



# GOBIERNO DE PUERTO RICO

OFICINA DE GERENCIA Y PRESUPUESTO

Director | Juan Carlos Blanco | [juan.blanco@ogp.pr.gov](mailto:juan.blanco@ogp.pr.gov)

17 de mayo de 2024

Hon. Javier A. Aponte Dalmau  
Presidente  
Comisión de Proyectos Estratégicos y Energía  
Senado de Puerto Rico  
El Capitolio  
San Juan, P.R.

Estimado señor Presidente:

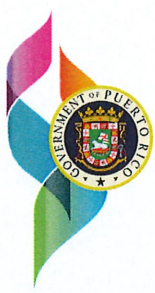
Reciba un cordial saludo de parte de la Oficina de Gerencia y Presupuesto (OGP). Por la presente atendemos su carta en donde nos solicita la presentación inmediata de todos los documentos relacionados con el proceso de adquisición que resultó en la adjudicación del contrato número 2023-000056, entre OGP y Iota Company, Inc., suscrito del 26 de mayo de 2023.

Así las cosas y en cumplimiento con su solicitud se incluye a esta comunicación toda la información relacionada al contrato número 2023-000056.

Esperamos que la información suministrada sea de utilidad y estamos en la mejor disposición de colaborar con esta Honorable Comisión.

Cordialmente,

Juan C. Blanco



GOVERNMENT OF PUERTO RICO  
OFFICE OF MANAGEMENT AND BUDGET  
Director | Juan Carlos Blanco | [juan.blanco@ogp.pr.gov](mailto:juan.blanco@ogp.pr.gov)

April 20, 2023

Hon. Miguel A. Cardona  
Secretary  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, D.C. 20202

Dear Secretary Cardona:

I write to you on behalf of the Government of Puerto Rico with regards to the potential use of Governor's Emergency Education Relief Fund II (GEER II) funds to implement an ambitious educational reform. As you are aware, the United States Department of Education (USDE) implemented a set of specific conditions that apply to all grants awarded to the Government of Puerto Rico and the Puerto Rico Department of Education (PRDE) when expending federal and matching funds. Such conditions require, among other things, adherence to certain procurement standards provisions applicable to non-federal entities (other than states) set forth in 2 C.F.R. §§ 200.318-200.327.

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The incorporation of more stringent procurement standards arising from the C.F.R. to engagements of the Government of Puerto Rico while laudable, since they promote transparency and sound administration, could bring delays in the implementation of the new education reforms championed by the Administration. Among the goals we seek to achieve through the reform process, the Office of the Governor intends to develop a comprehensive plan to separate several functions carried out today by the PRDE, as State Educational Agency (SEA) and Local Educational Agency (LEA), pursuant to federal regulations. These changes will allow the Government of Puerto Rico to move from a centralized structure to agile regional structures that respond more effectively to the needs of schools and communities. Further, while the Office of the Governor is working to promote a more efficient PRDE for the benefit of Puerto Rico's children, the Fiscal Plan certified by the Oversight Board pursuant to the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA), also requires reforming PRDE's structure and services to promote fiscal efficiency and academic achievement.

Further, consistent with local requirements, the Government of Puerto Rico has already conducted an informal Request for Proposals (RFP) pursuant to Executive Order No. 2021-029 of the Governor of Puerto Rico and Circular Letter No. 013-2021 issued by the Puerto Rico Office of Management and Budget. Such a process requires the publication of a notification stating the need for professional services (including the description of the intended workstreams) on the contracting agency's website for a minimum period of ten (10) calendar days. **See Attachment.** In response to the public notice, the Government of Puerto Rico received a single proposal from a reputable firm for technical and consulting services related to the transformation of PRDE.

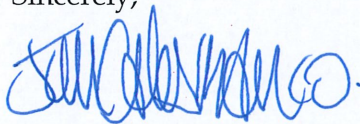


Therefore, we consider that, in this instance and for the purposes of the specific conditions, noncompetitive procurement is justified.

For these reasons, we respectfully posit that 2 C.F.R. § 200.320(c)(4) may be applicable to the proposed engagement. Therefore, the Government of Puerto Rico petitions the USDE to allow noncompetitive procurement with regards to engaging consulting services for the intended reforms. It should be noted, however, that the Government of Puerto Rico shall still comply with any other contracting requirements that may be applicable under Puerto Rico law. A favorable disposition of this petition will not be contrary to the public interest or disrupt the applicability of the specific conditions. Again, the Government of Puerto Rico reiterates its commitment to continue implementing internal controls and compliance conditions to assure transparency, effective use and, therefore, ensure that the funds awarded are expended in accordance with applicable legal requirements and appropriate fiscal accountability measures and management practices and controls.

The Government of Puerto Rico remains available to provide any further information that may be required to consider this written petition.

Sincerely,



Juan Carlos Blanco  
Director

29 de marzo de 2023

## NOTIFICACIÓN DE NECESIDAD DE SERVICIOS PROFESIONALES

La Oficina de Gerencia y Presupuestos (OGP) está autorizada a realizar aquellos estudios de gestión, exámenes y evaluaciones que considere necesarios para medir, mejorar y aumentar el desempeño, eficiencia y economía en la operación de las agencias del Gobierno de Puerto Rico. En ese sentido, la OGP solicita propuestas para obtener servicios profesionales o consultivos dirigidos a viabilizar una reorganización de las funciones que realiza el Departamento de Educación de Puerto Rico (DEPR). El Gobierno de Puerto Rico propone una reinención de la estructura organizacional y funcional del DEPR a fin de aumentar su eficiencia en su gestión con el fin de promover que los fondos públicos lleguen efectivamente al salón de clases, así elevando el rendimiento académico. Las entidades proponentes deberán contar con conocimiento específico de las diversas obligaciones del DEPR como *State Educational Agency* (SEA) y *Local Educational Agency* (LEA), según establecido por el Departamento de Educación de Estados Unidos y la reglamentación aplicable. Además, las entidades proponentes deberán estar familiarizadas con sistemas educativos estatales que funjan de manera coordinada con estructuras educativas descentralizadas de carácter regional o local.

### Fecha de Cierre:

Las entidades interesadas deberán presentar sus propuestas en o antes del **lunes, 10 de abril de 2023 a las 12:00 p.m. (AST)**, al correo electrónico [director\\_ogp@ogp.pr.gov](mailto:director_ogp@ogp.pr.gov). Las propuestas serán recibidas únicamente de modo electrónico. No se aceptarán propuestas recibidas fuera de la fecha de cierre.

Todas las preguntas y dudas relacionadas con esta solicitud, incluyendo cualquier petición de información y clarificación, deberán efectuarse por escrito al correo electrónico [director\\_ogp@ogp.pr.gov](mailto:director_ogp@ogp.pr.gov). No se brindará asistencia a través de otro medio. Todas las preguntas y respuestas se documentarán y serán distribuidas a todos los proponentes de la OGP.

La OGP es un patrono que ofrece igualdad de oportunidades y no discrimina por sexo, género o identidad sexual, raza, edad, origen nacional, credo religioso, estado civil, ser veteranos de guerra, discapacidad o estado de discapacidad.

### Requisitos Mínimos:

Las entidades elegibles para participar en esta convocatoria deben estar legalmente autorizadas para realizar negocios en Puerto Rico, estar en cumplimiento con cualesquiera requerimientos de contratación gubernamental que le sean aplicables, así como contar con experiencia previa en el área solicitada. Las entidades elegibles no deben estar en contrato actual con el DEPR ni desempeñando tareas que conflijan de forma alguna con el proyecto intencionado.



\*Translation of original document for reference\*

March 29, 2023

## NOTIFICATION OF NEED FOR PROFESSIONAL SERVICES

The Office of Management and Budgets (OMB) is authorized to carry out those management studies, examinations and evaluations that it considers necessary to measure, improve and increase the performance, efficiency and economy in the operation of the agencies of the Government of Puerto Rico. In this sense, the OMB requests proposals to obtain professional or advisory services aimed at making viable a reorganization of the functions carried out by the Puerto Rico Department of Education (PRDE). The Government of Puerto Rico proposes a reinvention of the organizational and functional structure of the PRDE in order to increase its efficiency in its management in order to promote that public funds effectively reach the classroom, thus raising academic performance. The proposing entities must have specific knowledge of the various obligations of the PRDE as State Educational Agency (SEA) and Local Educational Agency (LEA), as established by the United States Department of Education and applicable regulations. In addition, the proposing entities must be familiar with state educational systems that work in coordination with regional or local decentralized educational structures.

