



Estado Libre Asociado de Puerto Rico
Commonwealth of Puerto Rico
OFICINA DEL CONTRALOR
Office of the Comptroller
San Juan, Puerto Rico

13002019-
000059142333

CERTIFICACION
CERTIFICATION
SOBRE OTORGAMIENTO DE CONTRATO, ESCRITURA O DOCUMENTO RELACIONADO
REGARDING THE EXECUTION OF CONTRACTS, DEEDS AND OTHER RELATED DOCUMENT

[1] Número de Entidad: 1300
Entity Code

[2] Número del Contrato: 2019-000059
Contract Number

[3] Renovación Automática: No es Renovación Automática
Automatic Renewal

[4] Fecha de Otorgamiento: 1 de diciembre de 2018
Date of execution

[5] Fecha de Renovación: No es Renovación Automática
Date of Renewal

[6] Cuantía: 149,000.00
Amount

[7] Partidas Presupuestarias: CDBG-DR #B-17-DM-72-0001
Budgetary Accounts

[8] Código por Categoría y Tipo de Servicio: 20 - SERVICIOS PROFESIONALES | 20.0005 - SERVICIOS DE CONTABILIDAD
Category code and Type of Service

[9] ¿Es un contrato de privatización? (Ley 136-2003): NO
Is a privatization contract? (Act 136-2003)

[10] Código de Exento: 0-No Exento
Exempt Code

[11] Dispensa (Autorización de algún organismo del Gobierno):
Waiver (Authorization from another government entity)

[12] Vigencia desde: 1 de diciembre de 2018 hasta: 30 de junio de 2021
Effective date from:, to:

[13] Vigencia de la Renovación desde: No es Renovación Automática hasta: No es Renovación Automática
Renewal effective date from:, to:

[14] Número de Seguro Social o Identificación Patronal: 660-83-0970
Social Security or Identification Number

[15] Contratista(s): KRESTON PR, LLC
Contractor

[16] Representante de la Entidad: Lcdo. Fernando A. Gil Enseñat
Entity Representative

La presente certificación es en cumplimiento con Carta Circular promulgada por el Contralor de Puerto Rico. Esta no debe ser remitida a la Oficina del Contralor y debe archivarse en el expediente del Contrato.
(This certification is in compliance with the instructions issued by the Comptroller of Puerto Rico. This document should not be remitted to the Office of the Comptroller, and must be filed with the contract).

El suscribiente certifica haber otorgado hoy el contrato descrito en este documento y está de acuerdo con la información provista.
The undersigned, certifies that the contract described in this document was executed on this date and agrees with the above information.

[17] En (ciudad): SAN JUAN ,Puerto Rico , hoy 1 de diciembre de 2018
In (city) ,Puerto Rico , today

[18] Firma del Funcionario Principal de la Entidad:
Signature of the Chief Officer of the Entity:

Firma (Signature)

Lcdo. Fernando A. Gil Enseñat
Letra de molde (print)

Esta Certificación no constituye evidencia de que este contrato fue remitido a la Oficina del Contralor de Puerto Rico. Para asegurarse de que el contrato fue remitido a nuestra oficina deberá imprimir la Certificación de Envío de Contratos, Escrituras y Documentos Relacionados el cual contiene la fecha y número de envío. Para conseguir este documento, deberá seleccionar en el menú consultas y a su vez la búsqueda por envío.

*Presione para ver instrucciones (*Press to see instructions of this form)

CERTIFICO QUE ES UNA COPIA FIEL Y EXACTA DEL
DOCUMENTO ORIGINAL DEL CONTRATO Y DOCUMENTO
CONTENIDO QUE CONSTA EN EL ARCHIVO.

FECHA _____

FIRMA REPRESENTANTE AUTORIZADO
SECRETARIA ASUNTOS LEGALES
OFICINA DE CONTRATO
DEPARTAMENTO DE LA VIVIENDA

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING
PUERTO RICO PUBLIC HOUSING ADMINISTRATION



AGREEMENT FOR ACCOUNTING SERVICES
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
KRESTON PR, LLC

THIS AGREEMENT FOR ACCOUNTING SERVICES, (hereinafter referred to as the "Agreement") is entered into in San Juan, Puerto Rico, this 10 of December, 2018, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** (hereinafter, the "PRDOH"), a public agency created under Law Number 97 dated June 10, 1972, as amended, known as the Department of Housing Organic Act ("Organic Act"), with principal offices at 606 Barbosa Avenue, San Juan, Puerto Rico, herein represented by Hon. Fernando A. Gil-Enseñat, in his capacity as Secretary; and **KRESTON PR, LLC** (hereinafter, the "Contractor"), with principal offices in 1509 F D Roosevelt Avenue, Suite 303, Guaynabo, PR 00968-2612, herein represented by Frank Sánchez Ruiz, legal age, married, in his capacity as Managing Partner, CPA, and resident of San Juan, Puerto Rico.

WHEREAS, on September 20, 2017, Hurricane María slammed Puerto Rico causing catastrophic island wide damage, knocking out power, water and telecommunications for the entire island and its island municipalities. Hurricane María caused major structure and infrastructure damage to family homes, businesses and government facilities triggering the displacement of thousands of residents of the Island from their homes and jobs.

