

COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY

SUBRECIPIENT AGREEMENT BETWEEN THE PUERTO RICO DEPARTMENT OF HOUSING AND THE DEWEY UNIVERSITY INC.



This SUBRECIPIENT AGREEMENT (hereinafter, the "Agreement") is entered into this 20 day of 2021, by and between the PUERTO RICO DEPARTMENT OF HOUSING (the "PRDOH"), a public agency of the Government of Puerto Rico created under Act No. 97, of June 10, 1972, as amended, 3 LPRA § 441 et seq., known as the "Department of Housing Organic Act" (the "Organic Act"), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of San Juan, Puerto Rico; and the Dewey University Inc. (the "Subrecipient"), a not for profit entity, with principal offices at 420 Avenida Barbosa, San Juan, Puerto Rico, represented herein by its President, Carlos A. Quiñones Alfonso, of legal age, single, and resident of San Juan, Puerto Rico, collectively the "Parties".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on September 2017, Hurricanes Irma and María made landfall in 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 the Continuing Appropriations Act, 2018, and Supplemental Appropriations for Disaster Relief Requirements Act, 2017, signed into law September 8, 2017 (Pub. L. 115-56), \$1.5 billion were allocated by the U.S. Department of Housing and Urban Development (HUD) for disaster recovery assistance to the Government of Puerto Rico under the CDBG-DR. These funds are intended to provide financial assistance to address unmet needs that arise and that are not covered by other sources of financial aid.

WHEREAS, on February 9, 2018, a Notice was published in the Federal Register, Vol. 83, No. 28 (83 FR 5844), that allocated \$1.5 billion for disaster recovery assistance to the Government of Puerto Rico.

WHEREAS, under the Bipartisan Budget Act of 2018, signed into law February 9, 2018 (Pub. L. 115-123), an additional \$8.22 billion were allocated by HUD for disaster recovery assistance to the Government of Puerto Rico under CDBG-DR.

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

WHEREAS, on August 14, 2018, an additional allocation of \$8.22 billion for recovery was allocated to Puerto Rico under Federal Register Vol. 83, No. 157, (83 FR 40314).



WHEREAS, on September 20, 2018, the Governor of Puerto Rico and the Secretary of HUD signed a Grant Agreement for Grant Number B-17-DM-72-0001; allowing PRDOH access to \$1,507,179,000 in CDBG-DR funding obligated under PL 115-56.

WHEREAS, on February 21, 2020, the Governor of Puerto Rico and the Secretary of HUD signed a Grant Agreement for Grant Number B-18-DP-72-0001; allowing PRDOH access to \$1,700,000,000 in CDBG-DR funding, obligated under PL 115-123.

WHEREAS, with these allocations of funding, the PRDOH aims to lead a transparent, comprehensive recovery to benefit the residents of Puerto Rico. PRDOH holds accountability and is committed to the responsible, efficient, and transparent administration of CDBG-DR grant funding.

WHEREAS, according to the approved current Action Plan, Puerto Rico intends to undertake a Workforce Training Program (hereinafter, "the Program"). The focus of the Program is to prepare Puerto Rican residents with the skills required to gain employment in industries that will drive the Island's economy over the next decade. In addition to training programs that meet the current construction and contractor needs to rebuild the Island in the continued aftermath of the Hurricanes, this Program will engage entities that train residents in industries that are expected to grow in the coming years; namely, tourism and hospitality, computer programing and technology, shipbuilding, manufacturing, and healthcare. The approved current Action Plan allocated a total budget of \$90,000,000.00 to this program.

WHEREAS, on March 30, 2020, the PRDOH published a Notice of Funding Availability CDBG-DR-NOFA-2020-02 (NOFA), for applicants best suited to act as Subrecipients of the Program and carry out activities thereunder. After an evaluation and recommendation for selection under the NOFA, the Subrecipient was awarded in accordance with the NOFA to perform the services as detailed herein.

WHEREAS, the PRDOH designated one million eight hundred sixty-one thousand eight hundred eighteen dollars (\$1,861,818.00) of the mentioned funds to the Subrecipient who will serve as administrator and servicer for the services included in the Scope of Work (SOW) under this Agreement;

WHEREAS, the Subrecipient will assist the PRDOH in utilizing CDBG-DR funds to carry out the Program, pursuant to this Agreement;

WHEREAS, the CDBG-DR funds made available for use by the Subrecipient under this Agreement constitute a Subaward of the PRDOH's Federal Award, the use of which must be in accordance with requirements imposed by Federal statutes, regulations, and the terms and conditions of the PRDOH's Federal Award;

WHEREAS, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, as amended, *supra*, the federal laws and regulations creating and allocating funds to the CDBG-DR Program and the current Action Plan, to issue and award the subaward, enter and perform under this Agreement; and

WHEREAS, The Subrecipient has duly adopted a Corporate Resolution dated January 11, 2021, authorizing the Subrecipient, via its authorized representative, to enter into this Agreement with the PRDOH, and by signing this Agreement, the Subrecipient assures PRDOH that Subrecipient shall comply with all the requirements described herein.



GENERAL AWARD INFORMATION

The Subaward from PRDOH to the Subrecipient contemplated hereunder is for carrying out a portion of the Federal Award described in Section I above; thus, a federal assistance relationship is created with the Subrecipient. This Agreement shall be updated to reflect any changes to the Federal Award and the following award information.

	<u>, </u>
CDBG-DR Grantee Federal Award Identification Number:	PRDOH DUNS #: 125967484
CDBG-DR Grantee Federal Award Date:	September 20, 2018
Federal Award project description:	See Exhibit A for <u>Scope of Work</u>
Subrecipient Contact Information:	Carlos A. Quiñones Alfonso President Dewey University Inc. P.O. Box 19538 San Juan, Puerto Rico 00910-1538 Tel (787)-565-7638
Subrecipient Unique Identifier:	DUNS number: 878032762
Subaward Period of Performance:	Start Date: Effective Date, as defined in Section V of this Agreement. End Date: Two (2) years from Start Date
Funds Certification:	Dated: March 2, 2021 Authorized Amount: \$1,861,818.00 Funds Allocation: CDBG-DR "R01E17WTP-EDC-LM" CDBG-DR "R01E17WTP-EDC-UN" Account Number: 6090-01-000 See Exhibit E for Funds Certification

NOW, THEREFORE, in consideration of the need for recovery from Hurricanes Irma and Maria and the premises and mutual covenants described herein, the Parties mutually agree to the terms described in this Agreement.

TERMS AND CONDITIONS

II. ATTACHMENTS

The following attachments are incorporated into this Agreement by reference and are hereby made part of this Agreement:

Exhibit A	Scope of Work
Exhibit B	Timelines and Performance Goals
Exhibit C	Key Personnel
Exhibit D	Budget
Exhibit E	Funds Certification
Exhibit F Exhibit G	HUD General Provisions Insurance Requirements

All Attachments hereto are fully incorporated herewith such that the terms and conditions of the Attachments shall be as binding as any terms and conditions of this executed written Agreement. Should any inconsistency appear between the Attachments and this Agreement, the Agreement shall prevail.



III. SCOPE OF WORK

The Subrecipient shall be responsible for performing the activities detailed in **Exhibit A** (hereinafter, the "<u>Scope of Work</u>") of this Agreement, herein attached and made an integral part of this Agreement, which may be amended from time to time with the consent of both Parties. The Subrecipient shall complete the Scope of Work in a manner satisfactory to the PRDOH and consistent with the terms and conditions of this Agreement and applicable Federal and local statutes, laws and regulations.

A. Subrecipient Management Responsibilities

- As a condition of receiving this Subaward, the Subrecipient is responsible for the management, monitoring, and reporting of the services included in the Exhibit A for the Program.
- 2. All services shall be made in accordance with PRDOH guidelines, HUD guidelines and regulations, and other applicable state and federal laws and regulations.
- 3. Any contracts or procurement will be subject to the previous written approval of PRDOH to become effective and will incorporate any clauses or dispositions required by PRDOH, including, but not limited to, the Contract termination for convenience of the PRDOH.
- 4. The Subrecipient will develop plans in accordance with the Exhibit A. The PRDOH reserves authority and discretion to review and approve such plans.

B. General Administration

Prohibited Activities: The Subrecipient may only carry out the roles and responsibilities described in this Agreement and the activities related to the performance of the Scope of Work described in **Exhibit A** of this Agreement. Notwithstanding anything to the contrary in this Agreement, the Subrecipient shall not be obligated to perform any work or services outside the Scope of Work described in **Exhibit A** of this Agreement.

The Subrecipient is prohibited from charging to the PRDOH the costs of CDBG and/or CDBG-DR ineligible activities, including those described at 24 C.F.R. § 570.207, unless waived or made eligible by an applicable Federal Register Notice, from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying. The Subrecipient may be financially liable for activities undertaken outside of the parameters of the Scope of Work of this Agreement.

C. National Objectives

All activities funded with CDBG-DR funds must meet one of the CDBG-DR Program's National Objectives: (i) benefit low-and moderate-income persons; (ii) aid in the prevention or elimination of slums or blight, or; (iii) meet community development needs having a particular urgency, as defined in 24 C.F.R. § 570.208.

The Subrecipient certifies that the activities carried out under this Agreement shall meet one of the following national objective(s) and satisfy the following criteria:

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



The Subrecipient shall ensure that the services meet the applicable CDBG-DR National Objective(s) and that any contractors complete the applicable forms to document the National Objective(s).

D. Levels of Accomplishment - Performance Goals and Timelines

The Subrecipient shall complete the activities required under the Scope of Work of this Agreement in accordance with the timeframes and performance goals set forth in **Exhibit B** ("<u>Timelines and Performance Goals"</u>) of this Agreement, herein attached and made an integral part of this Agreement.

E. Nonperformance Standard

If at the end of the six (6) months from the Effective Date, as defined in Section V of this Agreement, the Program activity has not begun or at any time during the term the Program activity has not accomplished the performance objectives set forth by the PRDOH in Exhibit B ("Timelines and Performance Goals"), the PRDOH, may, at its sole discretion, terminate this Agreement, de-obligate funds made available under this agreement, and/or recapture funds previously expended by the Subrecipient under this agreement from non-federal funds. No contract extensions shall be granted unless the Subrecipient can document circumstances beyond its control that prevented start of the activity. The PRDOH shall review the properly filed and documented circumstances which are alleged to have prevented the initiation of activity and exclusively reserves the right to decide if an extension is warranted, relative to the reasons stated as well as the prevailing circumstances.

F. Staffing

The Subrecipient shall supervise and direct the completion of all activities under this Agreement. Any changes in assigned key personnel (hereinafter, the "Key Personnel") assigned or their responsibilities under the activities are subject to the prior approval of the PRDOH. If possible, it is the best practice for Subrecipient to provide PRDOH with ample written notice to the personnel changes and requests. Ample notice in this context shall be **ten (10) business days**. If that is not possible, then Subrecipient shall make all reasonable effort to notify PRDOH of changes.

At a minimum, Subrecipient shall assign the staff with the identified responsibilities to the identified activities as described in **Exhibit C** ("<u>Key Personnel"</u>) of this Agreement, herein attached and made integral part of this Agreement.

Depending on the needs of the Program activity, the Subrecipient shall provide staff and/or procure professional service contractors to assist with the compliance of said activities. The staff who will support the Program activities included in the Scope of Work, shall solely perform those tasks and shall be remunerated hourly.

The Subrecipient shall monitor the performance of its staff, and contractors against the goals and performance standards as stated in the **Exhibit B** ("<u>Timelines and Performance Goals"</u>).

G. <u>Pre-Award Costs</u>

Pre-award costs applicable to the Subrecipient are strictly prohibited.

IV. PERFORMANCE, MONITORING AND REPORTING

A. Monitoring

The PRDOH shall monitor the performance of the Subrecipient as necessary to ensure that the funds allocated to the Subrecipient are used for authorized purposes, in compliance



with Federal statutes, regulations, and the terms and conditions of this Agreement, including the timeframes and performance goals set forth in **Exhibit B** associated with the activities included in the Scope of Work **(Exhibit A)**.

This review shall include: (1) reviewing financial and performance reports required by the PRDOH; (2) following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from the PRDOH detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Subrecipient from the PRDOH as required by 2 C.F.R. § 200.521.

Substandard performance, as specified in policies and procedures reviewed and approved by PRDOH, shall constitute noncompliance with this Agreement.

If action to correct such substandard performance is not taken by the Subrecipient within **fifteen (15) days** after being notified by PRDOH, PRDOH may impose additional conditions on the Subrecipient and suspend or terminate this Agreement, disallow all or part of the cost of the activity or action not in compliance or initiate other remedies for noncompliance, as appropriate and permitted under 2 C.F.R. § 200.338.

B. Reporting

The Subrecipient shall submit regular monthly progress reports to the PRDOH, on the form and with the content to be specified and required by the PRDOH. The PRDOH shall later notify Subrecipient in writing the guidelines and requirements applicable to the submittal of the monthly progress reports, and such notification shall be deemed incorporated by reference to this Agreement.

V. EFFECTIVE DATE AND TERM

This Agreement shall be in effect and enforceable between the parties from the date of its execution. The performance period of this Agreement is **two (2) years** from the date of its execution, ending in 2.36, 2033



The End of Term shall be the later of: (i) <u>3</u> 30, 20<u>3</u> (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.

The Subrecipient hereby acknowledges that this Agreement is subject to the grant agreement between the Government of Puerto Rico or the PRDOH, and HUD (the "Grant Agreement"); and the availability of the allocated CDBG-DR funds. The Subrecipient also acknowledges and agrees that any suspension, cancellation, termination or otherwise unavailability of the CDBG-DR allocation(s) shall result in the immediate suspension, cancellation, or termination of this Agreement, upon PRDOH's notice.

