



AMENDMENT D

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR) SMALL BUSINESS FINANCING PROGRAM

**AMENDMENT D TO the SUBRECIPIENT AGREEMENT
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND THE
ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO**
Contract No. 2020-DR0039
Amendment No. 2020-DR0039D



THIS **AMENDMENT D TO SUBRECIPIENT AGREEMENT** ("Amendment D") is entered into this 12 day of December, 2022, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** ("PRDOH"), a public agency of the Government of Puerto Rico created under Act. No. 97, of June 10, 1972, as amended, 3 L.P.R.A. § 441 *et seq.*, known as the "**Department of Housing Organic Act**" ("**Organic Act**"), with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of San Juan, Puerto Rico; and the **ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO** ("**Subrecipient**"), an instrumentality of the Government of Puerto Rico created under Act No. 22 of July 24, 1985, as amended, 7 L.P.R.A. § 611 *et seq.*, known as the "**Economic Development Bank for Puerto Rico Act**", with principal offices at 638 Aldebarán St., Urb. Altamira, San Juan, Puerto Rico, represented herein by its President, Luis Alemañy González, of legal age, executive, married, and resident of San Juan, Puerto Rico; collectively the "**Parties**".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on March 22, 2020, the PRDOH and the Subrecipient executed a Subrecipient Agreement, Contract Number **2020-DR0039** ("**Agreement**"), for **twenty-five million dollars (\$25,000,000)** for the Subrecipient to undertake its activities under the **Small Business Financing Program** ("**Program**"). The Parties agreed on a performance period of **twenty-four (24) months** from the day of the execution of the Agreement, ending on **March 22, 2022**.

WHEREAS, on May 3, 2021, the PRDOH and the Subrecipient executed an **Amendment A** to the Agreement, Contract No. **2020-DR0039A** ("**Amendment A**"). Via Amendment A the **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget) and **Exhibit E** (Funds Certification) were modified and federal and state regulations and statutes were updated. The Amendment A increased the Subrecipient's budget by an additional **twenty-nine million four hundred thousand dollars (\$29,400,000)**. The period of performance of the Agreement remained unaltered.

WHEREAS, on November 10, 2021, the PRDOH and the Subrecipient executed an **Amendment B** to the Agreement, Contract Number **2020-DR0039B** ("**Amendment B**"), to modify **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), **Exhibit E** (Funds Certification), **Exhibit F** (HUD general Provisions), include new **Exhibit H** (Subrogation and Assignment Provisions). The Amendment B also increases the total amount of the Agreement by an additional **seventy-three million five hundred thousand dollars (\$73,500,000)**. The period of performance of the Agreement remained unaltered.

WHEREAS, on March 22, 2022, the Parties agreed to modify the Agreement via **Amendment C**, Contract Number **2021-DR0039C** ("**Amendment C**"). The Amendment C served the purpose of modifying the period of performance of the Agreement to a **forty-eight (48) months** term and modify **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and

Performance Goals), **Exhibit D** (Budget) and **Exhibit H** (Subrogation and Assignment Provisions).

LAG
LAG

WORR
WORR

WHEREAS, as per Section IX (A) of the Agreement, the Subrecipient 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, this **Amendment D** does not constitute an extinctive novation of the obligations of the Parties under the Agreement.

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

WHEREAS, the Subrecipient in accordance with its enabling statute, has the legal power and authority to enter in this **Amendment D**. The Subrecipient has agreed to enter into this **Amendment D** with the PRDOH, and by signing this **Amendment D**, the Subrecipient assures the PRDOH that it shall comply with all the requirements described herein.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the Subrecipient agree to executed this **AMENDMENT D** subject to the following:

II. TERMS AND CONDITIONS:

A. SAVINGS CLAUSE

The information included in this **AMENDMENT D** serves the purpose of modifying and amending certain terms and conditions under the Agreement, as established in the following sections B and C of this **AMENDMENT D**. All other provisions of the original Agreement, including its exhibits, shall continue to be in full force and effect.

B. SCOPE OF AMENDMENT

The purpose of this **AMENDMENT D** is to increase the total Agreement amount to **one hundred eighty million dollars (\$180,000,000.00)**. Modifications to the **General Award Information** table in Section I of the Agreement is being incorporated via this **AMENDMENT D** to accommodate the aforementioned increased of Agreement amount.

Moreover, updated versions of **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), **Exhibit E** (Funds Certification), **Exhibit F** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements) and **Exhibit H** (Subrogation and Assignment Provisions), are being incorporated by reference into this Agreement.

Also, a new **Exhibit I** (Non-Conflict of Interest Certification) is being incorporated by reference into the Agreement via this **AMENDMENT D**, as well. Furthermore, modifications to **Section II. ATTACHMENTS** and **Section X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS** of the Agreement are being incorporated to address the introduction of the aforementioned new exhibit into the Agreement.

As stated before, all other provisions of the original Agreement remain unaltered.

LAG

WORR

C. AMENDMENTS

- a. The Parties agree to amend the **GENERAL AWARD INFORMATION** table in Section I of the Agreement as follows:

CDBG-DR Grantee Federal Award Identification Number:	Unique Entity ID #: FFMUBT6WCM1
CDBG-DR Grantee Federal Award Date:	September 20, 2018
Federal Award project description:	See Exhibit A (Scope of Work)
Subrecipient Contact Information:	Luis Alemañy González President Economic Development Bank for Puerto Rico P.O. Box 2134 San Juan, PR 00922-2134 lalemany@bde.pr.gov 787-641-4300
Subrecipient Unique Identifier:	Unique Entity ID #: RWDKTD6RBCR9
Subaward Period of Performance:	Start Date: Effective Date, as defined in Section V of this Agreement, as amended. End Date: As defined in Section V of the Agreement, as amended.
Funds Certification:	Dated: November 8, 2022 Authorized Increase Amount: \$180,000,000.00 Funds Allocation: CDBG-DR "R01E15SBF-EDC-LM" CDBG-DR "R01E15SBF-EDC-UN" CDBG-DR "R02E15SBF-EDC-LM" CDBG-DR "R02E15SBF-EDC-UN" Account Number: 6090-01-000 See Exhibit E for <u>Funds Certification</u>

- b. **Section II. ATTACHMENTS** of the Agreement is being amended to incorporate **Exhibit I** (Non-Conflict of Interest Certification) in the list of exhibits that are attached to the Agreement: The following attachments are incorporated into this Agreement by reference and are hereby made part of this Agreement:

Exhibit A	Scope of Work
Exhibit B	Timelines and Performance Goals
Exhibit C	Key Personnel
Exhibit D	Budget
Exhibit E	Funds Certification
Exhibit F	HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements
Exhibit G	Special Conditions
Exhibit H	Subrogation and Assignment Provisions
Exhibit I	Non-Conflict of Interest Certification

[...]

- c. **Section X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS** of the Agreement is being amended to include an additional paragraph that makes reference to the new **Exhibit I** (Non-Conflict of Interest Certification):

[...]

Moreover, the **Exhibit I** (Non-Conflict of Interest Certification), attached herein and made an integral part of this Agreement, outlines several situations that may reasonably be considered as conflicts of interest. The Subrecipient shall disclose and certify that, to the best of its knowledge, none of the situations exist or may exist at the date of the execution of the Agreement. The aforementioned certification aids PRDOH, in its role as grantee, to identify, evaluate, disclose and manage apparent, potential, or actual conflicts of interest related to CDBG-DR funded projects, activities, and/or operations.

- d. The Parties agree to amend **Section XII. CDBG-DR POLICIES AND PROCEDURES** as follows:

In addition to what is established in this SRA, the Subrecipient shall comply with all CDBG-DR program specific and general policies and procedures, which may include, but are not limited to, the Subrecipient Management Policy, OS&H Guideline, MWBE Policy, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Language Access Plan, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR Website (<https://cdbq-dr.pr.gov/en/resources/policies/>), which are herein included and made an integral part of this SRA, as they may be updated from time to time, Procurement policies and procedures in accordance with the federal procurement rules and regulations found in 2 C.F.R. § 200.318 through §200.327, and reporting requirements as established by the PRDOH.

- e. The Parties agree to add **Section XXX. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION** as follows:

The Subrecipient must be registered in the System for Award Management (SAM) and shall maintain its registration active during contract performance and through final payment. The Subrecipient is responsible during performance and through final payment for the accuracy and completeness of the data within SAM. Failure to maintain registration in SAM can impact obligations and payments under this Agreement.

- f. **Exhibit A** (Scope of Work) of the Agreement is being replaced by an updated version of the **Exhibit A** (Scope of Work), modified to include a more comprehensive description of section 4.8 Program Closeout; hereto incorporated by reference into the Agreement (See **Attachment I**).
- g. **Exhibit B** (Timelines and Performance Goals) of the Agreement is being replaced by an updated version of the **Exhibit B** (Timelines and Performance Goals), modified to include 3.2 OBJECTIVE: Close files of grant awards provided, verify compliance with all Grant Agreements, gather required documentation, and take appropriate actions; hereto incorporated by reference into the Agreement (See **Attachment II**).

- LAG
LAG
- WRR
WRR
- h. **Exhibit C** (Key Personnel) of the Agreement is being replaced by an updated version of the **Exhibit C** (Key Personnel), modified to redistribute program personnel mostly to the Expenditure Review & Closeout Officer role; hereto incorporated by reference into the Agreement (See **Attachment III**).
 - i. **Exhibit D** (Budget) of the Agreement is being replaced by an updated version of the **Exhibit D** (Budget), modified to include additional funding for grant funding and staffing; hereto incorporated by reference into the Agreement (See **Attachment IV**).
 - j. **Exhibit E (Funds Certification)** of the Agreement is being replaced by an updated version of the **Exhibit E** (Funds Certification) hereto incorporated by reference into the Agreement. (See **Attachment V**).
 - k. **Exhibit F** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements) of the Agreement is being replaced by an updated version of the **Exhibit F** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements) hereto incorporated by reference into the Agreement (See **Attachment VI**).
 - l. **Exhibit H** (Subrogation and Assignment Provisions) of the Agreement is being replaced by an updated version of the **Exhibit H** (Subrogation and Assignment Provisions) hereto incorporated by reference into the Agreement (See **Attachment VII**).
 - m. **Exhibit I** (Non-Conflict of Interest Certification) is being incorporated by reference into the Agreement (See **Attachment VIII**).

III. SEVERABILITY

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

IV. SECTION HEADINGS AND SUBHEADINGS

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

V. COMPTROLLER REGISTRY

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

VI. ENTIRE AGREEMENT

The Agreement, as amended, constitutes the entire agreement among the Parties for the use of funds received under the Agreement, as amended, and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties concerning the Agreement, as amended.

VII. FEDERAL FUNDING

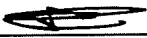
The fulfillment of the Agreement, as amended, is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under the Agreement, as amended, must be made in accordance with the Agreement, as amended, the policies and procedures promulgated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

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

PUERTO RICO DEPARTMENT OF HOUSING
CDBG-DR Grantee

By: William O. Rodríguez Rodríguez
William O. Rodríguez Rodríguez (Dec 12, 2022 15:18 AST)
Name: William O. Rodríguez Rodríguez
Title: Secretary

ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO
Subrecipient

By: 
Luis Alemañy (Dec 8, 2022 12:10 AST)
Name: Luis Alemañy González
Title: President



LAG
LAG

WRR
WRR

EXHIBIT A

SCOPE OF WORK

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

1. Program Overview/Background

The Scope of Work detailed below is for the Small Business Financing Program (SBF Program or Program). Program funding supports small business and microenterprise recovery through the funding of Recovery Grants up to a maximum of one hundred fifty thousand dollars (\$150,000) to cover working capital and equipment.

2. National Objective

All CDBG-DR-funded activities must meet at least one (1) of the three (3) HUD national objectives defined in the authorizing statute of the CDBG Program at 104(b)(3) of the Housing and Community Development Act of 1974 (HCDA), as amended, 42 U.S.C. § 5305. It is anticipated that projects funded through the SBF Program will meet one of the following national objectives:

- Benefit to low- and moderate-income persons (LMI)
 - LMI Job Creation/Retention - 24 C.F.R. § 570.483 (b) (4);
 - LMI Area Benefit - 24 C.F.R. § 570.483(b)(1);
 - LMI Limited Clientele (microenterprises) - 24 C.F.R. § 570.483(b)(2);
- Urgent Need (UN) - 24 C.F.R. § 570.483(d)

PRDOH has set a minimum goal to expend thirty percent (30%) of SBF Program funds on projects that result in a benefit to LMI individuals or that demonstrably serve LMI areas.