WHEREAS, under Public Law 115-56 of September 8, 2017, the total initial amount of \$1.5 billion dollars was allocated by the U.S. Department of Housing and Urban Development (HUD) for disaster recovery assistance to the Government of Puerto Rico under the Community Development Block Grant – Disaster Recovery Program (CDBG-DR).

WHEREAS, pursuant to a letter dated February 23, 2018 sent by the Governor of Puerto Rico to the Honorable Benjamin Carson, Secretary of HUD, the PRDOH is the governmental agency designated by the Governor of Puerto Rico as grantee of the CDBG-DR funds awarded to the Commonwealth of Puerto Rico.

WHEREAS, under Public Law 115-56 of September 8, 2017 the awarded funds must be used to address unmet needs for long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas of Puerto Rico.

WHEREAS, the PRDOH is interested in contracting Accounting Services that will support PRDOH objectives in the administration CDBG-DR.

WHEREAS, on September 27, 2018, the Contractor submitted a proposal (hereinafter collectively referred to as the "PROPOSAL"), which fully complied with the requirements set forth by the PRDOH. After having reviewed and evaluated the Contractor's Proposal, the PRDOH has determined the Contractor is the best choice to provide the required services at a reasonable proposed cost.

WHEREAS, the PRDOH desires to enter into an agreement with the Contractor to secure its services and accepts the Contractor's proposal, and the Contractor by its acceptance of the terms and conditions of this Agreement is ready, willing and able to provide the services contemplated under this Agreement.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the Contractor agree as follows:

I. TYPE OF CONTRACT

Contract Type: This is a fixed fee contract. Under this Agreement, Contractor will submit invoices to the PRDOH as the services are rendered pursuant to **Exhibit I - Professional Fees**. Any and all changes and/or modifications to this Agreement shall be in writing and must be signed by both parties.

II. TERM OF AGREEMENT

This Agreement shall be in effect and enforceable between the parties from the date of its execution and shall remain in effect until June 30, 2021.

III. SCOPE OF SERVICES

The CONTRACTOR will provide accounting services in compliance of 24 CFR Part 58 to encompass the entirety of the island from initiation to receipt of the Authority to Use Grant Funds from HUD. The services to be provided will be directed without limitation to the following:

1. Review Audit Financial Statements;
2. Review Lines of Credit and Bank Statements;
3. Review accounting related procurement documents;
4. Prepare a detailed report of findings.

The details of the services will be in accordance with those indicated in the Scope of Work, which is identified as **Exhibit II** which is fully incorporated herewith.

The PRDOH and the CONTRACTOR will agree on timeframes of performance for the PRDOH to receive the final detailed report of findings (setting forth the conclusions related to the review of audited financial statements, lines of credit, bank statements, and procurement documents) for each procurement process assigned to the CONTRACTOR. Delays beyond the timeframes of performance agreed upon may be subject to liquidated damages as set forth in Article IX of this CONTRACT.

IV. COMPENSATION AND PAYMENT

The PRDOH will pay the Contractor, for services performed under the term of this Agreement, a maximum amount not to exceed One Hundred Forty Nine Thousand dollars (\$149,000.00), account number CDBG-DR #B-17-DM-72-0001 // R01A01ADM-DOH-NA 4170-01-0000. The PRDOH will pay the Contractor according to the Professional Fees described in **Exhibit I**.

Such payment shall be compensation for all services required, performed and accepted under this Contract.

Any additional services requested and related to the scope of work of this contract not included in the term and conditions or other provisions that are justified and necessarily to complete the services requested by the PRDOH will be subject to funds availability and will require an amendment to this Agreement.

The Contractor will submit an invoice to PRDOH based on actual hours of services provided. Said invoice must be submitted including all required invoice supporting documents and a detailed report with a breakdown of all tasks completed regarding the services provided under the Contract.

An authorized representative of the PRDOH will review each invoice and, if adequate, will approve and process its payment. Payments to the Contractor shall be made by check or electronic funds transfer (EFT). PRDOH reserves the right to conduct any audit it deems necessary.

The Contractor will adhere to any requirements applicable to the CDBG-DR grant. Unallowable funds under the CDBG-DR grant or program will be disallowed from the fee or payment to the Contractors.

In order for the Contractor to receive payment for any work performed hereunder, the following certification must be included in each application for payment or invoice submitted to the PRDOH for payment:

"Under penalty of absolute nullity, I certify that no public servant of the government entity is a party to or has an interest in the profits or benefits that are the product of the contract subject of this invoice, and to be a party to or have an interest in the profits or benefits of resulting from the contract, under this invoice a prior dispensation has been issued. The sole consideration to furnish the contracted goods or services subject of the contract is the payment agreed upon with the authorized representative of the parties. The amount that appears in the invoice is fair and correct. The work has been performed, the products have been delivered and the services rendered, and no payment has been received for them."

The Contract will be paid from the account Disaster Relief Requirements, 2017 (Pub. L. 115-56) September 8, 2017.

