measures to safeguard protected personally identifiable information, as defined in 2 C.F.R. § 200.82, and other information HUD or the PRDOH designates as sensitive or the Subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality. Additionally, the Subrecipient must comply with the PRDOH CDBG-DR *Personally Identifiable Information, Confidentiality, and Nondisclosure Policy*, as found in the CDBG-DR Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)), which is herein included and made integral part of this Agreement, as it may be updated from time to time.

The Subrecipient shall comply with all State or local requirements concerning the privacy of personal records, consistent with 24 C.F.R. § 570.508 (local governments) and § 570.490(c) (States)."

  
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- i. The Parties intend to amend the **Section X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, Part (S) Procurement and Contractor Oversight** of the Subrecipient Agreement, as follows:

"S. Procurement and Contractor Oversight

The Subrecipient shall ensure that every process of procurement of goods and services comply with the federal procurement rules and regulations found in 2 C.F.R. §200.318 through §200.327, procurement requirements that include, but are not limited to: (a) providing full and open competition; (b) following required steps to ensure the use of small and minority businesses, women's business enterprises, and labor surplus area firms when possible; (c) performing a cost or price analysis; (d) evaluating and documenting contractor's integrity, compliance with public policy, record of past performance, and financial and technical resources; (e) ensuring that the contractor has not been suspended or debarred; (f) prohibiting the use of statutorily or administratively imposed state, local, or tribal geographic preferences in evaluating bids or proposal; (g) excluding contractors that may have an unfair competitive advantage, and; (h) maintaining records to detail the history of procurement considerations. PRDOH must obtain and maintain records to document how the procurement performed by the Subrecipient complied with the aforementioned federal procurement rules and regulations, as amended from time to time.

In regard to the provisions of the Procurement Manual for CDBG-DR Programs, as found in the CDBG-DR Website ([www.cdbg-dr.pr.gov](http://www.cdbg-dr.pr.gov)) which is herein incorporated by reference and made integral part of this Agreement, as it may be updated from time to time, the Subrecipient shall comply with the provisions related to: minority, women, small, and Section 3 business participation; low and very low-income persons or firms participation.

The Subrecipient shall include all applicable PRDOH's conditions (as revised from time to time by the PRDOH in accordance with applicable law, rule or regulation) in any contract entered into under this Agreement. Subrecipient shall also require all contractors to flow down the PRDOH's Conditions, as well as termination for convenience of the PRDOH, to all subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors. These Conditions include required terms for project contracts, HUD General Provisions, Participation by Minority Group Members and Women Requirements and Procedures for Contracts with Housing Trust Fund Corporation, Standard Clauses for Contracts with the PRDOH, and required diversity forms.

The Subrecipient must comply with CDBG-DR regulations regarding debarred or suspended entities at 24 C.F.R. § 570.609 or 24 C.F.R. § 570.489(l) as appropriate. CDBG-DR funds may not be provided to excluded or disqualified persons.

The Subrecipient shall maintain oversight of all activities under this Agreement and shall ensure that for any procured contract or Agreement, as applicable, its contractors perform according to the terms and conditions of the procured contracts or Agreements, and the terms and conditions of this Agreement."

  
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- j. The Parties intend to amend the **SECTION X, COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, Part (Y) Conduct, 1. Contracts** of the Subrecipient Agreement, as follows:

"Y. Conduct

1. Contracts

- a. Monitoring: As applicable, the Subrecipient will monitor all contracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
- b. Content: The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any contract executed in the performance of this Agreement, as applicable.
- c. Selection Process: The Subrecipient shall ensure that all contracts awarded after the execution of this Agreement and in the performance of such, follow the procurement policies and procedures described in Section X, subsection S of this Agreement.
- d. Notification: The Subrecipient shall notify and provide a copy of any and all contracts related to this Agreement and CDBG-DR funds to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within **three (3) days** of its execution. Additionally, the Subrecipient shall provide a copy of any and all subcontracts executed by its Contractors to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within **three (3) days** of its execution."

- k. The Parties intend to amend **SECTION X, COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS, Part (Z) Citizens Grievances** of the Subrecipient Agreement, as follows:

"Z. Citizens Grievances

If the Subrecipient receives any complaint or grievance, it shall refer said complaint or grievance immediately to the PRDOH CDBG-DR Program so that PRDOH may respond appropriately."

