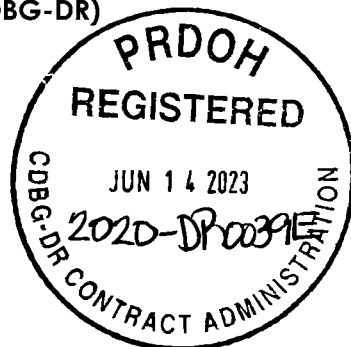




COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)

**AMENDMENT E TO THE SUBRECIPIENT AGREEMENT  
BETWEEN THE  
PUERTO RICO DEPARTMENT OF HOUSING  
AND THE  
ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO**  
Agreement No. 2020-DR0039  
Amendment No. 2020-DR0039E



This **AMENDMENT E TO THE SUBRECIPIENT AGREEMENT** (hereinafter, the "**Amendment E**") is entered into this 13 day of June, 2023, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (the "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" (the "Organic Act"), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, Esq., of legal age, attorney, single, and resident of San Juan, Puerto Rico; and the **ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO** (hereinafter, the "Subrecipient"), a government-owned corporation, 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 Aldebarran St., Urb. Altamira, San Juan, Puerto Rico, represented herein by its President, Luis Alemañy González, of legal age, married, and resident of San Juan, Puerto Rico, collectively the "**Parties**".

**I. RECITALS AND GENERAL AWARD INFORMATION**

**WHEREAS**, on March 22, 2020, the Parties entered into a Subrecipient Agreement for the Small Business Financing Program (hereinafter, "**SBF**" or the "**Program**") for a period of **twenty-four** (24) months from the day of its execution, ending on **March 22, 2022**, for **TWENTY-FIVE MILLION DOLLARS (\$25,000,000)**, registered as Contract Number 2020-DR0039 (hereinafter, "the Agreement").

**WHEREAS**, on May 3, 2021, the Parties agreed to modify the Agreement via Amendment A, Contract No. 2020-DR0039A, to amend certain terms and conditions of the Agreement, including **Exhibit A** (Scope of Work), **Exhibit B** (Timeline and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), and **Exhibit E** (Funds Certification). The budget was increased by an additional **TWENTY-NINE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$29,400,000.00)**. The term of the Agreement remained the same.

**WHEREAS**, on November 10, 2021, the Parties agreed to modify the Agreement via Amendment B, Contract No. 2020-DR0039B, to amend certain terms and conditions of the Agreement, including **Exhibit A** (Scope of Work), **Exhibit B** (Timeline and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), **Exhibit E** (Funds Certification), **Exhibit F** (HUD General Provisions), and **Exhibit G** (Special Conditions). **Exhibit H** (Subrogation and Assignment Provisions) is being incorporated into the Agreement. The budget was increased by an additional **SEVENTY-THREE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$73,500,000.00)**. The term of the Agreement remained the same.

**WHEREAS**, on March 22, 2022, the Parties agreed to modify the Agreement via Amendment C, Contract No. 2020-DR0039C, to amend certain terms and conditions of the agreement, including **Exhibit A** (Scope of Work), **Exhibit B** (Timeline and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), and **Exhibit H** (Subrogation and Assignment Provisions). Additionally, the term of the Agreement was extended, ending now on **March 22, 2024**. The budget of the Agreement remained the same.

**WHEREAS**, on December 12, 2022, the Parties agreed to modify the Agreement via Amendment D, Contract No. 2020-DR0039D, to amend certain terms and conditions of the agreement, including **Exhibit A** (Scope of Work), **Exhibit B** (Timeline and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), **Exhibit E** (Funds Certification), **Exhibit F** (HUD General Provisions), and **Exhibit H** (Subrogation and Assignment Provisions). **Exhibit I** (Non-Conflict of Interest) was incorporated by reference into the Agreement. As a consequence of the redistribution, **Section I, General Award Information**, was modified. The budget was increased by an additional FIFTY-TWO MILLION ONE HUNDRED THOUSAND DOLLARS (\$52,100,000.00), for a total budget amount of **ONE HUNDRED EIGHTY MILLION DOLLARS (\$180,000,000.00)**. The term of the Agreement remained the same.

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

**WHEREAS**, this Amendment E is not intended to affect, nor does it constitute an extinctive novation of the obligations of the parties under the Agreement but it is rather a modification and amendment of certain terms of the Agreement, including any modified Exhibits.