V. ADDITIONAL SERVICES

Any modification for additional services shall not aggregate costs to the original amount described in Article IV. of this Contract to increase the cost of the purchase more than the threshold for Small Purchases pursuant to Article XVIII of the Procurement Manual and Contractual Requirements. Should additional services be needed by the PRDOH, such additional services shall be agreed to by the parties in a written document signed by both parties.

VI. OWNERSHIP AND USE OF DOCUMENTS

A. - With the exception of the Contractor's working papers, the Contractor acknowledges the PRDOH's ownership of all information, drafts, documents, reports, papers and other materials developed and prepared by the Contractor, its agents or representatives, for purposes of performing key obligations hereunder. In the event of any termination, the Contractor shall deliver such information, drafts, reports, papers and other materials to the PRDOH, in document form or as computer program data, and the Contractor recognizes the PRDOH's right to request such documentation or computer program data and if the Contractor fails to deliver said information, the PRDOH may seek a judicial order to enforce its rights.

B. - Proof of expenditures incurred by the Contractor on behalf of PRDOH shall be made available to PRDOH. The Contractor agrees to maintain accurate records and files of all contract documents, correspondence, book estimates, bills and other information related to the Contractor account. These documents shall be open for the PRDOH examination at all reasonable times during the term of this Agreement, and up to twelve (12) months after termination.

VII. NON-DISCLOSURE AND CONFIDENTIALITY

1. **Confidential Information; Definition:** The term Confidential Information as used throughout this Section, means any information concerning PRDOH operations and that of its Contractor (e.g., the projects, computer processing systems, object and source codes and other PRDOH business and financial affairs). The term Confidential Information shall also deem to include all notes, analysis, compilation, studies and interpretation or other documents prepared by Contractor, its agents or representatives, in connection with PRDOH operations.
2. **Non-Disclosure:** Contractor agrees to take all reasonable steps or measures to keep confidential all Confidential Information and will not, at any time, present or future, without PRDOH express written authorization, signed by the Secretary of the PRDOH, use or sell, market or disclose any Confidential Information to any third party, Contractor, corporation, or association for any purpose whatsoever. Contractor further agrees that, except as they relate to the normal course of the service, the Contractor will not make copies of the Confidential Information except upon PRDOH express written authorization, signed by an authorized representative of PRDOH, and will not remove any copy or sample of Confidential Information

without prior written authorization from PRDOH. Contractor retains the right to control its work papers subject to these confidentiality provisions.

3. **Return Documents:** Upon receipt of written request from the PRDOH, Contractor will return to PRDOH all copies or samples of Confidential Information which, at the time of the notice are in Contractor's or its agent's possession. Contractor reserves the right to retain a set of its work papers.
4. **Equitable Relief:** Contractor acknowledges and agrees that a breach of the provision of subparagraph 2 and 3 of this Section will cause PRDOH to suffer irreparable damage that could not be remedied or compensated adequately only by mere monetary retribution. Contractor further agrees that money damages may not be a sufficient remedy for any breach of this Section. Accordingly, the Contractor agrees that PRDOH shall have the right to seek injunctive relief and the specific performance of the provisions of this Section to enjoin a breach or attempted breach of the provision hereof, such right being in addition to any and all other rights and remedies that are available to PRDOH by law, equity or otherwise.

VIII. TERMINATION

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1. **Termination for Cause or Default:** The PRDOH may terminate this Agreement, in whole or in part, because of Contractor's failure to fulfill its obligations. The PRDOH shall terminate this Agreement by delivering to the Contractor a thirty (30) day notice of termination specifying the extent to which the performance of the service under this Agreement is terminated, the reason therefore and the effective date of termination. Upon receipt of such notice the Contractor shall immediately discontinue all services and deliver to the PRDOH all information, notes, drafts, documents, analysis, reports, compilations, studies and other materials accumulated or generated in performing the services contemplated in this Agreement, whether completed or in process. The PRDOH may withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the PRDOH by the Contractor.
 2. **Termination for Convenience:** The PRDOH may terminate this Agreement, in whole or in part, whenever the PRDOH determines that such termination is necessary or convenient to the Agency. The PRDOH will terminate this Agreement by delivering to the Contractor a thirty (30) day notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the Contractor shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination.
 3. **Termination by Unilateral Abandonment:** The PRDOH will consider this Agreement immediately terminated, in the event that the Contractor unilaterally and without prior notice, chooses to abandon (in any shape, form or fashion) cease and desist in the specific performance of its general and particular duties and responsibilities as agreed in this Agreement. Upon the knowledge of such event, the PRDOH will not be held liable and will immediately, automatically and retroactively deduct from any future reimbursement, all funds from the day such unilateral abandonment took place. The PRDOH will not be compelled to continue the performance of the Agreement, should the Contractor breach the Agreement by unilateral abandonment.
 4. **Unilateral Termination:** The PRDOH may terminate this Agreement, in whole or in part, at PRDOH's sole discretion, with or without cause, at any time. The PRDOH will terminate this Agreement by delivering to the Contractor a thirty (30) day notice of termination specifying the extent to which the performance of the work under this Agreement is terminated, and the effective date of termination. Upon receipt of such notice, the Contractor shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. In the event of a termination by Notice, the PRDOH shall be liable only for payment of services rendered up to and including the effective date of termination.
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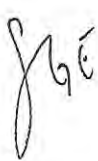
5. **Suspension:** The PRDOH may suspend this Agreement in whole or in part at any time for the PRDOH's convenience. The PRDOH shall give the Contractor five days' written notice of such suspension. Upon receipt of said notice the Contractor shall immediately discontinue all Services affected.
6. **Immediate Termination.** In the event the Contractor is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the Contractor shall be subject to an order, judgment, or opinion, issued by any federal or local authority, a court of applicable jurisdiction, or any governmental agency, in connection with the execution, delivery, and performance by the Contractor of this Agreement or the Contractor of this Agreement has been noncompliant, breach, inaccuracy of any representation, warranties, covenants, or the certifications provided herein, whether the noncompliance, breach or inaccuracy takes place before or after the execution of this Agreement, the PRDOH shall have the right to the immediate termination of this Agreement notwithstanding, any provisions to the contrary herein. This section will apply in the event of any judgment that may obligate the PRDOH to terminate the Agreement pursuant to Act Number 2 of January 2, 2018, as amended, known as the Anti-Corruption Code for the New Puerto Rico.