- l. The Parties intend to amend **Section XII, FORCE MAJEURE** of the Subrecipient Agreement as follows:

"**XII. FORCE MAJEURE**

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, pandemic officially declared by the Government of Puerto Rico, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any *Force Majeure* including inclement weather, herein collectively referred to as *Force Majeure* during the term of this Agreement, neither the PRDOH nor the

  
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Subrecipient shall be liable to the other party for nonperformance during the conditions created by such event.

The Subrecipient shall notify, as soon as possible, the PRDOH of the occurrence of the *Force Majeure* event and describe in reasonable detail, the nature of the *Force Majeure* event."

- m. The Parties intend to include a new section **Section XXII MEMORANDUM NO.2021-003; CIRCULAR LETTER 001-2021 OF THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO)**, as follows:

  
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**"XXII. MEMORANDUM NO.2021-003; CIRCULAR LETTER 001-2021 OF THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO)**

**A. Interagency Services Clause:** Both contracting parties acknowledge and agree that services retained may be provided to any entity of the Executive Branch with which the contracting entity makes an interagency agreement or by direct provision of the Office of the Chief of Staff of the Governor ("Secretaría de la Gobernación"). These services will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Agreement. For purposes of this clause, the term "Executive Branch entity" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities and corporations and the Office of the Governor.

**B. Termination Clause:** The Chief of Staff ("Secretaría de la Gobernación") of the Governor shall have the power to terminate this Agreement at any time.

**C. Contract Review Policy of the Financial Oversight and Management Board for Puerto Rico (if apply):** The parties acknowledge that the contractor has submitted the certification entitled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Financial Oversight and Management Board (FOMB) for Puerto Rico, effective as of November 6, 2017 as amended on October 30, 2020, signed by the Contractor's Executive Director (or another official with an equivalent position or authority to issue such certifications).

- n. The Parties agree that the existing Section XXII of the Agreement shall be renumbered to become **Section XXIII. SUBROGATION**. Consequently, the sections following the aforementioned, are renumbered sequentially as follows:

[...]

**XXIV. COMPTROLLER REGISTRY.**

[...]

**XXV. ENTIRE AGREEMENT.**

[...]

**XXVI. FEDERAL FUNDING.**

[...]

**XXVII. RECAPTURE OF FUNDS.**

[...]

  
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## **XXVIII. OVERPAYMENT.**

[...]

## **XXIX. COUNTERPARTS.**

### **V - ASSIGNMENT OF RIGHTS**

The Subrecipient shall not assign or transfer any interest in this Amendment A without the prior written consent of the PRDOH.

### **VI - SEVERABILITY**

If any provision of this Amendment A is held invalid, the remainder of the Amendment A shall not be affected thereby, and all other parts of this Amendment A shall nevertheless be in full force and effect.

### **VII - SECTION HEADINGS AND SUBHEADINGS**

The section headings and subheadings contained in this Amendment A are included for convenience only and shall not limit or otherwise affect the terms of this Agreement, and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Amendment A.

### **VIII - NON-WAIVER**

The PRDOH's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the PRDOH to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

### **IX - GOVERNING LAW: JURISDICTION**

This Amendment A shall be governed by, interpreted and enforced in accordance with the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The Parties further agree to assert any claims or causes of action that may arise out of this Amendment A in the Puerto Rico Court of First Instance, Superior Chamber of San Juan ("Sala Superior de San Juan").

### **X - COMPLIANCE WITH LAW**

It is the intention and understanding of the Parties hereto that each and every provision of law required to be inserted in this Amendment A should be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is deemed to be inserted and if, through mistake or otherwise, any such provision is not inserted herein or is not inserted in correct form, then this Amendment A shall forthwith, upon the application of any Party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of any Party.

### **XI - SUBROGATION**

The Subrecipient acknowledges that funds provided through this Agreement, as amended, are Federal funds administered by HUD under the CDBG-DR Program and that all funds provided by this Agreement, as amended, are subject to audit, disallowance, and repayment. Any disagreement with adverse findings may be challenged and subject to Federal regulation, however, the Subrecipient shall promptly return any and all funds to the PRDOH, which are found to be ineligible, unallowable, unreasonable, a duplication of benefits, or non-compensable, no matter the cause.