3. Program Description

The total allocation for the SBF Program will be up to two hundred twenty-five million dollars (\$225,000,000) but it is subject to change with additional CDBG-DR Action Plan Amendments.

The SBF Program will assist eligible Puerto Rico owned and operated microenterprises and small businesses to help restart operations and/or recover in the wake of Hurricanes Irma and/or María by initially providing Recovery Grants of up to one hundred fifty thousand dollars (\$150,000) for working capital and equipment. The amount of the grant and timing of draws will be based on the determination of unmet need

and eligible expenses as assessed in a business's Application to the Program. The Program Guidelines are currently written to address the eligibility and participation guidelines for the grant program.

LAG
LAG

WORR
WORR

Key Activities

In order to implement the program objectives, key activities to be carried out by Subrecipients include, but are not limited to:

1. Work and approve cases to disburse grant amounts to businesses.
2. Help businesses with an urgent need for help and increase applicant engagement.
3. Continuously improve underwriting efficiency and capacity to successfully execute the program.
4. Processing of Program Based Reconsideration Requests and Complaints Resolution.

4. Tasks

The Economic Development Bank of Puerto Rico (BDE, for its Spanish acronym; or the Subrecipient) will serve as the overall SBF Program Manager under this Subrecipient Agreement (SRA) with PRDOH. In this role, BDE will manage all major aspects of the Program. In addition to the tasks included herein, BDE shall perform any other task necessary for the proper performance of the services under the SRA that is in accordance with the tasks already assigned. Any additional task necessary for the program will be discussed with Subrecipient 20 days prior to its assignment.

Task Number	Task
4.1	Office Configuration and Logistics
4.2	Project/Agreement Management
4.3	Document Control and Management
4.4	Program Design and Outreach
4.5	Accounting and Reporting
4.6	Environmental Review
4.7	Eligibility Review
4.8	Underwriting Review
4.9	Program Closeout
4.10	Program-Based Reconsideration Requests

4.1 Office Configuration and Logistics

- 4.1.1 Set-up offices and secure necessary equipment for these offices to function. Office spaces must be suitable for the services to be provided, and provide required visitor amenities such as on-site parking, rest rooms, and comply with ADA accessibility requirements.

LAG
LAG

WORR
WORR

- 4.1.2 Secure or provide workspace items and materials such as furnishings and equipment for the offices (including such items as computers, printers, office materials, etc.).
- 4.1.3 Secure equipment and technologies required to support remote or virtual program operations (including items such as laptop computers and MiFi devices).

4.2 Project/Agreement Management

- 4.2.1 Work closely with PRDOH to ensure timely delivery of Program activities, in accordance with the agreed upon Program Schedule.
- 4.2.2 Ensure adequate staffing levels to support Program activities funded in whole or in part by CDBG-DR, including human resources management.
- 4.2.3 Provide a dedicated Program Management team, to efficiently and effectively carry out Program activities.
- 4.2.4 Manage stakeholder and related communications.
- 4.2.5 Manage outreach activities including but not limited to, those included in the Program Guidelines, and draft related materials as determined by PRDOH (i.e. talking points, presentations, press releases, etc.).
- 4.2.6 Regularly communicate potential risks, issues, and statuses with PRDOH, in the manner they arise.
- 4.2.7 Implement the Program in a compliant manner, per the CDBG-DR regulations, policies, procedures, and all applicable state, local and federal regulations.
- 4.2.8 Monitor and control team performance (including all staff and vendors under the Subrecipient's direct and indirect supervision) in accordance with established performance goals, regulatory compliance, and quality standards and recommend corrective action and/or performance plan for underperforming team members, subcontractors, vendors, or other staff.
- 4.2.9 Lead and review all program monitoring activities to prepare and present reports, data, documents, or other information as required by PRDOH, HUD, the US Office of Inspector General (OIG), or other oversight entities.
- 4.2.10 Act as point of contact between PRDOH or its representative, applicant-entities, and elected officials for all Program issues. Lead, coordinate, and facilitate all necessary high profile, program-wide public presentations and meetings, applicant-entity meetings and government or non-government stakeholders' meetings.
- 4.2.11 Create, maintain, and control project plan which includes clear critical path, task dependencies, identified slack, resource

allocation (including human and other resources), and activity status.

- 4.2.12 Deliver staff listed in Exhibit C (Key Personnel) promptly to support program demands, which may increase, decrease, or change throughout the program life cycle. Ensure sufficient staff is available at all times to support program operations in a timely and efficient manner.
- 4.2.13 Establish, communicate, and enforce standard, efficient, and streamlined processes and strategies to support delivery of program goals, risk management, quality assurance, stakeholder management, and change management; engage in total quality management practices to regularly evaluate effectiveness of established processes and implement change when needed. Processes may be subject to PRDOH review and approval.
- 4.2.14 The Subrecipient may carry out its obligations under the Agreement, via self-performed services, or via contracted professional services, either procured by the Subrecipient or by the PRDOH. The Subrecipient shall describe the tasks, goals, or activities expected to be carried out by the contractors on its behalf. In the event of underperformance or noncompliance attributed to the contractors, the Subrecipient shall resume the performance of its tasks, goals, activities, and obligations. If underperformance or noncompliance is attributed to PRDOH's procured professional services, the Subrecipient shall notify the PRDOH of such event. Corrective action or even termination of the contracted professional services may proceed. Procurement of professional service contractors and performance goals required from these contractors must be submitted to PRDOH and must be compliant with the rest of this Agreement.
- 4.2.15 The PRDOH and the Subrecipient will share responsibility for the management of the resources and contracted professional services procured by the PRDOH to assist the Subrecipient with the execution of any of the tasks, goals, or activities related to the Program.
- 4.2.16 Ingrain transparent, regular reporting to ensure stakeholders of all levels and importance remain informed and empowered to make decisions and report on issues such as, but not limited to risk, program progress, milestones achieved, performance issues, program successes, compliance concerns, and program demographics.
- 4.2.17 Maintain a complete understanding of all applicable Program policies, requirements, procedures, guidelines; and shall possess knowledge of regulatory and statutory compliance requirements for CDBG-DR and similar programs/projects. Ensure all program

LAG
LAG

WORR
WORR

participants, including applicant-entities, vendors, and stakeholders are aware of all policy changes.

- 4.2.18 Manage day-to-day operations, improve processes for quality and efficiency, recommend policy changes.
- 4.2.19 Implement the Program in a compliant manner, per the Program policies and procedures and all applicable state and federal regulations.
- 4.2.20 Follow monitoring policies and procedures as directed by PRDOH.
- 4.2.21 Comply with PRDOH directives that may arise during the Program implementation phase in order to meet Program progress goals and objectives.
- 4.2.22 Collaborate with the PRDOH by complying with information requests that aid to ensure that the media and the general public remain informed through media messages, community outreach, public relations, and public education efforts.
- 4.2.23 Coordinate with the PRDOH Information Technology (IT) services when technical system needs arise.
- 4.2.24 Notify Applicants once their grant application is complete and inform Applicants if the grant has been approved or denied and the amount and terms of the grant, if approved.
- 4.2.25 Ensure continuous review of Applications sent by the Case Management with a goal of maintaining a pace to award the total SBF Program budget set aside for grants within the term of this Agreement, pending enough approved Applications are received.
- 4.2.26 Ensure consistent and timely treatment of all Applicants and Applications and take all precautions necessary to avoid delays in the processing of Applications.

4.3 Document Control and Management

- 4.3.1 In accordance with HUD regulations, follow the records retention requirements as cited in 24 C.F.R. § 84.53, which includes: financial records, supporting documents, statistical records and all other pertinent records. Following PRDOHs' CDBG-DR Recordkeeping Management & Accessibility Policy; records must be maintained for five (5) years. All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.
- 4.3.2 Coordinate with PRDOH a clearly defined process for acquiring, organizing, storing, retrieving, and reporting on financial records and project and activity records.
- 4.3.3 Store, archive, and retrieve electronic images of all paper documents, applicant-related emails, correspondence, training

LAG
LAG

WRR
WRR

LAG
LAG

WORR
WORR

material, policies and procedures, and other documents or materials as may be required. All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.

- 4.3.4 Ensure all project information and documentation is available at all times in the system of record.
- 4.3.5 Any systems, tools, or technology provided must meet Personal Identifiable Information (PII) requirements as outlined in the Privacy Act of 1974, 5 U.S.C. § 552(a) (Privacy Act), 24 C.F.R. Part 5, and PRDOHs' policy for protection of PII.
- 4.3.6 Provide sufficient, appropriate document control and management to meet the financial and documentation requirements for CDBG-DR grants. At a minimum, the following records are required:
 - 4.3.6.1 Records providing full description of each activity;
 - 4.3.6.2 Records verifying that activity meets national and grant objectives;
 - 4.3.6.3 Records related to demonstrating eligibility of activities;
 - 4.3.6.4 Records required to document activity related to real property;
 - 4.3.6.5 Records documenting compliance with Davis-Bacon Act, Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, Minority Business Enterprise, Women Business Enterprise, Section 3 of the Housing and Urban Development Act of 1968, fair housing and equal opportunity requirement, as applicable;
 - 4.3.6.6 Financial records and reports required by the Program; and
 - 4.3.6.7 Records supporting any specific requirements of the Program or the CDBG-DR allocations.
- 4.3.7 Any other task necessary for the proper document control management.
- 4.3.8 All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.

4.4 Program Design and Outreach

- 4.4.1 Prepare and maintain the overall project plan for the Program.
- 4.4.2 Develop and implement Program policies and templates, in collaboration with the PRDOH, required for the implementation and administration of the Program (i.e. Program Guidelines, Standard Operating Procedures (SOP), Forms, Contracts, Correspondence, Applications, etc.), as applicable.
- 4.4.3 Conduct procurement and/or provide assistance to PRDOH to perform procurements, as needed. RFP and other solicitation

LAG
LAG

WORR
WORR

documents must be reviewed and approved by PRDOH prior to publication. All procurements must be done in accordance with the latest version of the PRDOH Procurement Manual for CDBG-DR.

- 4.4.4 Provide PRDOH with required documentation and information as specified in Federal Register Vol. 83, No. 28 (83 FR 5844) for posting on the PRDOH Disaster Recovery Website (www.cdbg-dr.pr.gov). Provision of non-essential information (when requested) such as bulletins, newsletters, or marketing materials for publication on PRDOH Disaster Recovery Website.

4.5 Accounting and Reporting

- 4.5.1 The Subrecipient shall adhere to PRDOH's financial management policies and procedures as outlined in its manual, the Program Guidelines, or policies and procedures for this Program, including but not limited to:
- 4.5.1.1 Establish a separate bank account to receive payments from PRDOH of HUD CDBG-DR funds that provide the funding for disbursement and subsequently disburse payments.
- 4.5.2 Account and reporting of uses of CDBG-DR funds, including but not limited to information on National Objectives met, beneficiary demographics, and project completion status.
- 4.5.3 Maintain System of Records as previously detailed herein. All the applicants records and information will be kept in Canopy Systems under the responsibility of PRDOH.
- 4.5.4 Submit regular Monthly Progress Reports and ad-hoc reports, as necessary, to PRDOH, in the form and with the content specified and required by PRDOH, in the frequency or form determined by PRDOH at the moment of request, given that enough time is provided to comply with the request.
- 4.5.5 The data requested to provide reports related to applications received for the SBF Program is in the CANOPY System. The Subrecipient is responsible for informing PRDOH of programming needs that prevent such reports from being provided in a requested time.
- 4.5.6 Follow monitoring policies and procedures as directed by PRDOH.
- 4.5.7 Provide status reports on a regular basis to keep PRDOH informed of progress.
- 4.5.8 As requested, meet with PRDOH to discuss the status of the program, [applicant concerns], and any other issues that may have arisen during the administration of the assigned Program.

- 4.5.9 Provide PRDOH with project progress reports on demand, as well as access to the project management system for PRDOH to monitor the project.
- 4.5.10 Report on information that includes project activity deemed critical by PRDOH.
- 4.5.11 Compile and review information necessary to prepare reports required under HUD regulations. If the data requested to provide reports related to applications received for the SBF Program is in the CANOPY System, the Subrecipient is responsible for informing PRDOH of programming needs that prevent such reports from being provided in a requested time.
- 4.5.12 Account for and reconcile, (a) all federal funds requested and drawn from HUD and awarded to grant recipients, (b) all funds returned by applicants, (c) all funds deposited by applicants to reduce duplicative benefits potential award gap, and any other funds as applicable.
- 4.5.13 Reconcile with PRDOH, on an established periodic basis, a complete inventory of all items furnished by PRDOH or funded by the CDBG-DR grant, including items such as equipment, furniture, computers, phones, laptops, network printers, network equipment, etc., if applicable.
- 4.5.14 Review and submit recommendations for approval of CDBG-DR funding requests if needed.
- 4.5.15 Review requests for payment from applicant-entities for CDBG-DR awards. This will include review of all reimbursement of eligible costs as well as cost feasibility.