**WHEREAS**, the Subrecipient has duly adopted Resolution 2021-010 dated March 23, 2021, authorizing Luis Alemañy González, to enter into the Subrecipient Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises and the terms and conditions set forth in the Agreement, the PRDOH and the CONTRACTOR agree to execute this Amendment E subject to the following:

## **TERMS AND CONDITIONS**

### **II. SAVINGS CLAUSES**

The information included in this Amendment E serves the purpose of modifying and amending certain terms and conditions under the Agreement, including any modified Exhibits. All provisions of the original Agreement and its Amendment E shall continue to be in full force and effect, as amended by this Amendment E.

### **III. ATTACHMENT**

The information included in this Amendment E serves the purpose of modifying and amending certain terms under the Agreement. All other provisions of the Agreement, its Amendment E and Exhibits shall continue to be in full force and effect.

### **IV. SCOPE OF AMENDMENT**

The program has identified the need to amend **Exhibit A** (Scope of Work), **Exhibit B** (Timeline and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), **Exhibit E** (Funds Certification) and **Exhibit I** (Non-Conflict).

The Budget Grant total has been increased to a total of **TWO HUNDRED FIFTY-FIVE MILLION DOLLARS (\$255,000,000.00)**. As a result, the **General Award Information** table in Section I will be amended.

V. AMENDMENTS

a. The Parties agree to amend the **General Award Information** table in Section I of the Amendment, as follows:

(...)

CDBG-DR Grantee Federal Award Identification Number:	B-17-DM-72-0001
CDBG-DR Grantee Federal Award Date:	September 18, 2020
Federal Award project description:	See <b>Exhibit A</b> ("Scope of Work")
CDBG-DR Grantee Unique Identifier:	Unique Entity ID: FFNMUBT6WCM1
Subrecipient Contact Information:	<i>Luis Alemañy González</i> <i>President</i> <i>Economic Development Bank for Puerto Rico</i> <i>P.O. Box 2134</i> <i>San Juan, PR 00922-2134</i> <i>lalemany@bde.pr.gov</i>
Subrecipient Unique Identifier:	Unique Entity ID: RWDKTD6RBCR9
Subaward Period of Performance:	Start Date: Effective Date, as defined in <b>Section V</b> of this Agreement. End Date: <b>March 22, 2024</b>
Funds Certification:	<div>Dated: <b>November 8, 2022</b> Authorized Amount: <b>\$180,000,000.00</b> 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</div> <div>Dated: <b>May 11, 2023</b> Authorized Increased Amount: <b>\$75,000,000.00</b> Funds Allocation: CDBG-DR "R02E15SBF-EDC-LM" "R02E15SBF-EDC-UN" Account Number: 6090-01-000 See <b>Exhibit E-1</b> ("Funds Certification")  Budget Grand Total is <b>\$255,000,000.00.</b></div>

- a. **Exhibit A** (Scope of Work), is being replaced by a modified **Exhibit A** (Scope of Work), hereto incorporated by reference into the Agreement. (See **Attachment I**). Specifically, the modifications in this Exhibit are:
- i. Under Program Description, the total program allocation has been changed to reflect the additional funds allocated to the Program under APA10, and, under Budget, the total Program Budget was modified to reflect the additional funds being assigned under this Amendment E.
- b. **Exhibit B** (Timeline and Performance Goas), is being replaced by a modified **Exhibit B** (Timeline and Performance Goas), hereto incorporated by reference

into the Agreement. (See **Attachment II**). Specifically, the modifications in this Exhibit are:

- i. The language was modified to reflect the additional funds allocated to the Program under APA10, and provide more clarity on BDE's role in closeout process.
- c. **Exhibit C** (Key Personnel), is being replaced by a modified **Exhibit C** (Key Personnel), hereto incorporated by reference into the Agreement. (See **Attachment III**). Specifically, the modifications in this Exhibit are:
  - i. two (2) Administrative Support positions were added
  - ii. One (1) Invoice/Reporting position was added
  - iii. One (1) Reconsideration Officer position was added
  - iv. Five (5) Intake Specialist positions were removed.
  - v. Three (3) Intake Specialist Team Lead positions were removed.
  - vi. The estimated monthly cost for Staffing was adjusted to reflect the staff under Amendment E for a new total of \$578,999.05
- d. **Exhibit D** (Budget), is being replaced by a modified **Exhibit D** (Budget), hereto incorporated by reference into the Agreement. (See **Attachment IV**). Specifically, the modifications in this Exhibit are:
  - i. Staffing Section: all staff changes in Exhibit C were integrated into Exhibit D.
  - ii. The Staffing Section Total Monthly Cost has decreased by \$20,563.21 to a new total of \$578,999.05.
  - iii. In the Other Operating Section: the budget remains at \$2,000,000.00; an allocation for Professional Services has been created with a budget of \$30,000.00; the allocation for Facilities and Administration has been reduced from the original amount of \$2,000,000.00 to the new total amount of \$1,970,000.00.
  - iv. The funds assigned under the Grant Funding section have increased by Seventy-Five Million Dollars (\$75,000,000.00) to two hundred forty-three million four hundred thirty-two thousand three hundred sixty-seven dollars with sixty-five cents (\$243,432,367.65) to allow the Program to continue Grant award disbursements.
  - v. Budget Grand Total has been increased to two hundred fifty-five million dollars (\$255,000,000.00).
- e. **Exhibit E-1** (Funds Certification) is being incorporated into the agreement, in order to add **\$75,000,000.00** for a Budget Grand Total of **\$255,000,000.00** (See **Attachment V**).
- f. **Exhibit I** (Non-Conflict), is being replaced by a modified **Exhibit I** (Non-Conflict), hereto incorporated by reference into the Agreement. (See **Attachment VI**).