In the event that the grant of funds by HUD under any allocations of the CDBG-DR may be suspended, withdraw or canceled, this Agreement will be immediately terminated.

IX. PENALTIES AND LIQUIDATED DAMAGES

1. Penalties.

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- a. In the event the Contractor is determined to have engaged in any proscribed conduct or otherwise is in default as to any applicable term, condition, or requirement of this Contract, at any time following the Effective Date of the Contract, the Contractor agrees that, PRDOH may impose sanctions against the Contractor for any such default in accordance with Attachment D (Performance Requirements) and this Section. Refer to Procurement Manual and Contract Requirements, Art. XII, Section 2(a.), and all required provisions set forth at 2 CFR 200.326 and 24 CFR 570.489(g).
 - b. If the Contractor fails to comply with federal statutes, regulations or the terms and conditions of the Contract, PRDOH may take one or more of the following actions:
 - i. Temporarily withhold cash payments pending correction of the deficiency by the Contractor.
 - ii. Disallow all or part of the cost of the activity or action not in compliance.
 - iii. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180.
 - iv. Withhold further Federal awards for the project or program.
 - v. Take other remedies that may be legally available.

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2. **Liquidated damages.** CONTRACTOR shall pay to PRDOH, as liquidated damages, \$100.00 for each day that services are not delivered in accordance with agreed upon timeframes of performance for the tasks. Said sum, in view of the difficulty of accurately ascertaining the loss which PRDOH will suffer by reason of delay in the completion of the Work hereunder, is hereby fixed and agreed as the liquidated damages that PRDOH will suffer by reason of such delay. Liquidated damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the PRDOH's right to indemnification, or the Contractor's obligation to indemnify the PRDOH pursuant to this Agreement, or to any other remedy provided for in this Agreement or by Law. Liquidated damages may be assessed at the sole discretion of PRDOH. For the purpose of calculating such liquidated damages, a grace period of ten (10) days shall be observed. The PRDOH may deduct and retain out of the monies which may become due hereunder, the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages due to the PRDOH per the formula above, the Contractor shall be liable to pay the difference.

X. LIABILITY

In no event, the PRDOH shall be liable for any indirect, incidental, special or consequential damages, or damages for loss of profits, revenue, data or use, incurred by either party or any third party, whether in an action in contract or tort, even if the other party or any person has been advised of the possibility of such damages. Third parties operating under this program, with their agency, will have their own general civil and criminal liability imposed by law towards the PRDOH, the Contractor and any citizen.

The Contractor shall carry the insurance as are required by law (if applicable), as set forth below. The Contractor shall furnish PRDOH certificates of insurance.

XI. INSURANCE

1) Required Coverage

The Contractor shall keep in force and effect for the period beginning from the execution of the Agreement and ending at the completion of all services to be provided hereunder, insurance policies in compliance with the PRDOH's requirements.

(a) **State Insurance Fund Workmen's Compensation Insurance Policy- Statutory amount**

(b) **Comprehensive General Liability Insurance:** with the limits of liability for bodily injury and/or death of no less than \$1,000,000.00 for bodily injury and/or arising out of any one occurrence and \$2,000,000.00 general aggregate. The limits of liability for property damage shall not be less than \$1,000,000.00 for each occurrence and \$1,000,000.00 in the aggregate. PRDOH shall be named as additional insured on the insurance policy; Worker's Compensation and Employer's Liability is covered under the Comprehensive General Liability Insurance with the same limits. The Comprehensive General Liability shall include the following coverage:

- a. General Aggregate;
- b. Products & Complete Operations;
- c. Personal Injury & Advertising;
- d. Each Occurrence
- e. Fire Damage;
- f. Medical Expense;
- g. Employer's Liability Stop Gap;

(c) **Commercial Crime Coverage:** including employee dishonesty, forgery and alteration, theft, disappearance, and destruction, and computer fraud.