4.6 Eligibility Review

- 4.6.1 Return application to Case Management if additional and necessary documents are required for eligibility and underwriting requirements for businesses, as established in the Program Guidelines.
- 4.6.2 Perform validation of and determine pass or fail on each eligibility checklist item.
- 4.6.3 Properly document and submit comments for all determinations, decisions, and/or clarifications undertaken. Ensure every application file is supported with enough comments and notes that all third parties reviewing file can understand the reason why checklist items were passed or failed and can follow the entire process from intake to final determination and closeout.
- 4.6.4 Ensure that applying business meets all eligibility criteria and does not fall within any of the ineligibility categories. All analysis made must be properly documented.
- 4.6.5 Ensure that all stated uses of funds are eligible.

LAG
LAG

WORR
WORR

- 4.6.6 Perform Duplication of Benefits analysis, in accordance with Stafford Act (42 U.S.C. §5155), including but not limited to acquiring additional documentation, reviewing benefits, and determining unmet needs. Return application to Case Management if additional and necessary documents are required.

4.7 Underwriting Review

- 4.7.1 Ensure that all supporting documentation and information is included in the application file and notify applicants if their application is missing documentation and return application to Case Management.
- 4.7.2 Notify Applicants if the Grant has been approved or denied and the amount and terms of the grant, if approved.
- 4.7.3 Properly document and submit comments for all determinations, decisions, and/or clarifications undertaken. Ensure every application file is supported with enough comments and notes that all third parties reviewing file can understand the reason why checklist items were passed or failed and can follow the entire process from intake to final determination and closeout.
- 4.7.4 Ensure that underwriting for recovery grants follow HUD guidelines at 24 C.F.R. § 570.209 as the financial underwriting framework for evaluating the feasibility of Applications.
- 4.7.5 Perform validation of and determine pass or fail on each underwriting checklist item.
- 4.7.6 Perform underwriting analysis including but not limited to evaluating that: calculating unmet needs, award amount, project costs are reasonable; all sources of project financing are committed; and the project is financially feasible. Also, to the extent practicable that: the return on the owner's equity investment will not be unreasonably high; CDBG-DR funds are disbursed on a pro rata basis if other sources of funds are provided to the project; and CDBG-DR funds are not substituted for non-Federal financial support.
- 4.7.7 Perform Duplication of Benefits analysis, in accordance with Stafford Act (42 U.S.C. §5155), including but not limited to acquiring documentation, reviewing benefits, and determining unmet needs.

4.8 Program Closeout

- 4.8.1 Ensure that the program funding has been expended as stipulated in the terms of the grant agreement and suppliers have completed the tasks required by the award to the applicant.
- 4.8.2 Ensure that receipts and evidence of use of funds of the award have been received from beneficiary and beneficiary complies with award terms as established in the grant agreement.
- 4.8.3 Ensure that the payments for tasks performed as related to the beneficiaries and their awards have been performed.
- 4.8.4 Ensure that applicable PRDOH quality control reviews have been completed.

LAG
LAG

WORR
WORR

- 4.8.5 Ensure that the supporting documentation, information, and log of beneficiary communications is included in the application file.
- 4.8.6 Ensure that the beneficiary was able to obtain flood insurance, if applicable, after program funded activities are completed.
- 4.8.7 Ensure compliance with 2 C.F.R. 200 Subpart F, 24 C.F.R. § 570.509, CPD Closeout Notices, and PRDOH CDBG-DR Closeout Process, as may be applicable to the application.

4.9 Program Receipt Review

- 4.9.1 Ensure that each program beneficiary has provided receipts and evidence of use of funds in compliance with their Grant Agreements and Intended Use of Funds.
- 4.9.2 Ensure that receipts are provided by the beneficiary in a timely manner as detailed in the Program Guidelines.
- 4.9.3 Ensure that funds recaptured by BDE from any beneficiary that did not provide receipts in compliance with the terms of their grant award, are processed and notified to PRDOH.

4.10 Program-Based Reconsideration Requests

- 4.10.1 Conduct Applicant issue resolution responding to applicant formal complaints and Adjudicate program-based reconsideration requests, including complying with any Applicant Resolution procedure established by PRDOH.
- 4.10.2 Inform PRDOH of complaints received and identify resolution or mitigating action.
- 4.10.3 Submit and comply with information requested by PRDOH related to complaints or administrative reviews.

5. Time Performance

All program activities, including closeout, must be concluded within **forty-eight (48) months** from the start date.

6. Budget

BDE's budget for the delivery of Program activities is one hundred eighty million dollars (\$180,000,000).

END OF DOCUMENT

LAG
LAG

WORR
WORR



LAG
LAG

WORR
WORR

EXHIBIT B

TIMELINES AND PERFORMANCE GOALS

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

1. PROGRAM OBJECTIVE:

The Program will support the recovery and growth of the small business and Microenterprises sector due to physical and/or financial damages from Hurricanes Irma and María through the Award of grants to eligible businesses.

2. TERMS:

- Key Objective – The major objectives the Program wants to achieve.
- Key Activity – The activities necessary to carry out the Objective.
- Indicator – The quantitative method used to demonstrate that the Key Activities have been performed.
- Source of Verification – The documentation used to verify that the Indicators have been met, and thus the activities are complete.
- Target – The goal for each of the Indicators.
- Timeline- The expected completion date or timeframe.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

LAG
LAG

WRR
WRR

3. TIMELINES & PERFORMANCE GOALS

3.1 OBJECTIVE: PROVIDE SBF GRANTS TO SMALL BUSINESSES THAT SUFFERED DAMAGES FROM HURRICANES IRMA AND/OR MARÍA

KEY OBJECTIVE #1	KEY ACTIVITY	INDICATOR	SOURCE OF VERIFICATION	TARGET	TIMELINE
Provide Business Financing Grants to small businesses that suffered damages from Irma and/or María	1.1 Commence application review process & Complete approval process for cases and disburse grant amounts to eligible businesses	Millions of Dollars disbursed per Quarter	Received Applications, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"> Goal of spending at least \$50 Million Dollars in grants per quarter if number of eligible applications permit it.¹ 	Q 4 2022 - July 2022 to Sept 2022 Q 1 2022 - Oct 2022 to Dec 2022 Q 2 2023 - Jan 2023 to March 2023 Q 3 2023 - April 2022 to June 2022 Q 4 2023 - July 2022 to Sept 2022 Q 1 2024 - Oct 2022 to Dec 2022
	1.2 Processing of Program Based Reconsideration Requests and Complaints Resolution	<ul style="list-style-type: none"> % of reconsideration cases responded 	Grant Management System and Formal Communications	<ul style="list-style-type: none"> 100% of reconsiderations responded 	Q 4 2022 - July 2022 to Sept 2022 Q 1 2022 - Oct 2022 to Dec 2022 Q 2 2023 - Jan 2023 to March 2023 Q 3 2023 - April 2022 to June 2022 Q 4 2023 - July 2022 to Sept 2022 Q 1 2024 - Oct 2022 to Dec 2022

¹ Even though the Action Plan Amendment 7 has been approved and the SBF eligible maximum grant award amount has been increased from \$50,000 up to \$150,000, achieving this goal is subject to the number of program applicants that receive a grant award greater than the original maximum eligible amount of \$50,000.



LAG
LAG

WORR
WORR

3.1.1. KEY ACTIVITY 1.1 COMMENCE APPLICATION REVIEW PROCESS

The SBF Program will award grants up to one hundred fifty thousand dollars (\$150,000) to eligible businesses and has been allocated two hundred and twenty-five million dollars (\$225,000,000). In order to disburse a significant amount of the funds allocated to the program, a high rate of disbursement must be maintained. To maintain this desired rate, the SBF Program will provide support and resources where contractors will provide the subrecipient with a case pipeline to work with. Businesses applying for the SBF Program suffered damages because of hurricanes Irma and María and have an urgent need for the Grants awarded from the SBF Program. Because of this, the cases received must be assessed diligently and within a reasonable amount of time. At the same time the Program must also attend all applications with equal importance and give good customer service to all applicants. The subrecipient is tasked with maintaining said rate and accomplishing the goal of disbursing grant awards.

- Goal of spending at least **\$50 Million Dollars in grants per quarter**, number of eligible applications permitting.²
- Program Goals are based on the current needs of the SBF Program. PRDOH reserves the right to change these goals as the need arises. PRDOH will notify the Subrecipient, at the program level, in writing **30 days** prior to the new goals taking effect. The effects of these changes on the rest of this agreement will be discussed during this 30-day period.

3.1.2. KEY ACTIVITY 1.2 PROCESSING OF PROGRAM BASED RECONSIDERATION REQUESTS AND COMPLAINTS RESOLUTION

The program-based reconsideration requests resolution task involves activities necessary to adjudicate program-based reconsideration requests initiated by program applicants. This task is expected to be recurring throughout the life of the SRA. The program-based reconsideration requests resolution task is initiated when a citizen or applicant submits a program-based reconsideration request. The task is considered complete when a program-based reconsideration request is adjudicated and duly notified to the applicant. The complaint resolution task involves activities necessary to attend to citizen or applicant complaints. This task is expected to be recurring throughout the life of the SRA. BDE shall compile all information required by PRDOH in order to resolve the complaint. The task is considered complete when all information has been submitted to PRDOH to resolve the complaint.

- **One Hundred Percent (100%)** of all Reconsiderations Requests received must be adjusted and such determination is notified to the applicant, with **a monthly an average of fifteen (15) business days** of receipt of the program-based reconsideration.

² Even though the Action Plan Amendment 7 has been approved and the SBF eligible maximum grant award amount has been increased from \$50,000 up to \$150,000, achieving this goal is subject to the number of program applicants that receive a grant award greater than the original maximum eligible amount of \$50,000.



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

LAG
LAG

WRR
WRR

AMENDMENT D to the Subrecipient Agreement
Between the PRDOH and the Economic Development Bank for Puerto Rico
Small Business Financing Program under CDBG-DR
Exhibit B-Timelines and Performance Goals
Page 4 / 7

- Inform PRDOH of complaints received and identified resolution or mitigating action within **three (3) business days** of receipt of complaint.
- Submit information requested by PRDOH related to complaints or administrative review requests within **three (3) business days** of request.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]



LAG
LAG

WRR
WRR

3.2 OBJECTIVE: Close files of grant awards provided, verify compliance with all Grant Agreements, gather required documentation, and take appropriate actions.

KEY OBJECTIVE #2	KEY ACTIVITY	INDICATOR	SOURCE OF VERIFICATION	TARGET	TIMELINE
Close files of grant awards provided. Verifying compliance with all Grant Agreements, gathering all required documentation, and taking appropriate actions	2.1 Complete receipt review process for cases and verifying compliance with Grant Awards and Intended Use of Funds for all disbursed awards.	<ul style="list-style-type: none"> Notifications of Compliance or Non-compliance 	Notifications Sent, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"> Goal Sending all required notifications no later than seven (7) months after disbursement of funds for Working Capital or 120 days for Equipment. 	Q 4 2022- July 2022 to Sept 2022 Q 1 2023- Oct 2022 to Dec 2022 Q 2 2023- Jan 2023 to March 2023 Q 3 2023- April 2023 to June 2023 Q 4 2023- July 2023 to Sept 2023 Q 1 2024- Oct 2023 to Dec 2023
	2.2 Gather all necessary documentation for case Closeout.	<ul style="list-style-type: none"> Cases closeout 	Notifications Sent, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"> Close 100% of all cases with seven months or more since disbursement. 	Q 4 2022- July 2022 to Sept 2022 Q 1 2023- Oct 2022 to Dec 2022 Q 2 2023- Jan 2023 to March 2023 Q 3 2023- April 2023 to June 2023 Q 4 2023- July 2023 to Sept 2023 Q 1 2024- Oct 2023 to Dec 2023
	2.3 Complete Recapture Process for all applicable cases.	<ul style="list-style-type: none"> Recapture Notifications Recaptures Completed 	Notifications Sent, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"> 100% of cases requiring recapture notified and documented Funds recaptured will be processed and notified to PRDOH 	Q 4 2022- July 2022 to Sept 2022 Q 1 2023- Oct 2022 to Dec 2022 Q 2 2023- Jan 2023 to March 2023 Q 3 2023- April 2023 to June 2023 Q 4 2023- July 2023 to Sept 2023 Q 1 2024- Oct 2023 to Dec 2023



LAG
LAG

WORR
WORR

3.2.1 KEY ACTIVITY 2.1 COMPLETE RECEIPT REVIEW PROCESS

The SBF Program must verify that all beneficiaries of grant awards under the program have complied with their Grant Agreements and their Intended Use of Funds. All grant funds must be spent in accordance with these agreements. Beneficiaries of these funds must submit receipts to support their compliance with these agreements and validate that the funds were spent in accordance with them. Once the applicants have submitted their receipts the Subrecipient must validate that these receipts indeed validate that the beneficiary is in compliance with their agreements. To diligently review these receipts, the SBF Program will provide support and resources where contractors will provide the subrecipient with support in collecting the necessary receipts and establish a case pipeline of cases with all receipts gathered, initially reviewed and ready for final validation. The subrecipient is tasked with managing the receipt review pipeline and accomplishing reviews with the established timeframe. Once the receipts of a beneficiary have been reviewed the subrecipient will determine if they are in compliance or non-compliance with the corresponding Grant Agreement and Intended Use of Funds. The subrecipient will notify the beneficiaries of their compliance or non-compliance and corresponding next steps.

