



COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)
SMALL BUSINESS INCUBATOR AND ACCELERATOR PROGRAM (SBIA)

AMENDMENT B TO THE SUBRECIPIENT AGREEMENT
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND THE
UNIVERSIDAD DE PUERTO RICO EN HUMACAO
Contract No. 2021-DR0210
Amendment No. 2021-DR0210B



This **AMENDMENT B TO THE SUBRECIPIENT AGREEMENT** ("**AMENDMENT B**") is entered into this 16 day of June, 2023, 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 Ave., 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 **Universidad de Puerto Rico en Humacao** ("**Subrecipient**"), a public institution of higher education (University), with principal offices at José E. Aguiar Aramburu Ave., Road 908, Km. 1.2, Humacao, Puerto Rico, represented herein by its Chancellor, Aida I. Rodríguez Roig, of legal age, married, and resident of San Lorenzo, Puerto Rico; collectively the "**Parties**".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on May 14, 2021, the PRDOH and the Subrecipient executed a Subrecipient Agreement, Contract Number **2021-DR0210** ("**Agreement**"), for **FOUR HUNDRED THIRTEEN THOUSAND TWO HUNDRED SIXTY-TWO DOLLARS (\$2,442,207.10)** for the Subrecipient to undertake its activities under the **Small Business Incubator And Accelerator Program** ("**Program**"). The Parties agreed on a performance period of **three (3) years** from the date of the execution of the Agreement ending on **May 13, 2024**.

WHEREAS, on November 2, 2021, the PRDOH and the Subrecipient executed **Amendment A** to the Agreement, Contract Number **2021-DR0210A** ("**Amendment A**"). Via Amendment A, a budget redistribution and additional Staff positions were made. Modifications to **Exhibit C** (key Personnel), **Exhibit D** (Budget), and **Exhibit F** (HUD General Provisions) were made. The total authorized budget allocated and end date remained unchanged.

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 B** 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 B**.

WHEREAS, the Subrecipient has the legal power and authority to enter into this **AMENDMENT B** with the PRDOH, in accordance with Act. No 1 of January 20, 1966, as

amended, 18 LPRA § 601 at seq. also known as the "University of Puerto Rico Act"; and by signing this **AMENDMENT B**, 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 execute this **AMENDMENT B** subject to the following:

II. TERMS AND CONDITIONS

A. SAVINGS CLAUSE

The information included in this **AMENDMENT B** 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 B**. All other provisions of the original Agreement, including its exhibits, shall continue to be in full force and effect.

B. SCOPE OF THE AMENDMENT

The goal of the Program is to support and grow Puerto Rican small businesses by providing them with technical assistance to help grow their business skills and professional network through the structure of an Incubator or Accelerator. In order to achieve the Program goals, the Parties acknowledge and agree that it is necessary to amend **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performances Goals), **Exhibit C** (Key Personnel), and **Exhibit D** (Budget) of the Agreement.

Moreover, updated versions of **Exhibit F** (HUD General Provisions), and **Exhibit G** (Subrogation and Assignment Provisions) are being incorporated by reference into the Agreement. Also, a new **Exhibit I** (Non-Conflict of Interest Certification) is being incorporated by reference into the Agreement. 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. Additionally, **Section XI. CDBG-DR POLICIES AND PROCEDURES** and **Section XII. FORCE MAJEURE** is being amended and **Section XXX. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION** and **Section XXXI. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE** is being added to the Agreement.

As stated before, all other provisions including the total authorized budget and end date of the original Agreement remain unaltered.

C. AMENDMENTS

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

CDBG-DR Grantee Federal Award Identification Number:	B-17-DM-72-0001
CDBG-DR Grantee Federal Award Date:	September 20, 2018
CDBG-DR Grantee Unique Identifier:	Unique Entity ID: FFMUBT6WCM1



Federal Award project description:	See Exhibit A ("Scope of Work")
Subrecipient Contact Information:	Aida I. Rodríguez Roig Chancellor Universidad de Puerto Rico en Humacao PO Box 860 Humacao, PR 00792 Rectoria.uprh@upr.edu , opis.uprh@upr.edu (787) 850-0000
Subrecipient Unique Identifier:	Unique Entity ID #: CMBEL6LZ4MA5
Subaward Period of Performance:	Start Date: Effective Date, as defined in Section V of the Agreement, as amended. End Date: Three (3) years from start date.
Funds Certification:	Dated: April 16, 2021 Authorized Amount: \$2,442,207.10 Funds Allocation: CDBG-DR "r01e16bia-edc-IM" CDBG-DR "r01e16bia-edc-UN" Account Number: 6090-01-000 See Exhibit E ("Funds Certification")

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
Exhibit G	Subrogation and Assignment Provisions
Exhibit H	Insurance Requirements
<i>Exhibit I</i>	<i>Non-Conflict of Interest Certification</i>

[...]

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, **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 XI. 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://cdbg-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 amend **Section XII. FORCE MAJEURE** as follows:

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, pandemic officially declared by the Government of Puerto Rico, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any Force Majeure including inclement weather, herein collectively referred to as Force Majeure during the term of this Agreement, neither the PRDOH nor the Contractor or Subrecipient shall be liable to the other party for nonperformance during the conditions created by such event. The party claiming Force Majeure shall exercise due diligence to prevent, eliminate, or overcome such Force Majeure event where it is possible to do so and shall resume performance at the earliest possible date.

The Contractor or Subrecipient shall notify the PRDOH in writing as soon as possible, but in any event within ten (10) business days of the occurrence of the Force Majeure event and describe in reasonable detail the nature of the Force Majeure event, how the non-performance or delay relates to or arises from the Force Majeure event, its anticipated duration and any action taken to minimize its effect. The Contractor or Subrecipient may be entitled to


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reasonable adjustments in schedule, among other measures, in the foregoing circumstances. If non-performance continues for more than thirty (30) days, without reasonable justification, the PRDOH may terminate this Agreement immediately upon written notification to the Contractor or Subrecipient.

- f. 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.

- g. The Parties agree to add **Section XXXI. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE** as follows:

*The Subrecipient does not have a legal claim to any amount of CDBG funds to be used for the specific project or site until the environmental review process is satisfactorily completed. As such, the Subrecipient acknowledges that it has no legal claim to any amount of CDBG funds for any projects or site acquisition under this Agreement, until the environmental review process is completed under PRDOH's satisfaction. The Subrecipient acknowledges that it will not begin any actions related to the project or site until the environmental review process is completed and has written acceptance and a **Notice to Proceed** from PRDOH.*

- h. **Exhibit A** (Scope of Work) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (See **Attachment I**) to modify as follows:

- Change the Section 5 "Time Performance" narrative to read: "All Program activities, including closeout, must be concluded as per the term stated in the SRA".
- Change the Section 6 "Budget" narrative to read: "For details refer to Exhibit D of this SRA".

- i. **Exhibit B** (Timelines and Performance Goals) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (See **Attachment II**) to modify as follows:

- Change in Section 3 PERFORMANCE INDICATORS & GOALS as follows:

The Key Activity 1.1 "Outreach efforts to socialize the program": The indicator will be renamed from "# of outreach activities in the defined outreach and marketing period" to read "Amount of Outreach Activities performed". In addition, the following indicators will be eliminated: "# of businesses reached by outreach activities" and "# of outreach materials produced."



The Key Activity 1.1 Under "Source of verification" replace the entire narrative to read as *"Please include the type and dates/period of the performed outreach activities as well as one or more sources of verification per outreach activity, such as pictures, videos, attendance signed-in lists, meeting minutes, email blasts, audience reach, copy of print, tv/radio or online dissemination efforts, etc."*

The Key Activity 1.1 Under the "Target" column replace the entire narrative to read as *"At least one (1) outreach activity per year per beneficiary recruitment."*

The Key Activity 1.1 Under "Timeline" replace the entire narrative to read as *"Before the beginning of each training cohort."*

The Key Activity 1.2 "Engage businesses and potential businesses to sign up for the program." Under "Source of verification" replace the entire narrative to read as *"Subrecipient Monthly Report - Will include the list of businesses that applied to the programs."* Aligned with "# of applications received during the application period" under the indicator column. *"Evidence of the acceptance letter sends by email to Applicants."* Aligned with "# of businesses that begin the program" under the indicator column.