(d) **Comprehensive Automobile Liability insurance:** including hired cars and non-ownership coverage, covering bodily injury, death and property damage, with single and aggregate limits of liability of \$1,000,000.00. PRDOH shall be named as additional insured on the insurance policy.

(e) **Umbrella:** \$2,000,000.00.

(f) **Errors & Omission Liability**

Upon the execution of this Agreement, the Contractor shall furnish PRDOH with copies of the above-described insurance policies and any other evidence PRDOH may request as to the policies' full force and effect.

Any deductible amount, under any of the policies, will be assumed in whole by the Contractor for any and all losses, claims, expenses, suits, damages, costs, demands or liabilities, joint and several

of whatever kind and nature arising from the Contract resulting from this solicitation by and between the Contractor and PRDOH.

The PRDOH shall not be held responsible under any circumstances for payments of any nature regarding deductibles of any Commercial Liability Policies for the aforementioned contract.

2) Endorsements

Each insurance policy maintained by the Contractor must be endorsed as follows:

- a. PRDOH and its officers, agents and employees are named as additional insured (except Worker's Compensation) but only with respect to liability arising out of tasks performed for such insured by or on behalf of the named insured.
- b. To provide waiver of subrogation coverage for all insurance policies provided or herein in favor of PRDOH and its respective officers, agents and employees.
- c. The insurer shall be required to give PRDOH written notice at least ninety (90) days in advance of any cancellation or material change in any such policies.

The Contractor shall furnish to PRDOH, prior to commencement of the work, certificates of insurance from insurers with a rating by the A.M. Best Co. of A and 5 or over on all policies, reflecting policies in force, and shall also provide certificates evidencing all renewals of such policies. Insurers shall retain an A.M. Best Co. rating of A and 5 or over on all policies throughout the term of this Agreement and all policy periods required herein. The insurance company must be authorized to do business in Puerto Rico and be in good standing.

3) Related Requirements

The Contractor shall furnish original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date of Agreement. THE REQUIRED DOCUMENTATION MUST BE RECEIVED PRIOR TO THE CONTRATOR COMMENCING WORK. NO CONTRACTOR OR ITS AUTHORIZED REPRESENTATIVES ARE TO BEGIN THEIR RESPONSIBILITIES UNDER THE AGREEMENT PRIOR TO FULL COMPLIANCE WITH THIS REQUIREMENT AND NOTIFICATION FROM PRDOH TO PROCEED.

Renewal Certificates of Insurance or such similar evidence is to be received by the Procurement Department prior to expiration of insurance coverage. At PRDOH's option, non-compliance will result in one or more of the following actions: (1) The PRDOH will purchase insurance on behalf of the Contractor and will charge back all cost to the Contractor; (2) all payments due the Contractor will be held until the Contractor has complied with the contract; and/or (3) The Contractor will be assessed Five Thousand Dollars (\$5,000.00) for every day of non-compliance.

The receipt of any certificate does not constitute agreement by PRDOH that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with the requirements of the Agreement. The insurance policies shall provide for ninety (90) days written notice to be given to PRDOH in the event coverage is substantially changed, cancelled or non-renewed.

The Contractor shall require all subcontractors or consultants to carry the insurance required herein or the Contractor, may provide the coverage for any or all of its subcontractors and if so, the evidence of insurance submitted shall so stipulate and adhere to the same requirements and conditions as outlined above.

The Contractor expressly understands and agrees that whenever the Contractor is covered by other primary, excess, or excess contingent insurance that, any insurance or self-insurance program maintained by PRDOH shall apply in excess of and will not contribute with insurance provided by the Contractor under this Agreement.

XII. HOLD HARMLESS

The Contractor and its affiliates, its successors and assignees will indemnify the PRDOH from any damages and/or losses arising out of personal injuries or property damage resulting from any act of negligence or omission by the Contractor and its affiliates in connection with this Agreement.

XIII. FORCE MAJEURE

In the event of a fire, flood, earthquake, natural disaster, hurricane, riot, act of governmental authority in its sovereign capacity, strike, labor dispute or unrest, embargo, war, insurrection or civil unrest, any act of God including inclement weather, herein collectively referred to as Force Majeure during the term of this Agreement, neither the PRDOH nor the Contractor shall be liable to the other party for nonperformance during the conditions created by such event.

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

XIV. NOTICES

All notices required or permitted to be given under the Agreement shall be in writing, and shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, to the address as follows:

To: PRDOH

Hon. Fernando Gil-Enseñat
606 Barbosa Ave.
Juan C. Cordero Dávila Bldg.
San Juan, PR 00918

To: CONTRACTOR

Frank Sánchez Ruiz, CPA

KRESTON PR, LLC
1509 F D Roosevelt Avenue
Suite 303
Guaynabo, PR 00968-2612

XV. THIRD PARTIES

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action of a third party against either the PRDOH or the Contractor.