## VI. SEVERABILITY

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

## VII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Amendment E 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 E.

**VIII. COMPTROLLER REGISTRY**

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

**IX. 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 with respect to the Agreement, as amended.

**X. 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 CONTRACTOR acknowledges that all funds are subject to recapture and repayment for non-compliance.

**XI. COMPLIANCE WITH LAW**

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


**SIGNATURES ON THE FOLLOWING PAGE**

**IN WITNESS THEREOF**, the PARTIES hereto execute this Amendment E in the place and on the date first above written.

**PUERTO RICO DEPARTMENT OF HOUSING**

William O. Rodríguez Rodríguez  
By: William O. Rodríguez Rodríguez (Jun 13, 2023 18:21 EDT)  
Name: William O. Rodríguez Rodríguez, Esq.  
Title: Secretary

**ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO**

  
By: Luis Alemañy (Jun 12, 2023 17:49 EDT)  
Name: Luis Alemañy González  
Title: President



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## 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)
  - o LMI Job Creation/Retention - 24 C.F.R. § 570.483 (b)(4);
  - o LMI Area Benefit - 24 C.F.R. § 570.483(b)(1);
  - o 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 three hundred twenty-five million dollars (\$325,000,000) 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.

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The Program Guidelines are currently written to address the eligibility and participation guidelines for the grant program.

**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.
- 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).

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#### 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



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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 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, and 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.

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- 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 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

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- 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 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 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](http://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.

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#### 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 Accounting 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 the 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

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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 the 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.
- 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 the 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

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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 applicant and applicant complies with award terms as established in the grant agreement.
- 4.8.3 Ensure that the payments for tasks performed as related to the applicant and their awards have been performed.
- 4.8.4 Ensure that applicable PRDOH quality control reviews have been completed.
- 4.8.5 Ensure that the supporting documentation, information, and log of applicant communications is included in the application file.
- 4.8.6 Ensure that the applicant 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 all 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.

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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 Two Hundred Fifty-Five Million Dollars (\$255,000,000).

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# **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.

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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"><li>Goal of spending at least \$50 Million Dollars in grants per quarter if number of eligible applications permit it.<sup>1</sup></li></ul>	<b>Q 2 2023</b> - Jan 2023 to March 2023 <b>Q 3 2023</b> - April 2023 to June 2023 <b>Q 4 2023</b> - July 2023 to Sept 2023 <b>Q 1 2024</b> - Oct 2023 to Dec 2023 <b>Q 2 2023</b> - Jan 2024 to March 2024
	1.2 Processing of Program Based Reconsideration Requests and Complaints Resolution	<ul style="list-style-type: none"><li>% of reconsideration cases responded</li></ul>	Grant Management System and Formal Communications	<ul style="list-style-type: none"><li>100% of reconsiderations responded</li></ul>	<b>Q 2 2023</b> - Jan 2023 to March 2023 <b>Q 3 2023</b> - April 2023 to June 2023 <b>Q 4 2023</b> - July 2023 to Sept 2023 <b>Q 1 2024</b> - Oct 2023 to Dec 2023 <b>Q 2 2023</b> - Jan 2024 to March 2024

<sup>1</sup> 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.



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### 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 three hundred twenty-five million dollars (\$325,000,000). 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.<sup>2</sup>
- 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.

<sup>2</sup> 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

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  
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- 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.