The Key Activity 1.2 Under the "Target" column replace everything with the following two paragraphs: *"Total of 210 applications received during the life of the SRA."* Aligned with "# of applications received during the application period" under the indicator column. *"Total of 120 businesses that begin the program."* Aligned with "# of businesses that begin the program" under the indicator column.

The Key Activity 1.2 Under the "Timeline" column replace everything with the following: *"Progressive achievement towards target."* Aligned with "# of applications received during the application period" under the indicator column. *"38 by the end of year 2022. 41 additional business participants by the end of year (2023). 41 additional participants businesses by the end of January (2024)."* Aligned with "# of businesses that begin the program" under the indicator column.

The Key Activity 1.3 "Successful completion of incubation or acceleration program": The indicator will be renamed from *"% of businesses who complete the program"* to read *"# of businesses who complete the program"*. In addition, the following indicator will be eliminated: *"# of businesses who demonstrate improved business ability after completion of the program"*.

The Key Activity 1.3 Under "Source of verification" column replace the entire narrative with *"Complete participants profiles in the Participants information portal (SOR)."*

The Key Activity 1.3 Under the "Target" column replace the entire narrative with the following: *"At least 84 participants by the end of the SRA."*

The Key Activity 1.3 Under the "Timeline" column replace the entire narrative with the following: *"32 by the end of year 2022. 26 additional business participants by the end of 2023. 26 additional participants businesses by the end of April 2024."*

The 3.1.1 "Key Activity: Outreach efforts to socialize the program" will be modified by eliminating the following bullets: *"Report the number of individuals or businesses that are anticipated to be reached and that are*

actually reached." and "Report the number of materials produced and provide final copies of any materials created."

The 3.1.3 "Key Activity: Completion of Small Business Incubators and Accelerators Program" replace the entire narrative with *"This activity should capture information as it relates to the completion of the Small Business incubators and Accelerators Program by accepted businesses. This task is expected to be recurring throughout the life of the SRA based on the program's schedule or calendar. The task is considered complete when participants' businesses received the incubation or acceleration certificate."*

The 3.1.3 "Key Activity: Completion of Small Business Incubators and Accelerators Program" will be modified by eliminating the following bullet: *"Report the number of businesses who demonstrate improved business ability alter completion of the program within 6 months of completing the program."*

The 3.1.3 "Key Activity: Completion of Small Business Incubators and Accelerators Program" will be modified by eliminating the two tables for Key Deliverable and Performance Month."

- j. **Exhibit C** (Key Personnel) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (See **Attachment III**) to modify as follows:

- Change Section I. ROLES and Section II. ROLES DESCRIPTION to include the following new positions:

IT Faculty Senior - Additional Compensation

Graphic Designer - Additional Compensation

13 new Mentors

Legal Professional

Accounting Professional

Relations & Project Marketing Professional

Audiovisual Technician - Additional Compensation

- Change Section I. ROLES and Section II. ROLES DESCRIPTION to rename the following positions:

"Lecturers" to "Lecturers with Master Degree" (two additional resources).

"Lecturers" to "Lecturers with Doctoral Degree" (six additional resources).

"Faculty Senior -Summer Salary" to "IT Faculty Senior-Summer Salary"

- k. **Exhibit D** (Budget) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement. (See **Attachment IV**).

- Change Section I. STAFFING table to modify the following columns:

Staffing section: Edit 3rd column "Month Needed [B]" to read: *"*Estimated Months Needed [B]"*.

Staffing section: Edit 4th column "Max. Hours per month per Resource [C]" to read: "**Estimated Hours per month per Resource [C]*".

Staffing section: Edit the 5th column "Hourly Rate [O]" to read: "*Maximum Hourly Rate [D]*".

Staffing section: Edit 6th column "Max. Monthly Cost [E=AxCxD]" to read: "**Estimated Monthly Cost [E=AxCxD]*".

Staffing section: Edit the row named "Subtotal Maximum Monthly Cost:" to read "*Total Maximum Monthly Cost:*".

Staffing section: Edit the last column to read: "*Cost of Staff Position [F=BxE]*".

Staffing section: Edit the row named "Total amount of staffing for 3 Years (36 months):" to read: "*Total Cost for 3 Years (36 Months):*".

- Change Section I. STAFFING to modify the rows under the columns "**Estimated Months Needed [B]*", "**Estimated Hours per month per Resource [C]*" and "*Maximum Hourly Rate [D]*", and as a result of these changes their corresponding column "*Estimated Monthly Cost [E=AxCxD]*" and "*Cost of Staff Position [F=BxE]*" rows will change as follows:

PROJECT DIRECTOR-ADDITIONAL COMPENSATION (FIRST YEAR) -The original 27 months were split between the first year here and the Second and third years in item two. "**Estimated Months Needed [B]*" used 9 months during the first year; increase 0.38 hours in "**Estimated Hours per month per Resource [C]*" from 40.62 to 41.00 hours; "*Maximum Hourly Rate [D]*" will remain unchanged at \$63.02. As a result of these changes columns [E] and [F] will read \$2,583.82 and \$23,254.38 respectively.

PROJECT DIRECTOR-ADDITIONAL COMPENSATION (SECOND AND THIRD YEAR)-"**Estimated Months Needed [B]*" The 18 remaining months from the original 27 months; increase 39.38 hours in "**Estimated Hours per month per Resource [C]*" from 40.62 to 80.00 hours; "*Maximum Hourly Rate [D]*" will remain unchanged at \$63.02. As a result of these changes columns [E] and [F] will read \$5,041.60 and \$90,748.80 respectively.

PROJECT DIRECTOR-SUMMER SALARY - Reduce 1.75 month in "**Estimated Months Needed [B]*" from 6 to 4.25 months; "**Estimated Hours per month per Resource [C]*" and "*Maximum Hourly Rate [D]*" will remain unchanged at 162.5 hours and \$63.02 respectively. As a result of these changes columns [E] and [F] will read \$10,240.75 and \$43,523.19 respectively.

FINANCIAL OVERSIGHT -"**Estimated Months Needed [B]*" will remain unchanged at 36 months; increase 41.25 hours in "**Estimated Hours per month per Resource [C]*" from 40.00 to 81.25 hours; increase \$0.60 in "*Maximum Hourly Rate [D]*" from \$33.75 to \$34.35. As a result of these changes columns [E] and [F] will read \$2,790.94 and \$100,473.75 respectively.

FACULTY SENIOR ACADEMIC RELEASE TIME (FIRST YEAR) - Reduce 18 months in "*Estimated Months Needed [B]" from 27 to 9 months; increase .38 hours in "*Estimated Hours per month per Resource [C]" from 40.62 to 41.00 hours; "Maximum Hourly Rate [D]" will remain unchanged at \$49.01. As a result of these changes columns [E] and [F] will read \$2,009.41 and \$18,084.69 respectively.

IT FACULTY SENIOR ADDITIONAL COMPENSATION (SECOND AND THIRD YEAR)-(additional staff position) create an additional position and assign 18 months in "*Estimated Months Needed [B]"; assign 81.25 hours in "*Estimated Hours per month per Resource [C]"; assign \$53.69 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$4,362.31 and \$78,521.63 respectively.

IT FACULTY SENIOR-SUMMER SALARY - Reduce 2 months in "*Estimated Months Needed [B]" from 3 to 1 month; "*Estimated Hours per month per Resource [C]" will remain unchanged at 162.50 hours; increase \$16.50 in "Maximum Hourly Rate [D]" from \$37.19 to \$53.69. As a result of these changes columns [E] and [F] will read \$8,724.63 and \$8,724.63 respectively.

LIAISON OFFICER AND PROMOTER -"*Estimated Months Needed [B]" will remain unchanged at 36 months; reduce 39 in "*Estimated Hours per month per Resource [C]" from 80 to 41 hours; increase \$0.92 in "Maximum Hourly Rate [D]" from \$33.43 to \$34.35. As a result of these changes columns [E] and [F] will read \$1,408.35 and \$50,700.60 respectively.

