GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

AMENDMENT A

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)
NON-FEDERAL MATCH PROGRAM

PRDOH REGISTERED
AUG 2 3 2024
2022-DR0123A
CDBG-DR CONTRACT ADMINISTRATION

AMENDMENT A TO THE SUBRECIPIENT AGREEMENT
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND THE
PUERTO RICO DEPARTMENT OF EDUCATION
Contract No. 2022-DR0123
Amendment No. 2022-DR0123A

This **AMENDMENT A TO THE SUBRECIPIENT AGREEMENT** ("**AMENDMENT A**") is entered into this 22 day of August, 2024, 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 LPRA § 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 Guaynabo, Puerto Rico; and the **PUERTO RICO DEPARTMENT OF EDUCATION** ("**Subrecipient**"), with principal offices at San Juan, Puerto Rico, represented herein by its Secretary, Yanira I. Raíces Vega, of legal age, married, and resident of Cataño, Puerto Rico; collectively the "**Parties**".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on August 23, 2021, the Parties executed a Subrecipient Agreement, Contract Number **2022-DR0123** ("**Agreement**"), for the amount of **THIRTY MILLION FOUR HUNDRED TWENTY-TWO THOUSAND ONE HUNDRED NINETY-FIVE DOLLARS AND FIFTY-SIX CENTS ($30,422,195.56)** for the Subrecipient to undertake its activities under the **Non-Federal Match Program** ("**Program**"). The Parties agreed on a performance period of **thirty-six (36) months** from the day of the execution of the Agreement, ending on **August 22, 2024**.

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 A** 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 A**.

WHEREAS, the Subrecipient has the legal power and authority to enter into this **AMENDMENT A** with the PRDOH in accordance with its enabling statute, Act No. 85-2018, known as the "Puerto Rico Education Reform Act", 3 LPRA § 9801 *et. Seq*, as amended. By signing this **AMENDMENT A**, the Subrecipient assures PRDOH that Subrecipient 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 A** subject to the following:

II. TERMS AND CONDITIONS

A. SAVINGS CLAUSE

The information included in this **AMENDMENT A** 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 A**. 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 utilize CDBG-DR funds to provide the non-federal cost share match for eligible subrecipients under federal grant programs. In order to achieve the Program goals, the Parties acknowledge and agree that it is necessary to amend and extend the **END TERM** of the Agreement until **December 31, 2025.**

In addition, modifications to the **GENERAL AWARD INFORMATION** table in **Section I., Section V. EFFECTIVE DATE AND TERM, Section XII. CDBG-DR POLICIES AND PROCEDURES, Section XIII. FORCE MAJEURE** and **Section XVIII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS** of the Agreement are being incorporated via this **AMENDMENT A.** Also, **Section XXXI. SYSTEM AWARD FOR MANAGEMENT (SAM) REGISTRATION, Section XXXII. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE** and **Section XXXIII. PUERTO RICO POLITICAL CAMPAIGN FINANCING OVERSIGHT ACT** are being added to the Agreement.

Updated versions of **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Budget), **Exhibit D** (Funds Certification), **Exhibit E** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements) and **Exhibit G** (Subrogation and Assignment Provisions) are being incorporated by reference to the Agreement as well.

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

As stated before, all other provisions of the original Agreement, including the total authorized budget, 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-18-DP-72-0001; B-19-DP-72-0001
CDBG-DR Grantee Federal Award Date:	February 21, 2020; July 7, 2021
CDBG-DR Grantee Unique Entity Identifier:	Unique Entity ID: FFNMUBT6WCM1

Federal Award project description:	See **Exhibit A** ("Scope of Work")
Subrecipient Contact Information:	Yanira I. Raíces Vega Secretary of Education Puerto Rico Department of Education PO Box 190759 San Juan, PR 00919-0759 (787) 773-5800
Subrecipient Unique Identifier:	Unique Entity ID #: KUHBF2X2EGN3
Subaward Period of Performance:	Start Date: Effective Date, as defined in **Section V** of the Agreement, as amended. End Date: **December 31, 2025**
Funds Certification:	Date: May 24, 2024 Authorized Total Amount: **$30,422,195.56** Funds Allocation: CDBG-DR "r02i21fem-doh-lm" CDBG-DR "r02i21fem-doh-un" CDBG-DR "r03i21fem-doh-lm" CDBG-DR "r03i21fem-doh-un" Account Number: 6090-01-000 See **Exhibit D** ("Funds Certification")

b. **Section II. ATTACHMENTS** of the Agreement is being amended to incorporate **Exhibit H** (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	Budget
Exhibit D	Funds Certification
Exhibit E	HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements
Exhibit F	Special Conditions
Exhibit G	Subrogation and Assignment Provisions
Exhibit H	*Non-Conflict of Interest Certification*

c. **Section V. EFFECTIVE DATE AND TERM** of the Agreement is being amended as follows:

This Agreement shall be in effect and enforceable between the parties from the date of its execution. The performance period of this Agreement extends from the date of its execution, ending on ***December 31, 2025.***

The End of Term shall be the later of: (i) ***December 31, 2025****; (ii) the date as of which the Parties agree in writing that all Close-Out*

Requirements[1] *have been satisfied or, where no Close-Out Requirements are applicable to this Agreement, the date as of which the Parties agree in writing that no Close-Out Requirements are applicable hereto; or (iii) such later date as the Parties may agree to in a signed amendment to this Agreement.*

[...]

A. *Contract Extensions:*

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

d. **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 refers to the new **Exhibit H** (Non-Conflict of Interest Certification):

[...]

*Moreover, the **Exhibit H** ("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.*

e. **Section XII. CDBG-DR POLICIES AND PROCEDURES** as follows:

In addition to what is established in this SRA, the Subrecipient shall comply with all CDBG-DR/MIT 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, Personally Identifiable Information, Confidentiality, Language Access Plan, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR/MIT Website (https://recuperacion.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 Procurement Manual for the CDBG-DR,

1 "Close-Out Requirements" means all requirements to be satisfied by each party in order to close-out this Agreement and the CDBG-DR funds provided herein in accordance with applicable Requirements of Law, including the execution and delivery by one or more of the Parties of all close-out agreements or other legal instruments and the taking of any actions by one or more of the Parties in connection with such close-out, in any case as required under applicable Requirements of Law.