  
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This clause shall survive indefinitely the termination of this Agreement, as amended, for any reason.

## **XII - COMPTROLLER REGISTRY**

The PRDOH shall remit a copy of this Amendment A to the Office of the Comptroller for registration within **fifteen (15) days** following the date of execution of this Amendment A and any subsequent amendment hereto. The services object of this Amendment A may not be invoiced or paid until this Amendment A has been registered by the PRDOH at the Comptroller's Office, pursuant to Act No. 18 of October 30, 1975, as amended by Act No. 127 of May 31, 2004.

  
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## **XIII - ENTIRE AGREEMENT**

This Agreement, as amended, constitutes the entire Agreement among the Parties for the use of funds received under this Agreement, as amended, and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to this Agreement, as amended.

  
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## **XIV - FEDERAL FUNDING**

The fulfillment of this Agreement, as amended, is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under this Agreement, as amended, must be made in accordance with this Agreement, as amended, the policies and procedures promulgated under the CDBG-DR Program, and any other applicable laws. Further, Subrecipient acknowledges that all funds are subject to recapture and repayment for non-compliance.

## **XV - RECAPTURE OF FUNDS**

PRDOH may recapture payments it makes to Subrecipient that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this Agreement, as amended, including any unapproved expenditures. Subrecipient must refund such recaptured payments within **thirty (30) days** after the PRDOH issues notice of recapture to Subrecipient.

## **XVI - OVERPAYMENT**

Subrecipient shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement, as amended. Subrecipient shall reimburse such disallowed costs from funds other than those Subrecipient received under this Agreement.

## **XVII - COUNTERPARTS**

This Amendment A may be executed in any number of counterparts, each of whom shall be deemed to be an original, however, all of which together shall constitute one and the same instrument. If the Amendment A is not executed by the PRDOH within **thirty (30) days** of execution by the other party, this Amendment A shall be null and void.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE TO FOLLOW]**

IN WITNESS THEREOF, the Parties hereto execute this Amendment A in the place and on the date first above written.

PUERTO RICO DEPARTMENT OF HOUSING, CDBG-DR Grantee

  
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By: William O. Rodríguez Rodríguez  
Name: William Rodríguez Rodríguez, Esq.  
Title: Secretary

  
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UNIVERSITY OF PUERTO RICO-MAYAGÜEZ, CDBG-DR SUBRECIPIENT

By: Roberto L. Seijo  
Name: Manuel A. Jiménez Cedeño, Ph.D.  
Title: Director  
DUNS Number: 175303262



## EXHIBIT C

### KEY PERSONNEL

#### SMALL BUSINESS INCUBATORS AND ACCELERATORS

#### UNIVERSITY OF PUERTO RICO MAYAGÜEZ

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Below is the Staffing Plan for the CDBG-DR **Small Business Incubators and Accelerators** Program which reflects a combination existing employees or new hired employees dedicated for the CDBG-DR **Small Business Incubators and Accelerators** Program.

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Roles	FE Count
Project Coordinator, Co-PI	1
Project Coordinator, PI	1
Project Coordinator, PI	1
Marketing Consultant	1
Marketing Consultant	1
Marketing Consultant	1
Accounting Consultant	1
Accounting Consultant	1
Industry Liaison- Manufacture and Pharmaceutical Consultant	1
Accounting Consultant	1
Accounting Consultant	1
Human Resources Consultant	1
Educational Programmer	1
Fiscal Supervisor	1
Graduate Students	4
Undergraduate Students #1	6
Undergraduate Students #2	5
Project Manager	1
Financial and Proposal Preparation Consultant	1