GRAPHIC DESIGNER-ADDITIONAL COMPENSATION -(additional staff position) create an additional position and assign 18 months in "*Estimated Months Needed [B]"; assign 40.00 hours in "*Estimated Hours per month per Resource [C]"; assign \$16.36 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$654.40 and \$11,779.20 respectively.

GRAPHIC DESIGNER -"*Estimated Months Needed [B]" will remain unchanged at 36 months; reduce 38.75 in "*Estimated Hours per month per Resource [C]" from 120 at 81.25 hours; increase \$1.88 in "Maximum Hourly Rate [D]" from \$19.91 to \$21.79. As a result of these changes columns [E] and [F] will read \$1,770.44 and \$63,735.75 respectively.

LECTURERS WITH DOCTORAL DEGREE - increase 6 in "Qty. of Resources [A]" from 1 to 7; "*Estimated Months Needed [B]" will remain unchanged at 36 months; increase .75 in *Estimated Hours per month per Resource [C]" from 3.75 to 4.50 hours; "Maximum Hourly Rate [D]" will remain unchanged at \$109.05. As a result of these changes columns [E] and [F] will read \$3,435.08 and \$123,662.70 respectively.

LECTURERS WITH MASTER DEGREE -increase 2 in "Qty. of Resources [A]" from 1 to 3; "*Estimated Months Needed [B]" will remain unchanged at 36 months; reduce 9.25 in *Estimated Hours per month per Resource [C]" from 13.75 to 4.50 hours; "Maximum Hourly Rate [D]" will remain unchanged at \$81.79. As a result of these changes columns [E] and [F] will read \$1,104.17, and \$39,749.94 respectively.


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MENTORS -(13 additional staff positions) create an additional position and assign 36 months in "*Estimated Months Needed [B]"; assign 8.00 hours in "*Estimated Hours per month per Resource [C]"; assign \$63.00 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$6,552.00 and \$235,872.00 respectively.

LEGAL PROFESSIONAL -(additional staff position) create an additional position and assign 18 months in "*Estimated Months Needed [B]"; assign 40.00 hours in "*Estimated Hours per month per Resource [C]"; assign \$54.53 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$2,181.20 and \$39,261.60 respectively.

ACCOUNTING PROFESSIONAL -(additional staff position) create an additional position and assign 18 months in "*Estimated Months Needed [B]"; assign 40.00 hours in "*Estimated Hours per month per Resource [C]"; assign \$54.53 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$2,181.20 and \$39,261.60 respectively.

RELATIONS & PROJECT MARKETING PROFESSIONAL -(additional staff position) create an additional position and assign 18 months in "*Estimated Months Needed [B]"; assign 40.00 hours in "*Estimated Hours per month per Resource [C]"; assign \$54.53 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$2,181.20 and \$39,261.60 respectively.

AUDIOVISUAL TECHNICIAN-ADDITIONAL COMPENSATION -(additional staff position) create an additional position and assign 18 months in "*Estimated Months Needed [B]"; assign 25.00 hours in "*Estimated Hours per month per Resource [C]"; assign \$21.79 in "Maximum Hourly Rate [D]". As a result of this addition columns [E] and [F] will read \$544.75 and \$9,805.50 respectively.

- Change Section I. to modify the PROFESSIONAL SERVICES section:

The LEGAL SERVICES, ACCOUNTING SERVICES, PUBLIC RELATIONS & PROJECT MARKETING -Professional Services have been eliminated.

MARKETING SERVICES - Create an additional expense for marketing with a proposed budget of \$20,000.00. The item description should read: *"Publication services in the media such as newspapers, television, web pages, and promotional companies to promote the participants businesses."*

- Change Section I. to modify the OTHER OPERATING section as follows:

WORKSHOP SUPPLIES - The proposed budget increases from \$125,844.10 to \$140,000.00. The description should be edited to read: *"The materials include workshop supplies as well as office supplies needed in the execution of the Project. These will be used to process all administrative and educational documents required by the proposal such as preparation of work plans, inventories, service forms and reports, educational and printing materials for the program such as text books in E-book format, folders with educational content (such as compilation of government regulations, laws, manuals, and flow charts, academic*

application mobile, didactic manual of entrepreneurship and quality management in service, forms of information management), portable memory drive to store documents in PDF, or to give participants materials such as notebooks, pencils, pens, course, and training approval certifications, access to different subscriptions for entrepreneurs such as: DAFO, Business Plan, "De la idea al negocio", Mailchimp and Poster my Wall and , other educational materials directly related to the trainings, among others. Office materials to perform the administrative functions of the project include, but are not limited to: pens, pencils, notebooks, sticky notes, paper, sheet protectors, index tabs, filing folders and tabs, hanging file folders, tape dispensers and tapes, staplers and staples, paper clips, binders, rubber bands, markers, erasers, correction fluids or correction tapes, USB and external memories, envelopes, manila envelopes, mailing labels, guillotine paper cutter, scissors, self-inking stamps, hole punchers, thermal laminator machine, thermal laminating pouches, and office forms. In addition, the operations require extensive production of printed material to be used in activities and events as well as reasonable promotional items and publications in local media. The office materials will be for the exclusive use of the Project, which will supply the necessary tools to the participants served."

CONFERENCE, SEMINARS & TRAININGS -The proposed budget increases from \$136,022.00 to \$260,000.00. The description should be edited to read: *"Basic services for conferences, workshops, and seminars, directly related to the execution of the Program."*


RENTAL COSTS -Expense name changes from "Rental" to "Rental Costs". The proposed budget will remain unchanged at \$12,000.00. The description should be edited to read: *"Rental Costs to carry out Conferences and educational face-to-face activities such as the Graduation, Orientations of the Project, and other activities, in which conferences, seminars, and trainings will be offer."*

MENTORING, EDUCATION AND CERTIFICATION OF PARTICIPANTS section has been eliminated.

INDIRECT COST -The proposed budget decreases from \$219,437.00 to \$189,919.00.

- Change Section I. to modify the EQUIPMENT section:

"COMPUTER EQUIPMENT" and "WORKSHOP EQUIPMENT" will be merged into one single expense "EQUIPMENT". The proposed budget of \$183,300.00 and \$16,400.00 respectively will increase to \$201,093.75. The description should be edited to read: "Computers, service provision tools, small business owner tools, copiers, fax machines, office supplies and laboratories for the program. Plotter-for logos, stickers and all kinds of promotional material for the Project and for the participants, Tri-dimensional printer-to develop ideas into prototypes, Full-color industrial photocopier - for promotions of the business of participants and development of project promotions and for the participants, Tri-dimensional printer - to develop ideas into prototypes, Full-color industrial photocopier - for promotions of the business of participants and development of project promotions."


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SOFTWARE -The proposed budget of \$137,885.00 will increase to \$140,000.00. The description should be edited to read: "Tools to help strengthen the decision making and the compliance with government agencies."

- l. **Exhibit F** (HUD General Provisions) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement. (See **Attachment V**).
- m. **Exhibit G** (Subrogation and Assignment Provisions) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement. (See **Attachment VI**).
- n. **Exhibit I** (Non-Conflict of Interest Certification) is being incorporated by reference into the Agreement. (See **Attachment VII**).

III. SEVERABILITY

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

IV. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this **AMENDMENT B** 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 B**.

V. COMPTROLLER REGISTRY

The PRDOH shall remit a copy of this **AMENDMENT B** to the Office of the Comptroller for registration within **fifteen (15) days** following the date of execution of this **AMENDMENT B** and any subsequent amendment thereto. The services object of this **AMENDMENT B** may not be invoiced or paid until this **AMENDMENT B** 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.

[SIGNATURES ON THE FOLLOWING PAGE.]


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IN WITNESS THEREOF, the Parties hereto execute this **AMENDMENT B** 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 (Jun 16, 2023 15:04 EDT)
Name: William O. Rodríguez Rodríguez
Title: Secretary

UNIVERSIDAD DE PUERTO RICO EN HUMACAO
Subrecipient

By: Aida I. Rodríguez Roig
Name: Aida I. Rodríguez Roig
Title: Chancellor

EXHIBIT A

SCOPE OF WORK

SMALL BUSINESS INCUBATORS AND ACCELERATORS

UNIVERSIDAD DE PUERTO RICO EN HUMACAO

1. Program Overview/Background

The Small Business Incubators and Accelerators Program (**SBIA Program** or **Program**) provides services and physical spaces to support the development of Puerto Rico's small businesses and entrepreneurs that are creating jobs and expanding economic opportunities for residents Island-wide.