CDBG-MIT, and CDBG State Programs Regulation No. 9506 (effective on October 25, 2023), and reporting requirements as established by the PRDOH.

f. **Section XIII. FORCE MAJEURE** is being amended 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 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.

g. **Section XVIII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS** of the Agreement is being amended as follows:

A. Consolidation or Merger

In the event that the signing party (e.g., Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for consolidation or merger with another entity (private or public), by its discretion or otherwise, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov ***at least fifteen (15) days*** *prior to the effective date of the consolidation or merger. The notice shall include, but not be limited to, a description of: the expected effective date of the consolidation or merger; the name of each of the constituent entities moving to consolidate or merge into the single resulting or surviving entity; the proposed name of the resulting entity (in case of a consolidation) or the name of the surviving entity (in case of a merger) if necessary; reference to the projected capacity of the resulting or surviving entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement as well as its Exhibits or Attachments; and a brief summary of the proposed plan to achieve the transition of duties (Scope of Work or Scope of Services), tasks,*

and performance goals or requirements to the resulting or surviving entity.

Upon the consolidation or the merger becoming effective and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not be limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. ***No amendment to the Agreement will be necessary if the Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.***
Failure to comply with any of the before-mentioned conditions may result in the activation of the termination clauses provided in the Agreement.

B. Change of Name

In the event that the signing party (e.g., Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH initiates a change of name process, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov ***at least fifteen (15) days*** *prior to the effective date of such event. The notice shall include, but not be limited to, a description of: the expected effective date of the change of name; the proposed name; notify about inform of any change of address; and reference of any change in the capacity of the entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement, as well as its Exhibits or Attachments.*

Upon the change of name becoming effective and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment.

Failure to comply with any of the before-mentioned conditions may result in the activation of the termination clauses provided in the Agreement.

C. Dissolution

In the event that the signing party (e.g., Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for dissolution of the entity, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov ***at least fifteen (15) days*** *prior to the effective date of such event. The notice shall include, but not be limited to, a description of the expected effective date of the dissolution; and contact information of one or more of its directors, officials, or agents. Upon dissolution becoming effective and supporting evidence of such event is notified to PRDOH, termination of the Agreement will follow. Consequently, the signing party*

acknowledges and agrees to provide to the PRDOH, after termination of the Agreement, the assistance reasonably requested to facilitate the orderly transfer of responsibility for the performance of the tasks or services to the PRDOH or a third party designated by the PRDOH. Moreover, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH following the Agreement termination.

h. The Parties agree to add **Section XXXI. SYSTEM AWARD FOR 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.

i. The Parties agree to add **Section XXXII. 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.*

j. The Parties agree to add **Section XXXIII. PUERTO RICO POLITICAL CAMPAIGN FINANCING OVERSIGHT ACT** as follows:

Act No. 222-2011, known as the "Puerto Rico Political Campaign Financing Oversight Act", 16 LPRA §621-634, as amended, states that starting in January of each general election year, and until the general canvass of the general elections has been completed, and the official and final results thereof have been certified, any entity of the Government of Puerto Rico (Executive Branch, Judicial Branch, Legislative Branch, and Municipalities) is prohibited from disbursing public funds for the purpose of exposing achievements, accomplishments, projections, plans or messages and content for partisan or electoral political purposes that seek to highlight, or disfavor an aspirant, candidate, elected official, political party, or committee. This includes any advertisement or article that has been purchased, acquired, produced, or assembled prior to the year in which the general election is held, provided that it is to be disseminated during the election year, and regardless of whether the public funds used by the government entity come from the general fund, a special fund, federal funds, municipal funds, or any other source.

It will be the Subrecipient's responsibility to comply with the requirements set forth in Act No. 222-2011. Failure to comply with the provisions of this legislation and applicable regulations, as determined by a competent authority, may affect the disbursement of funds allocated under this Agreement.

k. **Exhibit A** (Scope of Work) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (**Attachment I**) to align the Exhibit to the Program Guidelines and Procedures.

l. **Exhibit B** (Timelines and Performance Goals) is being replaced by an updated version hereto incorporated by reference into the Agreement (**Attachment II**) to align the Exhibit to the Program Guidelines and Procedures.

m. **Exhibit C** (Budget) is being replaced by and updated version hereto incorporated by reference into the Agreement (**Attachment III**) to modify the Subrecipient's CDBG-DR local match budgets for each obligated Project Worksheet.

n. **Exhibit D** (Funds Certification) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (**Attachment IV**). Notwithstanding the aforementioned modification, the Total Authorized Budget for the Agreement remains the same (**$30,422,195.56**).

o. **Exhibit E** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (**Attachment V**).

p. **Exhibit G** (Subrogation and Assignment Provisions) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (**Attachment VI**).

q. A new **Exhibit H** (Non-Conflict of Interest Certification) is incorporated by reference into the Agreement. (See **Attachment VII**).

III. SEVERABILITY

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

IV. SECTION HEADINGS AND SUBHEADINGS

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

V. COMPTROLLER REGISTRY

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

the Comptroller's Office, under Act No. 18 of October 30, 1975, as amended by Act No. 127 of May 31, 2004.

VI. ENTIRE AGREEMENT

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

VII. FEDERAL FUNDING

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

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

PUERTO RICO DEPARTMENT OF HOUSING
CDBG-DR Grantee

By: _____
Name: William O. Rodríguez Rodríguez
Title: Secretary

PUERTO RICO DEPARTMENT OF EDUCATION
Subrecipient

By: _____
Name: Yanira I. Raíces Vega
Title: Secretary of Education

EXHIBIT A
SCOPE OF WORK
NON-FEDERAL MATCH PROGRAM
PUERTO RICO DEPARTMENT OF EDUCATION

1. Program Overview/Background

Hurricane Irma (EM-3384/DR-4336) and Hurricane María (DR-4339), catastrophically devastated Puerto Rico in September 2017. In response, the Federal Emergency Management Agency (**FEMA**) and other Federal awarding agencies began to provide immediate Federal disaster relief assistance to Puerto Rico, its municipalities, and eligible private nonprofit organizations to address the wide range of response and recovery needs facing the Island. Federal grant programs come with a Non-Federal share, or "local match," requirement, which can be met with HUD CDBG-DR funds. To facilitate and expedite recovery from Hurricanes Irma and María, the PRDOH Non-Federal Match Program (**NFMP**) has been established to use CDBG-DR dollars to supplement Federal grant funding provided to the eligible Subrecipient Island-wide. This Program and SRA address the local match requirements that the Subrecipient must meet to participate in the FEMA Public Assistance (**PA**) program and identify items PRDOH needs from the Subrecipient so that PRDOH can provide HUD-compliant match payments for eligible work for this entity.

The primary partners to PRDOH in the NFMP are the Central Office for Recovery, Reconstruction and Resilience (**COR3**) and Subrecipients who for Hurricane Irma have a twenty-five percent (25%) cost share requirement and for Hurricane María, generally a ten percent (10%) cost share for FEMA PA projects. PRDOH will be providing the majority of cost share for the FEMA Project Worksheets (**PWs**) associated with these disasters by working directly with COR3 to access data and provide the match payment and with Subrecipient who will provide documentation required by HUD so that PRDOH can ensure full HUD compliance and reimburse Subrecipient for their cost share.