- Goal of sending all required notifications no later than **seven (7) months** after disbursement of funds of the Program to each beneficiary for Working Capital or **120 days** for Equipment.

3.2.2 KEY ACTIVITY 2.2 GATHER ALL NECESSARY DOCUMENTATION FOR CASE CLOSEOUT

The SBF Program must verify National Objective data for all beneficiaries of the SBF Program. For the SBF Program this National Objective is LMI Limited Clientele, LMI Job Creation, among others. The appropriate determination of LMI for any of these categories requires that the Subrecipient gather all necessary data from each beneficiary at the appropriate stage in the SBF Program process. LMI Limited Clientele requires that all owner data and supporting documentation be gathered during eligibility determination. LMI Job Creation requires that data for all employees and supporting documentation (payroll for the month) be gathered during the grant award process and then be gathered again three to six months later after the receipt review process with supporting documentation (payroll for the month). Other LMI Nation Objectives require that the beneficiary case file is completed with all data appropriately entered in the system (name, address, DUNS, EIN, etc.).

- Goal of closing **100%** of all cases with seven months or more since disbursement.



LAG
LAG

WORR
WORR

3.2.3 KEY ACTIVITY 2.3 COMPLETE RECAPTURE PROCESS FOR ALL APPLICABLE CASES

All beneficiaries of the SBF Program must spend award funds in compliance with the terms of their Grant Agreement and Intended Use of Funds. All beneficiaries who are in non-compliance with these agreements must have either requested amendment to these documents or must return funds awarded to the SBF Program. The Subrecipient must start recapture efforts to gather funds that were unspent or that were spent in noncompliance with the award documentation of the beneficiary. This effort must be done in a timely manner in order to maximize recapture of these funds.

- **100% of cases requiring recapture** must be notified to the beneficiary and documented in the system.
- **The funds recaptured** will be processed and notified to PRDOH when further actions are needed.

END OF DOCUMENT



LAG
LAG

WRR
WRR

EXHIBIT C

KEY PERSONNEL

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

Below is the Staffing Plan for the CDBG-DR **Small Business Financing ("SBF")** Program which reflects a combination of existing employees or newly hired employees of the Economic Development Bank for Puerto Rico (BDE, for its Spanish acronym), dedicated for the CDBG-DR **SBF** Program.

Roles *	Qty.	Hours per Month	Hourly Rate(Including benefits)	Estimated Cost per Month****
Administrative Support	1	162.50	\$19.98	\$ 3,246.75
Administrative Support	1	97.50	\$23.38	\$ 2,279.55
Administrative Support	1	97.50	\$24.48	\$ 2,386.80
Administrative Support	1	97.50	\$27.20	\$ 2,652.00
Administrative Support	1	97.50	\$46.80	\$ 4,563.00
Administrative Support	1	97.50	\$28.48	\$ 2,776.80
Administrative Support	1	32.50	\$27.73	\$ 901.23
Administrative Support	1	162.50	\$27.73	\$ 4,506.13
Administrative Support	1	97.50	\$35.35	\$ 3,446.63
Administrative Support	1	81.25	\$48.45	\$ 3,936.56
Closing Officer	1	162.50	\$26.00	\$ 4,225.00
Closing Officer	1	162.50	\$29.84	\$ 4,849.00
Closing Officer	1	162.50	\$30.84	\$ 5,011.50
Closing Officer	1	162.50	\$35.35	\$ 5,744.38
Closing Officer	1	162.50	\$32.35	\$ 5,256.88
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63

Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$34.01	\$ 5,526.63
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer- Expen. Review & Closeout	1	162.50	\$29.84	\$ 4,849.00
Closing Officer Team Lead	1	162.50	\$39.31	\$ 6,387.88
Closing Officer Team Lead Supervisor	1	162.50	\$39.91	\$ 6,485.38
Communications Officer	1	40.63	\$32.64	\$ 1,326.16
Comptroller	1	40.63	\$65.12	\$ 2,645.83
Customer Service	1	97.50	\$24.48	\$ 2,386.80
Customer Service	1	97.50	\$26.40	\$ 2,574.00
Expen. Review & Closeout Team Lead	1	162.50	\$36.74	\$ 5,970.25
Expen. Review & Closeout Team Lead	1	162.50	\$39.31	\$ 6,387.88
Expen. Review & Closeout Team Lead	1	162.50	\$36.74	\$ 5,970.25
Expen. Review & Closeout Team Lead	1	162.50	\$45.01	\$ 7,314.13
Expen. Review & Closeout Team Lead	1	162.50	\$46.01	\$ 7,476.63
Expen. Review & Closeout Team Lead	1	162.50	\$59.64	\$ 9,691.50
Expen. Review & Closeout Team Lead Sup.	1	162.50	\$45.01	\$ 7,314.13
Intake Specialist	1	162.50	\$21.90	\$ 3,558.75
Intake Specialist	1	162.50	\$24.41	\$ 3,966.63
Intake Specialist	1	162.50	\$28.03	\$ 4,554.88
Intake Specialist	1	162.50	\$30.64	\$ 4,979.00
Intake Specialist	1	162.50	\$34.34	\$ 5,580.25
Intake Specialist	1	162.50	\$36.74	\$ 5,970.25
Intake Specialist	1	162.50	\$45.01	\$ 7,314.13
Intake Specialist	1	162.50	\$45.01	\$ 7,314.13
Intake Specialist Team Lead	1	162.50	\$36.74	\$ 5,970.25
Intake Specialist Team Lead	1	162.50	\$45.01	\$ 7,314.13
Intake Specialist Team Lead	1	162.50	\$45.01	\$ 7,314.13
Intake Specialist Team Lead	1	162.50	\$46.69	\$ 7,587.13
Intake Specialist Team Lead Supervisor	1	162.50	\$59.64	\$ 9,691.50
Invoice / Reporting	1	40.63	\$28.20	\$ 1,145.77
Invoice / Reporting	1	40.63	\$28.20	\$ 1,145.77
Invoice / Reporting	1	40.63	\$36.34	\$ 1,476.49
Procurement	1	40.63	\$34.46	\$ 1,400.11
Project Manager	1	162.50	\$59.64	\$ 9,691.50
Reconsideration Officer	1	162.50	\$45.01	\$ 7,314.13
Reconsideration Officer	1	162.50	\$45.01	\$ 7,314.13

Reconsideration Officer	1	81.25	\$64.34	\$ 5,227.63
Recruiting Officer	1	81.25	\$26.20	\$ 2,128.75
Reporting	1	162.50	\$29.84	\$ 4,849.00
Reporting/Oversight Officer	1	162.50	\$59.64	\$ 9,691.50
Supervision and Compliance	1	130.00	\$76.72	\$ 9,973.60
Supervision and Compliance	1	130.00	\$76.72	\$ 9,973.60
Supervision and Compliance	1	130.00	\$76.72	\$ 9,973.60
Supervision and Compliance	1	130.00	\$76.72	\$ 9,973.60
Supervision and Compliance	1	130.00	\$83.69	\$ 10,879.70
Timesheet Officer	1	130.00	\$37.81	\$ 4,915.30
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$51.38	\$ 8,349.25
Underwriter	1	162.50	\$26.48	\$ 4,303.00
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$45.01	\$ 7,314.13
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter	1	162.50	\$36.74	\$ 5,970.25
Underwriter Team Lead	1	162.50	\$51.38	\$ 8,349.25
Underwriter Team Lead	1	162.50	\$59.64	\$ 9,691.50
Underwriter Team Lead	1	162.50	\$39.31	\$ 6,387.88
Underwriter Team Lead	1	162.50	\$45.01	\$ 7,314.13
Underwriter Team Lead	1	162.50	\$45.01	\$ 7,314.13
Underwriter Team Lead	1	162.50	\$45.01	\$ 7,314.13
Underwriter Team Lead	1	162.50	\$45.01	\$ 7,314.13
Underwriter Team Lead	1	162.50	\$59.64	\$ 9,691.50
Underwriter Team Lead Supervisor	1	162.50	\$70.23	\$ 11,412.38
Grand Totals	104	15,080.03		\$ 599,562.26

LAG
LAG

WORR
WORR

* There are roles that appear more than once because of different hourly wages for different levels of experience or expertise within those same positions at BDE. Also, personnel assigned will be allowed to undertake more than one role, as long as segregation of duties is maintained.

** Hours are rounded to the nearest quarter hour and are based on a 7.5-hour day. See Exhibit D (Budget) for further detail on Staffing.

*** Any and all compensation packages, including supplemental pay to current EDB resources, will comply with salaries and structures approved by the Office of Management and Budget (PR) and will not exceed the salary range established for employees according to EDB's bylaws.

**** Salaries as well as Estimated Cost per Month are estimated sums, should not be interpreted as a maximum cap.

Roles Descriptions

Role	Description (or Task) *****
Intake Specialist	Conducts an eligibility determination and subsequently notifies the applicant after this final eligibility determination has been approved by the Team Lead.
Intake Specialist Lead	Provides a quality control review for all eligibility determinations made by the Intake Specialist. Ensures previous benefits received have been recorded on the Duplication of Benefits screen by the Case Manager. Will submit eligible applications to the Underwriting Team for underwriting and preliminary award determination.
Intake Specialist Team Supervisor	Manage performance, solve problems and overall supervision of the Intake process.

LAG
LAG

WRR
WRR

Underwriter	Responsible for conducting the underwriting review for all SBF cases; will be required to follow HUD underwriting criteria. If necessary, can request more information and documentation from the business applicant using the Underwriting Clarification Notification. Will also send out Award Notifications to qualified Applicants, including pre-Grant closing related documents such as the Intended Use of Funds, prior to sending the file to a Closing Officer for Closing coordination.
Underwriter Team Lead	Will verify the analysis made by the Underwriter to confirm that was made according to the SOP's and Program Guidelines and give the go ahead for next steps.
Underwriter Supervisor	Supervise risk analysis, grant sizing, applicant evaluation, and overall supervision of the underwriting process.
Closing Officer	Coordinates the Closing meeting for Grant signature with Applicant, sends Applicant draft of Grant Agreement after reviewing it and provides instructions on what documents to bring to closing. Reviews Grant Agreement prior to meeting for any final corrections. Explains terms of Agreement to Applicant at closing meeting and documents file to upload closing documents and executed Grant Agreement to Grant Management System after meeting concluded.
Closing Officer Team Lead	May conduct same functions as Closing Officers but may also assign Closing Officer and QC Closing Officers work - review documents prepared by the Closing Officers, such as Grant Agreements, prior to a Closing Meeting to take place.