2. National Objective

All activities of the Community Development Block Grant for Disaster Recovery (**CDBGDR**) program must meet one (1) of the three (3) 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.

- Benefit to low- and moderate-income persons (**LMI**) (24 C.F.R. § 570.483(a))
 - Job Creation/Retention
 - Area Benefit
 - Limited Clientele
- Urgent Need (**UN**) activities (24 C.F.R. § 570.483(d))
- Aid in prevention or elimination of Slums or Blight (**SB**) (24 C.F.R. § 570.483(c))

3. Program Description

The goal of the SBIA Program is support organizations that can operate or develop small business incubators and/or accelerators and associated programming.

The goals of the SBIA Program will be supported by the Subrecipient through the following program components. Each component has associated activities contained within and described in more detail in the Program Outreach Plan and Program Work Plan. Components are as follows:

1. **Stakeholder Engagement:** The Subrecipient will facilitate inclusion of Low- and Moderate-Income (**LMI**) individuals and communities in the SBIA Program. The Subrecipient will develop an Outreach Plan and will conduct outreach to



educate, promote engagement, and increase participation in the Subrecipient's SBIA Program.

2. **Technical Assistance:** The Subrecipient will assist PRDOH in the development of a Program Work Plan, to be included in the SRA Package. They will provide technical assistance and/or trainings to Beneficiaries (Program Participants) as outlined in their Program Work Plan.
3. **Construction:** (If applicable) The Subrecipient will engage the necessary staff and/or vendor(s) to carry out the construction plan outlined in the application and further described in the Construction section of the Program Work Plan. Construction must meet all Federal and State legal requirements.

4. Tasks

In addition to the tasks included herein and described below, and the outcomes and activities described in the Program Outreach Plan and Program Work Plan, the Subrecipient, with prior consent and written authorization of PRDOH, shall perform any other task necessary for the proper performance of the services under the SRA.

The tasks and activities under this Program will be managed by the **Universidad de Puerto Rico en Humacao** as subrecipient of PRDOH. Consistent with the requirements of this Agreement, the **Universidad de Puerto Rico en Humacao** shall be reimbursed for any Eligible Costs incurred in carrying out program activities within eligible budget amounts.

4.1 Office Logistics

- 4.1.1 Secure office space and necessary equipment for these offices to function, as necessary. Office spaces must be suitable for the services to be provided, provide amenities required by local ordinance for public facilities, and comply with **ADA** accessibility requirements.
- 4.1.2 Provide and secure equipment and technologies required to carry out the training program and, as needed, support remote or virtual program operations.

4.2 Project/Agreement Management

TIMELINE and SCHEDULE

- 4.2.1 Create, maintain, and control Program Work Plan which includes Program Service Area, Small Business Incubator and Accelerator Courses or Program Offerings, Program Needs Assessment,



Program Metrics and Standards, Program Compliance, and Construction (if applicable).

- 4.2.2** Work closely with PRDOH to ensure timely delivery of Program activities, in accordance with the agreed upon Program Outreach Plan, Program Work Plan, and **Exhibit B** Timelines and Performance goals.

STAFFING

- 4.2.3** Deliver Key Personnel and Staff listed in **Exhibit C** and **Exhibit D** promptly to support program demands.
- 4.2.4** Ensure adequate staffing levels to support Program activities funded in whole or in part by CDBG-DR.
- 4.2.5** Provide a dedicated Program Management team, to efficiently and effectively carry out Program activities.

BUDGET MANAGEMENT and INVOICING

- 4.2.6** Manage agreed upon program budget included herein. Any variances or expected variances which would cause significant impacts on the program must be reported to PRDOH along with recommended corrective action.
- 4.2.7** Prepare and submit request for funds to PRDOH with all required supporting documentation on a monthly basis.

PERFORMANCE

- 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.
- 4.2.9** Recommend corrective action and/or performance plan for underperforming team members, subcontractors, vendors, or other staff.
- 4.2.10** Monitor and update all Program Beneficiary demographic, participation, and performance information using the approved system of record provided by the PRDOH Information Technology team.

MONITORING and COMPLIANCE

- 4.2.11** Implement the Program in a compliant manner, per the CDBG-DR regulations, policies, procedures, and all applicable state, local and federal regulations.
- 4.2.12** Maintain a complete understanding of all applicable Program policies, requirements, procedures, guidelines; possess knowledge of regulatory and statutory compliance requirements for CDBG-DR and similar programs/projects. Ensure all program participants, including subrecipients, vendors, and beneficiaries are aware of all policy changes.
- 4.2.13** Lead and review all program monitoring activities to prepare and present reports, data, documents, or other information as required by the PRDOH, HUD, the US Office of Inspector General (**OIG**), or other oversight entities.
- 4.2.14** Regularly communicate potential risks, issues, and statuses with PRDOH, in the manner they arise.
- 4.2.15** As requested, meet with PRDOH to discuss the status of the program, and any other issues that may have arisen during the administration of the assigned Program.

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.
- 4.3.2** Following PRDOH CDBG-DR Recordkeeping Policy, the Subrecipient shall retain all official records on programs and individual activities for **five (5) years**, starting from the closeout of the grant between PRDOH and HUD.
- 4.3.3** Maintain a clearly defined process for acquiring, organizing, storing, retrieving and reporting on financial records and project and activity records.
- 4.3.4** Store, archive, and retrieve physical documents and electronic images of all paper documents, applicant-related emails, correspondence, training material, policies and procedures, and other documents or materials as may be required.



- 4.3.5** Establish and maintain protocols for physical file management, as applicable, to include, among other things, access to a file, tracking of location and possession of a file.
- 4.3.6** Ensure all project information and documentation is available at all times in the system of record.
- 4.3.7** Must provide all relevant documents in both English and Spanish language.
- 4.3.8** 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. § 552a (**Privacy Act**), 24 C.F.R. Part 5, and PRDOH policy for protection of PII.
- 4.3.9** 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:
 - 4.3.9.1 Records providing full description of each activity;
 - 4.3.9.2 Records verifying that activity meets national and grant objectives;
 - 4.3.9.3 Records related to demonstrating eligibility of activities;
 - 4.3.9.4 Records required to document activity related to real property;
 - 4.3.9.5 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;
 - 4.3.9.6 Financial records and reports required by the Program; and
 - 4.3.9.7 Records supporting any specific requirements of the Program or the CDBG-DR allocations.
- 4.3.10** Any other task necessary for the proper document control management.

4.4 Program Development

- 4.4.1** Develop and implement policies, strategies, guides and/or templates required for the implementation and administration of the Tasks and Activities contained within this SRA (i.e. Outreach Plan, Standard Operating Procedures (**SOPs**), Forms, Contracts,



Correspondence, Applications, etc.), as applicable and as requested by PRDOH.

- 4.4.2** Conduct proper procurement as needed for successful implementation and administration of the Tasks and Activities contained within this SRA. All procurement must be done in accordance with federal procurement rules and regulations found in 2 C.F.R. § 200.318 through §200.327.
- 4.4.3** Publish programmatic information as determined by PRDOH and required by program needs (e.g. training material, outreach material, etc.).
- 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 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** 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 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.
 - 4.5.1.2 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.
 - 4.5.1.3 Provide PRDOH with project progress reports on demand, as well as access to the project management system for PRDOH to monitor the project.
 - 4.5.1.4 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.
 - 4.5.1.5 Reconcile with the PRDOH, on an established periodic basis, a complete inventory of all items furnished by the



PRDOH or funded by the CDBG-DR grant, including items such as: equipment, furniture, computers, phones, laptops, network printers, network equipment, software licenses, etc., if applicable.