XVI. CERTIFICATION OF COMPLIANCE WITH LEGAL REQUIREMENTS

1. **Compliance with Num. OE 1991-24.** Pursuant to Executive Order Number OE-1991-24 of June 18, 1991, the Contractor certifies and guarantees that at the signing of this Agreement it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. The Contractor further certifies that it has complied and is current with the payment of any and all income taxes that are, or were due, to the Government of Puerto Rico. The Contractor shall hand out, to the satisfaction of the PRDOH, prior to the execution of this Agreement and whenever requested by the PRDOH during the term of this Agreement, the following documentation to support its compliance of this clause: Certification of Filing of Income Tax Returns (Model SC 6088); Debt Certification by the Puerto Rico's Treasury Department (Model SC-6096); copy of the Merchants Registration Certificate (Model (SC 2018); Certification of Filing of Sales and Use Tax Forms-IVU (Model SC 2942); Certification of Sales and Use Tax Debt-IVU (Model SC 2927). The Contractor will be given a specific amount of time by the PRDOH to produce said documents. During the term of this Agreement, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico.
2. **Payment of Unemployment Benefits, Workers' Compensation and Chauffer Benefits:** Pursuant to Executive Order No. 1992-52, dated August 28, 1992, amending OE-1991-24, the

Contractor certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, as applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. Prior to execution hereof, the Contractor shall provide to the PRDOH, evidence satisfactory to the PRDOH of its compliance with this clause. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every consultant or subcontractor whose service the Contractor has secured in connection with the work to be rendered under this Contract and shall forward evidence to PRDOH as to its compliance with this requirement.

3. **Social Security and Income Tax Retentions:** The Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Agreement.
4. **Municipal Revenue Collection Center (CRIM):** The Contractor certifies and guarantees that as of the execution of this Contract, it has no current debt for property taxes with the Municipal Revenue Collection Center ("CRIM" for its Spanish acronym). The Contractor further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. Prior to execution hereof, the Contractor shall provide to the PRDOH, evidence satisfactory to the PRDOH of its compliance with this clause. During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico with regards to property taxes (real and personal property).
5. **Income Tax Withholding:** The PRDOH will retain the corresponding amount from all payments made to the Contractor hereunder as required by the Puerto Rico Internal Revenue Code. The PRDOH will deliver such withholdings to the Puerto Rico Treasury Department. The PRDOH will adjust such withholdings provided the Contractor produces satisfactory evidence of partial or total exemption from withholding.
6. **Child Support Administration:** The Contractor certifies and warrants that the Contractor does not have an outstanding debt or obligation to the Puerto Rico Child Support Administration ("ASUME", by its Spanish acronym). Prior to execution hereof, the Contractor shall provide to the PRDOH, evidence satisfactory to the PRDOH of its compliance with this clause.
7. **Government of Puerto Rico's Department of State:** The Contractor hereby certifies that it is a business organized or authorized and existing in good standing under the laws of the Government of Puerto Rico. The Contractor shall present, to the satisfaction of PRDOH, and prior to the execution of this Agreement, the following documentation to substantiate the same: Certificate of Good Standing by the Puerto Rico Department of State or Certificate of Authorization to do Business in Puerto Rico, as applicable. The Contractor will be given a specific amount of time by PRDOH to deliver said documents.
8. **Compliance with Act No. 1.** The Contractor hereby certifies that in signing this Agreement it is in compliance with Act No. 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which in connection with the possibility of a conflict of interest, stipulates that, no employee or executive of the Contractor, nor any member of his/her immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Agreement, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government.
9. **Compliance with Act No. 2.** The Contractor hereby certifies that in signing this Agreement it is in compliance with Act No. 2 of January 4, 2018, Chapter III, as amended known as the Code of Ethics for Contractors and Suppliers of the Government of Puerto Rico.
10. **Compliance with Laws.** The Contractor represents and warrants it will comply with all applicable laws and regulations, regardless of whether or not they are specifically mentioned in this Contract.

- 11. Consequences of Non-Compliance:** The Contractor expressly agrees that the conditions outlined throughout this Section are essential requirements of this Agreement; thus, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PRDOH to render this Agreement null and void and the Contractor reimburse to PRDOH all moneys received under this Agreement.

XVII. BYRD ANTI-LOBBYING AMENDMENT

The Contractor certifies, to the best of his or her knowledge, that:

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1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, 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 Current as of 1-9-17 11 cooperative agreement, the undersigned shall complete and submit Standard Form, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 3. The Contractor 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 (as amended by the Lobbying Disclosure Act of 1995). The Contractor acknowledges that 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. The Contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

XVIII. EQUAL OPPORTUNITY

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants 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. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
3. When applicable, the Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and as supplemented by the rules, regulations, and relevant orders of the United States Secretary of Labor.
5. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, 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.
7. The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

 XIX. SECTION 3

1. The work to be performed under this contract 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.
2. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
3. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor'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.
4. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, 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 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or

knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

5. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
6. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
7. 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 (25 U.S.C. 450e) also applies to the work to be performed under this contract. 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 contract 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).



XX. CLEAN AIR ACT

1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The Contractor agrees to report each violation to the PRDOH and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.



XXI. WATER POLLUTION CONTROL ACT

1. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The Contractor agrees to report each violation to the PRDOG and understands and agrees that the PRDOH will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, HUD, and the appropriate Environmental Protection Agency Regional Office.
3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by HUD.