### **Deadline:**

Interested entities must submit their proposals on or before **Monday, April 10, 2023 at 12:00 p.m. (AST)**, to the email [director\\_ogp@ogp.pr.gov](mailto:director_ogp@ogp.pr.gov). Proposals will only be received electronically. Proposals received after the closing date will not be accepted.

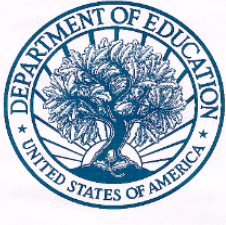
All questions and doubts related to this application, including any request for information and clarification, must be made in writing to the email address [director\\_ogp@ogp.pr.gov](mailto:director_ogp@ogp.pr.gov). No assistance will be provided through any other means. All questions and answers will be documented and distributed to all OMB proponents.

OMB is an equal opportunity employer and does not discriminate based on sex, gender or sexual identity, race, age, national origin, religious creed, marital status, veteran status, disability or disability status.

### **Minimum requirements:**

Entities eligible to participate in this process must be legally authorized to do business in Puerto Rico, be in compliance with any applicable government contracting requirements, as well as have prior experience in the requested area. Eligible entities must not be in a current contract with PRDE or performing tasks that conflict in any way with the intended project.





UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF FINANCE AND OPERATIONS  
OFFICE OF ACQUISITION, GRANTS, AND RISK MANAGEMENT

May 3, 2023

Juan Carlos Blanco  
Director  
Oficina de Gerencia y Presupuesto  
Calle Cruz No. 254 Esq. Tetuán  
San Juan, Puerto Rico 00902-3228

Dear Director Blanco:

This is in response to your letter of April 20, 2023, on behalf of the Government of Puerto Rico (PR) to Secretary Cardona. In the letter you make a specific request regarding funds under the Governor's Emergency Education Relief Fund (GEER II) that are available through September 30, 2023. In particular, you ask that, pursuant to 2 CFR § 200.320(c)(4), the U.S. Department of Education (Department) allow PR to use these funds for a noncompetitive procurement to obtain technical and consulting services related to the organizational transformation of PRDE. However, as described below, based on the facts presented, it appears that PR in fact conducted a competitive process for this engagement. Consequently, the Department does not need to approve a noncompetitive procurement, and PR may proceed with the contract.

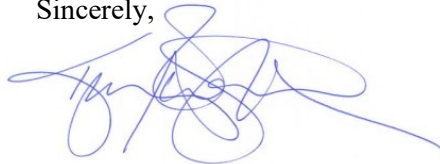
You acknowledged the Federal fiscal year (FFY) 2022 Department Specific Conditions issued by the Department to Puerto Rico and to the Puerto Rico Department of Education (PRDE). Specifically, the requirement under Section II-1: *Responsibilities of Puerto Rico and PRDE and the Third-Party Fiduciary Agent (TPFA) Concerning Administration of Grant Funds*, requires that any request for proposals, statement of work, or other related documents used in Puerto Rico's and PRDE's procurement process, and any contract with Puerto Rico, PRDE and the third-party fiduciary (TPFA), must comply with the procurement provisions in 2 CFR §§ 200.318-200.327. In general, these provisions require PR to have and use documented procurement procedures, consistent with State and local law, that conform to the standards in 2 CFR §§ 200.318-200.327. This includes the requirement to engage in competitive procurement in accordance with 2 CFR § 200.320 unless there is a basis for noncompetitive procurement under 2 CFR § 200.320(c). Pursuant to 2 CFR § 200.320(c)(4), the Department may authorize noncompetitive procurement in response to a written request from the grantee, and you made such a request in your letter of April 20.

Your letter also indicates that with regard to the contract at issue, PR conducted an informal Request for Proposal (RFP) procurement process. Specifically, you note that "consistent with local requirements, the Government of Puerto Rico has already conducted an informal Request for Proposals (RFP) pursuant to Executive Order No. 2021-029 of the Governor of Puerto Rico and Circular Letter No. 013-2021 issued by the Puerto Rico Office of Management and Budget" and that "[s]uch a process requires the publication of a notification stating the need for professional services. . . on the contracting agency's website for a minimum period of ten (10) calendar days." Finally, you indicated that "[i]n response to the public notice, the Government of Puerto Rico received a single proposal from a reputable firm for technical and consulting services related to the transformation of PRDE."

Based on this information, it appears that PR followed a procurement method that comports with 2 CFR § 200.320(b)(2), using the method of an informal RFP. Accordingly, the Department does not need to authorize a noncompetitive procurement under 2 CFR § 200.320(c)(4).

As GEER II funds are available only through September 30, 2023, the Department is willing to consider on a case-by case basis other requests that are necessary to support Puerto Rico and PRDE in timely obligating these funds by that date. We are committed to support Puerto Rico and PRDE to benefit the children and students of the Commonwealth.

Sincerely,



Kerry K. Neal  
Deputy Assistant Secretary  
Office of Acquisition, Grants and Risk Management

GOVERNMENT OF PUERTO RICO  
OFFICE OF MANAGEMENT AND BUDGET  
SAN JUAN PUERTO RICO  
PROFESSIONAL SERVICES CONTRACT

PARTIES

---The **OFFICE OF MANAGEMENT AND BUDGET** of the Government of Puerto Rico (herein after, "**OMB**"), represented by its Director, Juan Carlos Blanco, of legal age, married and resident of San Juan, Puerto Rico, who is duly authorized to execute this Contract pursuant to Act No. 147 of June 18, 1980, as amended, known as the "The Office of Management and Budget Organic Law".

---The **IOTA IMPACT COMPANY INC.**, (herein after, "**CONSULTANT**"), organized under the laws of the State of Delaware, with offices at 300 East 75 Th Street, Apt 12 D, New York, NY, 10021, represented by its CEO, Andres Satizabal of, of legal age, married and a resident of New York, NY, authorized to execute this Contract, pursuant to Corporate Resolution, dated April 20th, 2023; (collectively, the "**PARTIES**").

---The "**PARTIES**", assuring they have the legal capacity to enter into this Contract, which they promise to reasonably evidence when necessary, set forth the following:

RECITALS

---**WHEREAS**, the **OMB**, in accordance with the powers conferred to it by Act No. 147 of June 18, 1980, is authorized to enter into any professional, technical and consulting agreements and contracts that are convenient and necessary in order to carry out the activities, programs and operations, and comply with any public purpose, required by law.

---**WHEREAS**, the **OMB**, was created to assist the Office of the Governor in the direction and administration of the Executive Branch. As such, **OMB** is authorized to conduct those management studies, examinations and evaluations deemed necessary to measure, improve and increase the effectiveness, efficiency, and economy in the operation of the regular agencies of the Government of the Commonwealth of Puerto Rico and its Public Corporations.

--- **WHEREAS**, Chapter 14.1 of the 2023 Fiscal Plan for the Government of Puerto Rico requires the reorganization of the Puerto Rico Department of Education (PRDE) in order to increase the efficiency and delivery of its services, to promote a better use of public funds and to elevate student achievement.

--- **WHEREAS**, the COVID-19 pandemic's impact to the provision of educational services to students in the Nation, a complete overhaul of the educational structure was deemed warranted to promote the continuation of the provision of educational services to students in Puerto Rico.

--- **WHEREAS**, on December 27, 2020, the *Consolidations Appropriations Act of 2021*, Public Law 116-260 was enacted and within its provisions the Governor's Emergency Education Relief Fund (GEER II) program was instituted. As part of such program, each of the Nation's Governors were allowed, among other things, to provide emergency support through grants to Local Educational Agencies (LEA) that the State Educational Agency (SEA) deems have been most significantly impacted by coronavirus to support the ability of such LEA to continue to provide educational services to their students and to support the on-going functionality of the local educational agency.

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--- WHEREAS, the PRDE as an agency of the Government of Puerto Rico serves and thus, carries in a centralized manner, both SEA and LEA's duties and obligations. -----

--- WHEREAS, GEER II funds may be allocated for, among other things, any activities that are authorized under the Elementary and Secondary Education Act of 1965 (ESEA). The ESEA allows for the implementation of fiscal support teams that provide technical fiscal support assistance, which includes evaluating fiscal, administrative, and staffing functions, and any other key operational function. -----

--- WHEREAS, the OMB, wishes to engage CONSULTANT's services, after considering their submitted proposal for the provision of technical advisory services to declare a process by which GEERF funds will be allocated. -----

--- WHEREAS CONSULTANT affirms that it has the capacity, resources and experience necessary to fulfill the obligations and responsibilities that it assumes under this Contract. -----

--- NOW THEREFORE, in consideration of the foregoing premises, and the mutual promises contained herein, the PARTIES hereby agree to execute this Contract under the following:

**TERMS AND CONDITIONS**

--- FIRST: PROPOSAL; CONSULTANT will provide the OMB and the Government of Puerto Rico with technical advisory services (hereinafter, the "Services") as described in the proposal entitled *Launching The Office For School Transformation (OFST) To Restructure Education In Puerto Rico*, dated April 8, 2023 (hereinafter, the "Proposal"), which is included as part of this Contract as Exhibit A, insofar as it does not contravene its terms and conditions. -----

--- SECOND: SERVICES; Specifically, CONSULTANT proposes to provide advice and guidance on the following matters by carrying out the following: -----

- a. Decentralize or separate Puerto Rico Department of Education's (PRDE) responsibilities as the State Educational Agency (SEA) and Local Educational Agency (LEA);
- b. Increase local autonomy for regions and schools, as intended by Puerto Rico's Act 85-2018;
- c. Allow federal resources to flow directly to the local structures created; and
- d. Perform any other workstreams and duties reasonably necessary and proper to promote the goals of the engagement.