A. Contract Extensions:

PRDOH may, at its sole discretion, extend the Agreement's term for up to an additional one (1) term of **one (1) year**, upon mutual written agreement of the parties. The term of this Agreement shall not exceed a period of **three (3) years**, including options for renewal

^{1 &}quot;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.

or extension. Likewise, the term of this Agreement cannot exceed the lifetime of the initial Grant Agreement, unless the term of the initial Grant Agreement is extended by HUD.

VI. BUDGET

A. Budget

The Subrecipient shall complete all activities in the Scope of Work of this Agreement (**Exhibit A**) in accordance with the Budget (**Exhibit D**) attached herein and made integral part of this Agreement (the "Budget") as such Budget may be amended from time to time.

Any proposed budget to be managed by the Subrecipient shall clearly specify proposed funding for administrative costs and/or program delivery costs and/or planning costs, to the extent that such costs are considered applicable categories for funding.

The Budget may include a reserve of the Subaward for PRDOH's activity delivery costs and expenditures related to the Program. The Subrecipient may not access the reserve identified in the Budget without written consent from the PRDOH.

The PRDOH may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the PRDOH. Any amendments to the budget must be approved in writing and signed by the PRDOH and the Subrecipient prior to becoming effective.

B. Indirect Costs

Indirect costs invoiced, if any, must be consistent with the conditions set forth herein. Indirect costs may be charged to PRDOH under a negotiated indirect cost rate agreement with a federal cognizant agency, a de minimis indirect cost rate (for applicable entities), or an indirect cost proposal prepared in accordance with 2 C.F.R. part 200, subpart E, submitted to a federal cognizant agency, and approved by PRDOH in accordance with written policies and procedures, which shall be included in the Budget (Exhibit D).

C. <u>Program Income</u>

PRDOH reserves the right to authorize the Subrecipient to retain Program Income² to be used in eligible program activities as described in this Agreement. The Subrecipient shall notify PRDOH, within **twenty-four (24) hours** of receipt, of any Program Income generated by activities carried out with CDBG-DR funds made available under this Agreement. All



 $^{^2}$ As defined in section VI(A)(19)(a) of the HUD Notice 83 Fed. Reg. 5844, 5856 (February 9, 2018, as may be amended by HUD), *Program Income* is:

^[...] gross income generated from the use of CDBG–DR funds, except as provided in subparagraph (d) of this paragraph, and received by a State or a Subrecipient of a State."

^[...] Program income includes, but is not limited to, the following: (a) Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG-DR funds; (b) Proceeds from the disposition of equipment purchased with CDBG-DR funds; (c) Gross income from the use or rental of real or personal property acquired by a State, local government, or Subrecipient thereof with CDBG-DR funds, less costs incidental to generation of the income (i.e., net income); (d) Net income from the use or rental of real property owned by a State, local government, or Subrecipient thereof, that was constructed or improved with CDBG-DR funds; (e) Payments of principal and interest on loans made using CDBG–DR funds; (f) Proceeds from the sale of loans made with CDBG–DR funds; (g) Proceeds from the sale of obligations secured by loans made with CDBG-DR funds; (h) Interest earned on program income pending disposition of the income, including interest earned on funds held in a revolving fund account; (i) Funds collected through special assessments made against nonresidential properties and properties owned and occupied by households not low- and moderate-income, where the special assessments are used to recover all or part of the CDBG-DR portion of a public improvement; (j) Gross income paid to a State, local government, or a Subrecipient thereof, from the ownership interest in a for profit entity in which the income is in return for the provision of CDBG-DR assistance.

Program Income (as defined at 24 C.F.R. § 570.500) generated by activities carried out with the CDBG-DR Funds must be returned to PRDOH if retention of such is not previously authorized by PRDOH. Program Income is subject to all applicable CDBG-DR laws, regulations and PRDOH's policies and procedures for so long as it exists. Any interest earned on cash advances from the U.S. Treasury or interest paid on CDBG funds held in a revolving fund account is not Program Income and shall be remitted promptly to the PRDOH for transmittal to the U.S. Treasury no less frequently than annually.

All Program assets, other than Program Income (property, equipment, etc.), if any, shall revert to PRDOH upon termination of this Agreement in accordance with applicable Federal, laws, regulations, HUD Notices, policies, and guidelines.

PRDOH will later notify the Subrecipient in writing the applicable procedures for the return or reversion of Program Income and Program assets to the PRDOH, and such notification shall be deemed incorporated by reference to this Agreement.

D. Reversion of Assets

Use and Reversion of Assets. The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 C.F.R. part 84 and 24 C.F.R. §§ 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

The Subrecipient shall transfer to PRDOH any CDBG-DR funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.

Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 C.F.R. § 570.208 until five (5) years after expiration of this Agreement [or such longer period of time as PRDOH deems appropriate]. If the Subrecipient fails to use CDBG-DR assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay PRDOH an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG-DR funds for acquisition of, or improvement to, the property. Such payment shall constitute Program Income to the PRDOH. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period or such longer period of time as PRDOH deems appropriate.

Equipment acquired by the Subrecipient through the use of CDBG-DR funds for activities under this Agreement, that are no longer needed after completion of the contract, shall be (a) transferred to the PRDOH for the CDBG-DR Program or (b) retained after compensating the PRDOH [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG-DR funds used to acquire the equipment].

In all cases in which equipment acquired, in whole or in part, with funds under this Agreement, is sold, the proceeds shall be Program Income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment).

VII. PAYMENT

A. Amount

This Agreement is based on the reimbursement of funds to the Subrecipient expended on approved CDBG-DR items. Funding is contingent on a CDBG-DR award to PRDOH or

Od

a Grant Agreement between the Government of Puerto Rico or the PRDOH, and HUD, and PRDOH's receipt of CDBG-DR funds. It is expressly agreed and understood that the total funding amount to be paid by the PRDOH to the Subrecipient under this Agreement shall not exceed the amount specified in the Budget (**Exhibit D**). Such payment shall be compensation for all allowable services required, performed and accepted under this Agreement. However, PRDOH reserves the right to reduce the funding amount if CDBG-DR funding is not provided at the currently anticipated levels and/or if the actual costs for the approved activities are less that those set forth in the Budget (**Exhibit D**).

Any additional funds to complete the services requested by the PRDOH to the Subrecipient shall be subject to funds availability and shall require an amendment to this Agreement.

B. Requests for Reimbursements

The Subrecipient shall submit to PRDOH requests for reimbursements of activities under this Agreement and consistent with the approved Budget (hereinafter, the "Request for Reimbursement") and Scope of Work on a monthly basis. Each Request for Reimbursement shall be broken down into requested reimbursements against the Budget line items specified in **Exhibit D.**

The Subrecipient shall submit Requests for Reimbursements to the PRDOH, on the form and with the content specified and required by the PRDOH. The Requests for Reimbursements must be submitted with all supporting invoices, bills, time sheets, monthly reports, and any other document necessary to justify the payment, or any other supporting document requested by PRDOH. The Request for Reimbursement must also be accompanied by documentation from the Subrecipient demonstrating that all procurements for which payment is requested have been made in accordance with this Agreement.

If PRDOH determines that the submitted Request for Reimbursement and supporting documents are acceptable, then the invoice shall be approved for payment. An authorized representative of the PRDOH shall review each Request for Reimbursement and, if adequate, shall approve and process its payment. Payments to the Subrecipient shall be made by check or electronic funds transfer (EFT). PRDOH reserves the right to conduct any audit it deems necessary.

In order for the Subrecipient to receive payment for any work performed hereunder, the following certification must be included in each Request for Reimbursement submitted to the PRDOH:

"Under penalty of absolute nullity, I certify that no public servant of the Subrecipient or of the Government 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 PRDOH shall pay to the Subrecipient CDBG-DR funds available under this Agreement (See **Exhibit E**, "<u>Funds Certification</u>") based upon information submitted by the Subrecipient for allowable costs permitted under this Agreement and consistent with the



approved Budget. Payments shall be made for eligible and allowed expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. PRDOH reserves the right to adjust payments in accordance with program income balances available in Subrecipient accounts.

VIII. NOTICES

All notices, requests, approvals, and consents of any kind made pursuant to this Agreement shall be in writing and shall be deemed to be effective as of the date sent by certified mail, return receipt requested, or email. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice. Communication and details concerning this Agreement shall be directed to the following contract representatives:

Hon. William O. Rodríguez Rodríguez Esq.

Secretary

Puerto Rico Department of Housing

CDBG-DR Grantee: 606 Barbosa Avenue

Juan C. Cordero Building

Río Piedras, Puerto Rico 00918

Carlos A. Quiñones Alfonso

President

Dewey University Inc.

Subrecipient: P.O. Box 19538

San Juan, Puerto Rico 00910-1538

Tel (787)-565-7638

IX. AMENDMENT AND TERMINATION

A. Amendments

This Agreement may be amended provided that such amendments make specific reference to this Agreement, comply with programmatic policies, procedures, and guidelines, are executed in writing, and signed by a duly authorized representative of each party, and approved by PRDOH. Such amendments shall not invalidate this Agreement, nor relieve or release the Parties from their obligations under this Agreement.

This Agreement may be amended by the parties hereto, for the purpose of including any other CDBG-DR funded program included in the HUD-approved Hurricanes Irma and María current Action Plan.

The PRDOH may, in its discretion, amend this Agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications shall be incorporated only by written amendment signed by both the PRDOH and the Subrecipient.



However, PRDOH reserves the right to notify in writing to Subrecipient any applicable policies, procedures, regulations, requirements, guidelines, or change in law, whether existing or to be established, as well as changes and/or amendments thereof, and the notified policies, procedures, regulations, requirements, guidelines and laws shall be deemed incorporated by reference to this Agreement without the need of executing a separate written and signed amendment.

B. <u>Suspension or Termination</u>

1. <u>Termination for Cause</u>

The PRDOH may terminate this Agreement, in whole or in part, upon thirty (30) days' notice, whenever it determines that the Subrecipient has failed to comply with any term, condition, requirement, or provision of this Agreement. Failure to comply with any terms of this Agreement, include (but are not limited to) the following:

- a. Failure to attend mandatory technical assistance and/or training, comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, HUD guidelines, PRDOH's Program Guidelines, as applicable, and policies or directives as may become applicable at any time;
- b. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
- c. Ineffective or improper use of funds provided under this Agreement; or,
- d. Submission of reports by the Subrecipient to the PRDOH that are incorrect or incomplete in any material respect.

The Subrecipient shall have up to **thirty (30) days** to resolve issues listed above to the satisfaction of PRDOH.

2. Termination for Convenience of the PRDOH

The PRDOH may terminate this Agreement any time by a notice in writing from the PRDOH to the Subrecipient. If the Agreement is terminated by the PRDOH as provided herein, the Subrecipient shall be paid the total compensation as the allowable services actually performed up until the date of termination. Any compensation under this paragraph must be for documented costs that are CDBG-DR eligible, and allowable, allocable, and reasonable in accordance with Uniform Administrative Requirements.

This Agreement may also be terminated in whole or in part by either the PRDOH or the Subrecipient, or based upon Agreement by both the PRDOH and the Subrecipient in accordance with the requirements in 2 C.F.R. part 200, subpart D.

3. Notification and Recoupment of Costs Incurred Prior to Termination

The PRDOH shall promptly notify the Subrecipient, in writing, of its determination and the reasons for the termination together with the date on which the termination shall take effect and any other notifications required under 2 C.F.R. part 200, subpart D. Upon termination, the PRDOH retains the right to recover any improper expenditures from the Subrecipient and the Subrecipient shall return to the PRDOH any improper expenditures no later than **thirty (30) days** after the date of termination. In the case of a Termination for Convenience only, the PRDOH may, at its sole discretion, allow the Subrecipient to retain or be reimbursed for costs reasonably incurred prior to termination, that were not made in anticipation of termination and cannot be canceled provided that said costs meet the provisions of this Agreement, 2 C.F.R. part 200, subpart E, Cost Principles, and any other applicable state or Federal statutes, regulations or requirements.



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 Subrecipient 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 Subrecipient shall immediately discontinue all services affected and deliver to the PRDOH all information, studies and other materials property of the PRDOH. If the Subrecipient does not deliver to the PRDOH all information, studies, and other materials property of the PRDOH within the established timeframe, and the PRDOH invests any additional funds to reproduce the information, studies, and other materials not provided by the Subrecipient upon termination, then the PRDOH will disallow from payments to the Subrecipient under this Agreement the funds expended for the PRDOH to reproduce such information, studies, and other materials. 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.

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 Subrecipient five days' written notice of such suspension. Upon receipt of said notice the Subrecipient shall immediately discontinue all Services affected.

6. <u>Immediate Termination</u>

In the event the Subrecipient is subjected to a criminal or civil action, suit, proceeding, inquiry or court of applicable jurisdiction, or any governmental agency, or the Subrecipient 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 Subrecipient of this Agreement or the Subrecipient 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 No. 2 of January 2, 2018, as amended, known as the "Anti-Corruption Code for the New Puerto Rico". The Subrecipient has a continuous obligation to report to PRDOH any proceedings which apply to the Subrecipient under this paragraph.

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.

7. Period of Transition.

Upon termination of this Agreement, and for **ninety (90)** consecutive calendar days thereafter (the Transition Period), Subrecipient agrees to make himself available to assist the PRDOH with the transition of services assigned to Subrecipient by the PRDOH. Subrecipient shall provide to the PRDOH the assistance reasonably requested to facilitate the orderly transfer of responsibility for performance of the Services to the PRDOH or a third party designated by the PRDOH. PRDOH reserves the right to provide for the execution of a Transition Services Agreement for the Transition Period. In such instance, the Subrecipient will be paid at a reasonable, agreed upon, hourly rate for any work performed for the PRDOH during the Transition Period. Moreover, during that Transition Period, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH.