XXII. SUSPENSION AND DEBARMENT

1. This Contract is a covered transaction for purposes of 2 C.F.R. Part 180 and 2 C.F.R. Part 3000. As such the contractor is required to verify that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
2. The Contractor must comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

3. This certification is a material representation of fact relied upon by PRDOH. If it is later determined that the contractor did not comply with 2 C.F.R. Part 180, subpart C and 2 C.F.R. Part 3000, subpart C, in addition to remedies available to (name of state agency serving as recipient and name of subrecipient), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
4. The Contractor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

XXIII. SOLID WASTE DISPOSAL ACT

1. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired:
 - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - b. Meeting contract performance requirements; or
 - c. At a reasonable price.
2. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

XXIV. ACCESS TO RECORDS

1. The Contractor agrees to provide the Government of Puerto Rico, PRDOH, the Secretary of HUD, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
2. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

XXV. COMPLIANCE WITH FEDERAL LAW, REGULATIONS & EXECUTIVE ORDERS

The Contractor acknowledges that HUD financial assistance will be used to fund the contract only. Also, the Contractor will comply with all applicable federal laws, regulations, executive orders, HUD policies, procedures, and directives. Please refer to Attachment F.

XXVI. NO OBLIGATION BY THE FEDERAL GOVERNMENT

The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

XXVII. PROGRAM FRAUD & FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract.

XXVIII. ENTIRE AGREEMENT

This Agreement and all its attachments represent the entire and integrated agreement between PRDOH and the Contractor and supersede all prior negotiations, representations, agreements and/or understandings of any kind. This Agreement may be amended only by written document signed by both PRDOH and the Contractor.

XXIX. MODIFICATION OF AGREEMENT

Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if written and signed by both parties, and its authorized representatives.

XXX. BINDING EFFECT

This Agreement shall be binding upon and shall inure to the benefit of PRDOH and the Contractor, their successors and assigns.

The Contractor shall not assign this Contract, in whole or in part, without the prior written consent of PRDOH, and any attempted assignment not in accordance herewith shall be null and void and of no force or effect.

XXXI. ASSIGNMENT OF RIGHTS

The rights of each party hereunder are personal to that party and may not be assigned or otherwise transferred to any other person, Contractor, corporation, or other entity without the prior, express, and written consent of the other party.

XXXII. NON-WAIVER

The failure or delay of either party to insist upon the performance of and/or the compliance with any of the terms and conditions of this Agreement shall not be construed as a waiver of such terms and conditions or the right to enforce compliance with such terms and conditions.

XXXIII. GOVERNING LAW JURISDICTION

This Agreement shall be governed by, interpreted and enforced in accordance with, the laws of the Government of Puerto Rico and any applicable federal laws and regulations. The parties further agree to assert any claims or causes of action that may arise out of this Agreement in the Puerto Rico Court of First Instance, Superior Court of San Juan, Puerto Rico.

XXXIV. SEVERABILITY

If any provision of this Agreement shall operate or would prospectively operate to invalidate the Agreement in whole or in part, then such provision only shall be deemed severed and the remainder of the Agreement shall remain operative and in full effect.

XXXV. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of whom shall be deemed to be an original, however, all of which together shall constitute one and the same instrument.

XXXVI. ETHICS CLAUSE

- A. No employee or officer of PRDOH as well as any member of their families can have any interest in the earnings or benefits from this contract, according with Anticorruption Code for the New Puerto Rico [Act 2-2018]. Contractor also acknowledges receipt of the Ethics Code for Producers, Suppliers and Applicants of Economic Incentives from the Commonwealth of Puerto Rico Agencies known in Spanish as "*Código de Ética para Contratistas, Suplidores y Solicitantes de Incentivos Económicos de las Agencias Ejecutivas del Estado Libre Asociado de Puerto Rico*".

XXXVII. CONFLICTS OF INTEREST

The Contractor shall comply with the ethics requirements set forth herein and warrant that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of the work under a PRDOH contract and Contractor's organizational, financial, contractual or other interest are such that:

- a) Award of the contract may result in an unfair competitive advantage; or
- b) The Respondent's objectivity in performing the contract work may be impaired.

The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, it shall make an immediate (within the next 72 hours) and full disclosure in writing to the Contracting Officer, which shall include a description of the action, which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The PRDOH may, however, terminate the Agreement for the convenience of PRDOH if it would be in its best interest.

In the event the Contractor was aware of an organizational conflict of interest before the award of this Agreement and did not disclose the conflict to the Contracting Officer, the PRDOH may terminate the Agreement for default.

The provisions of this clause shall be included in all subcontracts and/or consulting agreements wherein the work to be performed is similar to the services provided by the Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provision to eliminate or neutralize conflicts of interest.