--- CONSULTANT will coordinate and meet with OMB or its authorized representative, and with other agency or governmental representatives, or any other person when necessary, in order to complete the Services as required under this Contract. The OMB will provide all the necessary information so that CONSULTANT can perform the Services covered by this Contract. The OMB is responsible for the accuracy and completeness of the information submitted and agrees to notify CONSULTANT, as soon as possible, of any problems or errors. -----

--- THIRD: CONTRACT PREVAILS; CONSULTANT must comply with the provisions of both the Proposal and this Contract. However, in case of unsalvageable conflict between the Proposal and the provisions of this agreement, the provisions of this Contract shall prevail. -----

--- FOURTH: COMPLIANCE WITH APPLICABLE LAWS; The OMB and CONSULTANT shall comply with all applicable laws, regulations and executive orders that concern the contracting process and requirements of the Government of Puerto Rico. Any provisions in this Contract or its Exhibits contrary to those laws, regulations and orders shall have no force or effect. -----

---FIFTH: INDEPENDENT CONTRACTOR; The PARTIES certify that there is no employer-employee relationship between the OMB and CONSULTANT. Nothing in this Contract is intended, or shall be construed, as creating or establishing an employer-employee relationship. Accordingly, CONSULTANT shall remain an independent contractor, and its employees, personnel, subcontractors, affiliates and partners are not creditors to any benefits and rights that correspond to employees of the Government of Puerto Rico.

---SIXTH: SERVICES DO NOT CONSTITUTE A POSITION; The Services rendered through this Contract do not constitute or meet the characteristics of a position included and/or available in OMB's current classification and compensation plans. The OMB certifies that the Services cannot be provided by the existing staff, since it does not have the enough human resources, and/or with the necessary professional preparation and experience, to provide at this time the Services agreed in this Contract.

---SEVENTH: PAYMENT OF FEES; With respect to the payment of fees and expenses arising from this Contract, the PARTIES agree to the following:

- a) The total amounts to be paid by OMB under this Contract may not exceed the aggregate amount of five million one hundred fifty-nine thousand nine hundred forty dollars (\$5,159,940) ("Maximum Amount").
- b) OMB will issue payment for services up to the following amounts after the applicable deliverables have been provided or milestones completed:

DELIVERABLES/MILESTONES	AMOUNT
Once the OFST is structured with defined processes and escalations and the roadmap is created.	\$818,323.33
Once the public announcement of the transition plan is communicated.	\$818,323.33
Once the high-level organizational design for PRDE and LEAs is completed.	\$818,323.33
Once the transition plan has been delivered and the process for start-of-school-year materials has been launched.	\$818,323.33
Once the policies and procedures for the new structure have been defined and the transparency dashboard is launched.	\$818,323.33
Once the Request for Proposals (RFP's) for specialists have been defined and the LEA playbook is completed.	\$818,323.33

- c) The OMB will not make any payment for Services rendered in excess of the Maximum Amount provided in this Clause, regardless of the reasons for said excess. Changes in the Maximum Amount for this Contract will require a formal prospective amendment, as described further on.

Payments corresponding to this Contract will be made from Account No. 222-0160000-06F-2021-S425C210047SUB, or any other account identified for such purposes, subject to the availability of funds. The source of funding for this Agreement originates from Grant Award S425C210047 issued by the United States Department of Education to Puerto Rico and pursuant to certain Memorandum of Understanding dated on May 17, 2023, between The Office of the Governor of Puerto Rico and OMB. The CONSULTANT acknowledges that OMB's budget is subject to changes that may be implemented by, including but not limited to, the Governor of Puerto Rico, the Financial Oversight and Management Board, or required by law. In said case, OMB may reduce the contracted Services and will give a fifteen (15) day written notice of the reduction. OMB

*Handwritten initials/signature*  
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will be responsible for the payment of Services already rendered, in accordance with the terms in this Contract.

---EIGHTH: FIXED RATES; The rates established and agreed upon will remain fixed during the Term of this Contract and will not be subject to changes due to increases in the market or any other type, whether foreseeable or not. Provided that, any contract for the same Services, in identical circumstances and conditions, at a lower price signed by CONSULTANT with any Government agency shall have the effect of renegotiating and matching the prices for the OMB contracts. Said renegotiation and change of prices shall be recorded in writing by means of a formal prospective amendment, as described hereinafter.

---NINTH: TERM OF AGREEMENT; EFFECTIVENESS; AMENDMENTS; This Contract will be in effect from the date of execution until September 30, 2023 (hereinafter, the "Term"), subject to extension by mutual agreement of the PARTIES. The Term and validity of this Contract will depend on the approval from the corresponding agencies that by law are required to approve it. No Services or payments shall be required or rendered under this Contract until it has been properly presented and registered in the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended. Furthermore, Services may not continue to be provided under this Contract after the above Term expires, unless there is a formal prospective amendment, in writing, signed by both PARTIES, made during the Term of the Contract, duly remitted and registered in the Office of the Comptroller. Any other change to this Contract will be made by means of a CONSULTANT amendment, as described above, according to the needs of the OMB and subject to the availability of funds.

---TENTH: AUTOMATIC RENEWALS; EXTENSION LETTERS; Automatic renewals are not compatible with the statutes that regulate government contracts in Puerto Rico; CONSULTANT, letters to extend the term of a legal relationship with the OMB cannot be considered a government contract, since they do not meet the applicable requirements. Therefore, said figures will not be applicable to this Contract, and Services rendered in violation of this clause will not be paid. Any official of the OMB that requests and accepts Services from CONSULTANT in violation of this provision will be doing so without any legal authority, constituting an *ultra vires* act that does not legally bind the OMB.

---ELEVENTH: TERMINATION; The OMB shall have the right to terminate this Contract at any time by providing CONSULTANT thirty (30) day's prior written notice. Likewise, CONSULTANT shall have the right to terminate this Agreement by providing the OMB thirty (30) day's prior written notice.

---The rights, duties, and responsibilities of the OMB and CONSULTANT shall continue in full force and effect during the applicable notice period. However, after the notice period CONSULTANT will refrain from performing any additional work, unless their inaction is in OMB's detriment or results in professional misconduct, in which case OMB will be notified to the actions that were or are to be taken. If the Contract is terminated, the PARTIES agree that CONSULTANT will complete all work and assignments pending at the time of the cancellation. OMB is not obliged to pay any additional compensation beyond the agreed fees under the terms of this Contract.

---Notwithstanding the prior notification requirements, the OMB may terminate this Contract immediately, without prior notice, if CONSULTANT, or any of its partners, associates, officers, directors, employees, agents or subcontractors, incurs in any of the following:

- a) Negligence or abandonment of their duties; Deficient performance of the contracted Services; Noncompliance with any of the Contract Clauses contained herein, or with the laws, regulations or executive orders regarding government contracts.
- b) Have been convicted, pled or found guilty, in any Puerto Rico or United States Federal Courts, for any of the crimes under Article 3.4 of Act No. 2-2018, known as the Anti-Corruption Code for a New Puerto Rico, which includes those specified in Articles 4.2, 4.3 and 5.7 of Act No. 1- 2012, as amended, known as the Office of Government Ethics Organic Act; Articles 250 to 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code of 2012; and Section 6.8 of Act No. 8-2017, as amended, known as the Government of Puerto Rico's Human Resources Administration and Transformation Act. If convicted, pled or found guilty of any of the crimes contained herein, OMB will have the right to claim all payments made in relation to this Contract or any other contract directly related with the abovementioned crimes, and will require the return of all public funds. This disposition will also apply to similar crimes under any State of the United States, or its territories.
- c) Any act constituting unlawful, improper or immoral conduct.

Furthermore, OMB may cancel this contract immediately if it understands there is an extraordinary fiscal situation that merits an immediate budget or expense cut.