8. Availability of Funds

This Agreement is contingent upon the availability of funds from HUD. It is expressly understood and agreed that the obligation to proceed under this Contract is conditioned upon the receipt of Federal funds. If the funds anticipated for the continuing fulfillment of the Agreement are, at any time, not forthcoming or insufficient, either through the failure of the Federal government to provide funds or the discontinuance or material alteration of the program under which funds were provided, or if funds are not otherwise available to PRDOH, the PRDOH have the right upon **ten (10) working days** written notice to the Subrecipient, to terminate this Agreement without damage, penalty, cost or expenses to PRDOH of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PROOH REQUIREMENTS

The "HUD General Provisions", which are attached to, and made an integral part of this Agreement as **Exhibit F**, set forth certain requirements imposed by HUD with respect to the PRDOH's Federal award or CDBG-DR Grant. The Subrecipient agrees to carry out its obligations under this Agreement in compliance with all the requirements described **Exhibit F** to this Agreement to the extent that such requirements are applicable to programs such as the program contemplated in this Agreement.

This Agreement also includes terms and conditions of the PRDOH's Federal Award or CDBG-DR Grant that are imposed on the Subrecipient, and the Subrecipient agrees to carry out its obligations in compliance with all the obligations described in this Agreement.

A. General Compliance

The Subrecipient shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 C.F.R. § 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this Agreement. See Federal Register Notice 83 FR 5844 (February 9, 2018). Notwithstanding the foregoing, (1) the Subrecipient does not assume any of the PRDOH's responsibilities for environmental review, decision-making, and action, described in 24 C.F.R. part 58 and (2) the Subrecipient does not assume any of the PRDOH's responsibilities for initiating the review process under the provisions of 24 C.F.R. part 52. The Subrecipient shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR funds in complying with its obligations under this Agreement, regardless of whether CDBG-DR funds are made available to the Subrecipient on an advance or reimbursement basis. This includes without limitation, applicable Federal Registers; 2 C.F.R. part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Community Development Act of 1974; 24 C.F.R. part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. § 35, 24 C.F.R. part 58, 24 C.F.R. part 135; 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. Also, Subrecipient shall comply, without limitation, those set forth in **Exhibit F**.

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 (www.cdbg-dr.pr.gov) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

B. <u>Duplication of Benefits</u>

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 notice entitled "Clarification of Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (76 FR 71060, published November 16, 2011). The Subrecipient shall carry out the activities under this Agreement in compliance with the PRDOH's procedures to prevent duplication of benefits.

C. <u>Drug-Free Workplace</u>

The Subrecipient must comply with drug-free workplace requirements in Subpart B of part 2429, which adopts the government wide implementation (2 C.F.R. part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. §§ 701 - 707).

D. <u>Insurance & Bonding</u>

The Subrecipient shall carry sufficient insurance coverage and bonding from insurers licensed to conduct business in the Government of Puerto Rico to protect all contract assets from loss due to any cause, including but not limited to theft, fraud, and/or physical damage. The Government of Puerto Rico, the Puerto Rico Department of Housing and the U.S. Department of Housing and Urban Development shall be named as additional insured on all such insurance. The Subrecipient shall meet all other insurance requirements as the PRDOH may impose from time to time. In addition, all insurance carriers and bonding companies shall meet minimum size and financial stability/financial rating requirements as may be imposed by the PRDOH from time to time. Certificates of insurance shall be provided to the PRDOH and full and complete copies of the policies and/or bonds shall be provided to the PRDOH upon its request for same.

Notwithstanding the above, for construction or facility improvement performed by the subcontractors or third parties, the Subrecipient shall ensure that the subcontractors or third parties, at a minimum, comply with the bonding requirements at 2 C.F.R. part 200, subpart D.



A. Required Coverage

The SUBRECIPIENT 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 as set forth in OSPA-78-5, attached hereto and made an integral part hereof as **Exhibit G**. Failure to comply with the aforementioned requirement may result in the termination of the Agreement.

Upon the execution of this Agreement, the SUBRECIPIENT shall furnish PRDOH with original and two (2) certified copies of the insurance policies described in **Exhibit G** 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 Agreement resulting from this solicitation by and between the SUBRECIPIENT 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 Agreement.

B. Endorsements

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

- PRDOH, Government of Puerto Rico, HUD 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.
- To provide waiver of subrogation coverage for all insurance policies provided or herein in favor of PRDOH and its respective officers, agents and employees.
- 3. The insurer shall be required to give PRDOH written notice at least **thirty (30) days** in advance of any cancellation in any such policies.

The SUBRECIPIENT 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 B+ and five (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 B+ and five (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.

C. Related Requirements

The SUBRECIPIENT shall furnish original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date of Agreement. In the case of Payment and Performance Bond, Certificate of Authority, Power of Attorney and Power of Attorney License issued by the Commissioner of Insurance shall be furnished. THE REQUIRED DOCUMENTATION MUST BE RECEIVED PRIOR TO THE SUBRECIPIENT COMMENCING WORK. NO SUBRECIPIENT OR ITS AUTHORIZED REPRESENTATIVES ARE TO BEGIN THEIR



RESPONSIBILITIES UNDER THE AGREEMENT PRIOR TO FULL COMPLIANCE WITH THIS REQUIREMENT AND NOTIFICATION FROM PROOH TO PROCEED.

Renewal Certificates of Insurance or such similar evidence is to be received by the Contract Administration of the Legal Division and/or the Finance area of the CDBG-DR program 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 SUBRECIPIENT and will charge back all cost to the CONTRACTOR; (2) all payments due the SUBRECIPIENT will be held until the SUBRECIPIENT has complied with the Agreement; and/or (3) The SUBRECIPIENT 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 **thirty (30) days** written notice to be given to PRDOH in the event coverage is substantially changed, cancelled or non-renewed.

The SUBRECIPIENT shall require all subcontractors or consultants to carry the insurance required herein or the SUBRECIPIENT, 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 SUBRECIPIENT expressly understands and agrees that whenever the SUBRECIPIENT 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 SUBRECIPIENT under this Agreement.

E. Hold Harmless

The Subrecipient shall and hereby agrees to hold harmless, defend (with counsel acceptable to the PRDOH) and indemnify the PRDOH 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.

F. 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

ß

requirements on a case-by-case basis, including but not limited, to the size and content, waiver, removal or addition of such recognition.

G. 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.

H. <u>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</u>

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. These provisions include:

I. Financial & Program Management

The Subrecipient shall expend and account for all CDBG-DR funds received under this Agreement in accordance with 2 C.F.R. part 200 subpart D §§ 302 - 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. part 200 subpart E, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

J. <u>Documentation and Record Keeping</u>

The Subrecipient shall maintain all records required by applicable law to be maintained, including but not limited to the Federal regulations specified in (I) 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;
- Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR Programs, as modified by the HUD Notices;
- c. Records required to determine the eligibility of activities;
- Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG-DR Program;
- f. Financial records as required by (1) 24 C.F.R. § 570.502; and (2) 2 C.F.R. part 200:
- g. Other records necessary to document compliance with Subpart K of 24 C.F.R. part 570.

K. Access to Records

The Subrecipient shall furnish and cause each of its own subcontractors to furnish all information and reports required hereunder and shall permit access to its books, records and accounts by the PRDOH, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

L. 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) year period, whichever is longer. (See 2 C.F.R. § 200.333 and 24 C.F.R. § 570.490(d).)

Records shall be made available to PRDOH upon request.

M. 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.

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).

N. Close-Out

The Subrecipient 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)(I9)(a) of the HUD Notice 83 Fed. Reg. 5844, 5856 (February 9, 2018, as may be amended by HUD)), balances, and accounts receivable to the PRDOH), determining the custodianship of records, and the Subrecipient certification of compliance with the terms of this Agreement. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG-DR funds, including Program Income.

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

O. 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.

P. Single Audit

The Subrecipient must be audited as required by 2 C.F.R. part 200, subpart F when it is expected that the Subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §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)).

Q. 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.

R. Corrective Actions

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

S. Procurement and Contractor Oversight

The Subrecipient shall not enter into any contract for goods or services with any entity without the written consent of the PRDOH prior to the execution of such contract. Unless specified otherwise within this Agreement, the Subrecipient shall procure all materials, property, equipment, or services in accordance with the requirements of the PRDOH's procurement policies and procedures, and 2 C.F.R. §§ 200.318 – 200.326, as applicable, including but not limited to the need to appropriately assess the lease versus purchase alternatives. PRDOH's procurement policies and procedures as found in the CDBG-DR Website (www.cdbg-dr.pr.gov) is herein included and made integral part of this Agreement, as it may be updated from time to time.



The Subrecipient shall include all applicable PRDOH's conditions (as revised from time to time by the PRDOH in accordance with applicable law, rule or regulation) in any contract entered into under this Agreement. Subrecipient shall also require all contractors to flow down the PRDOH's Conditions, as well as termination for convenience of the PRDOH, to all subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors. These Conditions include required terms for project contracts, HUD General Provisions, Participation by Minority Group Members and Women Requirements and Procedures for Contracts with Housing Trust Fund Corporation, Standard Clauses for Contracts with the PRDOH and required diversity forms.

The Subrecipient must comply with CDBG-DR regulations regarding debarred or suspended entities at 24 C.F.R. § 570.609 or 24 C.F.R. § 570.489(I) as appropriate. CDBG-DR funds may not be provided to excluded or disqualified persons.

The Subrecipient shall maintain oversight of all activities under this Agreement and shall ensure that for any procured contract or Agreement, its contractors perform according to the terms and conditions of the procured contracts or Agreements, and the terms and conditions of this Agreement.

T. 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 (Title I) (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 funds. Thus, the Subrecipient shall comply with regulations of 24 C.F.R. part 8, which implement Section 504 for HUD programs, and the regulations of 24 C.F.R. part 146, which implement the Age Discrimination Act for HUD programs.

The Subrecipient shall ensure that all CDBG-DR activities conducted by itself or its contractors are consistent with the applicable federal and local legal provisions, regulations, and policies that prohibit discrimination on the basis of race, creed, color, national origin, religion, sex, disability, familial status, actual or perceived sexual orientation or gender identity, marital status, or age, as established in the CDBG-DR Fair Housing and Equal Opportunity (**FHEO**) Policy for CDBG-DR Programs.³

U. <u>Architectural Barriers Act and the Americans with Disabilities Act</u>
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 - 4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or

fd

³ Follow the link for document access at the CDBG-DR Website: https://cdbg-dr.pr.gov/en/download/fair-housing-and-equal-opportunity-fheo-policy-for-cdbg-dr-programs/.

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 definition of "building" as defined in 41 C.F.R. § 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. §§ 4151 - 4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 C.F.R. part 40 for residential structures, and appendix A to 41 C.F.R. part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. § 12131; 47 U.S.C. §§ 155, 201, 218 and 225) (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.

V. Title VI of the Civil Rights Act of 1964 (24 C.F.R. part 1)

1. General Compliance:

The Subrecipient shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended and 24 C.F.R. §§ 570.601 and 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 C.F.R. § 1.4 apply to the use of these funds. The Subrecipient shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by title VI of the Civil Rights Act of 1964 or 24 C.F.R. part 1, or because he 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 part 1.

If the Federal financial assistance under this Agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Subrecipient's assurance herein shall obligate the Subrecipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains



ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the Subrecipient for the period during which Federal financial assistance is extended pursuant to the contract or application.

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

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

If the Subrecipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, 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 (5) 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), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian- Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

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

4. Notifications

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



5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement The Subrecipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

W. Labor Standards

The Subrecipient shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended, 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. part 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 8 units.

The Subrecipient agrees to comply with the (18 U.S.C. § 874) and its 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.

X. Section 3 of the Housing and Urban Development Act of 1968

The Subrecipient shall comply with the provisions of Section 3 of the HUD Act of 1968, as amended, 12 U.S.C. § 1701u, and thereby implementing its regulations set forth in 24 C.F.R. § 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and binding upon Grantee, Subrecipient, and any of Subrecipient's subrecipient, contractors, and subcontractors. Failure to fulfill these requirements shall subject Grantee, Subrecipient, and any of Subrecipient's subrecipient, contractors, and subcontractors, as well as their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. Subrecipient certifies and agrees that no contractual or other impediment exists that would prevent compliance with these requirements.

Subrecipient further agrees to comply with the Section 3 requirements stated below and to include verbatim this language in all subsequent subrecipient Agreements, contracts, and subcontracts executed under this Agreement:

"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 135, which implement Section 3. As evidenced by their execution of this Agreement, the Parties to this Agreement certify that they are under no

contractual or other impediment that would prevent them from complying with the part 135 regulations.

- C. 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.
- D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. 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 C.F.R. 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 C.F.R. part 135.
- E. 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 C.F.R. part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. part 135.
- F. Noncompliance with HUD's regulations in 24 C.F.R. part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.
- G. 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 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)."

Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-DR funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to



business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-DR funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area of the neighborhood in which the project is located, and to low- and very low- income participants in other HUD programs.

The Subrecipient agrees to submit, and shall cause and review its subcontractors submission of recordkeeping efforts and, quarterly reports to the PRDOH detailing the number of new employees hired, the number of new Section 3 employees hired, the number of construction subcontracts, the number of subcontracts provided to Section 3 businesses, the number of non-construction contracts, the number of non-construction contracts to Section 3 Businesses and any affirmative efforts made to direct hiring efforts to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing during the previous quarter.

Subrecipient certifies and agrees that no contractual or other legal impediment exists that would prevent compliance with these requirements.