LAG
LAG

WORR
WORR

Closing Officer Supervisor	Manage performance, solve problems and overall supervision of the closing process.
Expenditure Review & Closeout Officer	Review receipts received and calculations made by Case Managers and/ or other Closing Officers. Recommend closeout and compliance decisions.
Expenditure Review & Closeout Team Lead	QC review and approve receipts received and calculations made by Case Managers and/ or other Closing Officers. Approves closeout and compliance decisions. Refers recapture processes and non-compliant files to PRDOH Legal Department for a Recapture of Funds process.
Expenditure Review & Closeout Supervisor	Manage performance, solve problems and overall supervision of the Expenditure review & closeout process.
Project Manager	Manage, coordinate, and monitor all CDBG- DR Program activities for SBF grant
Reconsideration Officer	Evaluate Program-Based Reconsideration Request and supporting documents. Approve or deny applicant's initial Program-Based Reconsideration Request and make the appropriate adjustments in the Case Management System.
Reconsideration Officer Supervisor	Manage performance, solve problems and overall supervision of the case reconsideration process.
Supervision and Compliance	Executive management and oversight.

LAG
LAG

WORR
WORR

Administrative Support	Performs administrative tasks, including but not limited to oversight, reporting, staffing, payroll, funding, procurement, communications, marketing, and support to all areas. Responsible for the adherence to the program's policies and procedures.
-------------------------------	---

**** All role descriptions or tasks are detailed according to the current needs of the subrecipient and are subject to modification with prior written approval from PRDOH, be it temporary or permanently, based on the needs of the program.

END OF DOCUMENT



LAG
LAG

WORR
WORR

EXHIBIT D – SECTION 1 BUDGET

Economic Development Bank for Puerto Rico (BDE) SMALL BUSINESS FINANCING PROGRAM

DESCRIPTION OF SERVICES

Economic Development Bank of Puerto Rico ("BDE", for its Spanish acronym) staff will complete daily timesheets and work logs for work related to the Management, Application Intake, Underwriting, and Reporting costs in accordance with the Scope of Work (Exhibit A) for the Small Business Financing Program ("SBF Program").

This Exhibit covers the One Hundred Eighty Million Dollars (\$180,000,000), in funds for the SBF Program that will be administered by the BDE. The budget for the staffing, services, systems, equipment, supplies, materials, and related expenses for **SBF is \$180,000,000** over a **forty-eight (48)-month** production and expenditure period.

Please see **Exhibit D-2** for detailed budget for **the forty-eight (48)-month** Grant period.

This budget does not include any additional funds that can be used for Administration and/or Activity Delivery Costs as derived from new Program Income.

1. BDE

BDE employees will carry out the work described in the modified Exhibit A - Scope of Work for the initial funding of the SBF Program, the Recovery Grants. Some BDE administrative staff will be full time staff who will only spend part of their work week supporting SBF work. Some staff will be hired on to support the Small Business Financing work in a full-time capacity.

BDE staff shall submit invoices for payment based on the time and materials method.

Staff will complete daily timesheets and work logs for work related to Activity Delivery, Planning, and/or Administration costs. For administrative costs, staff shall list the applicant case number, and track time and materials accordingly.

LAG
LAG

2. BUDGET OVERVIEW AND DETAIL

WRR
WRR

EXHIBIT D - SECTION 2 - BUDGET

Grant:		CDBG-DR	
Contractor:		BANCO DESARROLLO ECONOMICO (BDE)	
Program:		SMALL BUSINESS FINANCING	
DRGR Activity Code:		R01E15SBF-EDC	
Cost Type	Chart of Accounts Code	Activity Description	CONTRACT Budget
ADMINISTRATION			\$ -
Costs			
TOTAL COSTS			\$ -
PLANNING			\$ -
Costs			
TOTAL COSTS			\$ -
PROJECT			\$180,000,000.00
Project			
Small Business Financing Grant Funding	5001-3010	Program grants to boost economic development	\$168,432,367.65
TOTAL COSTS			\$168,432,367.65
PROJECT ACTIVITY DELIVERY COSTS			
Staffing	5001-3000 5001-3001	Staffing resources for the execution and implementation of the Program	\$9,567,632.35
Facilities and Administration	5001-3017 5001-3018 5001-3020 5001-3022	Operational costs associated with delivery and implementation activity. Items like, but not limited to: operating overhead, utilities, office supplies, advertising, travel, materials.	\$2,000,000.00
TOTAL COSTS			\$11,567,632.35
GRAND TOTAL			\$180,000,000.00

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Budget Detail

SMALL BUSINESS FINANCING

Subrecipient Name: BANCO DESARROLLO ECONOMICO (BDE)

STAFFING

Position	Qty. of Resources [A]	Max. Hours per month per Resource [B]	Hourly Rate [C]	Max. Monthly Cost [D=AxBxC]
Administrative Support	1	162.5	\$19.98	\$3,246.75
Administrative Support	1	97.5	\$23.38	\$2,279.55
Administrative Support	1	97.5	\$24.48	\$2,386.80
Administrative Support	1	97.5	\$27.20	\$2,652.00
Administrative Support	1	97.5	\$46.80	\$4,563.00
Administrative Support	1	97.5	\$28.48	\$2,776.80
Administrative Support	1	32.5	\$27.73	\$901.23
Administrative Support	1	162.5	\$27.73	\$4,506.13
Administrative Support	1	97.5	\$35.35	\$3,446.63
Administrative Support	1	81.25	\$48.45	\$3,936.56
Closing Officer	1	162.5	\$26.00	\$4,225.00
Closing Officer	1	162.5	\$29.84	\$4,849.00
Closing Officer	1	162.5	\$30.84	\$5,011.50
Closing Officer	1	162.5	\$35.35	\$5,744.38
Closing Officer	1	162.5	\$32.35	\$5,256.88
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$34.01	\$5,526.63
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer- Expen. Review & Closeout	1	162.5	\$29.84	\$4,849.00
Closing Officer Team Lead	1	162.5	\$39.31	\$6,387.88
Closing Officer Team Lead Supervisor	1	162.5	\$39.91	\$6,485.38
Communications Officer	1	40.63	\$32.64	\$1,326.16
Comptroller	1	40.63	\$65.12	\$2,645.83
Customer Service	1	97.5	\$24.48	\$2,386.80
Customer Service	1	97.5	\$26.40	\$2,574.00
Expen. Review & Closeout Team Lead	1	162.5	\$36.74	\$5,970.25
Expen. Review & Closeout Team Lead	1	162.5	\$39.31	\$6,387.88
Expen. Review & Closeout Team Lead	1	162.5	\$36.74	\$5,970.25
Expen. Review & Closeout Team Lead	1	162.5	\$45.01	\$7,314.13
Expen. Review & Closeout Team Lead	1	162.5	\$46.01	\$7,476.63
Expen. Review & Closeout Team Lead	1	162.5	\$59.64	\$9,691.50
Expen. Review & Closeout Team Lead Sup.	1	162.5	\$45.01	\$7,314.13

AMENDMENT D to the Subrecipient Agreement
Between the PRDOH and the Economic Development Bank for Puerto Rico
Small Business Financing Program under CDBG-DR Program
Exhibit D – Budget
Page 4/ 5

[illegible]

AMENDMENT D to the Subrecipient Agreement
Between the PRDOH and the Economic Development Bank for Puerto Rico
Small Business Financing Program under CDBG-DR Program
Exhibit D – Budget
Page 5/ 5

Underwriter Team Lead	1	162.5	\$51.38	\$8,349.25
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead	1	162.5	\$39.31	\$6,387.88
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$45.01	\$7,314.13
Underwriter Team Lead	1	162.5	\$59.64	\$9,691.50
Underwriter Team Lead Supervisor	1	162.5	\$70.23	\$11,412.38
Estimated Maximum Monthly Cost:				\$599,562.26
*Total Cost for 4 Years (48 Months):				\$9,567,632.35

**The "Total Cost for 4 Years (48 Months)" should not be interpreted on a per month basis, but as the total aggregate budget for Subrecipient staffing expenses during the total Program implementation period of 48 months.*

OTHER OPERATING

Item Name	Item Description	Budget
Facilities and Administration	Operational costs associated with delivery	\$2,000,000.00
Total Expenses Budget:		\$2,000,000.00

Grant Funding

Item Name	Item Description	Budget
Grant Funding		\$168,432,367.65
Total Expenses Budget:		\$168,432,367.65

Budget Re-distribution

- 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.
- 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 redistribution cannot be considered as authorized.
- This re-distribution of funds as described here shall be considered binding and will not require an amendment to this SRA.

END OF DOCUMENT



GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

LAG
LAG

WOCR
WOCR

Attachment V

EXHIBIT E

Contract Code: 429-d

Type: Change Order A_V2

Original Registered Code:

CERTIFICATION OF FUNDS

Requested on behalf: CDBG-DR Director

The Finance Division certifies the availability of the following funds:

Contracting Of: Economic Development Bank For Puerto Rico
Source of Funds: 14.228 CDBG Funds
For: Amendment D to 2020-DR0039
Amount: \$180,000,000.00

The breakdown and grant of the certified funds is as follows:

Grant	Area / Project	Activity Code	Category Description	Account	Amount
B-17-DM-72-0001		r01e15sbf-edc-lm	E - Economic Program Subsidy	6090-01-000	\$16,522,299.25
B-17-DM-72-0001		r01e15sbf-edc-lm	E - Other Operating (Not ICR)	6090-01-000	\$600,000.00
B-17-DM-72-0001		r01e15sbf-edc-lm	E - Salaries	6090-01-000	\$1,409,919.72
B-17-DM-72-0001		r01e15sbf-edc-un	E - Economic Program Subsidy	6090-01-000	\$30,725,342.20
B-17-DM-72-0001		r01e15sbf-edc-un	E - Other Operating (Not ICR)	6090-01-000	\$1,400,000.00
B-17-DM-72-0001		r01e15sbf-edc-un	E - Salaries	6090-01-000	\$3,289,812.68
B-18-DP-72-0001		r02e15sbf-edc-lm	E - Economic Program Subsidy	6090-01-000	\$36,299,856.70
B-18-DP-72-0001		r02e15sbf-edc-lm	E - Salaries	6090-01-000	\$1,482,769.45
B-18-DP-72-0001		r02e15sbf-edc-un	E - Economic Program Subsidy	6090-01-000	\$84,810,204.61
B-18-DP-72-0001		r02e15sbf-edc-un	E - Salaries	6090-01-000	\$3,459,795.39
					<u>\$180,000,000.00</u>

The above distribution of funds is subject to changes and will be allocated in accordance with the executed agreement within the parties. These funds do not affect the Puerto Rico Department of Housing (PRDOH) operational budget, and are available to be use.

If you have any questions, feel free to contact us at (787)274-2527.

**This transaction does not represent an overcharge of the account herein.*

Cesar Candelario Signed Date - 11/08/2022
Electronic Approval
Budget Manager

Nilda Baez Signed Date - 11/08/2022
Electronic Approval
Finance Director

LAG
LAG

WORR
WORR

**This transaction does not represent an overcharge of the account herein.*



LAG
LAG

WORR
WORR

EXHIBIT F

HUD GENERAL PROVISIONS AND OTHER FEDERAL STATUTES, REGULATIONS, AND PRDOH REQUIREMENTS

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

Given that the Subrecipient Agreement (SRA) involves funds for which the U.S. Department of Housing and Urban Development (HUD) is the oversight agency, the following terms and conditions may apply to this SRA. In addition, SUBRECIPIENT shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <https://www.hudexchange.info/resource/2490/hud-form-4010-federal-labor-standards-provisions/>.

The SUBRECIPIENT shall include these terms and conditions in all subcontracts or purchase orders directly servicing the SRA.

These general provisions may be updated from time to time. It is the sole responsibility of the SUBRECIPIENT to be aware of any changes hereto, to amend and implement such changes and to ensure subcontracts terms and conditions are modified as necessary, if any.

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this SRA shall be deemed to be inserted herein and the SRA shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the SRA shall forthwith be physically amended to make such insertion or correction.

2. STATUTORY AND REGULATORY COMPLIANCE

SUBRECIPIENT shall comply with all laws and regulations applicable to the Community Development Block Grant-Disaster Recovery funds appropriated by the Supplemental Appropriations for Disaster Relief Requirements, 2017 (Pub. L. 115-56), approved September 8, 2017 (**Appropriations Act**), as amended, including but not limited to the applicable Office of Management and Budget Circulars, which may impact the administration of funds and/or set forth certain cost principles, including if certain expenses are allowed.

3. BREACH OF SUBRECIPIENT AGREEMENT TERMS

The Puerto Rico Department of Housing (PRDOH) reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this SRA, in instances where the SUBRECIPIENT or any of its subcontractors violate or breach any SRA term. If the SUBRECIPIENT or any of its subcontractors violate or breach any SRA term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the SRA documents, and the

LAG
LAG

WORR
WORR

rights and remedies available thereunder, shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

4. REPORTING REQUIREMENTS

The SUBRECIPIENT shall complete and submit all reports, in such form and according to such schedule, as may be required by the PRDOH and/or the Government of Puerto Rico. The SUBRECIPIENT shall cooperate with all the PRDOH and/or the Government of Puerto Rico efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 2 C.F.R. § 200.328 and 24 C.F.R. § 570.507, when applicable.

5. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The SUBRECIPIENT will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting when possible. Steps include, but are not limited to:

- (i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- (v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Additionally, for contracts of \$10,000 or more, the SUBRECIPIENT shall file Form HUD 2516 (Contract and Subcontract Activity) with the PRDOH on a quarterly basis.

6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by HUD.

7. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The SUBRECIPIENT represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs subject to 2 C.F.R. Part 2424.

LAG
LAG

WORR
WORR

8. CONFLICTS OF INTEREST

The SUBRECIPIENT shall notify the PRDOH as soon as possible if this SRA or any aspect related to the anticipated work under this SRA raises an actual or potential conflict of interest (as defined 2 C.F.R. § 200.318(c), if applicable). The SUBRECIPIENT shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The SUBRECIPIENT shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The SUBRECIPIENT shall accept any reasonable conflict mitigation strategy employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

9. SUBCONTRACTING

When subcontracting, the SUBRECIPIENT shall solicit for and contract with such subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (ii) Requiring unnecessary experience and excessive bonding;
- (iii) Noncompetitive pricing practices between firms or between affiliated Companies;
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest;
- (vi) Specifying only a "brand name" product instead of allowing an "equal product" to be offered and describing the performance of other relevant requirements of the procurement; and
- (vii) Any arbitrary action in the procurement process.

The SUBRECIPIENT represents to the PRDOH that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this SRA.

The SUBRECIPIENT will include these HUD General Provisions in every subcontract issued by it, so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

10. ASSIGNABILITY

The SUBRECIPIENT shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the PRDOH.

11. COPELAND "ANTI-KICKBACK" ACT

(Applicable to all construction or repair contracts)

Salaries of personnel performing work under this SRA shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland

LAG
LAG

WORR
WORR

"Anti-Kickback Act" of 1934, 48 Stat. 948; (codified at 18 U.S.C. § 874; and 40 U.S.C. § 3145). The SUBRECIPIENT shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

12. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(Applicable to construction contracts exceeding \$2,000 and contracts exceeding \$2,500 that involve the employment of mechanics or laborers.)

The SUBRECIPIENT shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (**CWHSSA**), 40 U.S.C. §§ 3701-3708, as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the CWHSSA, and the SUBRECIPIENTS and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

13. DAVIS-BACON ACT

(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation.)

The SUBRECIPIENT shall comply with the Davis Bacon Act (40 U.S.C. § 3141, *et seq.*) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors, including employees of other governments, on construction work assisted under this SRA, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

On a semi-annual basis, the SUBRECIPIENT shall submit Form HUD 4710 (Semi-Annual labor Standards Enforcement Report) to PRDOH.

14. TERMINATION FOR CAUSE

(Applicable to contracts exceeding \$10,000)

If, through any cause, the SUBRECIPIENT shall fail to fulfill in a timely and proper manner his or her obligations under this SRA, or if the SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this SRA, the PRDOH shall thereupon have the right to terminate this SRA by giving written notice to the SUBRECIPIENT of such termination and specifying the effective date thereof, at least **five (5) days** before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the SUBRECIPIENT under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the SUBRECIPIENT shall be entitled to

LAG
LAG

WORR
WORR

receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the SUBRECIPIENT shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the SUBRECIPIENT, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the SUBRECIPIENT for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the SUBRECIPIENT is determined.

15. TERMINATION FOR CONVENIENCE

(Applicable to contracts exceeding \$10,000)

The PRDOH may terminate this SRA at any time by giving at least a **ten (10) day** notice in writing to the SUBRECIPIENT. If the SRA is terminated by the PRDOH as provided herein, the SUBRECIPIENT will be paid for the time provided and expenses incurred up to the termination date.

16. SECTION 503 OF THE REHABILITATION ACT OF 1973

(Applicable to contracts exceeding \$10,000)

The SUBRECIPIENT shall comply with Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities:

- 1) The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The SUBRECIPIENT agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
 - (i) Recruitment, advertising, and job application procedures;
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
 - (iii) Rates of pay or any other form of compensation and changes in compensation;
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - (v) Leaves of absence, sick leave, or any other leave;
 - (vi) Fringe benefits available by virtue of employment, whether or not administered by the SUBRECIPIENT;
 - (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - (viii) Activities sponsored by the SUBRECIPIENT including social or recreational programs; and
 - (ix) Any other term, condition, or privilege of employment.

LAG
LAG

WORR
WORR

- 2) The SUBRECIPIENT agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 3) In the event of the SUBRECIPIENT's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 4) The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the SUBRECIPIENT's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The SUBRECIPIENT must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the SUBRECIPIENT may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The SUBRECIPIENT will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the SUBRECIPIENT is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.
- 6) The SUBRECIPIENT will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Rehabilitation Act of 1973, as amended, so that such provisions will be binding upon each subcontractor or vendor. The SUBRECIPIENT will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

17. EQUAL EMPLOYMENT OPPORTUNITY

(Applicable to construction contracts and subcontracts exceeding \$10,000)

The SUBRECIPIENT shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. Subpt. B, Ch. 60).

During the performance of this Agreement, the SUBRECIPIENT agrees as follows:

- 1) The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The SUBRECIPIENT shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion,

LAG
LAG

WRR
WRR

or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

- 2) The SUBRECIPIENT shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this non-discrimination clause. The SUBRECIPIENT shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The SUBRECIPIENT will, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- 4) The SUBRECIPIENT will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the SUBRECIPIENT's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 5) The SUBRECIPIENT will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- 6) The SUBRECIPIENT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- 7) In the event of the SUBRECIPIENT's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the SUBRECIPIENT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- 8) SUBRECIPIENT shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The SUBRECIPIENT will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the SUBRECIPIENT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the SUBRECIPIENT may request the United States to enter into such litigation to protect the interests of the United States.

LAG
LAG

WORR
WORR

18. CERTIFICATION OF NONSEGREGATED FACILITIES

(Applicable to construction contracts exceeding \$10,000)

The SUBRECIPIENT certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The SUBRECIPIENT agrees that a breach of this certification is a violation of the equal opportunity clause of this Agreement.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

The SUBRECIPIENT further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

19. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS

(Applicable to contracts exceeding \$100,000)

The SUBRECIPIENT and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Ch. I, Subch. C, Pt. 60, Subpt. B and Ch. I, Subch. C, Pt. 93, Subpt. B, as amended, Section 508 of the Federal Water Pollution Control Act (33 U.S.C. § 1368) and Executive Order 11738 of September 10, 1973.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- 1) A stipulation by the SUBRECIPIENT or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to Ch. I, Subch. C, Pt. 93, Subpt. B or on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 C.F.R. Ch. I, Subch. C, Pt. 60, Subpt. B, as amended.

LAG
LAG

WRR
WRR

- 2) Agreement by the SUBRECIPIENT to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- 3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- 4) Agreement by the SUBRECIPIENT that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the SUBRECIPIENT will take such action as the government may direct as a means of enforcing such provisions.

20. ANTI-LOBBYING

(Applicable to contracts exceeding \$100,000)

By the execution of this SRA, the SUBRECIPIENT certifies, to the best of his or her knowledge and belief, that:

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the SUBRECIPIENT, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the SUBRECIPIENT shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities", in accordance with its instructions.
- 3) The SUBRECIPIENT shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

LAG
LAG

WORR
WORR

Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

21. BONDING REQUIREMENTS

(Applicable to construction and facility improvement contracts exceeding \$100,000)

The SUBRECIPIENT shall comply with 2 C.F.R. § 200.326 minimum bonding requirements:

- 1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.
- 2) A performance bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the SUBRECIPIENT's obligations under such contract.
- 3) A payment bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

22. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

- A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
- C. The SUBRECIPIENT agrees to send to each labor organization or representative of workers with which the SUBRECIPIENT has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the SUBRECIPIENT's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

LAG
LAG

WRR
WRR

- D. The SUBRECIPIENT agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The SUBRECIPIENT will not subcontract with any subcontractor where the SUBRECIPIENT has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.
- E. The SUBRECIPIENT acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contracting requirements of 24 C.F.R. 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts.
- F. The SUBRECIPIENT will certify that any vacant employment positions, including training positions, that are filled: (1) after the SUBRECIPIENT is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the SUBRECIPIENT's obligations under 24 C.F.R. Part 75.
- G. Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- H. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).
- I. The SUBRECIPIENT agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

23. FAIR HOUSING ACT

SUBRECIPIENT shall comply with the provisions of the Fair Housing Act of 1968, as amended. The Act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, disability, or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

LAG
LAG

WOPR
WOPR

24. ENERGY POLICY AND CONSERVATION ACT

SUBRECIPIENT shall comply with mandatory standards and policies relating to energy efficiency as contained in the Government of Puerto Rico's energy conservation plan, issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 *et seq.*).

25. POLITICAL ACTIVITY

The SUBRECIPIENT agrees to comply with mandatory standards and policies relating to Hatch Political Activity Act (Hatch Act), 5 U.S.C. §§ 1501–1508, which limits the political activity of employees.

The SUBRECIPIENT shall comply with the Hatch Act and shall ensure that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of the Hatch Act, 5 U.S.C. §§ 1501–1508.

The Hatch Act applies to political activities of certain state and local employees. As a PRDOH's SUBRECIPIENT, you may participate in any of the following activities: be a candidate in nonpartisan elections; attend political meetings and conventions; contribute money; campaign in partisan elections; and hold office in political parties.

The SUBRECIPIENT may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions from subordinates in support of political parties or candidates the office of special counsel operates a website that provides guidance concerning hatch act issues.

26. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with Sections 3702 and 3704 (a) of the Contract Work Hours and Safety Standards Act (CWHSSA), 40 U.S.C. §§ 3702 and 3704. Section 3704 (a) of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to a contract to acquire a commercial product (as defined in 41 U.S.C. § 103) or a commercial service (as defined in 41 U.S.C. § 103a).

27. PERSONNEL

The SUBRECIPIENT represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of, or have any contractual relationship with, the contracting party. All the services required hereunder will be performed by the SUBRECIPIENT or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. No person who is serving sentence in a penal or correctional institution shall be employed on work under this SRA.

LAG
LAG

WORR
WORR

28. WITHHOLDING OF WAGES

If in the performance of this Agreement, there is any underpayment of wages by the SUBRECIPIENT or by any subcontractor thereunder, the PRDOH may withhold from the SUBRECIPIENT out of payment due to him or her an amount sufficient to pay to employees underpaid the difference between the wages required thereby to be paid and the wages actually paid to such employees for the total number of hours worked. The amounts withheld may be disbursed by the PRDOH for and on account of the SUBRECIPIENT or subcontractor to the respective employees to whom they are due.

29. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

Claims and disputes pertaining to wage rates or to classifications of professional staff or technicians performing work under this SRA shall be promptly reported in writing by the SUBRECIPIENT to the PRDOH for the latter's decision, which shall be final with respect thereto.

30. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS

No person employed on the services covered by this Agreement shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer.

31. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS

The SUBRECIPIENT agrees to establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have a family, business, or other tie. The SUBRECIPIENT will be aware of and avoid any violation of the laws of this State which prohibit municipal officers and employees from having or owning any interest or share, individually or as an agent or employee of any person or corporation, either directly or indirectly, in any contract made or let by the governing authorities of such municipality for the construction or doing of any public work, or for the sale or purchase of any materials, supplies or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion or share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefore or connected therewith.

The SUBRECIPIENT will also be aware of and avoid any violation of the laws of this State which prescribe a criminal penalty for any public officer who has an interest in any contract passed by the board of which he or she is a member during the time he or she was a member and for **one (1) year** thereafter.

LAG
LAG

WORR
WORR

32. INTEREST OF CERTAIN FEDERAL OFFICERS

No member of, or delegate to, the Congress of the United States and no Resident Commissioner shall be admitted any share or part of this Agreement or to any benefit to arise therefrom.

33. INTEREST OF SUBRECIPIENT

The SUBRECIPIENT agrees that it presently has no interest and shall not acquire any interest, direct or indirect, in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of the Work hereunder. The SUBRECIPIENT further agrees that no person having any such interest shall be employed in the performance of this Agreement.