## II. Roles Description:

Role	Description
<b>Project Coordinator, PI</b>	Plans, coordinates, and supervises the incubator and accelerator programs, as well as their integration with other programs in the Business and Economic Development Center (BEDC) and the College of Business Administration (CBA). In addition, will also provide technical assistance in entrepreneurship, finance, and human resources. Project Contribution will split into summer section, and semester, for the four-year project. Tasks represent 50% of a professor workload.
<b>Project Coordinator, Co-PI</b>	Oversees the program, hires, and trains staff. In charge of the E-Area Pre-Incubation Program and its integration with incubation and acceleration programs. Main consultant that provides technical assistance and training on issues related to entrepreneurship, innovation, management, and finance. His Contribution involves the 48 months of project length of time.
<b>Marketing Consultant</b>	Will assist companies in topics related to marketing, digital marketing, and innovation. Project Contribution will split into summer section and semester, for the four-year project. (25% of their time)
<b>Accounting Consultant</b>	Will assist companies in their accounting and tax obligations. His Project Contribution will split into summer section, and semester period, for the four-year project. In charge of the accounting team. Will coordinates and supervises the accounting teamwork.
<b>Accounting Consultant</b>	Will assist companies in their accounting and tax obligations. Her Project contribution will be during the four-year Project length, during the semester.
<b>Accounting Consultant</b>	Will assist companies in their accounting and tax obligations. His Project contribution will be during the four-year Project length, during the semester.
<b>Human Resources Consultant</b>	Will assist companies in topics related to law, human resources, and entrepreneurship. Represents an additional compensation to actual responsibilities as an entrepreneurial instructor during the summer for the length of the project.
<b>Educational Programmer</b>	Will coordinate virtual and face-to-face trainings and offer support on topics related to human resources and entrepreneurship. Represents an additional compensation to actual responsibilities as an entrepreneurial instructor during the semester, for the length of the project.
<b>Fiscal Supervisor</b>	Task include supervise budget items, and prepare reports, as well as financial reports, in support of this project. Her

  
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	contribution is part-time for the four-year length of the project.
<b>Graduate Students</b>	Will join the Area E-Program to complement and support technical assistance and training services, according to their areas of expertise and study. They will serve as technical and individual support, working as part of the team under the supervision of professors and specialists.
<b>Undergraduate Students</b>	Will join the Area E- Program to complement and support technical assistance and training services, according to their areas of expertise and study. They will serve as technical and individual support, working as part of the team under the supervision of professors and specialists
<b>Project Manager</b>	Tasks include coordinating the assistance services of the program, including enhancing relationships with strategic partners, ensuring compliance with the objectives, monitoring the selected companies, and carrying out evaluations and progress reports.
<b>Industry Liaison- Manufacture and Pharmaceutical Consultant</b>	Specialist in relations with manufacturing and pharmaceutical industries. Will provide assistance to companies related to manufacturing, validation, evaluation, and entrepreneurship. His Project contribution will be during the four-year Project length, during the semester. (8.3% of their time)
<b>Financial and Proposal Preparation Consultant</b>	As a specialist in the preparation of proposals and requirements for doing business with the government, will coordinate and provide technical assistance to companies. As well as developing virtual and one-o-one documentation and trainings. Represents a regular work hour for year three and fourth, as a Community Economic Development Specialist.

  
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## EXHIBIT D – SECTION 1

### BUDGET

#### SMALL BUSINESS INCUBATORS AND ACCELERATORS PROGRAM

#### UNIVERSITY OF PUERTO RICO MAYAGÜEZ

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### 1. DESCRIPTION SERVICES

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#### INCUBATORS AND ACCELERATORS

The service META in the Incubator program is 231 companies with **less than four (4) years** of operation in a four-year period small business already operating or starting to operate, of which more than half were affected by hurricanes and at least thirty percent (30%) Low Moderate Income (**LMI**).

In total we expect 331 companies to participate in the incubator or accelerator program in the four years program. To ensure that the 331 companies are impacted during the proposed years, disclosure will be used through the media and through the support network already established by the CNDES, the UPRM E-ship Network and partner support networks.