Y. Conduct

1. Contracts

- a. Approvals: The Subrecipient shall not enter into any contracts with any agency or individual in the performance of this Agreement without the written consent of the PRDOH prior to the execution of such Agreement.
- b. Monitoring: 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.
- c. 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.
- d. Selection Process: The Subrecipient shall undertake to ensure that all contracts awarded for the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements, as included in the CDBG-DR Procurement Manual and Contractual Requirements, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov) which is herein included and made integral part of this Agreement, as it may be updated from time to time. Executed copies of all contracts shall be forwarded to the PRDOH along with documentation concerning the selection process.
- e. Notification: The Subrecipient shall notify and provide a copy of any and all contracts related to this Agreement and CDBG-DR funds to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within three (3) days of its execution. Additionally, the Subrecipient shall provide a copy of any and all subcontracts executed by its Contractors to the Contract Administration Area of the PRDOH CDBG-DR Legal Division within three (3) days of its execution.

2. Hatch Act

The Subrecipient shall comply with the Hatch Act, 5 U.S.C. §§ 1501 – 1508, 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 Chapter 15 of Title V of the U.S.C.



3. 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 assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-DR assisted activity, or with respect to the proceeds from the CDBG-DR assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the PRDOH, the Subrecipient, or any designated public agency.
- d. Clause of Governmental Ethics Certification of Absence of Conflict of Interests - The Subrecipient certifies that: (1) No public server of the Subrecipient has pecuniary interest in this contract. (2) No public server of the Subrecipient 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 server of the Subrecipient 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 server of the Subrecipient 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 obligations and performance of said public employment, to influence or favor any organization. (5) No public server of the Subrecipient has kinship relationship, within the fourth degree of consanguinity and

Jel

second by affinity, with nobody in public employment that has faculty to influence and to participate in the institutional decisions of this contract.

Z. <u>Citizen Grievances</u>

Subrecipient must have their own citizen grievance procedure. However, due to CDBG-DR compliance there is a **fifteen (15) day** period for PRDOH to respond to any grievances received by the Program. If the Subrecipient receives any complaint or grievance, it shall refer said complaint or grievance immediately to the PRDOH CDBG-DR Program so that PRDOH may respond appropriately.

AA. <u>Technical Assistance and Trainings</u>

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.

BB. <u>Disaster Relief Account</u>

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.

XI. CDBG-DR POLICIES AND PROCEDURES

In addition to what is established in this Agreement, the Subrecipient shall comply with all CDBG-DR Program specific and general policies and procedures, including, but not limited to, the Subrecipient Management Policy, OS&H Guideline, MWBE Policy, Procurement Manual and Contractual Requirements, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Personally Identifiable Information, Confidentiality, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR Website (www.cdbg-dr.pr.gov), which are herein included and made integral part of this Agreement, as they may be updated from time to time, and reporting requirements as established by the PRDOH.

XII. 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 Force Majeure including inclement weather, herein collectively referred to as Force Majeure during the term of this Agreement, neither the PRDOH nor the Subrecipient shall be liable to the other party for nonperformance during the conditions created by such event.

The Subrecipient 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.

XIII. INDEPENDENT CONTRACTOR

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the efforts to be performed under this Agreement. The PRDOH shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent entity.

XIV. ASSIGNMENT OF RIGHTS

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the PRDOH.

XV. SEVERABILITY

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

XVI. SECTION HEADINGS AND SUBHEADINGS

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

XVII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS

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 a 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 at least fifteen (15) days prior to the effective date of the consolidation or merger. The notice shall include, but not limited to, a description of: the expected effective date of the consolidation or merger; 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 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 <u>at least</u> fifteen (15) days prior to the effective date of such event. The notice shall include, but not limited to, a description of: the expected effective date of the change of name; the proposed name; 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. <u>Dissolution</u>

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 at least fifteen (15) days prior to the effective date of such event. The notice shall include, but not 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 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.

XVIII. NON-WAIVER

The PRDOH's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the PRDOH to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XIX. BANKRUPTCY

In the event that Subrecipient files for bankruptcy protection, the Government of Puerto Rico and PRDOH may deem this Agreement null and void and terminate this Agreement without notice.

XX. 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, San Juan Part.

XXI. COMPLIANCE WITH LAW

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

XXII. SUBROGATION

The Subrecipient acknowledges that funds provided through this Agreement are Federal funds administered by HUD under the CDBG-DR Program and that all funds provided by

this Agreement are subject to audit, disallowance, and repayment. Any disagreement with adverse findings may be challenged and subject to Federal regulation, however, the Subrecipient shall promptly return any and all funds to the PRDOH, which are found to be ineligible, unallowable, unreasonable, a duplication of benefits, or non-compensable, no matter the cause. This clause shall survive indefinitely the termination of this Agreement for any reason.

XXIII. COMPTROLLER REGISTRY

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

XXIV. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement among the Parties for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to this Agreement.

XXV. FEDERAL FUNDING

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

XXVI. RECAPTURE OF FUNDS

PRDOH may recapture payments it makes to Subrecipient that (i) exceed the maximum allowable rates; (ii) are not allowed under applicable laws, rules, or regulations; or (iii) are otherwise inconsistent with this Agreement, including any unapproved expenditures. Subrecipient must refund such recaptured payments within thirty (30) days after the PRDOH issues notice of recapture to Subrecipient.

XXVII. OVERPAYMENT

Subrecipient shall be liable to the PRDOH for any costs disallowed pursuant to financial and/or compliance audit(s) of funds received under this Agreement. Subrecipient shall reimburse such disallowed costs from funds other than those Subrecipient received under this Agreement.

XXVIII. 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. If the Agreement is not executed by the PRDOH within **thirty (30)** days of execution by the other party, this Agreement shall be null and void.

XXIX. SURVIVAL OF TERMS AND CONDITIONS

The terms and conditions of this Agreement related to the following subjects shall survive the termination or expiration of this Agreement: interpretive provisions; consideration; warranties; general affirmations, federal assurances, federal and state certifications; CDBG-DR and state funding, recapture of CDBG-DR and/or state funds, overpayment of CDBG-DR and/or state funds; records retention methods and time requirements; inspection, monitoring and audit; confidentiality; public records; indemnification and liability; independent Subrecipient relationship; compliance with laws; notices; choice of law and venue; severability; dispute resolution; consolidations, merger, change of name, and dissolution. Terms and conditions that, explicitly or by their nature, evidence the Parties' intent that they should survive the termination or expiration of this Agreement shall so survive.

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

PUERTO RICO DEPARTMENT OF HOUSING, CDBG-DR Grantee

Name: Hon. M

: Hom. William O. Rodríguez Rodríguez, Esq.

Title: Secretary

SUBRECIPIENT

Name: Carlos A. Quiñones Alfonso

Title: President

DUNS Number: 878032762



EXHIBIT A SCOPE OF WORK WORKFORCE TRAINING PROGRAM DEWEY UNIVERSITY INC.

Program Overview/Background

The Workforce Training Program (**WFT** or **Program**) has the goal of training a labor force to meet the needs of the reconstruction and to build the skill capacity necessary to push Puerto Rico into the economy of the future. WFT will boost economic development and create jobs by investing Community Development Block Grant-Disaster Recovery (**CDBG-DR**) funds into resources that enable skills development through education, technical assistance, and mentorship.

National Objective

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

Program Description

The goal of the WFT Program is to prepare Puerto Rican residents with the skills required to gain employment in industries that will drive the Island's economy over the next decade. The main goal of this Program is to support entities that seek to expand existing or launch new workforce training and/or apprenticeship programs.

The goals of the WFT Program will be supported by the Subrecipient through the following two (2) program components. Each component has associated activities contained within and described in more detail in the Program Outreach Plan and Program Work Plan. Components are as follows:



- Stakeholder Engagement: The Subrecipient will facilitate inclusion of Low- and Moderate-Income (LMI) individuals and communities in the WFT Program. The Subrecipient will develop an Outreach Plan and will conduct outreach to educate, promote engagement, and increase participation in the Subrecipient's WFT Program.
- Technical Assistance: The Subrecipient will assist PRDOH in the development of a Program Work Plan, to be included in the SRA Package. They will provide technical assistance and/or trainings to Beneficiaries (Program Participants) as outlined in their Program Work Plan.

Tasks

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

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

4.1 Office Logistics

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

4.2 Project/Agreement Management

TIMELINE and SCHEDULE

- **4.2.1** Create, maintain, and control Program Work Plan which includes Program Service Area, Workforce Training Courses, Program Needs Assessment, Program Metrics and Standards, and Program Compliance.
- **4.2.2** Work closely with PRDOH to ensure timely delivery of Program activities, in accordance with the agreed upon Program

Col

Outreach Plan, Program Work Plan, and Exhibit B Timelines and Performance goals.

STAFFING

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

BUDGET MANAGEMENT and INVOICING

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

PERFORMANCE

- **4.2.8** Monitor and control team performance (including all staff and vendors under the Subrecipient's direct and indirect supervision) in accordance with established performance goals, regulatory compliance, and quality standards.
- **4.2.9** Recommend corrective action and/or performance plan for underperforming team members, subcontractors, vendors, or other staff.
- **4.2.10** Monitor and update all Program Beneficiary demographic, participation, and performance information using the approved system of record provided by the PRDOH Information Technology team.

MONITORING and COMPLIANCE

- **4.2.11** Implement the Program in a compliant manner, per the CDBG-DR regulations, policies, procedures, and all applicable state, local and federal regulations.
- **4.2.12** Maintain a complete understanding of all applicable Program policies, requirements, procedures, guidelines; possess knowledge of regulatory and statutory compliance requirements for CDBG-

Od

- DR and similar programs/projects. Ensure all program participants, including subrecipients, vendors, and beneficiaries are aware of all policy changes.
- **4.2.13** Lead and review all program monitoring activities to prepare and present reports, data, documents, or other information as required by the PRDOH, HUD, the US Office of Inspector General (OIG), or other oversight entities.
- **4.2.14** Regularly communicate potential risks, issues, and statuses with PRDOH, in the manner they arise.
- **4.2.15** As requested, meet with PRDOH to discuss the status of the program, and any other issues that may have arisen during the administration of the assigned Program.

4.3 Document Control and Management

- **4.3.1** In accordance with HUD regulations, follow the records retention requirements as cited in 24 C.F.R. § 84.53, which includes: financial records, supporting documents, statistical records and all other pertinent records.
- **4.3.2** Following PRDOH CDBG-DR Recordkeeping Policy, the Subrecipient shall retain all official records on programs and individual activities for **five (5) years**, starting from the closeout of the grant between PRDOH and HUD.
- **4.3.3** Maintain a clearly defined process for acquiring, organizing, storing, retrieving and reporting on financial records and project and activity records.
- **4.3.4** Store, archive, and retrieve physical documents and electronic images of all paper documents, applicant-related emails, correspondence, training material, policies and procedures, and other documents or materials as may be required.
- **4.3.5** Establish and maintain protocols for physical file management, as applicable, to include, among other things, access to a file, tracking of location and possession of a file.
- **4.3.6** Ensure all project information and documentation is available at all times in the system of record.
- **4.3.7** Must provide all relevant documents in both English and Spanish language.
- 4.3.8 Any systems, tools, or technology provided must meet Personal Identifiable Information (PII) requirements as outlined in the Privacy Act of 1974, 5 U.S.C. § 552a (Privacy Act), 24 CFR Part 5, and PRDOH policy for protection of PII.

O.

- **4.3.9** Provide sufficient, appropriate document control and management to meet the financial and documentation requirements for CDBG-DR grants. At a minimum, the following records are required:
 - 4.3.9.1 Records providing full description of each activity;
 - 4.3.9.2 Records verifying that activity meets national and grant objectives;
 - 4.3.9.3 Records related to demonstrating eligibility of activities;
 - 4.3.9.4 Records required to document activity related to real property;
 - 4.3.9.5 Records documenting compliance with Davis-Bacon Act, Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act, Minority Business Enterprise, Women Business Enterprise, Section 3 of the Housing and Urban Development Act of 1968, fair housing and equal opportunity requirement, as applicable;
 - 4.3.9.6 Financial records and reports required by the Program; and 4.3.9.7 Records supporting any specific requirements of the Program or the CDBG-DR allocations.
- **4.3.10** Any other task necessary for the proper document control management.

4.4 Program Development

- 4.4.1 Develop and implement policies, strategies, guides and/or templates required for the implementation and administration of the Tasks and Activities contained within this SRA (i.e. Outreach Plan, Standard Operating Procedures (SOPs), Forms, Contracts, Correspondence, Applications, etc.), as applicable and as requested by PRDOH.
- **4.4.2** Conduct proper procurement as needed for successful implementation and administration of the Tasks and Activities contained within this SRA. All procurement must be done in accordance with the latest version of the PRDOH Procurement Manual for CDBG-DR Programs.
- **4.4.3** Publish programmatic information as determined by PRDOH and required by program needs (e.g. training material, outreach material, etc.).
- **4.4.4** Provide PRDOH with required documentation and information as specified in Federal Register Vol. 83, No. 28 (83 FR 5844) for posting on PRDOH Disaster Recovery Website (www.cdbg-dr.pr.gov).



Provision of non-essential information (when requested) such as bulletins, newsletters, or marketing materials for publication on PRDOH Disaster Recovery Website.

4.5 Accounting and Reporting

- **4.5.1** Subrecipient shall adhere to PRDOH's financial management policies and procedures as outlined in its manual, the Program Guidelines, or policies and procedures for this Program, including but not limited to:
 - 4.5.1.1 Account and reporting of uses of CDBG-DR funds, including but not limited to information on National Objectives met, beneficiary demographics, and project completion status.
 - 4.5.1.2 Submit regular Monthly Progress Reports and ad-hoc reports, as necessary, to PRDOH, in the form and with the content specified and required by PRDOH, in the frequency or form determined by PRDOH at the moment of request.
 - 4.5.1.3 Provide PRDOH with project progress reports on demand, as well as access to the project management system for PRDOH to monitor the project.
 - 4.5.1.4 Account for and reconcile, (a) all federal funds requested and drawn from HUD and awarded to grant recipients, (b) all funds returned by applicants, (c) all funds deposited by applicants to reduce duplicative benefits potential award gap and any other funds as applicable.
 - 4.5.1.5 Reconcile with the PRDOH, on an established periodic basis, a complete inventory of all items furnished by the PRDOH or funded by the CDBG-DR grant, including items such as: equipment, furniture, computers, phones, laptops, network printers, network equipment, software licenses, etc., if applicable.