2. National Objective

PRDOH anticipates that three (3) national objectives will be used in the NFMP. PRDOH will work with entities who are funded through this Program to evaluate the service area and determine the national objective for each project. PRDOH anticipates that the two (2) national objectives that will be used most frequently are Low-and-moderate-income (**LMI**)-area benefit and Urgent Need (**UN**).

Projects in the Program will meet of one of these national objectives:

- Benefit to **LMI** Persons (24 C.F.R. § 570.483(b))
- 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))

The Subrecipient shall certify, in the form requested by PRDOH, the qualifying activities in order to evidence that one (1) of the three (3) National Objectives has been met. Notwithstanding the above, the Subrecipient agrees to prioritize serving the LMI national objective.

3. Program Description

Like PRDOH's relationship with HUD, COR3 works directly with FEMA to implement all FEMA recovery programs, including the PA program, which is covered by this SRA. To minimize the burden on the Subrecipient of providing similar

documentation multiple times to both COR3 and FEMA, and to simplify the match reimbursement process, PRDOH and COR3 are collaborating to implement this Program, and COR3 has provided PRDOH with access to data and documentation that has previously been compiled and submitted to COR3 and FEMA.

Due to differing programmatic requirements between FEMA Public Assistance and CDBG-DR, PRDOH will in some cases need to work directly with Subrecipient to obtain additional documentation that is not contained in COR3 or FEMA's systems.

The FEMA PA Program is one (1) of the largest FEMA's recovery programs in terms of total dollars, as it provides grants to units of governments and nonprofit entities to rebuild and repair disaster-impacted facilities. FEMA categorizes work based on the type of facility that needs to be repaired or replaced following a disaster.

These categories are:

FEMA Public Assistance Category	Work Type
Category A – Debris Removal	Emergency Work
Category B – Emergency Protective Measures	Emergency Work
Category C – Roads & Bridges	Permanent Work
Category D – Water Control Facilities	Permanent Work
Category E – Building and Equipment	Permanent Work
Category F – Utilities	Permanent Work
Category G – Parks, Recreational, and Other	Permanent Work

As noted above, PA projects can also be categorized as either being for emergency, response-related work or for permanent, long-term recovery work. Emergency work takes place immediately after a disaster event and falls into two (2) FEMA categories while permanent work is done to repair or replace a damaged facility or asset and falls into five (5) categories. PA Applicants may have work at the same facility that is both response and recovery related; however, FEMA, when obligating funds, clearly segregates the scopes of work, so that funding is not being duplicated for the same scope.

4. Tasks

The Subrecipient agrees to complete all the required tasks described below, for which the PRDOH will provide the necessary technical assistance (**TA**) to complete them:

Task 1. Access to Documentation

Activity: A key area of compliance for HUD CDBG-DR projects is record-keeping and documenting that during HUD monitoring, all items needed to substantiate a reimbursement request are available for review. While PRDOH will first seek to obtain most documentation from materials that the Subrecipient has previously provided to COR3 and FEMA, some HUD-required materials may not be in the documentation previously provided and will need to be obtained directly from Subrecipients. This documentation may include detailed information on procurement processes and proof of payments to contractors and employees. PRDOH expects that most of these materials will be able to be provided through electronic means.

Deliverable: Throughout the life of the program, the Subrecipient will, as needed, provide PRDOH with the documentation PRDOH requires to determine program eligibility and compliance with HUD CDBG-DR specific

requirements so that PRDOH can issue a match payment to the Subrecipient for CDBG-DR eligible work. These requirements include environmental review, Civil Rights requirements, as defined below, Section 3, M/WBE, and Davis Bacon, among others.

Task 2. Participation in Mandatory Technical Assistance

Activity: A focus area for HUD is ensuring that PRDOH provides **TA** to Subrecipients who receive CDBG-DR funding. PRDOH will provide TA to Subrecipients throughout the life of the Program in order to ensure that areas that could pose challenges for documenting full programmatic compliance are addressed. TA workshops will initially cover broad federal cross-cutting areas that are applicable to both HUD and FEMA. These will be followed by TA on HUD-specific topics that are pertinent to applicable phases of Subrecipients' project portfolios.

Deliverable/Outcome: The Subrecipient agrees to participate in the TA workshops provided by the PRDOH to best ensure CDBG-DR compliance throughout the life of the Program. In the event that the Subrecipient decides to not participate in TA workshops, PRDOH reserves the right to place on hold, suspend or terminate the SRA and not provide corresponding reimbursement under the Program.

Task 3. Follow Procurement and Contractual Requirements

Activity: A key area of compliance is ensuring that procurements are done in a manner compliant with all applicable CDBG-DR requirements, and the corresponding contracts awarded include the required clauses. Due to the considerable amount of disaster recovery work that will take place and that will require CDBG-DR funding to cover the Non-Federal share, PRDOH will adopt the procurement validation completed by FEMA and COR3, in accordance with the Procurement Manual for the CDBG-DR, CDBG-MIT, and CDBG State Programs Regulation No. 9506 (effective on October 25, 2023).

The Subrecipient agrees to comply with all requirements established by FEMA and 2 C.F.R. §§ 200.318-200.327 and to provide any additional supporting documentation requested by PRDOH to comply with applicable policies and regulations for any work that is expected to receive CDBG-DR funding.

Furthermore, the Subrecipient understands that, if the appropriate procurement procedures are not followed, they may not be considered eligible for corresponding match payment.

Procurement processes validated by FEMA and/or COR3 will be stored under the PRDOH system of record and may be subject to monitoring or auditing by the PRDOH, HUD, or any other entity with such authority.

Deliverable/Outcome: The Subrecipient agrees to comply with all requirements established by FEMA and 2 C.F.R. §§ 200.318-200.327 and to provide any additional supporting documentation requested by PRDOH to comply with applicable policies and regulations. For all procurement processes corresponding to projects included within a PW, the Subrecipient shall also submit a certification to PRDOH indicating compliance with 2 C.F.R. §§ 200.318 – 200.327.

All contracts executed for services or work to be performed under a PW which will receive cost share funding, must include the standard CDBG-DR clauses to ensure compliance with Labor and Civil Rights requirements.

Task 4. Compliance with CDBG-DR Requirements: Section 3 & Minority/Women-Owned Business Enterprises (MWBE) Best Faith Efforts and Davis Bacon

Activity: Subrecipient agrees to participate in outreach events and utilize PRDOH resources to ensure compliance with Section 3, M/WBE, and other applicable hiring goals for projects funded through the Program. Subrecipient agrees to timely file all Section 3 compliance documentation, including but not limited to submission of any and all required reports and supporting documentation.