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

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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"><li>Notifications of Compliance or Non-compliance</li></ul>	Notifications Sent, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"><li>Goal Sending all required notifications no later than seven (7) months after disbursement of funds for Working Capital or 120 days for Equipment.</li></ul>	<b>Q 2 2023</b> - Jan 2023 to March 2023 <b>Q 3 2023</b> - April 2023 to June 2023 <b>Q 4 2023</b> - July 2023 to Sept 2023 <b>Q 1 2024</b> - Oct 2023 to Dec 2023 <b>Q 2 2023</b> - Jan 2024 to March 2024
	2.2 Gather all necessary documentation for case Closeout.	<ul style="list-style-type: none"><li>Cases closeout</li></ul>	Notifications Sent, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"><li>Close 100% of all cases with seven months or more since disbursement.</li></ul>	<b>Q 2 2023</b> - Jan 2023 to March 2023 <b>Q 3 2023</b> - April 2023 to June 2023 <b>Q 4 2023</b> - July 2023 to Sept 2023 <b>Q 1 2024</b> - Oct 2023 to Dec 2023 <b>Q 2 2023</b> - Jan 2024 to March 2024
	2.3 Complete Recapture Process for all applicable cases.	<ul style="list-style-type: none"><li>Recapture Notifications</li><li>Recaptures Completed</li></ul>	Notifications Sent, Dashboards, Grant Management System and Monthly Repots	<ul style="list-style-type: none"><li>100% of cases requiring recapture notified and documented</li><li>Funds recaptured will be processed and notified to PRDOH</li></ul>	<b>Q 2 2023</b> - Jan 2023 to March 2023 <b>Q 3 2023</b> - April 2023 to June 2023 <b>Q 4 2023</b> - July 2023 to Sept 2023 <b>Q 1 2024</b> - Oct 2023 to Dec 2023 <b>Q 2 2023</b> - Jan 2024 to March 2024

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### 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 ensure compliance and validate that the funds were spent in accordance with their agreements. Once the applicants have submitted their receipts, the Subrecipient must confirm that they validate that the beneficiary is in compliance with their agreements. To diligently review these receipts, the SBF Program will provide resources and contractors that will support the Subrecipient with collecting the necessary receipts and establish a pipeline of cases with all receipts gathered for final determination. The Subrecipient is tasked with managing the receipt review pipeline and accomplishing reviews within 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, case permitting.

### 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.).

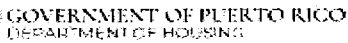
- Goal of closing **100%** of all cases with seven months or more since disbursement.

### 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 identified by the Subrecipient** 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.

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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.

<b>Roles *</b>	<b>Qty.</b>	<b>Hours per Month</b>	<b>Hourly Rate(Including benefits)</b>	<b>Estimated Cost per Month****</b>
Administrative Support	1	162.50	\$19.98	\$ 3,246.75
Administrative Support	1	130.00	\$23.38	\$ 3,039.40
Administrative Support	1	97.50	\$24.48	\$ 2,386.80
Administrative Support	1	97.50	\$27.20	\$ 2,652.00
Administrative Support	1	32.50	\$27.73	\$ 901.23
Administrative Support	1	162.50	\$27.73	\$ 4,506.13
Administrative Support	1	162.50	\$28.48	\$ 4,628.00
Administrative Support	1	162.50	\$29.84	\$ 4,849.00
Administrative Support	1	162.50	\$29.84	\$ 4,849.00
Administrative Support	1	162.50	\$29.84	\$ 4,849.00
Administrative Support	1	97.50	\$46.80	\$ 4,563.00
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	\$32.35	\$ 5,256.88
Closing Officer	1	162.50	\$35.35	\$ 5,744.38
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	\$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	\$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 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	\$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	\$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	\$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 Team Lead	1	162.50	\$45.01	\$ 7,314.13
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	81.25	\$28.20	\$ 2,291.25
Invoice / Reporting	1	40.63	\$36.34	\$ 1,476.49
Invoice / Reporting	1	81.25	\$59.64	\$ 4,845.75
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	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

<b>Grand Totals</b>	<b>100</b>	<b>14,551.90</b>	<b>\$ 578,999.05</b>
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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**



\*\*\* 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.
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.

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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.
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

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	recapture processes and non-compliant files to PRDOH Legal Department for a Recapture of Funds process.
<b>Expenditure Review &amp; Closeout Supervisor</b>	Manage performance, solve problems and overall supervision of the Expenditure review & closeout process.
<b>Project Manager</b>	Manage, coordinate, and monitor all CDBG- DR Program activities for SBF grant
<b>Reconsideration Officer</b>	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.
<b>Reconsideration Officer Supervisor</b>	Manage performance, solve problems and overall supervision of the case reconsideration process.
<b>Supervision and Compliance</b>	Executive management and oversight.
<b>Administrative Support</b>	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.