4.6 Program Closeout

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

C/G

4.6.4 Ensure compliance with 2 CFR 200 Subpart F, 24 CFR 570.509, CPD Closeout Notices, and PRDOH CDBG-DR Closeout Process, as may be applicable to the application.

Time Performance

The implementation schedule, as stated in the Application, will be implemented on a **two (2) year** timeframe with an option to extend Agreement based on organizational programmatic implementation performance. This term can be modified with written authorization from PRDOH. This term will begin on the date that the Subrecipient and the PRDOH sign the complete Subrecipient Agreement Package. Program reporting will begin one month from the signature date.

Budget

Per the Action Plan approved, the Program has a designated total budget of ninety million dollars (\$90,000,000.00) to be funded by CDBG-DR. PRDOH designated one million eight hundred sixty-one thousand eight hundred eighteen dollars (\$1,861,818.00) of the mentioned funds to **Dewey University Inc.** who will serve as administrator and servicer for the services included in this Agreement.

For details refer to Exhibit D Section 1 and Exhibit D Section 2, of the SRA Package.





EXHIBIT B TIMELINES AND PERFORMANCE GOALS WORKFORCE TRAINING PROGRAM DEWEY UNIVERSITY INC.

1. PROGRAM OBJECTIVE:

The Workforce Training Program (**WFT** or **Program**) has the goal of training a labor force to meet the needs of the reconstruction and to build the skill capacity necessary to push Puerto Rico into the economy of the future. WFT will boost economic development and create jobs by investing Community Development Block Grant- Disaster Recovery (**CDBG-DR**) funds into resources that enable skills development through education, technical assistance, and mentorship.

2. TERMS:

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

REMAINDER OF PAGE INTENTIONALLY LEFT IN BLANK





3. PERFORMANCE INDICATORS & GOALS

Key Deliverable #1	Key Activity	Indicator	Source of Verification	Target	Timeline
Provide workforce training to un- and under- employed Puerto Rican citizens to improve their work opportunities.	1.1 Outreach efforts to socialize the program	# of outreach activities conducted in the defined outreach and marketing period	-Copy of email blast(s) -Sign in sheet(s) and meeting minutes. -Approved outreach materials and media.	36 outreach activities conducted in the defined outreach and marketing period ((12 activities per cohort courses (6 courses)) *(EPST) Electricity and Photovoltaic Systems Technology (RACT) Refrigeration and Air Condition Technician) Sept 2021- Oct 2022	Activity happens on Year #1 starting on month 2, 3, 4, 5, 6, 7, 8, 9 Yr #2: starting on month 10, 11, 12, 13
орронолинез.		# of individuals reached by outreach activities		Jan 2022- Dec 2022 Apr 2022- Apr 2023	
				600 individuals reached by outreach activities (per cohort (3), 200 per cohort)	Activity happens on month Yr #1: Starting on month 2, 3, 4, 5, 6, 7, 8, 9
		# of outreach materials produced		36 outreach materials produced (12 activities per cohort courses (6 courses))	Yr #2: starting on month 10, 11, 12, 13 Activity happens on Yr #1: Starting on month 2, 3, 4, 5, 6, 7, 8, 9 Yr #2: 10, 11, 12, 13



Subrecipient Agreement Between PRDOH and Dewey University Inc. under CDBG-DR Program Exhibit B: Timelines and Performance Goals Page 3 / 5

1.2 Engage potential students to sign up for the	# of applications received during the application period	Subrecipient Monthly	480 applications received (per	Activity happens on
orogram	аррисаноп репоа	Report - include applications received, enrollment certificate, admission letters as agreed with the Program.	year) 40 application per program (EPST and RACT) (80) three sites 160 per cohort (3)	Yr #1: Starting on month 3, 4, 5, 7, 8, 9 Yr #2: Starting on month 11, 12,
	# students begin the program		85% (408) students that begin the program (120 per cohort EPST and RACT in three sites)	Activity happens on Yr #1: Starting on month 6 Yr #2: Starting on month 10, 13
I.3 Completion of Workforce training orogram(s)	% of students enrolled who complete the program	Aggregated reporting of student progress and completion. Sub recipient monthly reports	270 students completing the program	Activity happens on Year #2 starting on month: 19, 21, 24
	# of students who find work withing X months of completing the program	Diplomas awarded Program reporting of job placement.	115 (85% placement) students finding work upon completion (per year) o 23 (20%) students start their own business.	Compiled within 6 months upon Program completion and reported 30 days upon that term
o Ir	f Workforce aining	# of students who find work withing X months of completing the	# students begin the program 3 Completion f Workforce aining rogram(s) # of students enrolled who complete the program Aggregated reporting of student progress and completion. Sub recipient monthly reports Diplomas awarded # of students who find work withing X months of completing the	# students begin the program # students begin the program # students begin the program (120 per cohort EPST and RACT in three sites) # of students enrolled who complete the program # of students who find work withing X months of completing the # of students who find work withing X months of completing the # students begin the program (120 per cohort EPST and RACT in three sites) # 270 students completing the program 270 students completing the program 270 students comple

3.1.1 KEY ACTIVITY: OUTREACH EFFORTS TO SOCIALIZE THE PROGRAM

This activity should capture all outreach efforts to socialize the program and should include all pertinent information to inform the public about the program, what is being offered, what the requirements are, and how to apply. This task is expected to be recurring throughout the life of the SRA, based on the program's training schedule or calendar. The outreach efforts to socialize the program are initiated when marketing or outreach materials, events, or activities are produced and disseminated to the public. The task is considered complete when the marketing and outreach materials, events, or activities have been adequately responded to.

- Report the number of outreach activities in the defined outreach and marketing period.
- Report the number of individuals that are anticipated to be reached and that are actually reached.
- Report the number of materials produced and provide final copies of any materials created.

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

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

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

- Report the number of applications received during the application period.
- Report the number students that begin the program.

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

3.1.3 KEY ACTIVITY: COMPLETION OF WORKFORCE TRAINING PROGRAM

This activity should capture information as it relates to the completion of the Workforce Training Program by accepted students. This task is expected to be recurring throughout the life of the SRA based on the program's

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



training schedule or calendar. The task is considered complete when the percentage of students who complete the program and the number of students who find work within a specified time are reported to PRDOH.

- Report the percentage of students enrolled who complete the program.
- Report the number of students who find work within 6 months of completing the program².

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

Key Deliverable #1						·			Per	formo	nce	Mon	h					
Key Activity	1	2	3	4 C-1	5	6	7	8 C-2	9	10	11	12 C-3	13	14	15	16	17	18
1.1 Outreach efforts to socialize the program	X	Х	Х	Х	X	X	X	Х	X.	X	Х	Х	Х					
1.2 Engage potential students to sign up for the program			Х	X	Х	X	Х	X	X	X	X	X	X					
1.3 Completion of Workforce Training program(s)																		

Key Deliverable #1								Pe	rforn	nanc	e Mo	nth						
Key Activity	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
1.1 Outreach efforts to socialize the program																		
1.2 Engage potential students to sign up for the program																		
1.3 Completion of Workforce Training program(s)	X		X			X												

² Subrecipients use individual outreach to workforce training participants and self-reporting from workforce training participants to capture this information.



EXHIBIT C KEY PERSONNEL

WORKFORCE TRAINING PROGRAM

DEWEY UNIVERSITY INC.

Below is the Staffing Plan for the CDBG-DR **Workforce Training** Program which reflects a combination of existing employees or new hired employees dedicated for the CDBG-DR **Workforce Training** Program.

I.

Roles	FE Count
Executive Director	Москунского шинини институтур от на 1945-жы 30-жы 1 бес 1 б
Financial Oversight	1
Career and Technical Education Coordinator	1
Lead Teachers	3
Professors Electricity	6
Professors Refrigeration	6
Directors Instructional Sites	3
Marketing Program Outreach	1
Recruitment and marketing instructional sites	3
Finance Office	1
Human Resource Payroll	1
Placement Officer	1

O.

REMAINDER OF PAGE INTENTIONALLY LEFT IN BLANK

II. Roles Description:

Role

Description

Executive Director

Responsible for the Overall implementation of the Workforce Training Program under the Community Development Block Grant Disaster Recovery Program CDGB-DR. Ensures the implementation of the work plan established in the grant application including the delivery of all aspects of the workforce training model for Electricity and Photovoltaic Systems Technician and Refrigeration and Air Condition Technician in order to develop a workforce consistent with the recovery needs of Puerto Rico as outlined in the Action Plan. Supervises the Financial Oversight, CTE (Career and Technical Education) Coordinator and the Federal Financial Compliance subcontractor in order to ensures compliance with Section 3.3 of the NOFA for Eligible activities "Section 105 (a)(21), provision of assistance to institutions of higher education having demonstrated capacity to carry our eligible activities under this subsection for carrying out such activities (42 U.S.C. § 5305(a)(21)). Responsible for ensuring that the program Is carryout in the three Centers Juana Diaz, Carolina and Manati to adhere to all applicable state federal and the laws and policies of the Institution Accreditation Agencies namely the Junta de Instituciones Educativas (JIP) Formerly Consejo de Educacion Superior de Puerto Rico (CEPR) and the national accrediting agency ABHES (Accreding Bureau of Health Education Schools). Coordinates the program implementation with Dewey's Central Administration so that all policies are consistent with the institution compliance of the education statues and applicable laws of the Commonwealth of Puerto Rico and Federal procurement standards with the OMB, and 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Ensures and monitors that all the monthly financial reports, compliance and program goals and benchmarks corresponding to the WTP CDGB-DR are executed accordingly to the grant specifications. Revises the costs, expense analysis is carried out in full compliance and submitted in a timely manner.

M

Page 3 / 14

Role

Description

Financial Oversight

Responsible for the Financial Oversight of the Workforce Training Program under the Community Development Block Grant Disaster Recovery Program CDGB-DR. Ensures the implementation of the work plan established in the grant application and all the budget, equipment, time and efforts and subcontractors. Monitors and ensures compliance with Section 3.3 of the NOFA for Eligible activities "Section 105 (a)(21), provision of assistance to institutions of higher education having demonstrated capacity to carry our eligible activities under this subsection for carrying out such activities (42 U.S.C. § 5305(a)(21)). Coordinates and monitors all financial aspects of the grant including the Federal Financial Compliance auditing sub contactor. Develops projection of expenses and cost and recommendations for any budget information or reconciliation of the CDGB-DR compliance offices. Applies all applicable state and federal laws regarding expenditure consistent with the OMB, and 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Responsible for the preparation of the monthly financial reports corresponding to the WTP CDGB-DR Revises the costs, expense analysis and makes recommendation for corrective actions. Monitors all budget, expenditures, and purchases of all grant funds with Dewey Financial Office and follow all applicable financial policies established by the University consistent with CFR Part 200 and CDGB-DR. Ensure that in compliance with 2 CFR 200 Subpart E, all costs meet with the following four criteria: a) necessary; b) reasonable, c) allowable and d) allocable. Document and monitors and document staff time and contractor and sub-contractor sub-recipient costs. Applies all the university policies and procedures to the program administered with the CDGB-DR funds for the three centers Juana Diaz, Carolina and

Career and Technical Education Coordinator

Meet the career placement, licensing and successful exam result goals set out for WTP CDGB-DR Grant. These are evaluated at different points throughout the year. Guarantee that each student in the learning center the Coordinator is assigned to receive information about the transition from university life into the professional world. Establish contact and create professional relationships with potential employers and strengthen the relationships with employers already using Dewey University's (**DU**) recruitment services. Keep employers

B{

Description

informed of the activities sponsored by DU. Maintain an up to date database of employers and document all interventions and contacts with them. Advertise the Institution's recruitment services among headhunters and employers. Create the Electronic Portfolio of students and alumni.

Ensure all documents regarding statistical information, database of employers, job offers, among others are filed in their assigned folder. Safeguard the student's files and ensure the creation and updating of said files. Actively participate in curriculum meetings with the purpose of developing strategies that benefit the students. Carry out the Advisory Board and research on the needs of the Industry, to recommend updates to our academic offering (at least twice a year). Record all recommendations made and follow up these recommendations with the Academic Department to ensure their integration into the curriculum. Make follow up calls to students and employers. (Placement status, job offers, interview results.) Carry out market research. (Collect data on the labor market, statistics on placements, satisfaction of alumni and employers.) Plan and coordinate at least to job fairs and two orientations prior to the fairs. Conduct surveys among employers and participating students. Carry out satisfaction surveys among employers and active students. Host meetings with professors and/or department directors to identify and discuss each program's alumni skills and strengths, with the purpose of gaining the knowledge necessary to place students in employment effectively. Educate and strengthen the relationship with incoming students by familiarizing them with services provided by the Career Placement Office. Educate students on self-employment and its requirements. Provide tools for the students to initiate the required processes with government agencies that grant the necessary permits. Prepare, alongside the professors and/or department directors, wherever applicable, a plan of action to educate students on licenses, license renovations, bar exams, among others. Submit an annual plan and offer workshops to the students, according to their needs (For example: resume writing, interview techniques and a guide to building a professional image) with the support of the Institution's personnel and external resources. Maintain a relationship with the University's alumni to exchange information of interest for both parties. Provide support services for up to a year after students

Ü

Description

have concluded their studies. Identify and participate in professional development workshops for the benefit of the students and to achieve Dewey University's presence and standing in the industry. Carry out any other task that is assigned, appropriate to their role.