A key difference between FEMA and HUD funding, and an area of focus for HUD, is ensuring that best faith efforts for Section 3 take place and that Section 3, M/WBE, and Davis Bacon reporting is ensured by both Subrecipient and contractors.

One of the best ways to ensure that the spending targets and compliance are met is that prior to procurements taking place, Section 3 and/or M/WBE firms are considered and built into project teams. Throughout the life of the program, PRDOH will provide TA to the Subrecipient on Section 3, M/WBE, and Davis Bacon requirements so that the overall Program targets for PRDOH are met and best faith efforts are documented.

Deliverable/Outcome: Subrecipients will be required to participate in the TA workshops and may be required by PRDOH to participate or conduct other outreach events that are designed to ensure that CDBG-DR compliance with these requirements is achieved. In the event that the Subrecipient decides to not participate in TA workshops or engage in strategies that PRDOH develops to meet these goals of the Program, PRDOH reserves the right to place on hold, suspend and/or not provide reimbursement for PA projects being undertaken by Subrecipient. Subrecipients are advised that compliance with these focus areas may require that specific clauses are included in all service and construction contracts executed to carry out the work included in the PWs for which cost share is being provided.

Task 5. Submit Requests for Reimbursement and Provide Proof of Payment of Payments to COR3

Activity: A key area of focus for HUD is ensuring that CDBG-DR projects are reimbursement-based and that contractors who undertook work are paid for services provided. HUD requires that all documented costs were incurred and completed. As a result, PRDOH cannot approve CDBG-DR reimbursement for work that the Subrecipient undertook until it has obtained proof that the work was performed, completed and that this information is uploaded to PRDOH databases.

Upon completion of the work performed of the respective FEMA PW's scope of work with Non-Federal cost share, the Subrecipient shall submit to COR3 all required documentation to support expense, uploaded in COR3 Grant Management System (DRS). [1]To minimize the burden on Subrecipients of providing similar documentation multiple times, the Program will access, and download required documentation from COR3 database to ensure match payment eligibility. PRDOH shall request additional documentation from the Subrecipient to ensure CDBG-DR compliance. The Program cannot evaluate match payment eligibility without the required supporting documentation submission to COR3 database.

Deliverable: The Subrecipient shall submit to PRDOH the required documentation to support and request payment under the Program. Upon

[1] COR3 Chapter 7 Payment and Cash Management policies.

completion of the work performed of the respective FEMA P's scope of work with a potential match a payment, the Subrecipient agrees to submit to COR3 all required documentation to support FEMA/COR3 request for reimbursements and ensure FEMA PA compliance within **sixty (60) days** of the work performed. Such documentation will be provided in an electronic form uploaded to COR3 database and/or upon PRDOH additional request for information. The PRDOH will provide TA and guidance to instruct the Subrecipient about the required documentation. The Subrecipient shall submit to PRDOH proof of payment or work completed, as required and instructed by the PRDOH. PRDOH reserves the right to consider the PW ineligible for match payment if Subrecipient fails to comply with this task.

Task 6: Submit subsequent Request for Reimbursements required documentation associated to COR3 Advance Payments

Activity: Match Payment funded with CDBG-DR will be paid if eligible only for work completed and invoiced. As such, the cost share applicable to the COR3 FEMA PA advance payments shall be supported with required supporting documentation included in the subsequent Request for Reimbursement (RFR). For any Request for Advance (RFA) submitted to COR3 with the required cost share, the Program must ensure match payment compliance with required supporting documentation.

Deliverable: Upon completion of the work performed of the respective FEMA/COR3 Request for Advance with a potential match payment, the Subrecipient agrees to submit to COR3 all required documentation to support FEMA/COR3 request for reimbursement and ensure FEMA PA compliance within **forty-five (45) days** of receiving COR3 advance payment. Subrecipient shall notify PRDOH within **ten (10) days** of submission. The Program shall request additional information from the Subrecipient to ensure CDBG-DR compliance and support the match payment. PRDOH reserves the right to consider the PW ineligible for match payment if Subrecipient fails to comply with this task.

Task 7: Submit additional documentation requested via a Request for Information (RFI) as part of the Match Payment Evaluation Process

Activity: As part of the match payment compliance evaluation, the Program may request additional information to support CDBG-DR specific compliance requirements.

Deliverable: The Subrecipient shall be responsible for providing the requested documentation required by PRDOH through an RFI related to specific CDBG-DR Compliance Requirements **within fifteen (15) days** after receiving the RFI from PRDOH. Documentation shall be submitted to PRDOH in electronic means, when requested by PRDOH, and include the information requested by PRDOH. The PRDOH will provide TA and guidance to instruct the Subrecipient about the required documentation if necessary. PRDOH reserves the right to consider the PW ineligible for match payment if Subrecipient fails to comply with this task.

Task 8. Reporting

Activity: The Subrecipient will be responsible for submitting reports to the PRDOH to inform the status of tasks, PW progress, and metrics, and match payment status, as requested by PRDOH. Each report must be prepared in compliance with PRDOH's reporting requirements, using the report template provided by the Program.

Deliverable: Reports shall be submitted to PRDOH, when requested by PRDOH, and include the information requested by PRDOH.

Task 9. Closeout

Activity: The Subrecipient shall prepare a documentation package which will include all deliverables, reports, proofs of payments, and any other documents that the PRDOH may consider necessary to summarize, support and closeout the Subrecipient's tasks completed and match payments provided.

Deliverable: As required by the PRDOH, the Subrecipient will be responsible for submitting all the required documentation to record, reconcile and closeout the SRA.

5. Time Performance

All activities must be completed within the Term agreed upon in the SRA. More specific periods of performance for each scope of work within this SRA are shown in **Exhibit B (Timelines and Performance Goals)**.

6. Budget

The NFMP is providing the Subrecipient an initial amount of funds as specified in **Exhibit C (Budget)**. As additional FEMA PWs are obligated, PRDOH may budget additional funding through execution of budget modifications by way of an amendment. PRDOH reserves the right to de-obligate funding on a PW level should the PW fail to fully comply with CDBG-DR requirements or if the Subrecipient is deficient in following the established processes and/or submitting any additional information required within the timeframes stipulated under this SRA.

All funds provided to the Subrecipient are for Project Costs, which will be used for the coordination of Non-Federal share payments that the Subrecipient has incurred. There are no Administrative, Activity Delivery, Planning, or Staff Costs in this budget.