4.6 Program Closeout

- 4.6.1** Ensure that all program funding has been expended as stipulated in terms of grant agreement and suppliers have completed all tasks required by the award to the applicant.
- 4.6.2** Ensure that all applicable PRDOH quality control reviews have been completed.
- 4.6.3** Ensure that all supporting documentation, information, and log of applicant communications is included in the application file.
- 4.6.4** 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.

5. Time Performance

All Program activities, including closeout, must be concluded as per the term stated in the SRA.

6. Budget

For details refer to **Exhibit D** of this SRA.

END OF DOCUMENT



EXHIBIT B

TIMELINES AND PERFORMANCE GOALS

SMALL BUSINESS INCUBATORS AND ACCELERATORS PROGRAM

UNIVERSIDAD DE PUERTO RICO EN HUMACAO

1. PROGRAM OBJECTIVE:

The Small Business Incubators and Accelerators Program (**SBIA Program** or **Program**) provides services and physical spaces to support the development of Puerto Rico's small businesses and entrepreneurs that are creating jobs and expanding economic opportunities for residents Island-wide.

2. TERMS:

- **Key Deliverable** – The major objectives the Program wants to achieve.
- **Key Activity** – The activities necessary to carry out the Key Deliverables.
- **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. PERFORMANCE INDICATORS & GOALS

Key Deliverable #1	Key Activity	Indicator	Source of Verification	Target	Timeline
Provide incubator or accelerator support to improve small and start-up business in Puerto Rico.	1.1 Outreach efforts to socialize the program	Amount of Outreach Activities performed	- Please include the type and dates/period of the performed outreach activity(ies) as well as one or more sources of verification per outreach activity, such as pictures, videos, attendance signed-in lists, meeting minutes, email blasts, audience reach, copy of print, tv/radio or online dissemination efforts, etc.	At least one (1) outreach activity per year per beneficiary recruitment.	Before the beginning of each training cohort.
	1.2 Engage businesses and potential businesses to sign up for the program.	# of applications received during the application period	Subrecipient Monthly Report - Will include the list of businesses that applied to the programs.	Total of 210 applications received during the life of the SRA.	Progressive achievement towards target.


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Key Deliverable #1	Key Activity	Indicator	Source of Verification	Target	Timeline
		# of businesses that begin the program	Evidence of the acceptance letter sent by email to Applicants.	Total of 120 businesses begin the program.	38 by the end of year 2022. 41 additional businesses participants by the end of 2023. 41 additional participants businesses by the end of January 2024.
	1.3 Successful completion of incubation or acceleration program.	# of businesses who complete the program	Complete participants profiles in the Participants Information portal (SOR).	At least 84 participants by the end of the SRA.	32 by the end of year 2022. 26 additional businesses participants by the end of 2023. 26 additional participants businesses by the end of April 2024.

3.1.1 KEY ACTIVITY: OUTREACH EFFORTS TO SOCIALIZE THE PROGRAM

This activity should capture all outreach efforts to socialize the program and should include all pertinent information to inform the public about the program, what is being offered, what the requirements are, and how to apply. This task is expected to be recurring throughout the life of the SRA, based on the program's schedule or calendar. The


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outreach efforts to socialize the program are initiated when approved marketing or outreach materials, events, or activities are produced and disseminated to the public.¹ The task is considered complete when the approved marketing and outreach materials, events, or activities have been adequately responded to.

- Report the number of outreach activities in the defined outreach and marketing period.

Progress made towards these activities should be included in the monthly reporting to PRDOH that is required of the subrecipient.

3.1.2 KEY ACTIVITY: ENGAGE BUSINESSES AND POTENTIAL BUSINESSES TO SIGN UP FOR THE PROGRAM

This activity should capture any engagement with businesses and potential businesses who sign up for the program and should include all pertinent information from program applicants. This task is expected to be recurring throughout the life of the SRA based on the program's schedule or calendar. The task is considered complete when all applications that have been received and all accepted applicants begin their participation in the program.

- Report the number of applications received during the application period.
- Report the number of businesses who enrolled and begin the program.

Progress made towards these activities should be included in the monthly reporting to PRDOH that is required of the program participant.

3.1.3 KEY ACTIVITY: COMPLETION OF SMALL BUSINESS INCUBATORS AND ACCELERATORS PROGRAM

This activity should capture information as it relates to the completion of the Small Business Incubators and Accelerators Program by accepted businesses. This task is expected to be recurring throughout the life of the SRA based on the program's schedule or calendar. The task is considered complete when participants businesses received the incubation or acceleration certificate.

¹ Outreach materials must be approved or follow guidelines provided by the Program (and PRDOH Communications team) prior to publication.


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- Report the percentage of businesses enrolled who complete the program.

Progress made towards these activities should be included in the monthly reporting to PRDOH that is required of the subrecipient.

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EXHIBIT C

KEY PERSONNEL

SMALL BUSINESS INCUBATORS AND ACCELERATORS

UNIVERSIDAD DE PUERTO RICO EN HUMACAO

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

I. Roles	FE Count
Project Director – Additional Compensation	1
Project Director – Summer Salary	1
CO PD Compensation	1
CO PD Summer Salary	1
Financial Oversight	1
Faculty Senior Academic Release Time	1
IT Faculty Senior- Additional Compensation	1
IT Faculty Senior-Summer Salary	1
Liaison Officer and Promoter	1
Administrative Assistant- Additional Compensation	1
Statistics Assistant-Additional Compensation	1
Graphic Designer-Additional Compensation	1
Graphic Designer	1
Translator	1
Lecturers with Master Degree	3
Lecturers with Doctoral Degree	7
Mentors	13
Legal Professional	1
Accounting Professional	1
Relations & Project Marketing Professional	1
Audiovisual Technician- Additional Compensation	1



II. Roles Description:

Role	Description
Project Director – Additional Compensation	Responsible for the compliance of the administration, development plans and strategy of the proposal. Directs and supervises the proposal, as well as all personnel assigned to the proposal. Generates, completes and submits the reports required by the Department of Housing and Urban Development, Administration of the CDBG-DR and UPR grant in Humacao.
Project Director – Summer Salary	During the summer, the PD will be in charge for the management and responsibilities of all special programs for entrepreneurs during summertime, the induction of all participants in the incubation stage and assure their compliance of all processes and procedures. Also, the PD will collaborate in the preparation of relevant documentation to assigned projects. Will recommend the most qualified human resources to provide the seminars and workshops and approaches them for recruitment. Collaborates in the development of reports and presentations.
CO PD Compensation	Coordinates, schedules and implements highly specialized and highly complex administrative activities of the proposal in order to achieve the desirable results. Develops the constant search for business opportunities and funds. Supervises the activities carried out by professionals with administrative tasks. Program and supervise census activities, technical and/or scientific studies. Develop proposals and recommendations. Develop the work plans and determine the assignment of tasks to the rest of the staff assigned to the proposal. Develops the design of manuals and/or documentation relevant to the assigned projects.
CO PD Summer Salary	Schedules and supervises program's activities, technical and/or scientific studies. Prepares reports, proposals and recommendations, and develops work plans, determining the assignment of tasks to the personnel assigned to the proposal. Carries out the tasks of organization, control and evaluation entrusted by the Director of the Proposal.
Financial Oversight	Coordinates the financial side and compliance with the rules and regulations of the Institution. Also, makes sure that all activities comply with the proposal, according to the assigned resources and compliance with government regulations, laws, and regulations ensured by the Financial Administration and Federal Funds Accountability Act (FFATA). Directs and coordinates financial and budgetary activities including the preparation of the operating



	budget; and monitors its implementation. Assures that all equipment and materials acquisitions are justified, assures the inclusion of minority suppliers, according to the budget assignment and state and federal regulations.
IT Faculty Senior Additional Compensation	Coordinates training programs for future entrepreneurs and business owners. Carries-out methodological, academic, global and conceptual design administration of the systems and/or projects of face-to-face, hybrid and distance education. Works the configuration of the courses in the institutional Moodle platform (mounting, programing, and integrating the pre and post-test or exams and the issuance of certificates). Works the programming of the courses in the Zoom platform as well as the evaluation and application of technological services for the courses, workshops and conferences of the project. Provides technical support to project participants, to courses/workshops professors, and to project staff.
IT Faculty Senior-Summer Salary	Coordinates and designs the systems, methods, standards and academic procedures to be implemented as part of the Project, as well as the training programs of future entrepreneurs and business owners. Prepares the design of the manuals and/or documentation relevant to the assigned projects. Performs the methodological, academic, global and conceptual design of face-to-face, hybrid and distance education systems. Provides data to develop analysis to the Statistics Assistant and project management on the interaction of participants in the Moodle platform particularly, in pre and post-test, activity, evaluation, learning, among others. Recommends applications, tools, schedules and concepts related to information technology to maximize project objectives, learning and services to participants
Liaison Officer and Promoter	Offer the products within the services of the proposal and distribute catalogs and advertising material. Direct search for potential entrepreneurs exposing promotions, and information about the products of the Business Development Center (CeDE). Verify the exposure of the proposal in the market and audits the marketing actions observing the return of the Investment. Evaluate competition actions in products or services of incubated companies. Collaborate with promotional actions. Analyze the possibilities to increase the share of the proposal and brand of incubated companies.