#### BUDGET JUSTIFICATION

Funds are being requested to expand the AREA-E (**Entrepreneurship Area**) program; specifically, the Incubator and R2E Accelerator programs. In four years, these programs will serve and impact at least 231 existing companies that were harmed by Hurricane Irma and Hurricane María. For this purpose, academics from the university will be integrated into their areas of expertise with the purpose of expanding and accelerating the growth of the businesses affected by Hurricanes Irma and María. These areas of expertise will be, but are not limited to; accounting, human resources, law, marketing, entrepreneurship, manufacturing, identification of external funds, and technology. The program will have meeting spaces and training rooms already identified in the facilities of the College of Business Administration of the University of Puerto Rico, Mayagüez. In addition, there are technical collaboration agreements established between the College of Business Administration, and the business incubators Global Perspectives and Creative Incubator. Furthermore, individualized and group technical assistance will be provided according to companies' needs, and we will continue following up with companies' progress, and providing these services after the program has finished.

For this four-year program, a total of **two million four hundred fifty-four thousand nine hundred twenty-six dollars (\$2,454,926.00)** in funds are being requested for the CDBG's next years, specifically for the Small Business Incubators and Accelerators Program. For the following rounded items (for more details, refer to the budget and "budget justification" documents which are attached to the proposal):

- **WAGES AND BENEFITS: \$1,635,936.00**

This includes, one Project Manager, one Project Coordinator, Project Co-coordinator, a Fiscal Supervisor among other necessary personnel for program support.

- **PROFESSIONAL SERVICES: \$80,000.00**

We are expecting to hire specialists in topics related to technology, patents, technology transfer, or an expert who will facilitate the incubation and/or acceleration of the companies. In addition, specialized training services for participants will be provided.

- **TRAVEL: \$10,000.00**

It is estimated that our designated domestic trips will be made to provide some type of training or assistance for groups or individuals, on technical issues, to participants around the island.

- **INDIRECT COSTS: \$636,462.00**

The University of Puerto Rico, Mayagüez, and the Federal Government have negotiated and agreed on a 35% rate for indirect costs. The validity of the percentage negotiated is in the documents' area, under indirect cost rate agreements, and was included in the submitted proposal.

- **EQUIPMENT (SUPPLIES AND OFFICE MATERIALS): \$92,528.00**

All Office supplies and material cost are less than **\$5,000.00** and are allowed under minor equipment and materials. This includes basic furniture, such as desks, tables, chairs, movable walls, lamps, and other necessary materials, to prepare the mentoring lab and meeting spaces for operations. The budget also includes funds for photocopier, printer, scanner, computer, projectors, paper, ink, and other electronics to carry out virtual training and technical assistance to participants. Necessary to deploy virtual and face-to-face training and technical assistance during the 4 years of the project.

  
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## STAFFING

Position	Qty. of Res ourc es [A]	Max. Hours per month per Resourc e [B]	Hourly Rate [C]	Max Month s in Project [D]	Max. Monthly Cost [E=AxBxC]	Maximun Cost Per Month Program (DxE)
Project Coordinator, Co PI	1	81.25	\$52.55	48	\$4,269.69	\$204,945.00
Project Coordinator, PI	1	75.00	\$81.57	36	\$6,117.75	\$220,239.00
Project Coordinator, PI	1	150.00	\$18.86	4	\$2,829.00	\$11,316.00
Marketing Consultant	1	37.50	\$81.28	36	\$3,048.00	\$109,728.00
Marketing Consultant	1	150.00	\$65.67	1	\$9,850.50	\$9,851.00
Marketing Consultant	1	75.00	\$65.85	3	\$4,938.75	\$14,816.00
Accounting Consultant	1	12.50	\$83.26	36	\$1,040.75	\$37,467.00
Accounting Consultant	1	150.00	\$33.53	3	\$5,029.50	\$15,089.00
Industry Liaison- Manufacture and Pharmaceutical Consultant	1	12.50	\$83.26	36	\$1,040.75	\$37,467.00
Accounting Consultant	1	12.50	\$81.83	36	\$1,022.88	\$36,824.00
Accounting Consultant	1	12.50	\$83.92	36	\$1,049.00	\$37,764.00
Human Resources Consultant	1	40.00	\$22.48	12	\$899.20	\$10,790.00
Educational Programmer	1	9.00	\$55.22	36	\$496.98	\$17,891.00
Fiscal Supervisor	1	81.25	\$19.73	48	\$1,603.06	\$76,947.00
Graduate Students	4	80.00	\$11.23	40	\$3,593.60	\$143,744.00
Undergraduate Students #1	6	80.00	\$8.42	40	\$4,041.60	\$161,664.00
Undergraduate Students #2	5	80.00	\$11.23	40	\$4,492.00	\$179,680.00
Project Manager	1	162.50	\$21.76	48	\$3,536.00	\$169,728.00
Financial and Proposal Preparation Consultant	1	75.00	\$77.77	24	\$5,832.75	\$139,986.00
<b>Total Maximum Monthly Cost:</b>					<b>\$64,733.00</b>	
<b>Total Cost for 4 Years (48 Months):</b>						<b>\$1,635,936.00</b>