END OF DOCUMENT

EXHIBIT B
TIMELINES AND PERFORMANCE GOALS
NON-FEDERAL MATCH PROGRAM
PUERTO RICO DEPARTMENT OF EDUCATION

TASKS	DESCRIPTION	TIMEFRAME DATES	DELIVERABLES
Access to Documentation	The Subrecipient shall provide PRDOH with the documentation required to determine Program eligibility and compliance with CDBG-DR specific requirements.	**Within 10 days** after receiving a document request from PRDOH.	Submit the requested documentation to the PRDOH.
Participate in Mandatory Technical Assistance (TA)	Subrecipient agrees to participate in TA workshops provided by the PRDOH to best ensure CDBG-DR compliance throughout the life of the Program.	As established in the **Exhibit F (Special Conditions)** of the SRA.	Participation in mandatory TA will be documented by PRDOH upon the Subrecipient's participation. No deliverable is required.
Follow Procurement and Contractual Requirements	The Subrecipient shall comply will all procurement procedures set forth under 2 C.F.R. §§ 200.318 – 200.327 and any other CDBG-DR funding regulations for any procurement processes or contractual clauses under projects **(PW)** included under the SRA. See **Exhibit A (Scope of Work)** for additional information regarding compliance timeframes.	Throughout the duration of the SRA. **Within 10 days** after receiving a document request from PRDOH.	The Subrecipient shall submit all documentation related to completed procurement processes carried out for projects to be considered for CDBG-DR match payments, when the proper documentation is not available in FEMA or COR3 systems of record.
Compliance with CDBG-DR Requirements	Subrecipient must comply with all HUD, PRDOH and CDBG-DR requirements, including but not limited to Section 3, Section 504, Fair Housing Act, Minority/Women Owned Business Enterprises, and Davis Bacon Act, as applicable. Subrecipient shall reference specific compliance timelines included in the Program Guidelines.	As established in the SRA and required by the PRDOH and the CDBG-DR Program.	The Subrecipient shall submit all reporting required to comply with CDBG-DR requirements within the compliance timeframes established by each process.

TASKS	DESCRIPTION	TIMEFRAME DATES	DELIVERABLES
Submit Requests for Reimbursements and Provide Proof of Payments to COR3	The Subrecipient shall submit to COR3 all required documentation to support and request a match payment, in addition to any required proof of payments	Submit Requests for Reimbursements and provide Proof of Payments within **60 days** of completion of the work being invoiced.	The Subrecipient shall submit to COR3 all required documentation to support and request a match payment, in addition to any required proof of payments.
Submit subsequent Request for Reimbursements required documentation associated to COR3 Advance Payments[1]	For any Request for Advance (RFA) submitted to COR3 with required cost share, Subrecipient must submit the associated subsequent RFR to COR3 to support match payment and notify PRDOH.	Submit subsequent Request for Reimbursement with required documentation associated to the Request for Advance (RFA) **within 45 days** of receiving COR3 advance payment and notify PRDOH **within 10 days** of submission.	The Subrecipient shall submit to COR3 all required documentation to support and request a match payment, in addition to any required proof of payments.
Submit additional documentation requested via a Request for Information (RFI) as part of the Match Payment Evaluation Process [a]	The Subrecipient shall provide the requested documentation required by PRDOH through an RFI related to specific CDBG-DR Compliance Requirements.	**Within 15 days** after receiving the RFI from PRDOH.	Submit the requested documentation and/or information to the PRDOH.
Reporting	The Subrecipient will be responsible for submitting reports to the PRDOH to inform status of tasks and match payment status.	The Subrecipient will be responsible for submitting status of tasks and match payment status to PRDOH as requested.	The Subrecipient shall submit requested reports in the template provided by the PRDOH.
Close-out	The Subrecipient shall prepare a documentation package which will include all deliverables, reports, proofs of payments, and any other documents that the PRDOH may consider necessary to summarize, support and closeout the Subrecipient's tasks completed and match payments provided.	Upon **60 days** of completion of the entirety of PW's included in this SRA, as required by PRDOH.	Project Closeout Binder including all documentation, reporting, proofs of payment, and any other information deemed necessary by the PRDOH.

[1] Match payment funded with CDBG-DR will be paid only for work completed and invoiced. As such, cost share applicable to the COR3 advance payments shall be supported with required supporting documentation included in the subsequent Request for Reimbursement (RFR).

The Subrecipient shall develop workplans, schedules, reports and/or any other document as may be requested by PRDOH or its Representative in connection to the above timelines and performance goals. The Subrecipient shall submit any such documents for review and approval as requested by the PRDOH within the specified time frame provided for such request. PRDOH reserves the right to request any information to the Subrecipient as part of the Grantee's responsibilities.

Notes:

[a] Subrecipient understands that if it fails to comply with this task, it may result in the PW being determined ineligible for match payments.

END OF DOCUMENT

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT III

EXHIBIT C

BUDGET

NON-FEDERAL MATCH PROGRAM

PUERTO RICO DEPARTMENT OF EDUCATION

DESCRIPTION OF SERVICES

The PRDOH Non-Federal Match Program (NFMP) will provide a budget of **thirty million four hundred twenty-two thousand one hundred ninety-five dollars and fifty-six cents ($30,422,195.56)** for activities in this Subrecipient Agreement, dedicated toward facilitating a drawdown of CDBG-DR funds to support a match payment for the FEMA Public Assistance (PA) Program currently obligated Project Worksheets (PWs) as listed in the table below.

The NFMP will utilize data provided by FEMA and COR3 for the PA Program to determine HUD eligibility, creating a project file with sufficient supporting documentation that will allow PRDOH to submit a request for CDBG-DR funds.

Activity Delivery Costs – No Activity Delivery costs are to be incurred by the Subrecipient under this Agreement.

Planning – No Planning Costs are provided for this program, as FEMA has obligated projects through the PA program via project worksheets (PWs) to each applicant. Also, the PRDOH only provides the match, or Non-Federal share reimbursement, for work that has been performed by eligible applicants, so planning-related activities have already occurred.

Project Costs – the Subrecipient and PRDOH have agreed that **thirty million four hundred twenty-two thousand one hundred ninety-five dollars and fifty-six cents ($30,422,195.56)** of the CDBG-DR funds requested for the NFMP will be directed toward Project Costs and considered as the budget for this Agreement. Project Costs will be used as the local match for the project's current Non-Federal share.

Administrative Costs – No Administrative costs are to be incurred by the Subrecipient under this Agreement.

Outside of the Subrecipient's assistance to PRDOH through its scope of services in the form of additional documentation required, PRDOH will perform all eligibility reviews. PRDOH will also obtain and collect documentation from FEMA and COR3 data sources and as needed will contact the Subrecipient for additional documentation required in connection to the eligibility review. PRDOH also has the primary responsibility to engage with the Subrecipient in the Program and to provide Technical Assistance (TA).