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# 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 Two Hundred fifty-five Million Dollars (\$255,000,000), in funds for the SBF Program that will be administered by the BDE. The budget for the staffing, services, systems, equipment, supplies, materials, grant funding and related expenses for **SBF is \$255,000,000** 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

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2. BUDGET OVERVIEW AND DETAIL

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			\$255,000,000.00
Project			
Small Business Financing Grant Funding	5001-3010	Program grants to boost economic development.	\$243,432,367.65
TOTAL COSTS			\$243,432,367.65
PROJECT ACTIVITY DELIVERY COSTS			
Staffing	5001-3000 5001-3001	Staffing resources for the execution and implemantation of the Program.	\$9,567,632.35
Professional Services		Costs attributed to contracted professional services.	\$30,000.00
Facilities and Administration	5001-3017 5001-3018 5001-3021 5001-3022	Operational costs associated with delivery and implementation activity. Items like, but not limited to: operating overhead, utilities, office supplies, advertising, travel, materials.	\$1,970,000.00
TOTAL COSTS			\$11,567,632.35
GRAND TOTAL			\$255,000,000.00

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	162.50	\$ 19.98	\$3,246.75
Administrative Support	1	130.00	\$ 23.38	\$3,039.40
Administrative Support	1	97.50	\$ 24.48	\$2,386.80
Administrative Support	1	97.50	\$ 27.20	\$2,652.00
Administrative Support	1	32.50	\$ 27.73	\$901.23
Administrative Support	1	162.50	\$ 27.73	\$4,506.13
Administrative Support	1	162.50	\$ 28.48	\$4,628.00
Administrative Support	1	162.50	\$ 29.84	\$4,849.00
Administrative Support	1	162.50	\$ 29.84	\$4,849.00
Administrative Support	1	162.50	\$ 29.84	\$4,849.00
Administrative Support	1	97.50	\$ 46.80	\$4,563.00
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	\$ 32.35	\$5,256.88
Closing Officer	1	162.50	\$ 35.35	\$5,744.38
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	\$ 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	\$ 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 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	\$ 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	\$ 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	\$ 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 Team Lead	1	162.50	\$ 45.01	\$7,314.13
Intake Specialist Team Lead Supervisor	1	162.50	\$ 59.64	\$9,691.50

\*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.

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OTHER OPERATING

Item Name	Item Description	Budget
Professional Services	Costs attributed to contracted professional services.	\$30,000.00
Facilities and Administration	Operational costs associated with delivery and implementation activity. Items like, but not limited to: operating overhead, utilities, office supplies, advertising, travel, materials.	\$1,970,000.00
Total Expenses Budget:		\$2,000,000.00

Grant Funding

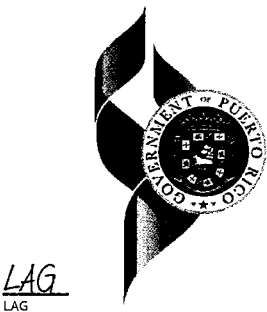
Item Name	Item Description	Budget
Grant Funding	Program grants to boost economic development.	\$243,432,367.65
Total Expenses Budget:		\$243,432,367.65

Budget Re-distribution

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

END OF DOCUMENT





Contract Code: 429-e  
Type: Change Order A\_V2  
Original Registered Code: 2020-DR0039

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 E to 2020-DR0039  
Amount: \$75,000,000.00

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

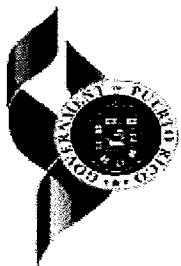
Grant	Area/ Project	Activity Code	Category Description	Account	Amount
B-18-DP-72-0001	Economic	r02e15sbf-edc-lm	E - Economic Program Subsidy	6090-01-000	\$22,500,000.00
B-18-DP-72-0001	Economic	r02e15sbf-edc-un	E - Economic Program Subsidy	6090-01-000	\$52,500,000.00
					\$75,000,000.00

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.

Cesar Candelario Signed Date - 05/11/2023  
Electronic Approval  
Budget Manager

Jackzaira Vega Signed Date - 05/11/2023  
Electronic Approval  
Finance Director



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## EXHIBIT I

### NON-CONFLICT OF INTEREST CERTIFICATION SMALL BUSINESS FINANCING PROGRAM ECONOMIC DEVELOPMENT BANK FOR PUERTO RICO

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 of 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 (Jun 12, 2023 17:49 EDT)

Signature

12-June-2023

Date

Luis Alemañy González

Printed Name

President

Position