---TWELFTH: OMB MEMORANDUM; Pursuant to Circular Letter No. 001-2021, as amended, from the Office of Management and Budget, all professional service agreements of amounts greater than ten thousand dollars (\$10,000) must include the following clauses:

- a) The Office of the Chief of Staff of the Governor of Puerto Rico shall have the authority to terminate this Contract at any time.
- b) The PARTIES acknowledge and agree that CONSULTANT may be requested to provide all or some of the Services directly to any entity of the Executive Branch with which the OMB subscribes an Interagency agreement, or by direct disposition of the Office of the Chief of Staff of the Governor of Puerto Rico. The Services shall be rendered under the same terms and conditions with respect to work hours and compensation as set forth in this Contract. For purposes of this provision, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as its instrumentalities and public corporations.
- c) The Parties acknowledge that the Consultant has submitted the certification entitled "Contractor Certification Requirement" required in accordance with the Contract Review Policy of the Oversight Board, effective as of November 2017 and as amended on April 30, 2021, signed by the Executive Director of the Contractor (or other official with a position or authority equivalent to issue such certifications). Attached to this contract is the signed Certification.

---THIRTEENTH: INVOICES; CONSULTANT shall submit invoices to the OMB no later than ten (10) days after the end of the month following the Services provided, by electronic mail to [facturas\\_suplidores@ogp.pr.gov](mailto:facturas_suplidores@ogp.pr.gov). The invoices must be specific, detailed and accompanied with a description of the Services rendered, including the names of the personnel assigned and hours worked by each individual, the amount of hours still available, the hourly rate applied, the expenses incurred, and a progress report, as reasonably requested by the OMB, regarding the Services performed on any given month under this Contract. The invoices must be signed by an authorized official of CONSULTANT and approved as correct by an authorized representative of the Director of the OMB. The OMB reserves the right to review in detail the correction of the invoices and reports,

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perform the audits it deems appropriate and, if found correct, approve and process them for payment.

---In compliance with Act No. 2-2018, known as the Anti-Corruption Code for a New Puerto Rico, all invoices submitted to OMB for professional goods and services rendered must contain the following certification:

*"Under penalty of absolute nullity, I certify that no public servant from the Office of Management and Budget is a party to or has any interest in the gains or benefits resulting from the contract that is the subject of this invoice; and if they are a party, or have any interest in the gains or benefits resulting from the contract, there is a prior waiver. The only consideration for providing services under the contract is the payment agreed upon with the authorized representatives of the Office of Management and Budget. The amount of this invoice is fair and accurate. The services were rendered, and the corresponding payment has not been made."*

--- In compliance with the Puerto Rico Treasury Department Circular Letter No. 1300-22-18, all invoices should be registered at the online invoices register. Additionally, in compliance with the Puerto Rico Treasury Department Circular Letter No. 1300-07-17 and 1300-02-14, **CONSULTANT** authorizes the Treasury Department to electronically deposit in **CONSULTANT's** bank account all amounts owed. In case of an overpayment or errors regarding the amount electronically paid, **CONSULTANT** hereby authorizes the Treasury Department to charge the aforesaid account in order to correct the error.

---**FOURTEENTH: WITHHOLDINGS:** **CONSULTANT** is an independent contractor, and as such is responsible for the payment of all its income taxes, and all employee or subcontractor withholdings under the applicable tax laws of Puerto Rico or the United States. No withholdings or deductions shall be made from payments to **CONSULTANT** for Services rendered under this Contract, except as applicable: (i) the special contribution of one point five percent (1.5%) of the gross amounts paid under this Contract, as required by Act No. 48-2013, as amended, and (ii) the corresponding income tax percent withholding, as required by Sections 1062.03, 1062.08 and 1062.11 of Act No. 1-2011, known as the Puerto Rico Internal Revenue Code of 2011, for services rendered. **CONSULTANT** will be solely responsible for paying all withholdings regarding Federal Social Security and any other applicable Income Tax Contributions for any amount owed as a result of the income from this Contract.

---The OMB will notify the Treasury Department of all the payments and reimbursements made to **CONSULTANT** pursuant to this Contract. **CONSULTANT** may submit a corresponding waiver issued by the Treasury Department; in which case any withholding shall be whichever is indicated in the waiver. The OMB will be responsible for notifying the Treasury Department of the percentage of retention that **CONSULTANT** has, according to such waiver.

---**FIFTEENTH: CONTACT; REPRESENTATIVE AND NOTICES;** The **PARTIES** shall designate a contact person or representative, who will be responsible for maintaining communication between the **PARTIES** during the Term of this Contract. All written notices required under this Contract must be delivered in person, or sent by certified mail, return receipt requested, to the following addresses:

**Office of Management and Budget**

Attn: Nivis González Rodríguez  
Associate Director of Administration and Finance  
P.O. Box 9023228  
San Juan, PR 00902-3228

**IOTA Impact Company Inc.**

Attn: Andres Salizabal  
Chairman and CEO

*M*  
*DSP*

300 East 76 Th Street, Apt 12 D  
New York, NY, 10021  
Email: andres@totalmpact.com

---The **PARTIES** accept and acknowledge their obligation to keep each other up to date with their correct addresses, including telephone numbers, fax numbers, emails, and contact person information during the Term of this Contract. -----

---**SIXTEENTH. OFFICIAL COMMUNICATIONS; EMAIL;** The **PARTIES** acknowledge the need for fast and reliable communication among the Government's service providers. They also acknowledge the need to protect and safeguard the records of official activities and the integrity of the content of all official communications and notifications between them, without jeopardizing the Government's information systems and guaranteeing their security. Therefore, they agree that all service provider to the **OMB** may use an e-mail account of the entity or of an individual if it is not a corporation. The e-mail account will serve to carry out all official communication with the **OMB**, with the receipt of written and official communications from the suppliers with which there is a Contract. These accounts will remain active upon completion of the Contract and during the contractual relationship. -----

---**SEVENTEENTH. CONFIDENTIALITY; PROPRIETARY INFORMATION; CONSULTANT,** acknowledges the proprietary and confidential nature of all internal, non-public, information systems, financial, and business information now or hereafter provided to **CONSULTANT** relating to the **OMB**, the Government of Puerto Rico, its agencies, corporations and municipalities, (collectively, "Confidential Information"). The term "Confidential Information", however, shall not include information within the public domain or that is furnished to **CONSULTANT** by a third party who is under no obligation to keep the information confidential. In connection with the execution of this Contract, **CONSULTANT**, its partners, associates, officers, directors, employees, agents or subcontractors, agree that they: (i) shall not make public or disclose any Confidential Information without the previous written consent of the **OMB**, (ii) shall use such Confidential Information only to perform its obligations under this Contract; and (iii) will reproduce the Confidential Information only as required to perform its obligations under this Contract. -----

---The provisions of this Clause, however, shall not prohibit **CONSULTANT** from making any disclosure pursuant to any subpoena or order of a court, or a governmental administrative forum or authority, which may assert jurisdiction over **CONSULTANT**; provided that **CONSULTANT** shall promptly notify the **OMB** of any such disclosure obligations and reasonably cooperate with **OMB's** efforts to lawfully avoid and/or minimize the extent of such disclosure. -----

---**CONSULTANT** may divulge Confidential Information to the persons who need to know such information to fulfill the purposes of this Contract, provided that (i) they shall be advised of the confidential nature of the information and **CONSULTANT** shall direct them, (ii) they agree in writing to treat such information as Confidential Information and to return all divulged materials to **CONSULTANT** upon request, but for one copy for record purposes only; and (iii) in each case, such persons shall be bound by obligations of confidentiality and non-use consistent with and at least as strict as those set forth in this Contract. -----

---Upon request by **OMB**, **CONSULTANT** shall return all Confidential Information to the **OMB** within thirty (30) days following the date of termination of this Contract, certifying that all the information has been returned to the **OMB**, but for one copy kept for record purposes only and other electronic information held in archive and/or backup files, to the extent such files cannot be deleted without unreasonable effort or expense and created in the ordinary course of established data backup/archive procedures. **CONSULTANT** shall not invoice the time spent to gather and

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deliver such information, as it is understood that this is an administrative obligation complementary to the Services rendered hereunder. During this period, these documents shall be available for inspection by the Office of the Comptroller.

—Furthermore, in connection with the agreed upon Services, **CONSULTANT** will provide the **OMB** with any necessary reports, analysis or other such materials as the **OMB** may request. All rights, title and interest in any data, information and other materials furnished to **CONSULTANT** by the **OMB** (the "OMB Information") are and shall remain the **OMB's** exclusive property. **OMB** hereby grants to **CONSULTANT** a revocable, limited and non-exclusive license to use such OMB Information to the extent required to provide the Services described herein. Except as provided below, upon full and final payment to **CONSULTANT**, all **CONSULTANT's** work-product created in connection with the Services (the "Deliverables") shall become the property of the **OMB**.