The following table provides current totals for all of the Subrecipient's CDBG-DR local match budgets for each obligated Project Worksheet:

PW Number (Version) [1]	FEMA Category	Total Subaward Amount	Federal Share %	Federal Share Amount	Non-Federal Share %	Non-Federal Share Required Amount (Estimated) [2]	Non-Federal Share Allocated Amount (Estimated) [3]
Funding under CDBG-DR Grant Agreement Allocation							
4339-00623(1)	B	$46,534,668.00	90%	$41,881,201.21	10%	$4,653,466.79	
4339-00620(1)	B	$45,430,079.00	90%	$40,887,071.10	10%	$4,543,007.90	
4339-00619(1)	B	$43,548,099.00	90%	$39,193,289.10	10%	$4,354,809.90	
4339-00621(1)	B	$39,178,461.00	90%	$35,260,614.90	10%	$3,917,846.10	
4339-00622(1)	B	$39,086,940.00	90%	$35,178,246.00	10%	$3,908,694.00	
4339-00618(1)	B	$38,352,675.00	90%	$34,517,407.51	10%	$3,835,267.49	
4339-00617(1)	B	$34,884,400.00	90%	$31,395,960.00	10%	$3,488,440.00	
4339-00625(1)	B	$13,820,937.00	90%	$12,438,843.30	10%	$1,382,093.70	
4339-00526(2)	E	$2,238,000.00	90%	$2,014,200.00	10%	$223,800.00	
4339-08447(0)	B	$740,615.00	90%	$666,553.50	10%	$74,061.50	
3384-00095(1)	B	$95,646.36	75%	$71,734.77	25%	$23,911.59	
4339-00999(0)	B	$167,965.92	90%	$151,169.33	10%	$16,796.59	
						Subtotal:	$10,608,562.73
Funding under Infrastructure Unmet Needs Grant Agreement Allocation [4]							
4339-09508(0) [5]	F	$198,136,328.28	90%	$178,322,695.45	10%	$19,813,632.83	
						Subtotal:	$19,813,632.83
						Total:	$30,422,195.56

Notes on budget:

(1) PW Numbers included in this table are representative of the PWs for which the budget allocation was based on and should not be interpreted as a definitive list of PW Numbers to receive disbursement under this Agreement. Additional PWs may receive match disbursement, as needed by the Subrecipient, the Program, or the PRDOH. Changes to the PWs listed may be reconciled through subsequent amendments to this Agreement.

(2) "Non-Federal Share Required Amount (Estimated)" represents the current maximum cost share corresponding to each PW currently obligated by FEMA PA. The amount included should not be interpreted as a capped cost for disbursement under a specific PW. The Non-Federal Share Allocation under this Agreement shall be based on the actual needs of each PW, which may be affected by changes in project formulation, modification, obligation or de-obligation made by FEMA. Changes to the Non-Federal Share Amounts listed may be reconciled through subsequent Amendments to this Agreement.

(3) "Non-Federal Share Allocated Amount (Estimated)" is the amount allocated under this Agreement as supported by the PWs included in this table. This amount shall not be interpreted as the total sum of Non-Federal Share Required Amounts for each PW, but the total amount considered by the Program to be reasonable and necessary to cover the immediately required Non-Federal share. This amount should not be interpreted as a capped cost for disbursement under any specific PW, or the sum of any particular group of PWs. This allocation may be based on the Program's budget availability, Program or individual project needs, or any other parameter considered by the Program. Disbursement shall be based on the actual needs of each PW, which may be affected by changes in project formulation, modification, obligation or de-obligation made by FEMA. Changes to the Non-Federal Share Amounts listed may be reconciled through subsequent Amendments to this Agreement.

(4) The budget included and identified is in compliance with statute (Public Law [P.L.] 116-20) and Federal Register Notice requirements in regard to the use of the Community Development Block Grant Disaster Recovery (CDBG-DR) infrastructure unmet needs funds allocated under P.L. 116-2 to the Commonwealth of Puerto Rico.

(5) Corresponds to the FEMA Accelerated Award Strategy (FAAST) Parent Project Worksheet for the subrecipient.

END OF DOCUMENT

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT IV
EXHIBIT D-1
Contract Code: 2302-a
Type: Change Order A_V2
Original Registered Code: 2022-DR0123

CERTIFICATION OF FUNDS

Requested on behalf: CDBG-DR Director

The Finance Division certifies the availability of the following funds:

Contracting Of:	Puerto Rico Department of Education
Source of Funds:	**14.228 CDBG** Funds
For:	Amendment A to 2022-DR0123 NFM
Amount:	$0.00

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

Grant	Area / Project	Activity Code	Category Description	Account	Amount
B-18-DP-72-0001		r02i21fem-doh-lm	I - Program Subsidy	6090-01-000	-$13.869.542.40
B-18-DP-72-0001		r02i21fem-doh-un	I - Program Subsidy	6090-01-000	-$5.944.089.60
B-19-DP-72-0001		r03i21fem-doh-lm	I - Program Subsidy	6090-01-000	$13.869.542.40
B-19-DP-72-0001		r03i21fem-doh-un	I - Program Subsidy	6090-01-000	$5.944.089.60
					$0.00

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

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

Cesar Candelario Signed Date - 05/22/2024
Electronic Approval
Budget Manager

Jackzaira Vega Signed Date - 05/24/2024
Electronic Approval
Finance Director

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

EXHIBIT E

HUD GENERAL PROVISIONS AND OTHER FEDERAL STATUTES, REGULATIONS, AND PRDOH REQUIREMENTS
NON-FEDERAL MATCH PROGRAM
PUERTO RICO DEPARTMENT OF EDUCATION

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

These terms and conditions must be included in their entirety by the SUBCONTRACTOR in all purchase orders or subcontracts that are directly related to the SRA, even though some of the terms and conditions might not apply to a particular kind of purchase order or subcontract.

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

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

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

2. STATUTORY AND REGULATORY COMPLIANCE

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

3. BREACH OF SUBRECIPIENT AGREEMENT TERMS

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

4. REPORTING REQUIREMENTS

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

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

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

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

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

6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

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

7. DEBARMENT, SUSPENSION, AND INELIGIBILITY

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

8. CONFLICTS OF INTEREST

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

9. SUBCONTRACTING

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

(i) Placing unreasonable requirements on firms in order for them to qualify to do business;

(ii) Requiring unnecessary experience and excessive bonding;

(iii) Noncompetitive pricing practices between firms or between affiliated Companies;

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest;

(vi) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement; and

(vii) Any arbitrary action in the procurement process.

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

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

10. ASSIGNABILITY

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

11. COPELAND "ANTI-KICKBACK" ACT
(Applicable to all construction or repair contracts)

Salaries of personnel performing work under this SRA shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of 1934, 48 Stat. 948; (codified at 18 U.S.C. § 874; and 40 U.S.C. § 3145). The SUBRECIPIENT shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

12. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT
(Applicable to construction contracts exceeding $2,000 and contracts exceeding $2,500 that involve the employment of mechanics or laborers.)