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**PROFESSIONAL  
SERVICES**

Services Name	Services Description	Budget
Consultants	Specialist services are contracted as identified in customers' individualized plans. For specialized topics such as technology, patents, technology transfer and others. Also hiring professional customer training services. At an average of \$20,000 per year for four year	\$80,000.00
<b>Total Budget for Services to be contracted:</b>		<b>\$80,000.00</b>

  
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**OTHER OPERATING/OTROS GASTOS  
OPERACIONALES**

  
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Item Name/Artículo	Item Description/Descripción	Budget/Presupuesto
Travel	Domestic travel designated to provide face-to-face training and/or group or individual technical assistance to participants around the island of Puerto Rico	\$10,000.00
Indirect Cost	Indirect costs negotiated by the Federal Government for the programs of the University Campus of Mayaguez are 35%	\$636,462.00
Workshop Materials	All Office supplies and material cost are less than \$5,000. Necessary to deploy virtual and face-to-face training and technical assistance during the 4 years of the project.	\$92,528.00
<b>Total Expenses Budget/Gastos Totales:</b>		<b>\$738,990.00</b>

<b>PROJECT ACTIVITY DELIVERY COSTS/COSTOS DIRECTOS DEL PROYECTO</b>		
Staff/Personal	Administrative and optional staff who collaborated directly with the AREA E program	\$1,635,936.00
Professional Services	A specialist's services are contracted as identified in customers' individualized plans. For specialized topics such as technology, patents, technology transfer and others.	\$80,000.00

Other Operating costs	Domestic Travel and Indirect Costs negotiated by the Federal Government for the programs of the University Campus of Mayaguez are 35% All Office supplies and material cost are less than \$5,000.00 and are allowed under minor equipment and materials. Necessary to deploy virtual and face-to-face training and technical assistance during the 4 years of the project	\$738,990.00
<b>TOTAL COSTS/COSTO TOTAL</b>		<b>\$2,454,926.00</b>

  
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#### **Budget Re-distribution**

- a) The Subrecipient may request in writing to the PRDOH a re-distribution of the Maximum Authorized Budgets shown above without exceeding the Total Authorized Budget.
- b) The PRDOH will evaluate the re-distribution request to validate purpose and balance of funds, and if determined the re-distribution is in benefit for the Program and the balance of funds is validated, the PRDOH will provide written authorization to the Subrecipient. Until the written authorization is submitted by the PRDOH, the re-distribution cannot be considered as authorized.
- c) This re-distribution of funds as described here shall be considered binding and will not require an amendment to this SRA.





## EXHIBIT H

### SUBROGATION AND ASSIGNMENT PROVISIONS

#### SMALL BUSINESS INCUBATORS AND ACCELERATORS PROGRAM

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#### UNIVERSITY OF PUERTO RICO MAYAGÜEZ

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##### 1. General Provisions.

- a) The Parties acknowledge that the following provisions of this Exhibit are hereto incorporated by reference and made an integral part of the aforementioned Subrecipient Agreement as **Exhibit H**.
- b) Changes in the provisions of this Exhibit will require an amendment to the Subrecipient Agreement. Such amendment would result in the incorporation by reference of a modified **Exhibit H** to the Subrecipient Agreement.

##### 2. Subrogation and Assignment Relating to Funds Received from the Puerto Rico Department of Housing Small Business Incubators and Accelerators Program.