—Nevertheless, the **OMB** acknowledges that **CONSULTANT** may develop for itself, or for others, problem solving approaches, frameworks or other tools and processes in performing the Services, and nothing contained herein precludes **CONSULTANT** from developing or disclosing such materials and information, provided that the same do not contain or reflect Confidential Information. This provision shall survive the termination of this Contract.

—The **OMB** also acknowledges the proprietary and confidential nature of **CONSULTANT's** ideas, methods, methodologies, procedures, processes, know-how, techniques (including, function, process, system and data models, among others), templates, software systems, user interfaces and screen designs, general purpose consulting and software tools, websites, benefit administration systems, and data, documentation, and proprietary information, which the **OMB** may have access to or receive under this Contract (collectively, "Contractor Information"). To the extent that any Contractor Information is contained in any of the Deliverables, subject to the terms of this Contract, **CONSULTANT** hereby grants to the **OMB** a paid-up, perpetual, royalty-free, non-exclusive license to use such Contractor Information for the **OMB's** use in connection with the Deliverables. Also, to the extent that **CONSULTANT** utilizes any of its intellectual property or expertise, including, without limitation to, the Contractor Information, in connection with the performance of Services, such property shall remain the property of **CONSULTANT** and, except for the limited license expressly granted in the preceding paragraph, the **OMB** shall acquire no right or interest in such property.

—The **OMB** will honor **CONSULTANT's** copyrights, patents, and trademarks relating to the Services, Deliverables and Contractor Information, and will not use **CONSULTANT's** name or other intellectual property without its prior written consent. The **OMB** will use reasonable efforts to minimize distribution and duplication and prevent unauthorized disclosure of Contractor Information. Moreover, subject to applicable freedom of information act requirements, the **OMB** will not disclose Contractor Information to third parties without **CONSULTANT's** prior written consent. The **OMB** also recognizes and accepts that there are certain components of the Contractor's creation that pre-exist this Contract, and whose ownership, rights and interests are and remain with the Contractor. This includes ownership of the provisions of the Proposal, including on data models, methodologies, templates, algorithms, codes, data visualizations, and other works previously created by the Contractor, even if they are used to provide the services under this Contract. The Contractor shall grant the **OMB** certain authorizations and licenses on these intellectual components as provided in the Proposal. The **OMB** is also expressly authorized and has full right to give said production the official use it deems appropriate within the parameters of the license.

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---EIGHTEENTH: REPORTS; **CONSULTANT** will submit a progress report detailing the work performed at the end of each month, with the monthly invoice, and any reports required by the **OMB** regarding the Services performed under this Contract whenever the **OMB** requests it. The preparation of said progress report will not be included in the billable hours given that it is an administrative task. At the completion of the assigned tasks, if required by the **OMB**, **CONSULTANT** will submit a final written report regarding the work it has performed. These requirements shall not be interpreted as a waiver to **CONSULTANT's** ethical obligation and responsibility of keeping the **OMB** informed of the progress of the assigned matters. -----

---This obligation also includes **CONSULTANT's** commitment to submit status and progress reports of all assigned matters as required by the **OMB**, and preparing and delivering to the **OMB's** external auditors, in a timely manner, the legal letters periodically requested in connection with pending or threatened litigation, claims and assessments or loss contingencies, as part of the financial statements audit process for the **OMB**. **CONSULTANT** shall not invoice the time spent in preparing these status reports and letters to auditors, as it is understood that both are administrative obligations complementary to the Services rendered hereunder. The **OMB** will provide **CONSULTANT** all the documentation necessary for the adequate fulfillment of **CONSULTANT's** obligations under this Contract. -----

--- NINETEENTH: COMPTROLLER'S OFFICE; DOCUMENT PRESERVATION; **CONSULTANT** will retain all reports, analysis, auditors' reports, worksheets and other documents related to its work in connection with this Contract to be examined or copied by the Office of the Comptroller of Puerto Rico in any of their interventions, according to the authority conferred upon said Office by the Constitution of the Government of Puerto Rico and Act No. 9 of July 24, 1952, as amended. These documents must be kept for a period of no less than six (6) years or until the Office of the Comptroller, or the Department of Justice, makes any intervention, whichever comes first. If during those six (6) years the Office of the Comptroller or the Department of Justice conducts an audit or investigation of the tasks performed under this Contract, **CONSULTANT** shall retain the documents until such audit or investigation is concluded. -----

---TWENTY: DUE LOYALTY; CONFLICTS OF INTEREST; OTHER CONTRACTS; **CONSULTANT** acknowledges that, in performing the Services pursuant to this Contract, it has the obligation to exhibit complete loyalty towards the **OMB**. **CONSULTANT** certifies that it is not involved in any conflict of interest situation, nor will it enter into business or actions that result in conflicts of interest, and is currently unaware of any relationship that would create a conflict of interest with the **OMB**, or those parties-in-interest of which the **OMB** has made **CONSULTANT** aware. -----

---**CONSULTANT** represents conflicting interests when its conduct is described as such in the standards of ethics applicable to its profession or industry, or in Puerto Rico's laws and regulations. The conduct by one of **CONSULTANT's** partners, associates, officers, directors, employees, agents or subcontractors, therein described, shall constitute a violation of this prohibition. **CONSULTANT** shall avoid even the appearance of the existence of a conflict of interest that has not otherwise been waived. However, the **OMB** acknowledges that **CONSULTANT** is a firm having multiple clients, and with or without **CONSULTANT's** knowledge, any of such clients may from time to time acquire, hold or trade interests adverse to the **OMB**. **CONSULTANT's** representation of those clients in unrelated matters shall not be deemed conflicts of interest within the meaning of this Contract, to the maximum extent permitted by Puerto Rico's statutes controlling government procurement and contracts. -----

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---CONSULTANT represents that it may be engaged in other contracts with other agencies, instrumentalities and/or municipalities of the Government of Puerto Rico, which may be executed at approximately the same time as the execution of this Contract. CONSULTANT shall disclose in writing the name of the other parties to such contracts. Currently, CONSULTANT has not a contractual relationship or contractual negotiations with government entities. -----

---CONSULTANT certifies that no potential government contract will provoke any conflicts between the duties and obligations entered under this Contract. Furthermore, except for services provided under agreements disclosed to the OMB, CONSULTANT's team members providing Services under this Contract will not provide similar products and/or services to any of the agencies, public corporations, municipalities or instrumentalities of the Government of Puerto Rico, as well as to any other private or public party that are deemed by CONSULTANT to have an adverse interest to the OMB, during the Term of this Contract and for six (6) months after its termination, without the express written consent of the OMB, which, unless prohibited by applicable law, will not be unreasonably withheld. -----

---CONSULTANT represents adverse/conflicting interests when, on behalf of one client it must support that which it is its duty to oppose to comply with its obligations with another previous, present or potential client. Also, it represents conflicting interests when its conduct is described as such in the standards of ethics applicable to its profession or industry, or in Puerto Rico's laws and regulations. The conduct herein described by one of CONSULTANT'S directors, partners, employees or subcontractors shall constitute a violation of this prohibition. In rendering Services under this Agreement, the CONSULTANT shall conform to high professional standards of work and business ethics. The CONSULTANT agrees and certifies that it knows the ethical standards of its profession and assumes responsibility for its actions under this Agreement. The CONSULTANT shall avoid even the appearance of the existence of conflicting interests. The CONSULTANT certifies that at the time of the execution of this Agreement, it does not have, nor does it represent particular interests in cases or matters that imply a conflict of interests, as defined above, or of public policy, between the OMB and the particular interests it represents. If such conflicting interests arise after the execution of this Agreement, the CONSULTANT shall notify OMB immediately. Both Parties hereby declare that, to the best of their knowledge, no public officer or employee of OMB, the Government of Puerto Rico, or any of its agencies, instrumentalities, public corporations or municipalities, or employee of the Legislative or Judicial branches of the Government has any direct or indirect interest in the present Agreement. The Parties further acknowledge that, to the best of their knowledge, no public officer or employee is a party to or has any interest in any profits or benefits produced by this Agreement and that no public officer or employee of OMB with the power to approve or authorize contracts on behalf of the OMB, or any member of his or her family unit, has or has had any direct or indirect economic interests with the CONSULTANT during the last four (4) years prior to said public officer or employee holding office. The CONSULTANT certifies that neither it, nor any of its directors, executives, officers or employees, offered or paid, directly or indirectly, any commissions, referrals, contracts, or any other consideration having an economic value, to a third party as a condition for obtaining this Agreement or to influence in any way its execution. In addition, the CONSULTANT certifies that it shall not pay any commissions, make any referrals, execute any contracts, or provide any other consideration having an economic value, to a third party for the Services to be rendered under this Agreement, except for any subcontracts authorized by OMB in accordance with the provisions established herein. The CONSULTANT also certifies that none

of its partners, directors, executives, officers and employees receives salary or any kind of direct employment compensation for the rendering of regular services by appointment (or otherwise) in any agency, instrumentality, public corporation, or municipality of the Government of Puerto Rico. The Parties acknowledge that this Agreement is not executed with or for the benefit of persons who have been public officers or employees of OMB.