Administrative Assistant- Additional Compensation	Ensure that the academic and operational resources that assist future entrepreneurs and entrepreneurs have what is necessary during their incubator process. Prepare in the English language various reports related to the program. Keeps the websites and social networks of the proposal up to date in the English language. Serves, guides and assists future entrepreneurs and entrepreneurs in the processing of different forms and/or documents necessary for their participation in the proposal. Prepare, draft and process certifications, letters of recommendations, administrative documents, among others.
Statistics Assistant- Additional Compensation	Manages the measuring instruments. Develops results analysis using software specialized in statistics and produce summaries of the results obtained. Assists with the preparation and updating of research protocols. Manages and maintains database using statistical packages such as SPSS and some up-to-date and accessible MS Office applications. Collaborates in the development of reports and presentations. Responsible for making quality control of questionnaires, informed consents, procedures with <i>Junta de Protección Seres Humanos en la Investigación</i> (JPSHI for its Spanish acronym), fieldwork and phone calls of the participants of the proposal or population under study.
Graphic Designer- Additional Compensation	Creates visual concepts for advertising according to the guidelines and plans of the proposal. Develops visual advertising strategies according to the proposed business development. Designs logos for entrepreneurs and digital marketing development. Designs websites for entrepreneurs and digital marketing development. Develops infographics and all kinds of digital advertising. Designs product packaging and wraps. This position is exclusively for UPR-H employees.
Graphic Designer	Creates visual concepts for advertising according to the guidelines and plans of the proposal. Develops visual advertising strategies according to the proposed business development. Designs logos for entrepreneurs and digital marketing development. Designs websites for entrepreneurs and digital marketing development. Develops infographics and all kinds of digital advertising. Designs product packaging and wraps. This position is exclusively for non UPR-H employees.



Translator	A language translator for the courses will be hired if requested. In addition, A Sign Language translator is needed, who will interpret the courses offered in the Project to promote the understanding of those participants who are deaf, or with some other hearing disability. Also, they will support this community with disabilities in the interpretation of everything related to compliance with the requirements of the Project.
Lecturers with Master Degree	Responsible for the design and delivery of training workshops, conferences and seminars in accordance with the assigned topics and the established modality. They must also develop evaluation tools to measure the learning and development of the participants and deliver a report of the results.
Lecturers with Doctoral Degree	Provide the general education curricular core of the course and its specialty. They encourage participants to weigh the contributions of knowledge, to appropriate its epistemological scaffolding and its conceptual, historical and social foundations, which will allow him/her to incorporate and organize the knowledge in his/her specialty. They will enable the student to assume the multiplicity of professional and social responsibilities presented by the contemporary situation in the business world.
Mentors	Give practical advice in their expertise discipline area, sharing resources, and caring about the participants' success. Develop a relationship in which them, being a more knowledgeable or experienced professional, provide individualized advice and nurture the professional development or growth of entrepreneurs and business men and women. Will contribute in the improvement of the training process of participants and will support those who already have an operating business in their acceleration process and professional development.
Legal Professional	Lawyers to address all legal aspects for the program
Accounting Professional	Accountant to address all aspect of accounting for the program.
Relations & Project Marketing Professional	Services for the recruitment of participants and entrepreneurs for the program.



Audiovisual Technician-Additional Compensation	In charge of the development and production of educational platforms, materials, as well as audiovisual events and filming to be carried out in the execution of the Project. In order to offer the Project courses, professionals related to audiovisual services, photography, mobile application programmers and technological processes, editors and others.
Faculty Senior Academic Release Time	Coordinates the financial side and compliance with the rules and regulations of the Institution. Coordinate training programs for future entrepreneurs and business owners, as well as recommend and justify the selection of equipment and material to be used. Carry out methodological, academic, global and conceptual design administration of the systems and/or projects of face-to-face, hybrid and distance education.

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EXHIBIT D – SECTION 1

BUDGET

SMALL BUSINESS INCUBATORS AND ACCELERATORS

UNIVERSITY OF PUERTO RICO IN HUMACAO

DESCRIPTION SERVICES

The Department of Business Administration (DAE) of the University of Puerto Rico in Humacao (UPRH) and its Business Development Center (hereinafter CeDE), an incubator/business accelerator, is presented for consideration to provide services and research to entrepreneurs, government agencies and members of disadvantaged communities with an interest in developing small or medium-sized enterprises, and providing an opportunity to:

1. Develop from the idea and opportunity to the establishment and operation of a small business, to about 500 entrepreneurs.
2. Maximize the use of the Lean Start-Up methodology to discover which products or services will succeed in the market.
3. Expand opportunities and access to programs of studies, Management, Human Resources, Accounting and International Trade, for the achievement of high quality intellectual, professional and cultural preparation to students and participants from 16 villages below the poverty level, in the Eastern Central Region (Humacao, Las Piedras, Caguas, Yabucoa, Juncos, San Lorenzo, Gurabo, Rio Grande, Luquillo, Naguabo, Fajardo, Maunabo, Patillas, Ceiba, Culebra and Vieques).
4. Impact communities identified in our program such as mother heads of households, battered women, school dropouts, and single parents with underage children, so they can put government dependence aside, and enter the world of work through economic self-reliance.
5. To promote creative management aimed at increasing, through new strategies and actions, educational offers in a variety of teaching methodologies. Inverted Classroom, a pedagogical model in which the traditional elements of the lesson taught by the teacher are reversed: primary educational materials are studied by students remotely and then worked in the classroom. Also, Project Based Learning (ABP) that allows students to acquire key knowledge and competencies through the development of projects that respond to real-life problems (business project).



6. Strengthen the quality of ventures at their earliest stage, providing participants with academic, technical, physical and economic advice to achieve the successful development of business opportunities.

7. Favor and promote the birth of a new generation of young entrepreneurs and provide controlled conditions for the emergence and growth of a new company or entity.

8. Support the creation of companies related to scientific or technological innovation that makes it possible to gestate a new product, service or process.

9. Improve the performance of existing companies or become parallel projects.

10. Offer mentoring, training and certification services for participants.

11. Provide software and teaching materials for educational purposes, which facilitate the management and operational productivity of incubated companies.

12. Provide materials, equipment, supplies and other materials necessary for participants.

As a business development program focused on developing, envisioning, and evolving minority sectors in the island's southeastern region, the Center of Business Development (CeDE), the business incubator, will grant consultancy and technical assistance incubation or acceleration of small entrepreneurs.

The proposal's income is intended to serve and empower economically disadvantaged sectors to help the Commonwealth of Puerto Rico. In being able to meet unmet needs as a result of Hurricanes Irma and María. The proposal contemplates offering services to over 500 entrepreneurs in an incubation process that generates an entrepreneurial ecosystem.

The budget is assigned according to the goals and objectives of the proposal and focused on reach minority groups like women, low-income sectors, unemployed, students, among other individuals in the cities of Humacao, Yabucoa, Maunabo, Patillas, Las Piedras, Naguabo, Ceiba, Fajardo and San Lorenzo. The budget is assigned according to the regulations and purposes of the grant.