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

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the CWHSSA, and the SUBRECIPIENTS and subcontractors shall comply with all

regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

13. DAVIS-BACON ACT
(Applicable to construction contracts exceeding $2,000 when required by Federal program legislation.)

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

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

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

14. TERMINATION FOR CAUSE
(Applicable to contracts exceeding $10,000)

If, through any cause, the SUBRECIPIENT shall fail to fulfill in a timely and proper manner his or her obligations under this SRA, or if the SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this SRA, the PRDOH shall thereupon have the right to terminate this SRA by giving written notice to the SUBRECIPIENT of such termination and specifying the effective date thereof, **at least five (5) days** before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the SUBRECIPIENT under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the SUBRECIPIENT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the SUBRECIPIENT shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the SUBRECIPIENT, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the SUBRECIPIENT for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the SUBRECIPIENT is determined.

15. TERMINATION FOR CONVENIENCE
(Applicable to contracts exceeding $10,000)

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

16. SECTION 503 OF THE REHABILITATION ACT OF 1973
(Applicable to contracts exceeding $10,000)

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

Equal Opportunity for Workers with Disabilities:

1) The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The SUBRECIPIENT agrees to take affirmative action to employ, advance in employment and

otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:

(i) Recruitment, advertising, and job application procedures;

(ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;

(iii) Rates of pay or any other form of compensation and changes in compensation;

(iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;

(v) Leaves of absence, sick leave, or any other leave;

(vi) Fringe benefits available by virtue of employment, whether or not administered by the SUBRECIPIENT;

(vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;

(viii) Activities sponsored by the SUBRECIPIENT including social or recreational programs; and

(ix) Any other term, condition, or privilege of employment.

2) The SUBRECIPIENT agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

3) In the event of the SUBRECIPIENT's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

4) The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the SUBRECIPIENT's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The SUBRECIPIENT must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the SUBRECIPIENT may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).

5) The SUBRECIPIENT will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the SUBRECIPIENT is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.

6) The SUBRECIPIENT will include the provisions of this clause in every subcontract or purchase order in excess of $10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Rehabilitation Act of 1973, as amended, as amended, so that such provisions will be binding upon each subcontractor or vendor. The SUBRECIPIENT will take such action with respect to

any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

17. EQUAL EMPLOYMENT OPPORTUNITY
(Applicable to construction contracts and subcontracts exceeding $10,000)

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

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

1) The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The SUBRECIPIENT shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, 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 Contracting Officer setting forth the provisions of this non-discrimination clause. The SUBRECIPIENT shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3) The SUBRECIPIENT will, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

4) The SUBRECIPIENT will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the SUBRECIPIENT's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5) The SUBRECIPIENT will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

6) The SUBRECIPIENT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

7) In the event of the SUBRECIPIENT's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the SUBRECIPIENT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

8) SUBRECIPIENT shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The SUBRECIPIENT will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the SUBRECIPIENT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the SUBRECIPIENT may request the United States to enter into such litigation to protect the interests of the United States.

18. CERTIFICATION OF NONSEGREGATED FACILITIES
(Applicable to construction contracts exceeding $10,000)

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

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

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

19. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS
(Applicable to contracts exceeding $100,000)

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

Federal Water Pollution Control Act (33 U.S.C. § 1368) and Executive Order 11738 of September 10, 1973.
In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

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

2) Agreement by the SUBRECIPIENT to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.

4) Agreement by the SUBRECIPIENT that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the SUBRECIPIENT will take such action as the government may direct as a means of enforcing such provisions.

20. ANTI-LOBBYING
(Applicable to contracts exceeding $100,000)

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

1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the SUBRECIPIENT, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the SUBRECIPIENT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

3) The SUBRECIPIENT shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts,

subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

21. BONDING REQUIREMENTS
(Applicable to construction and facility improvement contracts exceeding $100,000)

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

1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.

2) A performance bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the SUBRECIPIENT's obligations under such contract.

3) A payment bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

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

A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the in 24 C.F.R. Part 75 regulations.

C. The SUBRECIPIENT agrees to send to each labor organization or representative of workers with which the SUBRECIPIENT has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the SUBRECIPIENT's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training

positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

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 signed after this SRA.

F. The SUBRECIPIENT will certify that any vacant employment positions, including training positions, that are filled: (1) after the SUBRECIPIENT is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the SUBRECIPIENT's obligations under 24 C.F.R. Part 75.

G. Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

H. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

I. The SUBRECIPIENT agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

23. 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/MIT) 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 AntiDisplacement 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/MIT 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/MIT 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/MIT funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR/MIT funds to complete the project or an interdependent phase of the project. Subrecipients are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

24. 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.

25. 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*).

26. POLITICAL ACTIVITY

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

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

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

The SUBRECIPIENT may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions

from subordinates in support of political parties or candidates the office of special counsel operates a website that provides guidance concerning hatch act issues.

27. HEALTH AND SAFETY STANDARDS

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

28. PERSONNEL

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

29. WITHHOLDING OF WAGES

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

30. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

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

31. 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.

32. 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.

33. 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.

34. 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.

35. RELIGIOUS ACTIVITY

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

36. FLOOD DISASTER PROTECTION ACT OF 1973

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

37. LEAD BASED PAINT

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

38. 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).

39. GENERAL COMPLIANCE

The SUBRECIPIENT shall comply with all applicable provisions of the Housing and

Community Development Act of 1974, as amended, and the regulations at 24 C.F.R. § 570, as modified by the Federal Register notices that govern the use of CDBGDR/MIT funds available under this Agreement. See Federal Register Notice 83 FR 5844 (February 9, 2018). Notwithstanding the foregoing, (1) the SUBRECIPIENT does not assume any applicable of the PRDOH's responsibilities for environmental review, decision making, and action, described in 24 C.F.R. Part 58 and (2) the SUBRECIPIENT does not assume any applicable of the PRDOH's responsibilities for initiating the review process under the provisions of 24 C.F.R. Part 52.

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

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

The SUBRECIPIENT also agrees to comply with all other applicable Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines, whether existing or to be established, provided the same are applied to activities occurring after the date the policy or guideline was established, governing the Grant Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and any of the foregoing, the Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines shall control and this Agreement shall be interpreted in a manner so as to allow for the terms contained herein to remain valid and consistent with such Federal, State, and local laws, regulations, HUD Notices, policies and guidelines.
The SUBRECIPIENT shall also comply with applicable PRDOH's policies and guidelines as established in Program Guidelines and their amendments, if any, as found in the CDBG-DR Website (https://recuperacion.pr.gov/) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

40. DUPLICATION OF BENEFITS

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

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

41. DRUG-FREE WORKPLACE

The SUBRECIPIENT must comply with drug-free workplace requirements in 2 C.F.R. §§ 182.200 through 182.230 of the Drug-Free Workplace Act of 1988, 41 U.S.C. §§ 81018106.