Lead Teachers

Contribute to the administration of their specialty's educational program. Maintain their supervisor informed of the Program's progress. Establish and maintain ties with teachers, administrators, and students. Participate in curricular revision meetings and collaborate in revising the academic program of their specialty field, in conjunction with their supervisor. Evaluate the books and other bibliographic resources on the market, in conjunction with their supervisor, with the purpose of updating the resources maintained by their program. Participate, in conjunction with their supervisor, in the initial interview held with their Program's newly recruited staff, as part of the selection and recruitment process. Participate in the new faculty members' integration process. Train and provide support in the creation and development of weekly plans, attendance sheets and registers. Participate, in the conjunction with their supervisor, in the exploratory visits to new professors' classrooms and in the active faculty's performance evaluation. Responsible for training the faculty in teaching strategies and the management and use of equipment. Serve as guide or mentor to the program's professors, according to their individual needs. Verify and inform their supervisor of the laboratory equipment's maintenance and any repair needs. Prepare requests for materials and equipment and submit them for evaluation and approval by the supervisor, after verifying the status of the orders. Maintain the inventory of the laboratory's materials and equipment, in accordance with the needs of the program, and store them when they are received. Responsible for the equipment assigned to the program. Recommend improvements to the laboratories, in accordance with developments and changes within their specialty field. Collaborate in the referral of practice centers by making follow up calls, locating students in the referred centers and following up on requests of student documents for their practice file. Provide support in the internal and community activities organized by the Institution. Maintain a close and effective relationship with the Examining Board, College or entity that regulates their specialty field. Actively promote the recruitment of new students. Educate incoming freshmen about



The program's content. Foster the retention of the Program's students.

Carry out functions pertinent to their role.

Professors

Educate students at the university level by selecting the most appropriate teaching strategies, in accordance with the subject being offered. Promote the academic achievement of students while addressing their queries. Promote a learning environment conducive to student interaction. Thoroughly prepare for teaching sessions and employ a variety of strategies for class development. Discuss the themes and objectives of the class with students; provide students

M

with a course outline and log their receipt of said outline. Plan, organize and present class subject matter, in accordance with the description of the syllabus, while honoring the class schedule and Academic Calendar. Provide alternatives for students to make up for missed classes for reasons of absences or tardiness and report such instances to the supervisor. Fulfill one (1) office hour a week for every three (3) teaching credits. Office tasks include the following: a. Addressing student questions, providing academic advice, and, if needed, referring students to the appropriate administrative office, in accordance with their needs, and b. perform work concerning regulatory compliance, as required. Provide the library a list of books and audiovisual materials that should be kept in reserve to facilitate the course. Prepare, administer, and correct exams, guizzes, written assignments, or other tools to measure academic performance. Report the corresponding grades and inform students. Make academic assessment tools available to students for their inspection and discussion. Keep current with faculty related issues and decisions by attending faculty meetings. Participate in faculty committees convened for specific purposes, as they arise. Participate in and support academic, cultural, or social events held by the institution, including registration processes, recruitment drives and graduation of classes they have taught. Accurately record student attendance and final grades in a timely fashion, using the available print and/or digital tools, and in accordance with applicable policies and procedures. Become familiar with the campus's Learning Resource Center (LRC), and to promote its use among students. Offer recommendations on texts and supplementary material to be used as part of the course. Keep up to date with advancements in your professional field as well as with post-secondary education teaching skills and strategies.

Description

Provide evidence to that effect. Attend new faculty orientation, as well as workshops or seminars offered internally or by outside sources, with the purpose of strengthening teaching methods and grasp of subject matter. Maintain an active membership in any professional association required. Maintain a subscription to a relevant professional magazine. Register your daily attendance in accordance with the procedures established by the institution. Comply with the rules and policies established by Dewey University. Perform other tasks related to the position.

Professors Refrigeration

Educate students at the university level by selecting the most appropriate teaching strategies, in accordance with the subject being offered. Promote the academic achievement of students while addressing their queries. Promote a learning environment conducive to student interaction. Thoroughly prepare for teaching sessions and employ a variety of strategies for class development. Discuss the themes and objectives of the class with students; provide students with a course outline and log their receipt of said outline. Plan, organize and present class subject matter, in accordance with the description of the syllabus, while honoring the class schedule and Academic Calendar. Provide alternatives for students to make up for missed classes for reasons of absences or tardiness and report such instances to the supervisor. Fulfill one (1) office hour a week for every three (3) teaching credits. Office tasks include the following: a. Addressing student questions, providing academic advice, and, if needed, referring students to the appropriate administrative office, in accordance with their needs, and b. perform work concerning regulatory compliance, as required. Provide the library a list of books and audiovisual materials that should be kept in reserve to facilitate the course. Prepare, administer, and correct exams, quizzes, written assignments, or other tools to measure academic performance. Report the corresponding grades and inform students. Make academic assessment tools available to students for their inspection and discussion. Keep current with faculty related issues and decisions by attending faculty meetings. Participate in faculty committees convened for specific purposes, as they arise. Participate in and support academic, cultural, or social events held by the institution, including registration processes, recruitment drives and graduation of classes they have taught. Accurately record student attendance and

OP

Description

final grades in a timely fashion, using the available print and/or digital tools, and in accordance with applicable policies and procedures. Become familiar with the campus's Learning Resource Center (LRC), and to promote its use among students. Offer recommendations on texts and supplementary material to be used as part of the course. Keep up to date with advancements in your professional field as well as with post-secondary education teaching skills and strategies. Provide evidence to that effect. Attend new faculty orientation, as well as workshops or seminars offered internally or by outside sources, with the purpose of strengthening teaching methods and grasp of subject matter. Maintain an active membership in any professional association required. Maintain a subscription to a relevant professional magazine. Register your daily attendance accordance with the procedures established by the institution. Comply with the rules and policies established by Dewey University. Perform other tasks related to the position.

Directors Instructional Sites

P

Develop strategies and work plan directed towards ensuring the profitability and economic stability of the Center and implementation of the WFT-CDGB-DR Program. Establish the necessary strategies to accomplish new entry enrollment, cumulative population, net income, retention, school organization, operational costs, and career placement objectives, among others. Plan and direct student recruitment efforts and ensure the achievement of the enrollment objectives. Manage the Institution's Development Plans for each Center and the institutional goals. Establish the Institution's revenue, spending and collections projections and ensure they are met. Plan, coordinate and supervise the tasks related to the Centers' operations. Enforce and ensure the compliance with the regulations that govern the administrative and academic processes of the Center. Direct and support the creation and development of the administrative, academic and student committees in the Center. Submit statistical data about the progress and behavior of the development indicators of the Center. Responsible for the administration of the human resources assigned to their Center. Direct and coordinate any work related with the accrediting agencies' visits, self-study, audits and any activity or application related to the credentials and operations of the Institution. Establish links with the Center's local community. Promote an active and ethical relationship with corporate, commercial and _____

Role

Description

community associations located in their Center's nearby area. Carry out other functions appropriate to their role.

Marketing Program Outreach

Actively participate in the analysis and design of outreach campaigns geared towards providing information for the Workforce Training Program CDGB-DR. Coordinates with the Recruitment Outreach to ensure proper institutional procedures are followed. Assist the Directors and Executive Director and CTE Coordinator with the reporting and key activities as established in the timelines and performance goals. Actively participate in and carry out effective recruitment operations during programmed activities. Possess in depth knowledge of the Institution's academic offering and promote said offering, considering each individual prospect situation. Consult with experts on various fields to deliver a clear and precise message regarding the Institution's academic programs. Oversee that the prospects that are recruited meet all the requirements established by regulating bodies such as: The Department of Education, Accrediting Agencies and the Education Council of Puerto Rico as well as the Institution's. Comply with the laws and regulations that govern recruitment activities. Behave with high ethical principles. Follow the procedures established by the student recruitment department, and enrollment. Recommend the participation in social and community activities with the purpose of reaching potential students. Participate in and actively promote the activities planned, developed, and held with the purpose of acquiring new prospective students. Adequately administrate the resources and promotional materials assigned to them. Serve as a facilitator during the student's enrollment process in relation to the Institution's Registration, Financial Aid and Collection's Offices. Solve or direct to the appropriate party any query or doubt regarding the necessary documents for students' admission or enrollment. Adequately, correctly, and diligently fill out each student's file, following the enrollment policies and requirements set out by the Department of Education and the Institution. Carry out any other assigned tasks, appropriate to their role.

Recruitment and marketing instructional sites

Actively participate in the analysis and design of outreach campaigns geared towards providing information for the Workforce Training Program CDGB-DR. Actively participate in and carry out effective recruitment operations during programmed activities.

Page 10 / 14

Role Description

Possess in depth knowledge of the Institution's academic offering and promote said offering, considering each individual prospect situation. Consult with experts on various fields to deliver a clear and precise message regarding the Institution's academic programs. Ensure that the prospects that are recruited meet all the requirements established by regulating bodies such as: The Department of Education, Accrediting Agencies and the Education Council of Puerto Rico as well as the Institution's. Comply with the laws and regulations that govern recruitment activities. Behave with high ethical principles. Follow the procedures established by the student recruitment admissions, and enrollment. Recommend the department, Institution's participation in social and community activities with the purpose of reaching potential students. Participate in and actively promote the activities planned, developed, and held with the purpose of acquiring new prospective students. Adequately administrate the resources and promotional materials assigned to them. Serve as a facilitator during the student's enrollment process in relation to the Institution's Registration, Financial Aid and Collection's Offices. Solve or direct to the appropriate party any query or doubt regarding the necessary documents for students' admission or enrollment. Adequately, correctly, and diligently fill out each student's file, following the enrollment policies and requirements set out by the Department of Education and the Institution. Carry out any other assigned tasks, appropriate to their role.

Finance Office

Ensures that 100% of the payroll charges are properly justified, approved according to applicable law and institutional procedures; Develop the necessary verifications to determine the legality and with precision every compromise or reimbursement paid by the institution for suppliers, students, and operational costs; Ensures that 100% of the reimbursements from the institution take place in accordance with applicable regulations and the institutional policy and procedures; Payroll. Process every bi-monthly DU employee payroll according to the establishment payment calendar; Revised the numbers processes for the employee payments; Consult with the immediate supervisor over irregular situation detected in the payroll in order to make decision correspondingly. Process the monthly payments of employer contributions (social security, earn income taxes, etc.) and ensure that payments are process on or before the due date to avoid

A P

Description

penalties; Process bi-monthly that payment over salary embargo accounts (ASUME, Hacienda, collection agencies among others) and maintain a file for each concept, evidence of payment and employed details; Ensures that payroll discounts for employees from DT for concepts of Medical Plan, among others, are authorized; Prepare bi-weekly the entry to the payroll journal in order to register the major general; Meet in coordination with Vice President for Human Resources institutional employees, in the event of employed claims over payroll discrepancies; Prepare for revision of the immediate supervisor, quarterly returns for (social Security, income tax withheld from employees, unemployment Drivers insurance etc. and process through the pertinent agencies before the due date; Prepare for the end of the calendar year forms 499-R/W2-PR for DU employees and deliver before the due date; Prepare the student payroll for work study; Accounts payable. Receive and organize bills and account statements from the suppliers. Receive check requisitions form each administrative office, center, main campus forms the institution, verify certifications, and process the pertinent necessary reimbursement, in the case of new suppliers or contractors. Identify the cases that are subject to retention and applied the deductions. Maintain a detailed register of all these transactions; Verify in details all the bills, including quantity, Price, discounts, receipt of merchandise or services, monthly variations, among others, Recalculate and add all the cases that apply; Codify and register each bill yin the accounting system of the institution, according to eh Letter of Accounts, established by the institution and the strict accountability system of the institution; Maintain all the supporting document of the bill from the supplier; Reconcile and the account statement form the suppliers with the balance according to the report of Aging Accounts Receivables. Corroborate if the bill from the statement are to be process. Register and obtain evidence for the ones that have not been payed and verify with the supplier that the receipt of payment was paid. Produce weekly, the Aging report or accounts payable y process and identify all bills that need to be paid in urgency. Deliver the list to the controller for authorization; Prepare the issuance of checks for approval by the supervisor. Reconcile the bills with the copy of the check in order of appearance, ensuring the quantity and bill number are correct. Coordinate the signature and



Description

delivery of checks; Follow up the delivery of evidence form bills and/or payment receipts that have been process in advance; Prepare checks and process electronic payments, accordingly; Maintain register of process payment in the institution files; Assist suppliers with questions or doubts in relate to payments processed; Perform payments related to retention and obligations form employer contributions rated to the retention of 7% for concept of professional services; Process the excess payment for student scholarships that correspond for said reimbursement and ensure that they are process within the time limits established by the federal government, coordinate this intervention and function with Financial Assistance, Registrar and accounts payable in the event that the reimbursement is incorrect. Follow up monthly to the checks issued to students that have no being cashed. Evidence all attempts to deliver the checks to the students. Prepare the return of funds in the case that it exceeds the 90 days without cashing the check. Register the student account ledger, the return of funds; Prepare and distribute the information for professional services (480.6 A and B) at the end of the natural year; Archived the documents that your work generates and minting the files in an organized way; Assist in tasks related to the accounting area; Perform and other tacks, related to you area of work, that has been assigned.