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STAFFING

Position	Qty. of Resources [A]	Estimated Months Needed [B]	Estimated Hours per month per Resource [C]	Maximum Hourly Rate [D]	Estimated Monthly Cost [E=AxCxD]	Cost of Staff Position [F=BxE]
Project Director-Additional Compensation (First year)	1	9	41.00	\$63.02	\$ 2,583.82	\$ 23,254.38
Project Director-Additional Compensation (Second and Third Year)	1	18	80.00	\$63.02	\$ 5,041.60	\$ 90,748.80
Project Director-Summer Salary	1	4.25	162.50	\$63.02	\$ 10,240.75	\$ 43,523.19
CO PD Compensation	1	27	162.50	\$54.64	\$ 8,879.00	\$ 239,733.00
CO PD Summer Salary	1	3	162.50	\$47.76	\$ 7,761.00	\$ 23,283.00
Financial Oversight	1	36	81.25	\$34.35	\$ 2,790.94	\$ 100,473.75
Faculty Senior Academic Release Time (First year)	1	9	41.00	\$49.01	\$ 2,009.41	\$ 18,084.69
IT Faculty Senior Additional Compensation (Second and Third Year)	1	18	81.25	\$53.69	\$ 4,362.31	\$ 78,521.63
IT Faculty Senior-Summer Salary	1	1	162.50	\$53.69	\$ 8,724.63	\$ 8,724.63
Liaison Officer and Promoter	1	36	41.00	\$34.35	\$ 1,408.35	\$ 50,700.60
Administrative Assistant-Additional Compensation	1	36	80.00	\$21.47	\$ 1,717.60	\$ 61,833.60
Statistics Assistant-Additional Compensation	1	36	40.00	\$14.50	\$ 580.00	\$ 20,880.00
Graphic Designer-Additional Compensation	1	18	40.00	\$16.36	\$ 654.40	\$ 11,779.20
Graphic Designer	1	36	81.25	\$21.79	\$ 1,770.44	\$ 63,735.75
Translator	1	36	40.00	\$25.03	\$ 1,001.20	\$ 36,043.20
Lecturers with Doctoral Degree	7	36	4.50	\$109.05	\$ 3,435.08	\$ 123,662.70
Lecturers with Master Degree	3	36	4.50	\$81.79	\$ 1,104.17	\$ 39,749.94
Mentors	13	36	8.00	\$63.00	\$ 6,552.00	\$ 235,872.00
Legal Professional	1	18	40.00	\$54.53	\$ 2,181.20	\$ 39,261.60
Accounting Professional	1	18	40.00	\$54.53	\$ 2,181.20	\$ 39,261.60
Relations & Project Marketing Professional	1	18	40.00	\$54.53	\$ 2,181.20	\$ 39,261.60
Audiovisual Technician-Additional Compensation	1	18	25.00	\$21.79	\$ 544.75	\$ 9,805.50
Total Maximum Monthly Cost:					\$ 77,705.03	
Total Cost for 3 Years (36 Months):						\$ 1,398,194.35

*Estimate amount in hours and monthly cost could vary based on actual need and work performed on the program



The staff in charge of the proposal's administration and operationalization includes 8 professionals from different specialties and experiences. The functions and responsibilities of each of the professionals seek to achieve the objectives outlined in the entrepreneurs' development and incubation proposal. These include positions for the program's administration, design of the training processes, marketing and brand design. Likewise, people in charge of the measurement and dissemination of the results are included. Lecturers include approximately 14 professionals who are responsible for the design and development of workshops, conferences, and seminars.

PROFESSIONAL
SERVICES

Services Name	Services Description	Budget
Evaluations Services	Evaluator for the program to ensure to comply with all federal regulations.	\$ 45,000.00
Marketing Services	Publication services in the media such as newspapers, television, web pages and promotional companies to promote the participants businesses.	\$ 20,000.00
Total Budget for Services to be Contracted:		\$ 65,000.00

The team under professional services will support the elements subscribed in the proposal of training programs, workshops, talks, preparation of documents, work plans, inventories, service forms, and reports. At the same time, they support entrepreneurs in their legal processes, registration, trademark management, and accounting processes, among other elements, besides serving as financial and compliance evaluators, those who ensure the processes' effectiveness, efficiency, transparency, and integrity.

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OTHER OPERATING/OTROS GASTOS OPERACIONALES


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Item Name/Articulo	Item Description/Descripcion	Budget
Workshop Supplies	The materials include workshop supplies as well as office supplies needed in the execution of the Project. These will be used to process all administrative and educational documents required by the proposal such as preparation of work plans, inventories, service forms and reports, educational and printing materials for the program such as text books in E-book format, folders with educational content (such as: compilation of government regulations, laws, manuals and flow charts, academic application mobile, didactic manual of entrepreneurship and quality management in service, forms of information management), portable memory drive to store documents in PDF, or to give participants materials such as notebooks, pencils, pens, course and training approval certifications, access to different subscriptions for entrepreneurs such as: DAFO, Business Plan, "De la idea al negocio", Mailchimp and Poster my Wall and ,other educational materials directly related to the trainings, among others. Office materials to perform the administrative functions of the project include, but are not limited to: pens, pencils, notebooks, sticky notes, paper, sheet protectors, index tabs, filing folders and tabs, hanging file folders, tape dispensers and tapes, staplers and staples, paper clips, binders, rubber bands, markers, erasers, correction fluids or correction tapes, USB and external memories, envelopes, manila envelopes, mailing labels, guillotine paper cutter, scissors, self-inking stamps, hole punchers, thermal laminator machine, thermal laminating pouches, and office forms. In addition, the operations require extensive production of printed material to be used in activities and events as well as reasonable promotional items and publications in local media. The office materials will be for the exclusive use of the Project, which will supply the necessary tools to the participants served.	\$ 140,000.00
Conference, Seminars & Trainings	Basic services for conferences, workshops, and seminars, directly related to the execution of the Program.	\$ 260,000.00
Rental Costs	Rental Costs to carry out Conferences and educational face to face activities such as the Graduation, Orientations of the Project, and other activities, in which conferences, seminars and trainings will be offer.	\$ 12,000.00
Travel & Per Diem	Mileage expenses and per diem of employees who will participate in the Census and fieldwork. Travel expenses will be calculated according to the travel expense policy of the UPRH.	\$ 36,000.00
Indirect Cost	De Minimis Rate of 10% will be used to request incurred indirect cost as established in the CFR200.414 for the program.	\$ 189,919.00
Total Expenses Budget/Gastos Totales:		\$ 637,919.00

The other expenses, as defined, serve as support to the offers to each entrepreneur of the program. It includes all the didactic material, resources, entrepreneurs' tools access, support networks, and exposure to events and trainings by our program award. Indirect costs are requested to cover the facilities and administration costs.



EQUIPMENT/EQUIPO

Item Name/Articulo	Item Description/Descripcion	Budget
Equipment	Computers, service provision tools, small business owner tools, copiers, fax machines. Plotter- for logos, stickers and all kinds of promotional material for the Project and for the participants, Tri-dimensional printer- to develop ideas into prototypes, Full-color industrial photocopier - for promotions of the business of participants and development of project promotions and for the participants, Tri-dimensional printer- to develop ideas into prototypes, Full-color industrial photocopier - for promotions of the business of participants and development of project promotions.	\$ 201,093.75
Software	Tools to help strengthen the decision making and the compliance with government agencies.	\$ 140,000.00
Sub Total Expenses Budget/Gastos Totales:		\$ 341,093.75

These funds are intended to strengthen the technological tools and the participants' didactic experience with the acquisition of equipment designed to facilitate their ventures' development processes. The equipment, rentals and solutions are to help the future entrepreneur and owners from the incubator and are necessary for the operations of the entrepreneurs and business owners. This item is necessary to help maintain a constant and direct relationship with their customers.