42. HOLD HARMLESS

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

43. PRDOH RECOGNITION

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

44. LOGOS CLAUSE

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

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

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

46. FINANCIAL & PROGRAM MANAGEMENT

The SUBRECIPIENT shall expend and account for all CDBG-DR/MIT funds received under this Agreement in accordance with 2 C.F.R. § 200.302 and 2 C.F.R. § 200.303

and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

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

47. DOCUMENTATION AND RECORD KEEPING

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

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

48. ACCESS TO RECORDS

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

49. RECORD RETENTION AND TRANSMISSION OF RECORDS TO THE PRDOH

The SUBRECIPIENT shall retain all official records on programs and individual activities shall be retained for the greater of **five (5) years**, starting from the closeout of the grant between PRDOH and HUD, or the end of the affordability period for each housing activity, whichever is longer. If any other laws and regulations as described in 24 C.F.R. § 570.490 applies to a project, the record retention period may be extended. All records involved in litigation, claims, audits, negotiations, or other actions, which have started before the expiration date of their retention, will be kept until completion of the action and resolution of all issues or the end of the regular **five (5) years period**, whichever is longer. (See 2 C.F.R. § 200.334 and 24 C.F.R. § 570.490(d).)

Records shall be made available to PRDOH upon request.

50. CLIENT DATA AND OTHER SENSITIVE INFORMATION

In the event that the SUBRECIPIENT comes to possess client data and other sensitive information as a result of this Agreement, then the SUBRECIPIENT shall maintain client

data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to PRDOH monitors or their designees for review upon request.

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

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

51. CLOSE-OUT

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

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

52. AUDITS AND INSPECTIONS

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

53. SINGLE AUDIT

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

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

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

54. INSPECTIONS AND MONITORING

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

55. CORRECTIVE ACTIONS

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

56. NONDISCRIMINATION

The SUBRECIPIENT shall comply with 24 C.F.R. Part 6, which implements the provisions of Section 109 of Title I of the Housing and Community Development Act of 1974, 42 U.S.C. § 5309. Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

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

Part 8, which implement Section 504 for HUD programs, and the regulations of 24 C.F.R. Part 146, which implement the Age Discrimination Act for HUD programs.

The SUBRECIPIENT shall ensure that all CDBG-DR/MIT activities conducted by itself or its contractors are consistent with the applicable federal and local legal provisions, regulations, and policies that prohibit discrimination on the basis of race, creed, color, national origin, religion, sex, disability, familial status, actual or perceived sexual orientation or gender identity, marital status, or age, as established in the CDBG-DR Fair Housing and Equal Opportunity (FHEO) Policy for CDBG-DR Programs.[1]

57. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT

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

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

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

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

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

1) <u>General Compliance:</u>

The SUBRECIPIENT shall comply with the requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d *et seq.*, and 24 C.F.R. § 570.601 and § 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 C.F.R. § 1.4 apply to the use of these funds. The SUBRECIPIENT shall not intimidate, threaten, coerce, or discriminate against any person

[1] Follow the link for document access at the CDBG-DR Website: https://recuperacion.pr.gov/en/download/fair-housing-and-equal-opportunity-fheo-policy-for-cdbg-dr-programs/.

for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 C.F.R. Part 1, or because he or she has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 C.F.R. Part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 C.F.R. Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

2) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the SUBRECIPIENT assures that the program or activities described in this Agreement shall be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided shall be operated and administered in compliance with all requirements imposed by or pursuant to this 2 C.F.R. Part 1.

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

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

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

If the SUBRECIPIENT receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

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

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

heritage Americans, Asian- Americans, and American Indians. The SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

In compliance with the CDBG-DR/MIT Minority and Women-Owned Business Enterprise Policy (M/WBE Policy), the SUBRECIPIENT shall complete a utilization plan to identify how they plan on successfully achieving the contracting goals for MBE and WBE's. SUBRECIPIENT shall also complete quarterly reporting to provide information on contracting opportunities and payouts provided to WBE or MBE contractors or subcontractors. SUBRECIPIENT shall also document their efforts and submit those to PRDOH on a quarterly basis. See the M/WBE Policy, as found in the CDBG-DR Website (https://recuperacion.pr.gov/) which is herein included and made integral part of this Agreement, as it may be updated from time to time.

4) Notifications

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

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

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

59. LABOR STANDARDS

The SUBRECIPIENT shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, 42 U.S.C. § 5310, and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, as amended (40 U.S.C. § 3141, et seq.), and 29 C.F.R. Parts 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than eight (8) units.

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

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

60. CONDUCT

1) Contracts

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

2) Conflict of Interest

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

a. It is presumed that the SUBRECIPIENT is subject to state and local ethic laws and regulations related to the conduct of its officers, employees or agents engaged in the award and administration of this Agreement.
b. In the event the SUBRECIPIENT is not, the SUBRECIPIENT shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of this Agreement. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would rise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the Parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or Parties to sub Agreements. However, recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.
c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR/MIT assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-DR/MIT assisted activity, or with respect to the proceeds from the CDBG-DR/MIT assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of **one (1) year** thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the PRDOH, the SUBRECIPIENT, or any designated public agency.
d. Clause of Governmental Ethics Certification of Absence of Conflict of Interests - The SUBRECIPIENT certifies that: (1) No public servant of the PRDOH

has pecuniary interest in this contract. (2) No public servant of the PRDOH has solicited or accepted, directly or indirectly, for him (her), for any member of his family unit or for any other person, gifts, allowances, favors, services, donations loans or any other thing of monetary value. (3) No public servant of the PRDOH related to this transaction, asked for or accepted any good of economic value, from any person or organization as payment for the duties and responsibilities of his employment. (4) No public servant of the PRDOH has solicited, directly or indirectly, for him (her), any member of his family unit, neither for any other person, business or organization, any good of economic value, including gifts, loans, promises, favors or services in exchange for his(her) obligations and performance of said public employment, to influence or favor any organization. (5) No public servant of the PRDOH has kinship relationship, within the fourth degree of consanguinity and second by affinity, with nobody in public employment that has faculty to influence and to participate in the institutional decisions of this Agreement.

61. CITIZEN GRIEVANCES

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

62. TECHNICAL ASSISTANCE AND TRAININGS

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

63. DISASTER RELIEF ACCOUNT

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

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

64. 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

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT VI

EXHIBIT H
NON-CONFLICT OF INTEREST CERTIFICATION
NON-FEDERAL MATCH PROGRAM
PUERTO RICO DEPARTMENT OF EDUCATION

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 | *Date*

Yanira I. Raíces Vega | **Secretary of Education**

Printed Name | *Position*