Human Resource Payroll

Analyze, recommend and process all the necessary personnel transactions quickly and accurately; Collect, analyze and process the manual register sheets, license applications and medical certificates to process the payroll submitted by the Campuses or Centers as well as analyze, correct and process any payroll claims. Prepare reports concerning personnel's accumulated holiday and sick leave, Christmas bonus, among others required of them. Responsible for the income, cancellations, analysis and processing of the Medical Plan's invoice payments. Responsible for training employees and completing the required documents related to the Puerto Rico Insurance Fund and SINOT. Responsible for filling out the OSHA survey and other surveys and statistics submitted by the corresponding government agencies; Participate in the safeguarding of the official faculty and administrative personnel's files; Prepare employment certifications and proof of income. Carry out contract settlements of employees who finish their contracts, are separated from their employment or those

Description

who conclude their relationship with Dewey University; Collaborate in disciplinary investigations, counselling and consultations concerning the faculty and administrative personnel; Collaborate in the development of the administrative personnel's practices; Collaborate in the recruitment and training process of candidates chosen by supervisors. Discuss anything that may impede the candidate's employment with their direct supervisor; Provide guidance to newly recruited personnel regarding their marginal benefits, duties and responsibilities; Collect newly contracted employees' files from the Recruitment Official to process any payments, if necessary; Return the file to the Recruitment official once they have obtained the necessary information to process payment; Carry out administrative tasks appropriate to their department; Carry out any tasks appropriate to their role.

Placement Officer

ON.

Meet the career placement, licensing and successful exam result goals set out for WFT-CDGB-DR Grant. These are evaluated at different points throughout the year. Guarantee that each student in the learning center the Coordinator is assigned to receive information about the transition from university life into the professional world. Establish contact and create professional relationships with potential employers and strengthen the relationships with employers already using Dewey University's (DU) recruitment services. Keep employers informed of the activities sponsored by DU. Maintain an up to date database of employers and document all interventions and contacts with them. Advertise the Institution's recruitment services among headhunters and employers. Create the Electronic Portfolio of students and alumni. Ensure all documents regarding statistical information, database of employers, job offers, among others are filed in their assigned folder. Safeguard the student's files and ensure the creation and updating of said files. Actively participate in curriculum meetings with the purpose of developing strategies that benefit the students. Carry out the Advisory Board and research on the needs of the Industry, to recommend updates to our academic offering (at least twice a year). Record all recommendations made and follow up these recommendations with the Academic Department to ensure their integration into the curriculum. Make follow up calls to students and employers. (Placement status, job offers, interview results.) Carry out market research. (Collect data on the labor market, statistics on

Description

placements, satisfaction of alumni and employers.) Plan and coordinate at least to job fairs and two orientations prior to the fairs. Conduct surveys among employers and participating students. Carry out satisfaction surveys among employers and active students. Host meetings with professors and/or department directors to identify and discuss each program's alumni skills and strengths, with the purpose of gaining the knowledge necessary to place students in employment effectively. Educate and strengthen the relationship with incoming students by familiarizing them with services provided by the Career Placement Office. Educate students on self-employment and its requirements. Provide tools for the students to initiate the required processes with government agencies that grant the necessary permits. Prepare, alongside the professors and/or department directors, wherever applicable, a plan of action to educate students on licenses, license renovations, bar exams, among others. Submit an annual plan and offer workshops to the students, according to their needs (For example: resume writing, interview techniques and a guide to building a professional image) with the support of the Institution's personnel and external resources. Maintain a relationship with the University's alumni to exchange information of interest for both parties. Provide support services for up to a year after students have concluded their studies. Identify and participate in professional development workshops for the benefit of the students and to achieve Dewey University's presence and standing in the industry. Carry out any other task that is assigned, appropriate to their role.

Of I

III. Notes:

Insert Additional Notes Here



EXHIBIT D - SECTION 1 BUDGET

WORKFORCE TRAINING PROGRAM DEWEY UNIVERSITY INC.

DESCRIPTION SERVICES

The **Dewey University Diploma Program** Project administered by **Dewey University Inc.** will intend to serve 1,350 participants in **two (2) years**. Offering two diplomas: Electricity and Photovoltaic Systems Technician (prepare participants for the State Board Exam); and Refrigeration and Air Condition Technician for participants within the Juana Díaz, Carolina and Manatí areas.

Below the images you will find a detailed description of Dewey's Budget for Workforce Training Program. This budget was developed based on the two Diploma Programs offered at the university. For this request we took into consideration the current Pandemic and the need to establish remote and simulation equipment to prepare the construction workforce. Dewey will be utilizing its full spectrum of services to support this effort. The program will run parallel to the university academic calendar structure of three semester thus utilizing all the resources from the university to support this effort. This budget supports all key activities, implementation, compliance, and delivery of services for both programs at the three sites Carolina, Manatí and Juana Díaz.

The budget is based on the CDBG-DR Workforce Training Program Key deliverables

Key deliverables and tasks include: Analysis of Existing Conditions; Data Analysis; Public Engagement; Plan Development; Implementation Plan Development; Overall Grant Management functions; Finance, Invoicing and Contract Management functions; Procurement functions, and Reporting functions

Dewey University Administrative structure will fully support this program. The execution of key deliverables is consistent with the staffing proposes in Exhibit C Key Personnel to ensure that the coordination, oversight, and procurement is consistent with CDBG-DR Guidelines.

Od

Page 2 / 5

In addition, professional service line item was included for Federal Financial Compliance and program evaluation at the end of each cohort. Under Other Operating program outreach was included to ensure proper dissemination and opportunities for displace workers and graduating highs school students interesting in pursuing Career and Technical Education (CTE) opportunities, travel consist with federal guidelines to ensure proper supervision and administration of the sites and indirect cost to cover overhead expenses for the program

The other cost in the Equipment are necessary to ensure stat of the art electrical and refrigeration simulation equipment and the inclusion of software for remote simulation as well as videoconferencing equipment which would allow each program to connect remotely within the three sites. This will also facilitate training and reduce travel cost as well as keeping the guidelines establish by the CDC and Government of Puerto Rico. The state-of-the-art simulator will allow refrigeration and electrical and student in all three sites to have practical experience on the key concepts of refrigeration before going to the field in a secure environment. We anticipate a higher demand in enrollment due to the opportunities provided by this grant and other institutional aide that will allow student resources necessary to complete the diploma. In addition, we are including Electrician workstation introduces students to installation, maintenance, and repair of electrical Systems. Residential wiring where students learn about basic electricity, Renewable energy modules, and other classroom s equipment such as smart board, laptops, fireproof cabinets and industry-based tables among other



The budget categories established for staffing; b) Professional Services and other operating cost are reasonable and will provide adequate planning and grant management. Planning and grant management activities will include, but are not limited to, the following as described in Attachment A (Scope of Work) and Attachment B (Timeline and Performance Goals):

- Project management, time schedule and staffing; Budget management and invoicing, performance, monitoring and compliance, document control and management, program development and implementation, accounting and reporting and program closeout.
- 2. As described in Exhibit B Key this budget supports the three key activities Outreach Efforts of socialize the program, engage potential students to sign up for the program and completion of workforce training program.

Page 3 / 5

STAFFING

Position	Qty. of Resources [A]	Max. Hours per month per Resource [B]	Hourly Rate [C]	Max. Monthly Cost [D=AxBxC]
Executive Director		80	\$40.25	\$3,220.00
Financial Oversight	1	80	\$38.00	\$3,040.00
Career and Technical Education Coordinator	1.	160	\$23.00	\$3,680.00
Lead Teachers	3	40	\$25.00	\$3,000.00
Professors Electricity	6	40	\$21.00	\$5,040.00
Professors Refrigeration	. 6	40	\$21.00	\$5,040.00
Directors Instructional Sites	3	40	\$23.00	\$2,760.00
Marketing Program Outreach	11	40	\$23.00	\$920.00
Recruitment and Marketing Instructional sites	3	160	\$14.00	\$6,720.00
Placement Officer	1	80	\$18.00	\$1,440.00
Maintenance Workers for Covid 19	3	50	\$8.25	\$1,238.00
	Tota	Total Maximum I Cost for 2 Year	in a sucre a communication of	\$36,098.00 \$866,352.00

en

PROFESSIONAL SERVICES

Services Name	Services Description	Budget
Federal Financial Compliance	Program and budget audits, oversight of CDBG-DR Regulations and reporting.	\$15,000.00
	Total Budget for Services to be Contracted:	\$15,000.00

OTHER OPERATING

Item Name	Item Description	Budget
Program Outreach	Promotion in social media, local papers, radio, press TV community activities.	\$58,000.00
Travel	Cost of travel associates with the Lead teacher training, travel of administrative staff for supervision and recruitment coordinators.	\$10,000.00
Indirect Costs 10% Minimis	Cost to cover overhead expenses related to the program.	\$94,935.20

EQUIPMENT

Item Name	Item Description	Budget
Simulador Refrigeracion Básica	1308 DAR 3301 Main Base unit 1308 DAR 311 Basic Refrigeration Tarjeta 1308 DAR Basic Air Conditioning Price per unit \$37,356 3 one classroom 3 sites.	\$224,136.00
Air Condition Refrigeration CMIC Z056	Student test and service an air conditioning unit perform electrical mechanical and maintenance test. They also learn about the installation, maintenance and operation of residential air conditioning refrigeration units including gas expansion and compression, heat transfer, evaporation, condensation, thermostatic control motors and electrical circuity, each \$10,314.	\$61,344.00
Electrician 3x4 Workstation CMI-CZ008E	This workstation introduces students to installation maintenance and repair of electrical system. The student learns about the power lines that transmit electricity form its source of generation to its place of consumption per station \$8,530.	\$51,180.00
Residential Wiring w Res Desk CMI-CZ086	Students learn about basic electricity how electricity is generated and transferred to homes and how it travels around the home to be used. They have a hands-on work experience as residential electrical routine wire and hooking up electrical fixtures, each unit \$7,883.	\$23,649.00
CMI-1500 marcraft Camera Mundi Curso introductoria a energía renovables	GT 1500 Clean Electrons solar wind fuel cells; 1 GT 50 Greenstem toolkit;1 GT50 Greenstem consumable kit;1 GT 150 Clean Electrons Each \$18,447 per unit	\$110,682.00
Boxlight Mimiboard 78"	Mimioboard 780 T diagonal active touchscreen with 16:10 aspect Whiteboard USB Cable 2 mimio stylus wall mount bracket and license Boslight Projector 1442-N12 1442 Sound light Bos light Audio System \$3,250; Mimiovote 32 educational evaluation system for 32 students \$1,947; Mimeoview 340H High resolution viewing camera \$695 for 6 classrooms each \$5,893 3 instructional sites	\$35,358.00
5497 Cabinet	Metal cabinet 36x72 TMOVE Black, Beige or Grey \$250 1 per classroom Total 6 \$1,500	\$1,500.00
5497 5 DRWLetter	5 Drawer Vertical File Cabinet 6 A \$360 each	\$2,160.00
5497-DESK 30x60	Desktop metal Desk 30x80 Tmove Each at\$450	\$2,700.00
5497 225C	Executive Chair with high Back Brand Prima each @ \$220 6 classroom	\$1,320.00
251-970018	18 h Student Chair Desk color navy chair frame char black surface color Grey nebula for 6 classrooms 90@ \$138 30 per instructional site	\$4,140.00
Maple Workbench with Drawer and Riser 60 x 30	Width inches 60; Depth inches 30; Height inches 30 to 38; Color Finish Gtray Construction Steel Leg type adjustable Each \$1,924 2 per classroom 10 each \$1	\$19,240.00
Student laptops	Laptop HP Pavillion 15'6 Inter Core i-5-1035GHI Quad core 8GB DDR4RAM256 GB cleM.2 SSD15 6"1920x1080 Bright view touch screen Each 1,436 30 students per center per year Total of 270 6 for the faculty \$8,616	\$137,856.00
laptop Storage Carts for security	For storage and security in the classrooms 40 per cart 7 carts each at \$6,690	\$46,830.00
Fireproof metal Cabinet	Preexisting regulation for student records and documents 6 @\$1,725 1 per site (3)	\$5,175.00
Educational materials and Cobimet Virtual library	Textbooks, on-line access to virtual library and data base NCEER National Center for Construction and Research Trade book	\$39,986.80



Page 5 / 5

Flex Mobile Visual Classroom	Creston Flex Model Virtual Classroom is a mobile UC System that bring collaboration to wherever is needed most. Requirements are two cable peer and network include interactive monitor 75Height Cart Cresto Smart Camera cost per unit \$8,379 for 3 instructional sites	\$50,274.00
		\$817;530:80

PROJECT ACTIVITY DELIVERY	COSTS	
Staffing	Key Personnel to ensure that the coordination, oversight, and procurement is consistent with CDBG-DR Guidelines.	\$866,352.00
Professional Services	Federal Financial Compliance and program evaluation at the end of each cohort.	\$15,000.00
Other Operating	Preparation for business incubation and acceleration of participants business development and job creating/strengthening.	\$162,935.20
Equipment	Software, computers, office equipment, etc.	\$817,530.80
TOTAL COSTS		\$1,861,818.00
GRAND TOTAL		\$1,861,818.00





March 2, 2021

Maytte Texidor López, Esq. Legal Director CDBG-DR Puerto Rico Department of Housing

Katherine Meléndez Mateo
Finance and Administration Area CDBGDR Puerto Rico Department of Housing

César A. Canaelario Candelario Budget Manager CDBG-DR Puerto Rico Department of Housing

CERTIFICATION OF FUNDS FOR THE CONTRACTING OF DEWEY UNIVERSITY INC FOR THE WORKFORCE TRAINING PROGRAM RELATED TO THE CDBG-DR FUNDS

As requested by the Program Division Director of CDBG-DR, we certify the availability of funds for \$ 1,861,818.00 corresponding to "the contracting of Dewey University Inc for the Workforce Training Program". These funds are part of the CDBG-DR Grant "B-17-DM-72-0001".

The breakdown of the certified funds is as follows:

rojech v	ASSANJANTAN	<u> </u>	NDES€NOVAL	Alioun Cenned
Economic	R01E17WTP-EDC-LM	6090-01-000	Program Funds	\$ 1,117,091.00
	R01E17WTP-EDC-UN			744,727.00
			<u>iéd</u> i	\$ 1,861,818.00

The General Ledger account is provisional and will be revised when the agreement is executed with the final budget distribution.