—In addition to the aforesaid, **CONSULTANT** agrees it may not compromise or make any commitment that binds the **OMB**, in relation to the matters entrusted to it under this Contract, without the due authorization and express consent of the **OMB**. If the **OMB**, or its designated representative, understands that adverse or conflicting interests have arisen, it will notify **CONSULTANT** in writing of its findings and its intention to terminate the Contract within thirty (30) days.

—**TWENTY-FIRST: MONETARY INTERESTS; LAWSUITS; ADDITIONAL COMPENSATION; WAIVERS;** Both **PARTIES** hereby declare that, to the best of their knowledge, no public officer or employee of the **OMB**, the Government of Puerto Rico, or any of its agencies, instrumentalities, public corporations or municipalities, or employee of the Legislative or Judicial branches of the Government, has any direct or indirect monetary interest in the present Contract. Furthermore, in accordance with the provisions of Act 237-2004, which establishes uniform contracting requirements for professional and consulting services for the agencies and entities of the Government of Puerto Rico, the **PARTIES** recognize and certify that:

- a) No official or public employee who is authorized to contract on behalf of the executive agency for which he works may enter into a contract between his agency and an entity or business, in which he or a member of his family unit has or has had during the last four (4) years prior to holding office, directly or indirectly, monetary interest.
- b) No executive agency may carry out a contract in which any of its officers or employees or any member of their family units has or has had during the last four (4) years before taking office, directly or indirectly, monetary interest, unless the Governor, upon recommendation of the Secretary of the Treasury and the Secretary of Justice authorizes it.
- c) No official or public employee who has the faculty to approve or authorize contracts may evaluate, consider, approve or authorize a contract between an executive agency and an entity or business in which he or a member of his family unit has or had during the last four (4) years before taking office, directly or indirectly, monetary interest.
- d) No official or public employee may grant or authorize a contract with a private person knowing that this person, in turn, is representing interests in cases or matters involving conflicts of interest or public policy between the contracting government agency and the interests that said private person represents.
- e) No executive agency will contract with, or for the benefit of, persons who have been public officials or employees of said executive agency, until two (2) years have elapsed since that person ceased to function as such. The Governor may issue authorization as to the applicability of this provision provided that such authorization results in the benefit of the public service. This prohibition will not apply to contracts for the provision of services *ad honorem*.

—**CONSULTANT** certifies that neither it, nor any of its partners, associates, officers, directors, employees, agents or subcontractors offered or paid, directly or indirectly, any commissions, referrals, contracts, or any other consideration having an economic value, to a third party as a condition for obtaining this Contract or to influence in any way its execution.

---In addition, **CONSULTANT** certifies that it shall not pay any commissions, make any referrals, execute any contracts, or provide any other consideration having an economic value, to a third party for the Services to be rendered under this Contract, except for any subcontracts authorized by the **OMB** in accordance with the provisions established herein. **CONSULTANT** also certifies that none of its partners, associates, officers, directors, employees, agents or subcontractors receives a salary or any kind of additional compensation for the rendering of regular services by appointment (or otherwise) in any agency, instrumentality, public corporation, or municipality of the Government of Puerto Rico, except those authorized by Law. -----

---**CONSULTANT** certifies that neither it, nor any of its directors, officials, stockholders, partners, board members, directors, subsidiaries or partner companies, have any lawsuits against the Government of Puerto Rico or any of its officials. **CONSULTANT** also certifies that it is not subject to a bankruptcy proceeding. If they were to enter a bankruptcy process, **CONSULTANT** agrees to notify **OMB** and provide all the information requested including, but not limited to, case number, parties, status, and compliance with the Trustee's Payment Plan. -----

---**CONSULTANT** also certifies having obtained any authorizations or waivers required by law from any government entities authorized to grant them, and that a copy of these have been delivered to the OGP to be part of the contracting file. -----

---**TWENTY-SECOND: ETHICS LAW; CONSULTANT** certifies that they understand and will comply with all applicable provisions of Act No. 1- 2012, as amended, known as the Office of Government Ethics Organic Act. The **OMB**, through the official authorized to execute this Contract and as an agency of the Government of Puerto Rico, certifies that it complies with all the applicable provisions of Act. No. 1-2012. Any infraction of the provisions of this Act may be processed civilly and administratively. If required, the **PARTIES** will obtain all proper authorizations from the Office of Government Ethics, or from any other government entity. -----

---**TWENTY-THIRD: ANTI-CORRUPTION CODE; ETHICAL NORMS; CONSULTANT** hereby recognizes and agrees that it shall be bound by and comply with all applicable provisions of the Code of Ethics for Contractors, Suppliers, and Applicants for Economic Incentives of the Government of Puerto Rico, contained in Chapter III of Act No. 2-2018. **CONSULTANT** acknowledges and agrees to abide and comply with the dispositions of Act No. 2-2018, known as the Anti-Corruption Code for a New Puerto Rico. **CONSULTANT** also certifies that they know the ethical norms of their profession and assume responsibility for any action contrary to such norms. -----

---**TWENTY- FOURTH: PRIOR CONVICTIONS; DEPT. OF JUSTICE CERTIFICATION; SWORN STATEMENT;** In compliance with Act No. 237-2004, **CONSULTANT** certifies that it has not been convicted of crimes against public integrity or misappropriation of public funds as defined in Act No. 146-2012, as amended, known as the Puerto Rico Penal Code of 2012, or its equivalent, and that it has not been convicted of this type of crime in federal courts or in any other jurisdiction. -----

---Furthermore, **CONSULTANT** certifies and guarantees that, at the execution of this Contract, neither **CONSULTANT**, nor any of its partners, associates, officers, directors, employees, agents or subcontractors have pled, been convicted, or found guilty in any Puerto Rico or United States Federal Courts for any of the crimes under Article 3.4 of Act No. 2-2018, known as the Anti-Corruption Code for a New Puerto Rico, which includes those specified in Articles 4.2, 4.3 and 5.7 of Act No. 1- 2012, as amended, known as the Office of Government Ethics Organic Act; Articles 250 to 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code of 2012; and Section 6.8 of Act No. 8-2017, as amended, known as the Government of Puerto Rico's Human Resources Administration and Transformation Act. In the event of being convicted for

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these infractions or offenses, **CONSULTANT** will be unable to contract with any agency of the Government of Puerto Rico for the terms applicable under Article 6.8 of Act No 8-2017. -----

---Neither **CONSULTANT**, nor any of the aforementioned persons, has knowledge of any of the foregoing being the subject of any investigation in either a civil or a criminal procedure in a state or federal court, for criminal or civil charges related to the public treasury, the public trust, a public function, or a fault that involves public funds or property. If the status of **CONSULTANT** or any of its partners, associates, officers, directors, employees, agents or subcontractors, with regards to the charges previously mentioned should change at any time during the Term of the Contract, **CONSULTANT** shall notify the **OMB** immediately. The failure to comply with this responsibility constitutes a violation of this Clause. **CONSULTANT** recognizes that its duty to inform shall be of a continuous nature during all stages of this Contract and that, if convicted, pled or declared guilty, in the state or federal jurisdiction, for any of the offenses mentioned in this Clause, it shall be enough cause for the **OMB** to terminate this Contract immediately. -----

---**TWENTY- FIFTH: INVESTMENT IN PUERTO-RICAN INDUSTRY;** In compliance with Act No. 14-2014, as amended, known as the Investment in the Puerto Rican Industry Act, **CONSULTANT** shall use goods extracted, produced, assembled, packaged or distributed by agents established in Puerto Rico while rendering the Services subject to this Contract, to the extent that they require the acquisition of such goods and are available. -----

---**TWENTY- SIXTH: ASSISTANCE FOR THE ELDERLY LAW; ASUME;** **CONSULTANT** certifies and assures that it is in compliance, or not required to comply as an employer, with Act No. 3-2014, regarding the improvement of assistance and support of the elderly population in Puerto Rico, and Act No. 6 of December 30, 1986, as amended, also known as the Organic Act of the Administration for the Pension of Minors ("ASUME"). -----