XXXVIII. NON-CONVICTION

The Contractor certifies that it has not been convicted nor accused of a felony or misdemeanor against the government, public faith and function, or that involves public property or funds, either federal or local in origin. Furthermore, Contractor also certifies that:

- A. It has not been convicted, nor has pleaded guilty at a state or federal bar, in any jurisdiction of the United States of America, of crimes consisting of fraud, embezzlement or misappropriation of public funds, as stated in Anticorruption Code for the New Puerto Rico [Law 2-2018] of Puerto Rico, which prohibits the award of Offers or government contracts to those convicted of fraud, misappropriation of public fund.
- B. It understands and accepts that any guilty plea or conviction for any of the crimes specified in Article 3 of said Act, will also result in the immediate cancellation of any contracts in force at the time of conviction, between the undersigned and whichever Government Agencies, Instrumentalities, Public Corporations, Municipalities and the Legislative or Judicial Branches.
- C. It declares under oath the above mentioned in conformity with what is established Anticorruption Code for the New Puerto Rico [Law 2-2018] which prohibits awarding Offers for government contracts, to those convicted of fraud, embezzlement or misappropriation of public funds.

The Contractor represents and guarantees that none of its employees, officials or agents have been convicted of a felony or misdemeanor. Moreover, the Contractor agrees to notify PRDOH should any employee, official, or agent is convicted of a felony or misdemeanor after the date of this contract. Said notice shall be made within ten (10) days from the time of the conviction.

XXXIX. DRUG FREE WORKPLACE

The Contractor should establish procedures and policies to promote a Drug-Free workplace. Further, the Contractor should notify all employees of its policy for maintaining a Drug-Free workplace, and the penalties that may be imposed for drug abuse violations occurring in the workplace. Further, the Contractor shall notify the PRDOH if any of its employees is convicted of a criminal drug offense in the workplace no later than ten (10) days after such conviction.

XL. HEADINGS

The titles to the paragraphs of this Agreement are solely for reference purposes and the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

XLI. ACT NO. 18 OF OCTOBER 30, 1975

The parties to this Agreement agree that its effective date will be subject to the due registration and remittance to the Office of the Comptroller of Puerto Rico. No rendering or consideration subject matter of this Agreement will be required before its registration at the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended. The Contractor will be responsible for ensuring that this Agreement has been registered before the rendering of services by requesting a copy of the registered Agreement with its proper number and date of registry. No services under this Agreement will continue to be delivered after its effective date unless at the expiration date, an amendment signed by both parties and duly registered exists. No services performed in violation of this provision will be paid. The party violating this clause will be doing so without any legal authority, this action constituting and ULTRA VIRES.

XLII. MEMORANDUM NO. 2017-001; CIRCULAR LETTER 141-17 OF THE OFFICE OF THE CHIEF OF STAFF OF THE GOVERNOR (SECRETARÍA DE LA GOBERNACIÓN) & THE OFFICE OF MANAGEMENT AND BUDGET (OFICINA DE GERENCIA Y PRESUPUESTO – OGP)

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

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

DEPARTMENT OF HOUSING

CONTRACTOR


Fernando Arturo Gil Enseñat
Secretary
PO Box 21365
San Juan, PR 00928-1365
TAX Id No: 660-55-8579


Frank Sánchez Ruiz, CPA
Managing Partner
TAX Id No: 660830970
KRESTON PR, LLC
1509 F D Roosevelt Avenue
Suite 303
Guaynabo, PR 00968-2612



Department of Housing
Puerto Rico Public Housing Administration
Accounting Services - CDBG-DR
Professional Fees

	Cost per Hour \$
Partners	\$ 150
Senior Managers	\$ 115
Managers	\$ 105
Supervising Seniors	\$ 70
Assistants	\$ 50
Others - clerical	\$ 25

Firm Name: KRESTON PR, LLC

Quote by: Frank Sánchez Ruiz

Date: September 27, 2018





GOVERNMENT OF PUERTO RICO
Department of Housing

EXHIBIT II

SCOPE OF SERVICES

Small Purchase

Accounting Services

Community Development Block Grant – Disaster Recovery
Puerto Rico Department of Housing

1. Introduction and Overview

The Puerto Rico Department of Housing (PRDOH) is issuing this Request for Quotations (RFQ) to procure accounting services.

The PRDOH reserves the right, without limitations, to: (i) cancel and/or reissue this Quotation Request or another version of it, if it deems that doing so is in the best interest of the Public Interest; (ii) amend the contract(s) of the Selected Contractor(s) to, among others, extend its original duration, and/or to extend its scope to include work under subsequent CDBG-DR action plans.

2. Experience, Qualifications and Services

This section details the Accounting Services that the Selected Contractor must perform in order to support PRDOH in the Procurement Processes for the CDBG-DR Programs. The Selected of all tasks assigned under this Purchase Order (PO). The scope of work presented is based upon circumstances existing at the time the RFQ is release. The PRDOH reserves the right to modify or delete the tasks listed and, if appropriate, add additional tasks prior to and during the term of the contemplated contract.

2.1. Experience and Qualifications

Provider must demonstrate the following:

- 2.1.1. Staff performing the tasks included in this Scope of Services must be Certified Public Accountants.
- 2.1.2. Experience in reviewing Audit Financial Statements;
- 2.1.3. Experience in reviewing Lines of Credit and Bank Statements;
- 2.1.4. Experience in reviewing procurement documents.

2.2. Services

- 2.2.1. Review Audit Financial Statements;
- 2.2.2. Review Lines of Credit and Bank Statements;
- 2.2.3. Review accounting related procurement documents;
- 2.2.4. Prepare a detailed report of findings.