If you have any questions or comments, please call me at (787)274-2527.

KMM/CCC/ERP

5 DEPARTAMENTO VIVIE

Ave. Barbosa #606 Edificio Juan C. Cordero Dávila Río Piedras, PR 00918 | P.O. Box 21365 San Juan, PR 00928-1365 Tel: (787)274-2527 | www.vivienda.pr.gov



EXHIBIT F

HUD GENERAL PROVISIONS DEWEY UNIVERSITY INC.

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

The SUBRECIPIENT (also referred to as the "Partner") shall include these terms and conditions in all subcontracts or purchase orders directly servicing the SRA.

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

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this 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 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.

Od

5. ACCESS TO RECORDS

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

6. MAINTENANCE/RETENTION OF RECORDS

The SUBRECIPIENT shall retain all official records on programs and individual activities shall be retained for the greater of **five (5) years**, starting from the closeout of the grant between PRDOH and HUD, or the end of the affordability period for each housing activity, whichever is longer. If any other laws and regulations as described in 24 C.F.R. § 570.490 applies to a project, the record retention period may be extended. All records involved in litigation, claims, audits, negotiations, or other actions, which have started before the expiration date of their retention, will be kept until completion of the action and resolution of all issues or the end of the regular **five (5) year** period, whichever is longer. (See 2 C.F.R. § 200.333 and 24 C.F.R. § 570.490(d).)

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

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

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

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

8. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

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

9. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The SUBRECIPIENT will comply with the provisions of Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives Federal funds or other Federal financial assistance. Programs that receive Federal funds cannot distinguish among individuals on the basis of race, color or



national origin, either directly or indirectly, in the types, quantity, quality or timeliness of program services, aids or benefits that they provide or the manner in which they provide them. This prohibition applies to intentional discrimination as well as to procedures, criteria or methods of administration that appear neutral but have a discriminatory effect on individuals because of their race, color, or national origin. Policies and practices that have such an effect must be eliminated unless a recipient can show that they were necessary to achieve a legitimate nondiscriminatory objective.

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

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

11. SECTION 504 OF THE REHABILITATION ACT OF 1973

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

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

12. AGE DISCRIMINATION ACT OF 1975

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

13. DEBARMENT, SUSPENSION, AND INELIGIBILITY

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

14. CONFLICTS OF INTEREST

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

15. SUBCONTRACTING

R

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:

- 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.

16. ASSIGNABILITY

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

17. INDEMNIFICATION

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

18. 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 June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. § 874; and Title 40 U.S.C. § 276c). The SUBRECIPIENT shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

19. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

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

The SUBRECIPIENT shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-330) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).



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

20. DAVIS-BACON ACT

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

The SUBRECIPIENT shall comply with the Davis Bacon Act (40 U.S.C. §§ 276a to 276a-7) 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.

21. TERMINATION FOR CAUSE

(Applicable to contracts exceeding \$10,000)

If, through any cause, the SUBRECIPIENT shall fail to fulfill in a timely and proper manner his or her obligations under this 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.

22. TERMINATION FOR CONVENIENCE

(Applicable to contracts exceeding \$10,000)

The PRDOH may terminate this SRA at any time by giving at least 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.

23. SECTION 503 OF THE REHABILITATION ACT OF 1973

(Applicable to contracts exceeding \$10,000)

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



Equal Opportunity for Workers with Disabilities:

- 1) The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The SUBRECIPIENT agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
 - (i) Recruitment, advertising, and job application procedures;
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
 - (iii) Rates of pay or any other form of compensation and changes in compensation;
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - (v) Leaves of absence, sick leave, or any other leave;
 - (vi) Fringe benefits available by virtue of employment, whether or not administered by the SUBRECIPIENT;
 - (vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - (viii) Activities sponsored by the SUBRECIPIENT including social or recreational programs; and
 - (ix) Any other term, condition, or privilege of employment.
- 2) The SUBRECIPIENT agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 3) In the event of the SUBRECIPIENT's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- 4) The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the SUBRECIPIENT'S obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The SUBRECIPIENT must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the SUBRECIPIENT may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).
- 5) The SUBRECIPIENT will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the SUBRECIPIENT is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.
- 6) The SUBRECIPIENT will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The



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

24. EQUAL EMPLOYMENT OPPORTUNITY

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

The SUBRECIPIENT shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). During the performance of this Agreement, the SUBRECIPIENT agrees as follows:

- 1) The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The SUBRECIPIENT shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 2) The SUBRECIPIENT shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by 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.

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

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

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

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

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

The SUBRECIPIENT and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Part 15 and 32, as amended, Section 508 of the Clean Water Act (33 U.S.C. § 1368) and Executive Order 11738.

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

1) A stipulation by the SUBRECIPIENT or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. 32 or on the List of Violating



Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 C.F.R. Part 15, as amended.

- 2) Agreement by the SUBRECIPIENT to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 1857 c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- 3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- 4) Agreement by the SUBRECIPIENT that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the SUBRECIPIENT will take such action as the government may direct as a means of enforcing such provisions.

27. ANTI-LOBBYING

(Applicable to contracts exceeding \$100,000)

By the execution of this 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 Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

28. BONDING REQUIREMENTS

A

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

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

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

29. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (As required by applicable thresholds)

- 1) 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.
- 2) The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- 3) 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.
- 4) The SUBRECIPIENT agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. 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 C.F.R. Part 135. 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 135.

- 5) The SUBRECIPIENT will certify that any vacant employment positions, including training positions, that are filled: (1) after the SUBRECIPIENT is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be directed, were not filled to circumvent the SUBRECIPIENT's obligations under 24 C.F.R. Part 135.
- 6) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this Agreement 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 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).
- 8) For contracts exceeding \$100,000, the SUBRECIPIENT shall submit Form HUD 60002 (Section 3 Summary Report) to PRDOH on a quarterly basis, notwithstanding the annual reporting requirement set forth in that form's instructions.

30. FAIR HOUSING ACT

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

31. ENERGY POLICY AND CONSERVATION ACT

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

32. HATCH ACT

SUBRECIPIENT agrees to comply with mandatory standards and policies relating to Hatch Act, Public Law 94-163, as amended.

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

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



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

33. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with Sections 107 and 103 of the Contract Work Hours and Safety Standards Act. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation.

34. PERSONNEL

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

35. 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.

36. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

Claims and disputes pertaining to wage rates or to classifications of professional staff or technicians performing work under this 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.

37. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS

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

38. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS

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



purchase of any materials, supplies or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion or share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefore or connected therewith.

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

39. INTEREST OF CERTAIN FEDERAL OFFICERS

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

40. INTEREST OF SUBRECIPIENT

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

41. POLITICAL ACTIVITY

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

42. RELIGIOUS ACTIVITY

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

43. FLOOD DISASTER PROTECTION ACT OF 1973

The SUBRECIPIENT will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found in the Flood Disaster Protection Act of 1973, 24 C.F.R. § 570.605.

44. LEAD BASED PAINT

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

45. VALUE ENGINEERING

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

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



OSPA

Workforce Training Program Community Development Block Grant – Disaster Recovery Puerto Rico Department of Housing Contract Division Amended

SPECIAL INSURANCE AND BONDING SPECIFICATIONS FOR PROFESSIONAL SERVICES

- A. The successful bidder before commencing work or receiving a written notice to proceed with, or being allowed to start to work, must submit to the *Puerto Rico Department of Housing (*PRDOH)*, original and two (2) certified copies of the hereafter mentioned insurance policies and/or bonds, thus including all endorsements and agreements required under the special contractual conditions as per the following:
 - 1. (X) State Insurance Fund Workmen's Compensation Insurance Policy

In accordance with the Workmen's Compensation Act No. 45, to facilitate its acquisition, the *PRDOH shall provide a letter to the successful bidder addressed to the State Insurance Fund.

\$1,000,000.00

\$1,000,000.00

2. (X) Commercial General Liability (Broad Form) including the following insurance coverage

BOTO BEAR LIMITAR BEARING
\$1,000,000.00
\$2,000,000.00
\$1,000,000.00
\$1,000,000.00
\$100,000.00 (Any one Fire)
\$10,000.00 (Any one
person)
\$1,000,000.00 \$1,000,000.00

Bodily Injury by Disease

Each Employee Each Accident



3. (X) <u>Comprehensive Automobile Liability Form including the following insurance coverages</u>

	LIMIT AND A SECOND OF THE SECO
•	Auto Liability - \$1,000,000.00
•	Physical Damages - \$1,000,000.00
•	Medical Payments - \$10,000.00
The Commercial Auto cover must be applied to the following symbols:	
•	Liability Coverage -1
•	Physical Damages – 2 and 8
•	Hired – Borrowed Auto – 8
	Non-Owned Auto Liability - 9

4. (X) Professional General Liability

- (X) A. Risk, interest, location and limits
 - (X) A.1 Description of work to be done
 - (X) A.2 Limit:

(X) each occurrence

\$1,000,000

(X) Aggregate

\$2,000,000

(X) Deductible

\$ 5,000

(X) A.3 Certification that the insurance contract has been given as surplus lines coverage under the Commonwealth Insurance Code, when applicable.

5. (X) Employer's Practices Liability

Limit - \$1,000,000

6. (X) Umbrella

Limit - \$5,000,000

- 7. (X) The policies to be obtained must contain the following endorsements including as additional insured the *Puerto Rico Department of Housing* (*PRDOH), U.S. Department of Housing and Urban Development (HUD), and the *Government of Puerto Rico*.
 - (X) a. Breach of warranty
 - (X) b. Waiver and / or Release of Subrogation
 - (X) c. Additional Insured Clause
 - (X) d. Hold Harmless Agreement
 - (X) e. 60 Days Cancellation Clause



8. (X) The insurance carrier or carriers, which will present said certificates of insurance, must have at least an AM Best Rating according to the Best Rating Guide.

B. IMPORTANT NOTICE TO INSURANCE AND SURETY COMPANIES AND THEIR REPRESENTATIVES

All insurance companies and all guarantors who issue policies or bonds under our special contractual conditions are subject to:

- 1. Be authorized to do business within the Commonwealth of Puerto Rico and have the corresponding license issued by the Commissioner of Insurance.
- 2. To be enjoying a good economic situation and to be classified under the Category of AM Best Rating according to the Best Rating Guide.
- **3.** Submit to the **PRDOH* a written certification as evidence of full payment of premiums by the Contractor. Mention each risk coverage premium separately.
- **4.** Avoid sub-contractual obligations of premium financing or any other kind, which may be detrimental to the public interest.
- **5.** Avoid any request for cancellation by the contractor prior to the expiration date of the policy, without the consent of the Contract Division of the *PRDOH: Discuss any refund of unearned premium.
- **6.** Follow all Federal Bail and Acceptance Insurance Regulations, when applicable.
- 7. Indicate in the appropriate place of all insurance policies and/or bonds, the full description of the project, work or service to be rendered.
- **8.** Not to make any amendments to insurance policies and bonds issued under the special conditions mentioned above, unless approved by the Insurance Section of the ***PRDOH**.
- 9. To ensure that all insurance policies or bonds are issued to comply with all of our special insurance conditions with respect to the period of coverage, type of risk coverage, as well as all limits, as specified, and also to eliminate those exclusions in accordance with our request.
- **10.** Clarify any questions regarding insurance requirements by any means of communication with the Insurance Section of the **PRDOH* under the Secretary for Legal Affairs.

U

C. EVIDENCE OF INSURANCE COVERAGE OF EACH SUBCONTRACTOR TO BE SUBMITTED BY THE SUCCESSFUL BIDDER AS THE PRIME CONTRACTOR:

The successful bidder, as the prime contractor, has the duty to require each of the subcontractors or subcontractors to maintain in force all insurance policies and/or bonds necessary to cover their individual participation in the risk or risks related to the subcontracted work or service to be rendered.

Therefore, we emphasize that prior to commencing work or receiving written notice to proceed with such work or being authorized to commence work, the successful prime contractor has the responsibility to provide the *PRDOH with evidence to the effect that all insurance and/or bonds required under the special conditions or required under the sub-contract to each of the sub-contractors or sub-sub-contractors are current and duly approved by the Contract Division of the *PRDOH.

All insurance policies shall remain in effect for the entire contractual period, so that with any order of change and/or amendment resulting in alteration of the original project completion date or total original cost, the prime contractor shall take the necessary steps to request the insurer to include such changes in all related insurance policies and/or bonds and to submit evidence by appropriate endorsements with effective dates. Cancellations without consent are not accepted.

The ***PRDOH** reserves the right to stop any work or service under contract until the breach of these requirements has been remedied, so that any delay in the performance of the contract based on any breach of the insurance coverage requirements shall be deemed the sole responsibility of the Main Contractor.

D. CONFLICT OR DIFFERENCE BETWEEN THE SPECIFICATIONS OF THE TENDERING, PROCEDURE AND SPECIAL INSURANCE CONDITIONS AND BONDS, FORM DV-OSPA-78-5

In the event of any conflict or difference in the description of coverage or in amounts or limits, etc., with respect to insurance requirements, the "Special Conditions of Insurance and Bonds" as set forth in this Form (DV-OSPA-78-5) shall prevail over any other insurance specifications.

E. CERTIFICATE OF CONTRACT DIVISION

We hereby certify, to our best knowledge and understanding, that we have prepared the aforementioned "Insurance and Bonds Special Conditions" after a proper evaluation of the related risks, based on the information of the nature of the project and description submitted to us, as requested by the Contracting Program through a written application.



DESCRIPTION OF THE SERVICES: Workforce Training Program

February 8, 2021

Date

Candice M. Noriega Morales
Candice M. Noriega Morales
Insurance Specialist
CDBG-DR Program