PROJECT ACTIVITY DELIVERY COSTS		
Staff	Salaries and benefits costs that are directly associated with implementing the Program.	\$ 1,398,194.35
Professional Services	Legal, Accounting, Evaluator and Advertising Services for the program.	\$ 65,000.00
Other Operating	Operational costs such as travel, workshop supplies, trainings, indirect cost, etc.	\$ 637,919.00
Equipment	Equipment necessary for participants to complete business Incubation/acceleration	\$ 341,093.75
TOTAL COSTS		\$ 2,442,207.10
GRAND TOTAL		\$ 2,442,207.10



PRDOH reserves the right to adjust funding levels for each grantee and the allocation of the funding amounts for each planning component. Once Applicants are selected for award, PRDOH will determine the total amount to be awarded to any subrecipient, based upon the scope of services to be provided, funds available, and other factors that PRDOH may determine.

Budget Re-distribution

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

END OF DOCUMENT



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EXHIBIT F

HUD GENERAL PROVISIONS

SMALL BUSINESS INCUBATOR AND ACCELERATOR PROGRAM (SBIA)

UNIVERSIDAD DE PUERTO RICO EN HUMACAO

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 Subrecipient Agreement. 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 (also referred to as the "Partner") 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 AGREEMENT shall be deemed to be inserted herein and the AGREEMENT 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 AGREEMENT 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 PRDOH reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this AGREEMENT, in instances where the SUBRECIPIENT or any of its subcontractors violate or breach any AGREEMENT term. If the SUBRECIPIENT or any of its subcontractors violate or breach any AGREEMENT term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the AGREEMENT documents, and the 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. 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 AGREEMENT, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

6. MAINTENANCE/RETENTION OF RECORDS

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 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).)

7. 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.

8. 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.

9. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The SUBRECIPIENT will comply with the provisions of Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives Federal funds or other Federal financial assistance. Programs that receive Federal funds cannot distinguish among individuals on the basis of race, color or national origin, either directly or indirectly, in the types, quantity, quality or timeliness of program services, aids or benefits that they provide or the manner in which they provide them. This prohibition applies to intentional discrimination as well as to procedures, criteria or methods of administration that appear neutral but have a discriminatory effect on individuals because of their race, color, or national origin. Policies and practices that have such an effect must be eliminated unless a recipient can show that they were necessary to achieve a legitimate nondiscriminatory objective.

10. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The SUBRECIPIENT shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

11. SECTION 504 OF THE REHABILITATION ACT OF 1973

The SUBRECIPIENT shall comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), as amended, and any applicable regulations.

The SUBRECIPIENT agrees that no qualified individual with a disability shall, solely on the basis of their disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance from HUD.

12. AGE DISCRIMINATION ACT OF 1975

The SUBRECIPIENT shall comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), as amended, and any applicable regulations. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to, discrimination under, any program or activity receiving Federal financial assistance.

13. 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.

14. CONFLICTS OF INTEREST

The SUBRECIPIENT shall notify the PRDOH as soon as possible if this AGREEMENT or any aspect related to the anticipated work under this AGREEMENT 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


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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.

15. 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 AGREEMENT.

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.

16. 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.

17. INDEMNIFICATION

The SUBRECIPIENT shall indemnify, defend, and hold harmless the Government of Puerto Rico and PRDOH, its agents and employees, from and against any and all claims, actions, suits, charges, and judgments arising from or related to the negligence or willful misconduct of the SUBRECIPIENT in the performance of the services called for in this AGREEMENT.

18. COPELAND "ANTI-KICKBACK" ACT

(Applicable to all construction or repair contracts)

Salaries of personnel performing work under this AGREEMENT 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 "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. § 874; and Title 40 U.S.C. § 276c). 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.

19. 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 (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 Contract Work Hours and Safety Standards Act, 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.

20. 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 AGREEMENT, 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.

21. 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 AGREEMENT, or if the SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this AGREEMENT, the PRDOH shall thereupon have the right to terminate this AGREEMENT 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 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.


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22. TERMINATION FOR CONVENIENCE

(Applicable to contracts exceeding \$10,000)

The PRDOH may terminate this AGREEMENT at any time by giving **at least ten (10) days'** notice in writing to the SUBRECIPIENT. If the AGREEMENT 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.


23. 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.
- 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


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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 Act, 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.

24. 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. chapter 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, 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.


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- 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.

25. 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).


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26. 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. Part 15 and 32, as amended, Section 508 of the Clean Water Act (33 U.S.C. § 1368) and Executive Order 11738.

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 40 C.F.R. 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 C.F.R. Part 15, as amended.
- 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.

27. ANTI-LOBBYING

(Applicable to contracts exceeding \$100,000)

By the execution of this AGREEMENT, 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


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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 Section 1352, Title 31, U.S. Code. 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.

28. BONDING REQUIREMENTS

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

The SUBRECIPIENT shall comply with Puerto Rico bonding requirements, unless they have not been approved by HUD, in which case the SUBRECIPIENT shall comply with the following 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.

29. 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 in 24 C.F.R. Part 75 regulations.


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- 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.
- 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


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to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

30. 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.

31. 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.*).

32. HATCH ACT

SUBRECIPIENT agrees to comply with mandatory standards and policies relating to Hatch Act, Public Law 76-252, as amended.

The Hatch Act applies to political activities of certain state and local employees. As a Puerto Rico Department of Housing PARTNER, you may do 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.

33. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with Sections 107 and 103 of the Contract Work Hours and Safety Standards Act. Section 107 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 the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation.

34. 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 AGREEMENT.

35. WITHHOLDING OF WAGES


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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 such employees for the total number of hours worked. The amount 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.

36. 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 AGREEMENT shall be promptly reported in writing by the SUBRECIPIENT to the PRDOH for the latter's decision, which shall be final with respect thereto.

37. 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.

38. 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 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 year thereafter.

39. 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.

40. 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.



41. POLITICAL ACTIVITY

The SUBRECIPIENT will comply with the provisions of the Hatch Act (5 U.S.C. § 1501 *et seq.*), which limits the political activity of employees.

42. RELIGIOUS ACTIVITY

The SUBRECIPIENT agrees to abstain from using any funds related to this Agreement for inherently religious activities prohibited by 24 C.F.R. § 570.200(j), such as worship, religious instruction, or proselytization.

43. 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 in the Flood Disaster Protection Act of 1973, 24 C.F.R. § 570.605.

44. LEAD BASED PAINT

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

45. 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).

46. 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,


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proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

47. 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 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



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EXHIBIT G

SUBROGATION AND ASSIGNMENT PROVISIONS

SMALL BUSINESS INCUBATOR AND ACCELERATOR PROGRAM (SBIA) UNIVERSIDAD DE PUERTO RICO EN HUMACAO

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 G**.
- 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 G** to the Subrecipient Agreement.

2. **Subrogation and Assignment Relating to Funds Received from the Puerto Rico Department of Housing – Small Business Incubator and Accelerator Program (SBIA)**

- 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


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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

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


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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.


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

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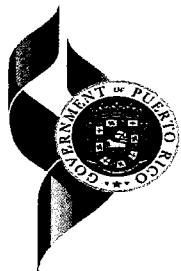


EXHIBIT I

SMALL BUSINESS INCUBATOR AND ACCELERATOR PROGRAM NON-CONFLICT OF INTEREST CERTIFICATION UNIVERSIDAD DE PUERTO RICO EN HUMACAO

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."

Signature

June 16, 2023

Date

Aida I. Rodríguez Roig

Printed Name

Chancellor

Position

UPR Humacao - AMENDMENT B - SBIA

Final Audit Report

2023-06-16

Created:	2023-06-15
By:	Arleene Rodríguez (amrodriguez@vivienda.pr.gov)
Status:	Signed
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"UPR Humacao - AMENDMENT B - SBIA" History

-  Document created by Arleene Rodríguez (amrodriguez@vivienda.pr.gov)
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-  Signer aida.rodriguez1@upr.edu entered name at signing as Aida I Rodriguez Roig
2023-06-16 - 4:40:15 PM GMT
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2023-06-16 - 7:02:12 PM GMT
-  Signer w.rodriguez@vivienda.pr.gov entered name at signing as William O. Rodríguez Rodríguez
2023-06-16 - 7:04:22 PM GMT
-  Document e-signed by William O. Rodríguez Rodríguez (w.rodriguez@vivienda.pr.gov)
Signature Date: 2023-06-16 - 7:04:24 PM GMT - Time Source: server
-  Agreement completed.
2023-06-16 - 7:04:24 PM GMT