- a) These provisions are incorporated into the Subrecipient Agreement in consideration of the commitment by PRDOH to evaluate Subrecipient's application for the award of disaster assistance funds (the "**Application**") or the Subrecipient's receipt of CDBG-DR disaster recovery funds (the "**Grant Proceeds**") under the Program being administered by PRDOH.
- b) Subrecipient understands and acknowledges that the Program is subject to the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. §§ 5121-5207 (the "**Act**") and that, under such Act, the Subrecipient may only receive assistance to the extent that the Subrecipient has a disaster recovery need that is not fully met by insurance or other forms of disaster assistance. Subrecipient further acknowledges that these provisions are intended to ensure that Subrecipient does not receive duplicate benefits available to the Subrecipient from another source, for the same purposes as the Grant Proceeds provided under the Program, and that, any assistance determined to be duplicative must be deducted from the Program's calculation of the Subrecipient's total need prior to awarding assistance.
- c) Subrecipient hereby subrogates and assigns to PRDOH any and all of Subrecipient's future rights to, and any interest Subrecipient may have in, any reimbursement and all payments received or subsequently received from any grant, loan, insurance policy or policies of any type (each individually, a "**Policy**" and collectively, the "**Policies**"), or under any subsidy, reimbursement or relief program related to or administered by the Federal Emergency Management Agency ("**FEMA**"), insurance payments, or any other federal, state or local government agency (each, individually, a "**Disaster Program**" and collectively, the "**Disaster Programs**") to the extent of all Grant Proceeds paid or to be paid under the Program and that are determined, in the sole discretion of PRDOH or its designated agent, to be a duplication of benefits ("**DOB**"). Any payments referred to in this paragraph, whether they are from Policies, FEMA, or any other source, and whether or not such amounts are a DOB, shall be referred to herein

as "**Proceeds**"; any Proceeds that are determined to be a DOB shall be referred to herein as "**DOB Proceeds**".

- d) Subrecipient agrees that, in the event that Subrecipient receives additional Proceeds related to disaster recovery that are not listed on the Duplication of Benefits Certification submitted in connection with the Application, Subrecipient will notify the PRDOH within **ten (10) working days** of receipt of the funds by sending a written notification to [EcoRecCDBG@vivienda.pr.gov](mailto:EcoRecCDBG@vivienda.pr.gov). PRDOH will, in turn determine, in its sole discretion, if such Proceeds constitute DOB Proceeds. If any of the Proceeds are determined to be DOB Proceeds, the Subrecipient shall pay PRDOH the DOB Proceeds, to be disbursed as provided in Section 3 of this Agreement.

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### 3. **Cooperation and Further Documentation.**

- a) If PRDOH elects to pursue any of the claims Subrecipient has or may have under any Policies, Subrecipient agrees to assist and cooperate with PRDOH. Subrecipient's assistance and cooperation shall include, but shall not be limited to, allowing suit to be brought in Subrecipient's name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing records and other evidence, testifying at trial, and any other form of assistance and cooperation reasonably requested by the PRDOH. Subrecipient also agrees to assist and cooperate in the attainment and collection of any DOB Proceeds that the Subrecipient would be entitled to under any applicable Disaster Assistance Program.
- b) If requested by PRDOH, Subrecipient agrees to execute such further and additional documents and instruments as may be requested to further and better subrogate and assign to PRDOH (to the extent of the Grant Proceeds paid to Subrecipient under the Program) the Policies, any amounts received under the Disaster Assistance Programs that are determined to be DOB Proceeds and/or any rights thereunder. Subrecipient further agrees to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the PRDOH to consummate and make effective the purposes of these provisions.
- c) Subrecipient expressly allows and authorizes PRDOH to request information from any company with which Subrecipient holds or held any insurance policy or policies of any type, any other company or entity -public or private- from which the Subrecipient has applied for or is receiving assistance (such as FEMA, or others), or any non-public or confidential information determined by PRDOH, in its sole discretion, to be reasonably necessary to monitor/enforce its interest in the rights subrogated and assigned to it under this Agreement, and grant consent to such company or entity to release said information to the PRDOH.