34. RELIGIOUS ACTIVITY

The SUBRECIPIENT agrees to provide equal participation to faith-based organizations in HUD programs and activities and to abstain from disfavoring any faith-based organization, including by failing to select a faith-based organization, disqualifying an faith-based organization, or imposing any condition or selection criterion that otherwise disfavors or penalizes an faith-based organizations in the selection process using any funds related to this Agreement. 24 C.F.R. 570.200(j); 24 C.F.R. § 5.109 (c).

35. FLOOD DISASTER PROTECTION ACT OF 1973

The SUBRECIPIENT will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found Section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106, and the regulations in 44 C.F.R. parts 59 through 79. 24 C.F.R. § 570.605.

36. LEAD BASED PAINT

The SUBRECIPIENT must comply with the regulations regarding lead-based paint found at 24 C.F.R. Subt. A, Pt. 35, Subpt. A on LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES with regards to all housing units assisted using CDBG-DR funds.

37. VALUE ENGINEERING

(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation.)

The SUBRECIPIENT must comply with the regulations regarding systematic and organized approach to analyze functions of systems, equipment, facilities, services, and materials to ensure they achieve their essential functions at the lowest cost consistent to life cycle in execution, reliability, quality, and safety, in accordance with 2 C.F.R. § 200.318(g).

38. GENERAL COMPLIANCE

The SUBRECIPIENT shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 C.F.R. § 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this Agreement. See Federal Register Notice 83 FR 5844 (February 9, 2018). Notwithstanding the foregoing, (1) the SUBRECIPIENT does not assume any of the

LAG
LAG

WORR
WORR

PRDOH's responsibilities for environmental review, decision-making, and action, described in 24 C.F.R. Part 58 and (2) the SUBRECIPIENT does not assume any of the PRDOH's responsibilities for initiating the review process under the provisions of 24 C.F.R. Part 52.

The SUBRECIPIENT shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR funds in complying with its obligations under this Agreement, regardless of whether CDBG-DR funds are made available to the SUBRECIPIENT on an advance or reimbursement basis. This includes without limitation, applicable Federal Registers; 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Community Development Act of 1974; 24 C.F.R. Part 570 Community Development Block Grant; applicable waivers; Fair Housing Act; 24 C.F.R. Part 35, Subpart A; 24 C.F.R. Part 58; 24 C.F.R. Part 75; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards and the environment; and Action Plan amendments and HUD's guidance on the funds.

Where waivers or alternative requirements are provided for in the applicable Federal Register Notice dated February 9, 2018, at 83 FR 5844 or any future Federal Register Notice published by HUD ("**HUD Notices**"), such requirements, including any regulations referenced therein, shall apply.

The SUBRECIPIENT also agrees to comply with all other applicable Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines, whether existing or to be established, provided the same are applied to activities occurring after the date the policy or guideline was established, governing the Grant Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and any of the foregoing, the Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines shall control and this Agreement shall be interpreted in a manner so as to allow for the terms contained herein to remain valid and consistent with such Federal, State, and local laws, regulations, HUD Notices, policies and guidelines.

The SUBRECIPIENT shall also comply with applicable PRDOH's policies and guidelines as established in Program Guidelines and their amendments, if any, as found in the CDBG-DR Website (<https://cdbg-dr.pr.gov/en/resources/policies/>) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

39. DUPLICATION OF BENEFITS

The SUBRECIPIENT shall not carry out any of the activities under this Agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5155 and described in Appropriations Act. The SUBRECIPIENT must comply with HUD's requirements for duplication of benefits, imposed by Federal Register notices on the PRDOH, which are published in a separate notices entitled: "Clarification to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (Wednesday, November 16, 2011, 76 FR 71060); "Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (Thursday, June 20, 2019, 84 FR 28836); and "Applicability of Updates to Duplication of Benefits Requirements Under the Stafford Act for

LAG
LAG

WORR
WORR

Community Development Block Grant (CDBG) Disaster Recovery Grantees," (Thursday, June 20, 2019, 84 FR 28848). The SUBRECIPIENT shall carry out the activities under this Agreement in compliance with PRDOH's procedures to prevent duplication of benefits.

40. DRUG-FREE WORKPLACE

The SUBRECIPIENT must comply with drug-free workplace requirements in 2 C.F.R. §§ 182.200 through 182.230 of the Drug-Free Workplace Act of 1988, 41 U.S.C. §§ 8101-8106.

41. HOLD HARMLESS

The SUBRECIPIENT shall and hereby agrees to hold harmless, defend (with counsel acceptable to the PRDOH) and indemnify the Government of Puerto Rico, PRDOH, HUD and each and all of its successors, affiliates, or assigns, and any of their employees, officers, directors, attorneys, consultants, agents, managers, and affiliates, from and against any and all damages, costs, attorneys' fees, claims, expenses, injuries, property damage, causes of action, violations of law, violations of this Agreement, and losses of any form or nature arising from or related to the conduct of the SUBRECIPIENT in the performance of the efforts called for in this Agreement. This indemnity shall expressly include, but is not limited to, the obligation of the SUBRECIPIENT to indemnify and reimburse the PRDOH for any and all attorneys' fees and other litigation or dispute resolution costs incurred or to be incurred in the PRDOH's enforcement of this Agreement or any portion thereof against the SUBRECIPIENT or otherwise arising in connection with the SUBRECIPIENT's breach, violation, or other non-compliance with this Agreement. This clause shall survive indefinitely the termination of this Agreement for any reason.

42. PRDOH RECOGNITION

Unless otherwise directed by the PRDOH, the SUBRECIPIENT shall ensure recognition of the role of HUD and the PRDOH in providing funding, services, and efforts through this Agreement. Unless otherwise directed by the PRDOH, all activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to role of HUD and of the PRDOH. In addition, the SUBRECIPIENT shall include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. The PRDOH reserves the right to direct specific reasonable recognition requirements on a case-by-case basis, including but not limited, to the size and content, waiver, removal or addition of such recognition.

43. LOGOS CLAUSE

The Parties hereto will not use the name of the other party, seals, logos, emblems or any distinctive trademark/ trade name, without the prior written express authorization of the other party.

44. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

The SUBRECIPIENT shall comply with the applicable provisions in 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

LAG
LAG

WORR
WORR

45. FINANCIAL & PROGRAM MANAGEMENT

The SUBRECIPIENT shall expend and account for all CDBG-DR funds received under this Agreement in accordance with 2 C.F.R. § 200.302 and 2 C.F.R. § 200.303 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

The SUBRECIPIENT shall administer its program in conformance with Cost Principles as outlined in 2 C.F.R. § 200.400 through 2 C.F.R. § 200.476, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

46. DOCUMENTATION AND RECORDKEEPING

The SUBRECIPIENT shall maintain all records required by applicable law to be maintained, including but not limited to the Federal regulations specified in (1) 2 C.F.R. Part 200; (2) 24 C.F.R. § 570.506; and (3) the applicable HUD Notices that are pertinent to the activities to be funded under this Agreement, as well as any additional records required by the PRDOH. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR programs, as modified by the HUD Notices;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG-DR program;
- f. Financial records as required by (1) 24 C.F.R. § 570.502; and (2) 2 C.F.R. Part 200;
- g. Other records necessary to document compliance with Subpart K of 24 C.F.R. Part 570.

47. ACCESS TO RECORDS

The Government of Puerto Rico, the PRDOH, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the SUBRECIPIENT which are related to this SRA, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

48. RECORD RETENTION AND TRANSMISSION OF RECORDS TO THE PRDOH

The SUBRECIPIENT shall retain all official records on programs and individual activities shall be retained for the greater of **five (5) years**, starting from the closeout of the grant between PRDOH and HUD, or the end of the affordability period for each housing activity, whichever is longer. If any other laws and regulations as described in 24 C.F.R. § 570.490 applies to a project, the record retention period may be extended. All records involved in litigation, claims, audits, negotiations, or other actions, which have started before the expiration date of their retention, will be kept until completion

LAG
LAG

WORR
WORR

of the action and resolution of all issues or the end of the regular **five (5) year period**, whichever is longer. (See 2 C.F.R. § 200.334 and 24 C.F.R. § 570.490(d).)

Records shall be made available to PRDOH upon request.

49. 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 service 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. § 200.1, 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 (<https://cdbg-dr.pr.gov/en/download/personally-identifiable-information-confidentiality-and-nondisclosure-policy/>), 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 (States).

50. CLOSE-OUT

The SUBRECIPIENT's obligation to PRDOH shall not end until all close-out requirements are completed. Activities during this close-out period may include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the PRDOH), properly addressing Program Income (as that term is defined in Section VI (A) (19) of the HUD Notice 83 FR 5844, 5856 (February 9, 2018, as may be amended by HUD)), balances, and accounts receivable to the PRDOH), determining the custodianship of records, and the SUBRECIPIENT certification of compliance with the terms of this Agreement. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the SUBRECIPIENT has control over CDBG-DR funds, including Program Income.

Notwithstanding the terms of 2 C.F.R. § 200.343, upon the expiration of this Agreement, the SUBRECIPIENT shall transfer to the recipient any CDBG-DR funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG-DR funds, further, any real property under the SUBRECIPIENT's control that was acquired or improved in whole or in part with CDBG-DR funds (including CDBG-DR funds provided to the SUBRECIPIENT in the form of a loan) shall be treated in accordance with 24 C.F.R. § 570.503(b)(7).

LAG
LAG

WORR
WORR

51. AUDITS AND INSPECTIONS

All SUBRECIPIENT records with respect to any matters covered by this Agreement shall be made available to the PRDOH, HUD, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the SUBRECIPIENT within **thirty (30) days** after receipt by the SUBRECIPIENT. Failure of the SUBRECIPIENT to comply with the above audit requirements shall constitute a violation of this Agreement and may result in the withholding of future payments and/or termination.

52. SINGLE AUDIT

The SUBRECIPIENT must be audited as required by 2 C.F.R. Part 200, Subpart F, when the SUBRECIPIENT's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 C.F.R. § 200.501 (Audit requirements). Once said threshold is reached or exceeded, the SUBRECIPIENT shall notify the PRDOH and shall report that event in the corresponding monthly progress report, as provided in Part VI - Performance, Monitoring, and Reporting, Subpart B (Reporting) of this Agreement.

The SUBRECIPIENT shall procure or otherwise arrange for the audit to be conducted for that year, as required in 2 C.F.R. § 200.501(a)-(b); moreover, that it is properly performed and submitted when due in accordance with provisions that include but are not limited to those set forth in 2 C.F.R. § 200.512 (Report submission), as stated in 2 C.F.R. § 200.508(a) (Auditee responsibilities).

Among other relevant provisions, the SUBRECIPIENT shall comply with: (a) the Electronic submission of data and reports to the Federal Audit Clearinghouse (**FAC**) (2 C.F.R. § 200.512(d)) and; (b) ensuring that reports do not include protected personally identifiable information as set forth in 2 C.F.R. § 200.512(a)(2)).

53. INSPECTIONS AND MONITORING

The SUBRECIPIENT shall permit the PRDOH and auditors to have access to the SUBRECIPIENT's records and financial statements as necessary for the PRDOH to meet the requirements of 2 C.F.R. Part 200.

54. CORRECTIVE ACTIONS

The PRDOH may issue management decisions and may consider taking enforcement actions including but not limited to corrective actions in 24 C.F.R. § 570.910 if noncompliance is detected during monitoring and audits. The PRDOH may require the SUBRECIPIENT to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the SUBRECIPIENT from the pass-through entity detected through audits, on-site reviews, and other means. A timely and appropriate action shall be predicated on reasonable standard wherein the SUBRECIPIENT utilizes all available resources to correct the noted issue or issues. In response to audit deficiencies or other findings of noncompliance with this Agreement, the PRDOH may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

LAG
LAG

WOPR
WOPR

55. PROCUREMENT AND CONTRACTOR OVERSIGHT

The SUBRECIPIENT shall ensure that every process of procurement of goods and services comply with 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 (<https://cdbg-dr.pr.gov/en/download/procurement-manual-cdbg-dr-program/>) 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.

56. NONDISCRIMINATION

The SUBRECIPIENT shall comply with 24 C.F.R. Part 6, which implements the provisions of Section 109 of Title I of the Housing and Community Development Act of 1974, 42 U.S.C. § 5309. Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation

LAG
LAG

WORR
WORR

in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

The SUBRECIPIENT shall adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, 42 U.S.C. §§ 6101-6107 (**Age Discrimination Act**) and the prohibitions against discrimination on the basis of disability under Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794 (Section 504). Section 109 of the Housing and Community Development Act of 1974 makes these requirements applicable to programs or activities funded in whole or in part with CDBG-DR funds. Thus, the SUBRECIPIENT shall comply with regulations of 24 C.F.R. Part 8, which implement Section 504 for HUD programs, and the regulations of 24 C.F.R. Part 146, which implement the Age Discrimination Act for HUD programs.