---**TWENTY-SEVENTH: PAYMENT PLANS;** **CONSULTANT** also recognizes that, if it holds debts with any government agency, it may continue to provide Services under this Contract, provided it is compliant with a payment plan. If a debt is under a process of administrative review or adjustment, **CONSULTANT** has the obligation to report on such process; if said revision is not favorable to **CONSULTANT**, or if it is not subject to a payment plan, **CONSULTANT** expressly agrees to cancel the debt through withholdings by the **OMB** of the total amount of the debt from any enforceable amount of money that accrues from this Contract. If the debt exceeds the amount of this Contract, **CONSULTANT** must establish a payment plan with the corresponding agency to satisfy the debt in full during the Term of this Contract. The payment plan with the agency must have been formalized prior to executing this Contract, and **CONSULTANT** will provide the **OMB** with the pertinent evidence. -----

--- **TWENTY-EIGHTH: CERTIFICATES & DOCUMENTS;** **CONSULTANT** will comply will all applicable laws, regulations and executive orders that regulate the contracting process and requirements of the Government of Puerto Rico, including Act No. 73-2019, as amended, known as the "2019 General Services Administration Act for the Centralization of Purchases of the Government of Puerto Rico" ("Act 73- 2019"). In compliance with the provisions of Act 73-2019, the **CONSULTANT** has provided the Authority the Certification of Eligibility of the Unique Registry of Professional Services Providers (known in Spanish as "Certificado de Elegibilidad del Registro Único de Proveedores de Servicios Profesionales", and hereinafter referred to as the "RUP Certification"), issued by the General Services Administration. The parties acknowledge that the RUP Certification validates compliance with Act No. 237-2004; the Puerto Rico Treasury Department's Circular Letter No. 1300-16-16; and Act No. 85-2009, known as the Electronic

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Certificates and Vouchers Act, among others, if applicable to **CONSULTANT**, and may be presented individually or through an electronic Certificate of Eligibility.

---For the purposes of this Clause, the term "tax debt" includes any debt that **CONSULTANT**, or other parties which the **OMB** authorizes **CONSULTANT** to subcontract, may have with the Government of Puerto Rico for income taxes, real or personal property taxes, including any special taxes levied, license rights, tax withholdings for payment of salaries and professional services, taxes for payment of interest, dividends and income to individuals, corporations and non-resident accounting firms, unemployment insurance premiums, workers' compensation payments, and ASUME.

---**CONSULTANT** certifies that it has presented any other document that is required for executing this Contract. Additionally, **CONSULTANT** must present the corresponding evidence if it provides specialized services for which, by law, particular requirements for the exercise of a profession are required, (e.g. evidence that they are authorized to practice the profession, or of association or registration before an examining board of their profession, as applicable).

---**CONSULTANT** accepts and acknowledges its responsibility for requiring and obtaining similar warranties and certifications required under this Clause from every approved subcontractor whose service **CONSULTANT** has secured in connection with the Services provided under this Contract and shall forward such evidence to the **OMB** in its compliance with this requirement. Any person engaged by **CONSULTANT** in accordance with the conditions herein established who dedicates twenty-five percent (25%) or more of their time to provide Services related to this Contract shall be considered subcontractors for the purposes of this Clause. Notwithstanding, **CONSULTANT** shall have the right to rely conclusively on the mentioned certifications from government agencies in making the representations in this Clause.

---Express recognition is made by **CONSULTANT** that the truthfulness of all the assertions made in these certifications, assurances and warranties is an essential requirement of this Contract. Noncompliance with any of these assertions, or should any one of these representations, warranties, and certifications be incorrect, inaccurate or misleading, in whole or in part, shall be sufficient cause for the **OMB** to terminate this Contract and to require that **CONSULTANT** reimburse to the **OMB** all moneys received under this agreement.

---**TWENTY NINTH: SUBCONTRACTS; ASSIGNMENT OR TRANSFER; CONSULTANT** shall notify **OMB** its intent to subcontract, assign or transfer the Services under this agreement, or contract third-party experts or other persons to render services related to this agreement. A notification pertaining to this matter shall specify the issues in which such subcontractor would take part and applicable compensation. In no event **OMB** shall be liable to a subcontractor or third party hired by the **CONSULTANT** to render Services pursuant to this Agreement. For purposes of this clause, this Agreement provides a contingency of two hundred fifty thousand dollars (\$250,000).

---The transfer of this Contract in contravention to this clause will be enough cause to terminate the same immediately, unless the assignment is made to a parent company, affiliate, subsidiary or successor in right of the transferor. In the case that the **OMB** does not agree with the assignment, it will have the right to cancel the Contract by written notification, without any charge, penalty or obligation or to require the **CONSULTANT** to terminate any subcontractor or third party related to this agreement. Failure to comply with this Clause will hold **CONSULTANT** responsible for any loss or damage caused to the **OMB**, either directly or indirectly.

---Notwithstanding the above dispositions, from time to time, **CONSULTANT** may utilize the Services of personnel from its affiliates, if any, in providing Services under this Contract, at its

own cost, without the need to seek the consent of the OMB. However, CONSULTANT, shall remain primarily responsible for providing the Services hereunder agreed to. The OMB agrees that none of CONSULTANT's affiliates, or their respective partners, principals, or employees, who perform work under this Contract, will have any liability to the OMB in connection with the Services or this Contract. Nevertheless, CONSULTANT assumes all liability as to the work performed by its affiliates, their respective partners, principals, or employees under this Contract. Furthermore, the confidentiality covenants set forth in the Clauses of this Contract, among other requirements, shall apply to these persons. \_\_\_\_\_

---THIRTY: FORCE MAJEURE; The PARTIES shall not be held responsible or liable for any failure or delay in the performance of its obligations hereunder, arising out of or caused by, directly or indirectly, forces beyond its control including, without limitation to: acts of war or terrorism, civil or military disturbances or insurrections, natural catastrophes and interruptions, major loss or malfunctions of utility services; it being understood that the PARTIES shall use reasonable efforts, which are consistent with accepted practices in the industry, to notify and resume Services as soon as practicable under the circumstances. \_\_\_\_\_

---THIRTY- FIRST: LIABILITY; HOLD HARMLESS; CONSULTANT agrees to indemnify, defend and hold harmless the OMB, its officers and employees from and against any and all liability, expense, including reasonable legal fees, and claims for damages, to the extent they are directly and proximately caused by the recklessness or willful misconduct of CONSULTANT while engaged in the performance of Services under this Contract. Provided, however, that the foregoing indemnity to the OMB shall not apply to any liability, loss, expense or claims for damages arising in whole or in part out of the direct or indirect acts of the OMB, its offices or employees, or the failure on the part of the OMB, its officers or employees, to perform any such acts. This Clause will be interpreted in the most favorable manner to OMB, and includes a waiver from payments for any sentence, litigation expenses, interest or attorney's fees. \_\_\_\_\_

---THIRTY- SECOND: INSURANCE POLICIES; The PARTIES certify they possess the required and valid insurance policies to cover any professional or commercial liabilities, civil, administrative or penal responsibilities, or necessary to cover any contingencies that arise under this Contract. CONSULTANT also certifies that it maintains in effect a valid insurance policy from the State Insurance Fund Corporation ("CFSE"), as required by Act No. 45 of April 18, 1935, as amended, for covering workplace accidents to its employees, during the Term of this Contract, or that it does not have the obligation to obtain said insurance policy. CONSULTANT will provide the OMB with a copy or certificate for all applicable insurance policies mentioned herein. \_\_\_\_\_

---THIRTY- THIRD: UNJUST ENRICHMENT; CONSULTANT expressly waives or resigns its option to invoke the unjust enrichment defense when the situation arises, if the information certified in this Contract is found to be false, incorrect, inaccurate or misleading, or CONSULTANT has falsely or mistakenly provided erroneous information regarding their taxes, as it has been required in previous Clauses. CONSULTANT is aware that the truthfulness and correctness of the information expressed and certified in this Contract is essential to the execution of this agreement. Likewise, equitable remedies shall not apply to compensate CONSULTANT for any damages suffered as a result of rendering their Services without complying with the contracting laws and regulations of the Government of Puerto Rico. \_\_\_\_\_

---THIRTY- FOURTH: DISCRIMINATION PROHIBITION; CONSULTANT certifies and assures it will not exercise any type of discrimination against a person or entity because of race, color, sex, sexual orientation, religion, political affiliation, age, economic condition or social origin, \_\_\_\_\_

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national origin, disability, medical condition, civil status, veteran status, or any other form of discrimination that may arise by provision of law, regulation, the Constitution of Puerto Rico, or the Constitution of the United States. -----

**---TWENTY-FIFTH - Debarment, Suspension, and Ineligibility: -----**

(a) The **CONSULTANT** represents and warrants that the Consultant, its principals and affiliates, have not been debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000 (government debarment and suspension regulations). The **CONSULTANT** represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Agreement, the **CONSULTANT** will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The **CONSULTANT** shall require all subcontractors at every tier to comply with this requirement.