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### 4. **Agreement to Turn Over Proceeds; Future Reassignment.**

- a) If Subrecipient (or, to the extent permitted by superior loan documents, any lender to which DOB Proceeds are payable) hereafter receives any DOB Proceeds, Subrecipient agrees to promptly pay such amounts to PRDOH, if Subrecipient received Grant Proceeds under the Program in an amount greater than the amount Subrecipient would have received if such DOB Proceeds had been considered in the calculation of Subrecipient's award.
- b) In the event that Subrecipient receives or is scheduled to receive any Proceeds not listed on its Duplication of Benefits Certification ("**Subsequent Proceeds**"), Subrecipient shall pay such Subsequent Proceeds directly to the PRDOH, and PRDOH will determine the amount, if any, of such Subsequent Proceeds that are

DOB Proceeds ("**Subsequent DOB Proceeds**"). Subsequent Proceeds shall be disbursed as follows:

- (i) If Subrecipient has received full payment of the Grant Proceeds, Subrecipient shall remit any Subsequent DOB Proceeds to PRDOH. PRDOH shall return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.
  - (ii) If Subrecipient has received no payment of the Grant Proceeds, PRDOH shall reduce the payment of the Grant Proceeds to Subrecipient by the amount of the Subsequent DOB Proceeds and shall return all Subsequent Proceeds in excess of the Subsequent DOB Proceeds to Subrecipient.
  - (iii) If Subrecipient has received a portion of the Grant Proceeds, the following shall occur: (A) PRDOH shall reduce the remaining payments of the Grant Proceeds and return Subsequent DOB Proceeds in such amount to the Subrecipient; and (B) Subrecipient shall remit any remaining Subsequent DOB Proceeds to PRDOH. PRDOH shall also return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.
  - (iv) If the PRDOH makes the determination that Subrecipient does not qualify to participate in the Program or Subrecipient decides not to participate in the Program, PRDOH shall return the Subsequent Proceeds to Subrecipient, and the Agreement shall terminate.
- c) Once PRDOH has recovered an amount equal to the Grant Proceeds paid to Subrecipient, PRDOH will reassign to Subrecipient any rights given to PRDOH pursuant to these provisions.

**5. Miscellaneous.**

- a) Subrecipient hereby represents that all statements and representations made by Subrecipient regarding any Proceeds are true and correct, as of the date of the issuance of the Grant Proceeds.
- b) In any proceeding to enforce these provisions, PRDOH shall be entitled to recover all costs of enforcement, including PRDOH's attorney fees.
- c) The parties hereto each waive the right to have any judicial proceeding concerning any of the provisions hereof tried by a jury.
- d) Neither these provisions, nor any portion or provisions hereof may be changed, waived, or terminated orally or by any course of dealing, or in any manner other than by an agreement in writing, signed by all parties hereto and approved by PRDOH.
- e) These provisions, and the rights and obligations of the parties shall be governed and construed in accordance with federal law and the laws of the Government of Puerto Rico without giving effect to conflict of law provisions. Any action arising out of or related to this Subrogation and Assignment provisions shall be brought within the Government of Puerto Rico.
- f) The captions of the various sections of this Subrogation and Assignment provisions have been inserted only for the purpose of convenience; such captions are not a part of the Agreement and shall not be deemed in any manner to modify, explain, enlarge or restrict any provisions of this Subrogation.
- g) Subrecipient acknowledges that making a false, fictitious, or fraudulent statement or representation in this agreement is punishable under Federal and State law and shall constitute a separate criminal offense each time a public benefit is fraudulently received.

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- h) Subrecipient acknowledges that they have been informed and understand the penalties for making a materially false or misleading statement to obtain CDBG-DR funds under the Program or any other of the PRDOH's Programs.

**END OF DOCUMENT**

  
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# UPR-M SRA AMENDMENT A

Final Audit Report

2021-07-28

Created:	2021-07-13
By:	Radames Comas Segarra (rcomas@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIz5_Pfro0QYHdT-mdV4VPJvvb-jGTH77

## "UPR-M SRA AMENDMENT A" History

-  Document created by Radames Comas Segarra (rcomas@vivienda.pr.gov)  
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-  Document emailed to Roberto L. Seijo (director.cid@uprm.edu) for signature  
2021-07-13 - 8:01:59 PM GMT
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-  Document e-signed by William O. Rodríguez Rodríguez (w.rodriguez@vivienda.pr.gov)  
Signature Date: 2021-07-28 - 5:54:38 PM GMT - Time Source: server- IP address: 70.45.47.107
-  Agreement completed.  
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