The SUBRECIPIENT shall ensure that all CDBG-DR activities conducted by itself or its contractors are consistent with the applicable federal and local legal provisions, regulations, and policies that prohibit discrimination on the basis of race, creed, color, national origin, religion, sex, disability, familial status, actual or perceived sexual orientation or gender identity, marital status, or age, as established in the CDBG-DR Fair Housing and Equal Opportunity (FHEO) Policy for CDBG-DR Programs as found in the CDBG-DR website: <https://cdbg-dr.pr.gov/en/download/fair-housing-and-equal-opportunity-fheo-policy-for-cdbg-dr-programs/>.

57. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT

The SUBRECIPIENT shall ensure that its Activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968, 42 U.S.C. §§ 4151-4156, requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of "residential structure" as defined in 24 C.F.R. § 40.2 or the description of "facilities" in 41 C.F.R. § 102-76.60 are subject to the requirements of the Architectural Barriers Act of 1968 and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 C.F.R. Part 40 for residential structures, and 41 C.F.R. Subt. C, Ch. 102, for general type buildings).

The Americans With Disabilities Act of 1990 ("ADA"), 42 U.S.C. § 12101 *et seq.* (**ADA**), provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The SUBRECIPIENT agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 C.F.R. § 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

LAG
LAG

WORR
WORR

58. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (24 C.F.R. PART 1)

1) General Compliance:

The SUBRECIPIENT shall comply with the requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d *et seq.*, and 24 C.F.R. § 570.601 and § 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 C.F.R. § 1.4 apply to the use of these funds. The SUBRECIPIENT shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 C.F.R. Part 1, or because he or she has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 C.F.R. Part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 24 C.F.R. Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

2) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the SUBRECIPIENT assures that the program or activities described in this Agreement shall be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided shall be operated and administered in compliance with all requirements imposed by or pursuant to this 24 C.F.R. Part 1.

If the Federal financial assistance under this Agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the SUBRECIPIENT's assurance herein shall obligate the SUBRECIPIENT or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the SUBRECIPIENT for the period during which Federal financial assistance is extended pursuant to the contract or application.

This assurance gives the PRDOH and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR funds and provided to the SUBRECIPIENT under this Agreement, the instrument effecting any disposition by the SUBRECIPIENT of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the SUBRECIPIENT receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on,

LAG
LAG

WOCR
WOCR

over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

3) Women- and Minority-Owned Businesses (W/MBE)

The SUBRECIPIENT shall take the affirmative steps listed in 2 C.F.R. § 200.321(b)(1) through (6) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible when the SUBRECIPIENT procures property or services under this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, 15 U.S.C. § 632 (a), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian- Americans, and American Indians. The SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

In compliance with the CDBG-DR Minority and Women-Owned Business Enterprise Policy (**M/WBE Policy**), the SUBRECIPIENT shall complete a utilization plan to identify how they plan on successfully achieving the contracting goals for MBE and WBE's. SUBRECIPIENT shall also complete quarterly reporting to provide information on contracting opportunities and payouts provided to WBE or MBE contractors or subcontractors. SUBRECIPIENT shall also document their efforts and submit those to PRDOH on a quarterly basis. See the M/WBE Policy, as found in the CDBG-DR Website (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.

4) Notifications

The SUBRECIPIENT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the SUBRECIPIENT's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The SUBRECIPIENT shall, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that it is an Equal Opportunity or Affirmative Action employer.

59. LABOR STANDARDS

The SUBRECIPIENT shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, 42 U.S.C. § 5310, and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, 40 U.S.C. § 3141 et seq., and 29 C.F.R. Part 1, 3, 5, 6, and 7, provided,

LAG
LAG

WRR
WRR

that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than eight (8) units.

The SUBRECIPIENT agrees to comply with 18 U.S.C. § 874 and implement regulations of the U.S. Department of Labor at 29 C.F.R. Part 3 and Part 5. The SUBRECIPIENT shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the PRDOH for review upon request.

The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; or nepotism activities.

60. 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 paragraph 55 (Procurement and Contractor Oversight) of this Exhibit.
- 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.

2) Conflict of Interest

The SUBRECIPIENT agrees to abide by the provisions of 2 C.F.R. Part 200, as applicable, and 24 C.F.R. § 570.611, which include (but are not limited to) the following:

- a. It is presumed that the SUBRECIPIENT is subject to state and local ethic laws and regulations related to the conduct of its officers, employees or agents engaged in the award and administration of this Agreement.
- b. In the event the SUBRECIPIENT is not, the SUBRECIPIENT shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of this Agreement. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would rise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the Parties indicated herein, has a financial

LAG
LAG

WORR
WORR

or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or Parties to sub Agreements. However, recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-DR assisted activity, or with respect to the proceeds from the CDBG-DR assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of **one (1) year** thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the PRDOH, the SUBRECIPIENT, or any designated public agency.
- d. Clause of Governmental Ethics Certification of Absence of Conflict of Interests - The SUBRECIPIENT certifies that: (1) No public servant of the PRDOH has pecuniary interest in this contract. (2) No public servant of the PRDOH has solicited or accepted, directly or indirectly, for him (her), for any member of his (her) family unit or for any other person, gifts, allowances, favors, services, donations loans or any other thing of monetary value. (3) No public servant of the PRDOH related to this transaction, asked for or accepted any good of economic value, from any person or organization as payment for the duties and responsibilities of his employment. (4) No public servant of the PRDOH has solicited, directly or indirectly, for him (her), any member of his family unit, neither for any other person, business or organization, any good of economic value, including gifts, loans, promises, favors or services in exchange for his (her) obligations and performance of said public employment, to influence or favor any organization. (5) No public servant of the PRDOH has kinship relationship, within the fourth degree of consanguinity and second by affinity, with nobody in public employment that has faculty to influence and to participate in the institutional decisions of this Agreement.

61. CITIZEN 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.

62. TECHNICAL ASSISTANCE AND TRAININGS

The SUBRECIPIENT shall attend any and all technical assistance and/or trainings that the PRDOH requires from time to time at its discretion. Failure to attend may be considered as cause for termination.

LAG
LAG

WDR
WDR

63. DISASTER RELIEF ACCOUNT

Pursuant to Federal Register Vol. 85, No. 17, 85 FR 4681 (January 27, 2020), PRDOH must comply with an additional requirement imposed by an Order of October 26, 2017, granted by the United States District Court for the District of Puerto Rico, as may be amended from time to time. As required by the Order, grant funds or disaster relief funds received by the Commonwealth of Puerto Rico or other Non-Federal Entities (as defined by 2 C.F.R. §200.69) shall be deposited solely into a Disaster Relief Account.

As a result thereof, under the terms of the before mentioned Court order and under the conditions of this Agreement, any and all CDBG-DR/MIT funds subawarded by PRDOH to its SUBRECIPIENTS shall be deposited into a new, separate, non-co-mingled, unencumbered account held in the name of the SUBRECIPIENT. The funds shall be used solely for eligible activities. Further, the SUBRECIPIENT shall provide and make available to PRDOH any and all documentation related to such account.

64. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA)

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (CDBG-DR) funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 et seq., and section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (HUD). The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. PRDOH has also established the Uniform Relocation Assistance Guide & Residential Anti-Displacement and Relocation Assistance Plan (URA & ADP Guide) which provides guidance and requirements regarding URA compliance and minimizing displacement that are applicable to all CDBG-DR programs. The primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR funds to complete the project or an interdependent phase of the project. Subrecipients are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

65. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (OSH ACT)

The SUBRECIPIENT shall comply with the Occupational Safety and Health Act of 1970 (OSH Act) as supplemented by the Department of Labor regulations. This Act created the Occupational Safety and Health Administration (OSHA). OSHA sets and enforces protective standards of safety and health in the workplace. Under the OSH Act, employers have a responsibility to provide a safe workplace.

Employers must comply with the 29 CFR 1910 General Obligations Clause of the OSH Act. This clause requires employers to maintain their workplaces free from serious recognized

LAG
LAG

WORR
WORR

hazards. This includes the adoption of safety and health guidelines and the subsequent training of the employer's workforce in these.

Subrecipient whose Scope of Work includes construction activities must comply with the General Clauses, and also with provisions of 29 CFR 1926 "Construction Health and Safety Regulations". It shall be a condition of any contract for construction, alteration and/or repair, including painting and decorating, that no contractor or subcontractor for any part of the contract work shall require any worker or mechanic employed in the performance of the contract to work in an environment or in unhealthy, hazardous or dangerous working conditions to their health or safety.

END OF DOCUMENT



LAG
LAG

WORR
WORR

EXHIBIT H

SUBROGATION AND ASSIGNMENT PROVISIONS

Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

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 Financing Program.

- a) These provisions are incorporated into the Subrecipient Agreement in consideration of the commitment by PRDOH to evaluate the 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 before 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

LAG
LAG

WARR
WARR

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. 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.

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 the suit to be brought in Subrecipient's name(s) and providing any additional documentation concerning 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

LAG
LAG

WORR
WORR

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.

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

LAG
LAG

WORR
WORR

Proceeds to PRDOH. PRDOH shall also return to the Subrecipient any Subsequent Proceeds in excess of the Subsequent DOB Proceeds.

- (iv) If the PRDOH determines that Subrecipient does not qualify to participate in the Program or the 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 under 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 by 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 State and Federal law (18 U.S.C. 287, 1001, and 31 U.S.C. 3729), and shall constitute a separate criminal offense each time a public benefit is fraudulently received.

LAG
LAG

WORR
WORR

- 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



LAG
LAG

WORR
WORR

EXHIBIT I

NON-CONFLICT OF INTEREST CERTIFICATION


Economic Development Bank for Puerto Rico (BDE)

SMALL BUSINESS FINANCING PROGRAM

The SUBRECIPIENT certifies that to the best of its knowledge:

1. No public servant of this executive agency has a pecuniary interest in this agreement, contract, purchase, or commercial transaction.
2. No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value.
3. No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment.
4. No public servant has requested from me, directly or indirectly, for him (her), for any member of his or her family unit, or for any other person, business, or entity, something of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity.
5. I have no kinship relationship, within the fourth degree of consanguinity and second by affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."


Luis Alemañy (Dec 8, 2022 12:10 AST)

Signature

Luis Alemañy González

Printed Name

December 8, 2022

Date

**President
Economic Development
Bank for Puerto Rico (BDE)**

Position











SBF-BDE-SRA AMENDMENT D - 2020-DR0039 Final Version 5 dic 2022

Final Audit Report

2022-12-12

Created:	2022-12-05
By:	Arleene Rodríguez (amrodriguez@vivienda.pr.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAgwdUJSi87AcTona9OgfVVCngeFOAzU1

"SBF-BDE-SRA AMENDMENT D - 2020-DR0039 Final Version 5 dic 2022" History

-  Document created by Arleene Rodríguez (amrodriguez@vivienda.pr.gov)
2022-12-05 - 8:53:33 PM GMT
-  Document emailed to lalemany@bde.pr.gov for signature
2022-12-05 - 8:59:27 PM GMT
-  Email viewed by lalemany@bde.pr.gov
2022-12-08 - 4:06:56 PM GMT
-  Signer lalemany@bde.pr.gov entered name at signing as Luis Alemañy
2022-12-08 - 4:10:01 PM GMT
-  Document e-signed by Luis Alemañy (lalemany@bde.pr.gov)
Signature Date: 2022-12-08 - 4:10:03 PM GMT - Time Source: server
-  Document emailed to w.rodriguez@vivienda.pr.gov for signature
2022-12-08 - 4:10:05 PM GMT
-  Email viewed by w.rodriguez@vivienda.pr.gov
2022-12-12 - 7:12:52 PM GMT
-  Signer w.rodriguez@vivienda.pr.gov entered name at signing as William O. Rodríguez Rodríguez
2022-12-12 - 7:18:19 PM GMT
-  Document e-signed by William O. Rodríguez Rodríguez (w.rodriguez@vivienda.pr.gov)
Signature Date: 2022-12-12 - 7:18:21 PM GMT - Time Source: server
-  Agreement completed.
2022-12-12 - 7:18:21 PM GMT



Adobe Acrobat Sign