(b) This certification is a material representation of fact relied upon by OMB. If it is later determined that the **CONSULTANT** did not comply with 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000, in addition to remedies available to OMB, and the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

**---TWENTY-SIXTH - Access to Records: -----**

(a) The **CONSULTANT** agrees to provide the OMB, the Government of Puerto Rico, the Federal Program Administrators, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the **CONSULTANT** which are directly pertinent to this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions, if required by the same.

(b) The **CONSULTANT** agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(c) The **CONSULTANT** agrees to provide the OMB, the Government of Puerto Rico, Federal Program Administrators and the Comptroller General of the United States, or their authorized representatives, access to work sites pertaining to the work being completed under the Agreement. -----

**---TWENTY-SEVENTH - Records Retention; The CONSULTANT** agrees to maintain all books, records, accounts and reports and all other records produced or collected in connection with this Agreement for a period of not less than three (3) years after the date of final payment and close-out of all pending matters related to this Agreement. If any litigation, claim, or audit is reasonably anticipated to arise or is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. -----

**---TWENTY-EIGHTH - Program Fraud and False or Fraudulent Statements or Related Acts; The CONSULTANT** acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the **CONSULTANT**'s actions pertaining to this Agreement.

**---TWENTY-NINTH - Clean Air Act and the Federal Water Pollution Control Act; The CONSULTANT** agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The **CONSULTANT** agrees to report each violation to the OMB and understands and agrees that OMB will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, or other Federal Program

agencies, and the appropriate Environmental Protection Agency Regional Office. The CONSULTANT agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance. -----

--- THIRTIETH - Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended); Providers who apply or bid for an award of \$100,000 or more shall file the required certification under 31 U.S.C. § 1352. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the OMB and the Government of Puerto Rico. ---

--- THIRTY-FIRST - Compliance with Laws, Regulations, and Executive Orders; CONSULTANT acknowledges that federal funds will be used to fund this Agreement. The CONSULTANT shall comply with all applicable Federal and Government of Puerto Rico laws, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200. -----

---THIRTY-SECOND - Compliance with Laws, Regulations, and Executive Orders; Each and every provision of law and clause required by federal law, regulation, executive order, policy, procedure, shall be read and enforced as though it were included herein. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Agreement shall be amended to make such insertion or correction. -----

---THIRTY-THIRD - No Obligation by the Federal Government: The Federal Government is not a party to this Agreement and is not subject to any obligations or liabilities to the non-Federal entity, CONSULTANT, or any other Party pertaining to any matter resulting from the Agreement. -----

---THIRTY-FOURTH - Title VI of the Civil Rights Act of 1964; The CONSULTANT shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

---THIRTY-FIFTH - Age Discrimination Act of 1975; The CONSULTANT 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.

---THIRTY-SIXTH - Equal Employment Opportunity Act: During the performance of this Agreement, the Consultant agrees as follows:

- a. The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees



to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The **CONSULTANT** will, in all solicitations or advertisements for employees placed by or on behalf of the **CONSULTANT**, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

c. The **CONSULTANT** will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the **CONSULTANT**'s legal duty to furnish information.

d. The **CONSULTANT** will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the **CONSULTANT**'s commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

e. The **CONSULTANT** 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.

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

g. In the event of the **CONSULTANT**'s noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the **CONSULTANT** may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions 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.

h. The **CONSULTANT** will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every contract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each contractor or vendor. The **CONSULTANT** will take such action with respect to any contract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for

noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a contractor or vendor as a result of such direction by the administering agency, the **CONSULTANT** may request the United States to enter into such litigation to protect the interests of the United States.

The **CONSULTANT** further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the **CONSULTANT** so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such Government which does not participate in work on or under the contract.

The **CONSULTANT** agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The **CONSULTANT** further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractor by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the **CONSULTANT** agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to **CONSULTANT** under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

---**THIRTY- SEVENTH: INTERPRETATION; GOVERNING LAW & VENUE;** The laws and regulations of the Government of Puerto Rico shall govern the validity, construction, interpretation and effect of this Contract. Should any claim, suit, or controversy arise from the Services to be performed under this Contract, **CONSULTANT** agrees to submit to the exclusive jurisdiction of the courts of law in Puerto Rico, which include the San Juan Superior Court and the United States District Court for the District of Puerto Rico. **CONSULTANT** waives any objection to the Courts of the Government of Puerto Rico on grounds of inconvenient forum or otherwise, with regards to proceedings in connection with this Contract, and agrees that a judgment or order of the Courts of the Government of Puerto Rico, in connection with this Contract, is conclusive and binding, and may be enforced against **CONSULTANT** in the courts of any other jurisdiction, should any claim, suit or controversy arise from the Services to be performed under this Contract. This clause by itself shall not defeat any forum or jurisdictional claim by the federal government.

---**THIRTY-EIGHT: SEVERABILITY; NULLITY;** The **PARTIES** agree that the clauses and conditions of this Contract are independent and separate from each other, and that the nullity of one or more clauses does not affect the validity of the others, which will remain in force. In the event that a competent court of law declares any part, provision, clause or condition of this Contract as

*[Handwritten signature]*  
*[Handwritten initials]*

invalid, illegal, unenforceable or null and void, such a ruling will not affect, impair or invalidate this Contract as a whole, and the remaining parts, provisions, clauses or conditions shall remain in full force and effect. -----

---THIRTY-NINTH: ENTIRE AGREEMENT; LEGAL REVIEW the terms in this Contract constitute the entire agreement between OMB and CONSULTANT regarding the Services described herein, and supersede any prior representations, written or verbal. The Parties certify that their respective legal representations or counsels have reviewed the present Contract, its terms and conditions, and determine that they comply with the applicable laws and regulations regarding government contracts. -----

---FOURTY: COUNTERPARTS: This Agreement may be signed in multiple counterparts, each of which shall be deemed an original instrument and together shall constitute a single instrument. ---

**ACCEPTANCE**

**IN WITNESS OF ITS ACCEPTANCE**, the **PARTIES** execute and sign this Contract on the 26<sup>th</sup> day of May 2023.



**Juan Carlos Blanco**  
Director  
Office of Management and Budget  
Tax Id No. [REDACTED]



**Andres Satizabal**  
Chairman & CEO  
IOTA Impact Company Inc.,  
EIN [REDACTED]

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IOTA IMPACT

# LAUNCHING THE OFFICE FOR SCHOOL TRANSFORMATION (OTE) TO RESTRUCTURE EDUCATION IN PUERTO RICO

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# 1. OUR UNDERSTANDING OF YOUR GOALS

The government of Puerto Rico aims to improve student outcomes by ensuring state and local functions operate efficiently, resources are appropriately deployed to schools, and learning environments result in effective learning skills for the new economy. However, Puerto Rico faces the following highly complex challenges:

- Puerto Rico residents have a higher percentage and prevalence for all types of disabilities than those living on the mainland.
- Puerto Rico has the sixth largest school district in the US, and the Department of Education is the largest agency in its executive branch.
- The teacher student ratio in Puerto Rico is 12:1 in contrast to the U.S. mainland average of 15:1.
- Public and private school enrollment in Puerto Rico has dropped 44% since 2006.
- Puerto Rico has a great opportunity to close the gap with other US jurisdictions in standardized tests.

There is a unique opportunity to proactively reimagine and transform a school system that responds to the needs of Puerto Rico students and the challenges posed by technology and innovation in the 21<sup>st</sup> century. Besides, the presence of tailwinds for change provides an unprecedented Federal relief flow of dollars, a strengthened relationship with the U.S. Department of Education and island-wide recognition of the urgency for structural changes.

Currently, the Puerto Rico Department of Education (PRDE) operates as a unitary education system, which means that the PRDE serves as both the State Educational Agency (SEA) and the Local Educational Agency (LEA). Decades of evidence illustrate that PRDE's centralized system has proven too challenging to adequately deploy federal and state resources to schools. One of the key limitations is that such a large organization structure and scope make it hard to maintain adequate controls between SEA and LEA responsibilities and limits a more effective operation and dynamism of state and school functions.

For this reason, Puerto Rico seeks to reimagine its education system to provide autonomy to school communities and improve student outcomes. Such system would consider the blueprint of the efforts undertaken in other districts, where academic outcomes, operations and overall transparency have improved since the restructuring processes, despite the different challenges they might have faced.

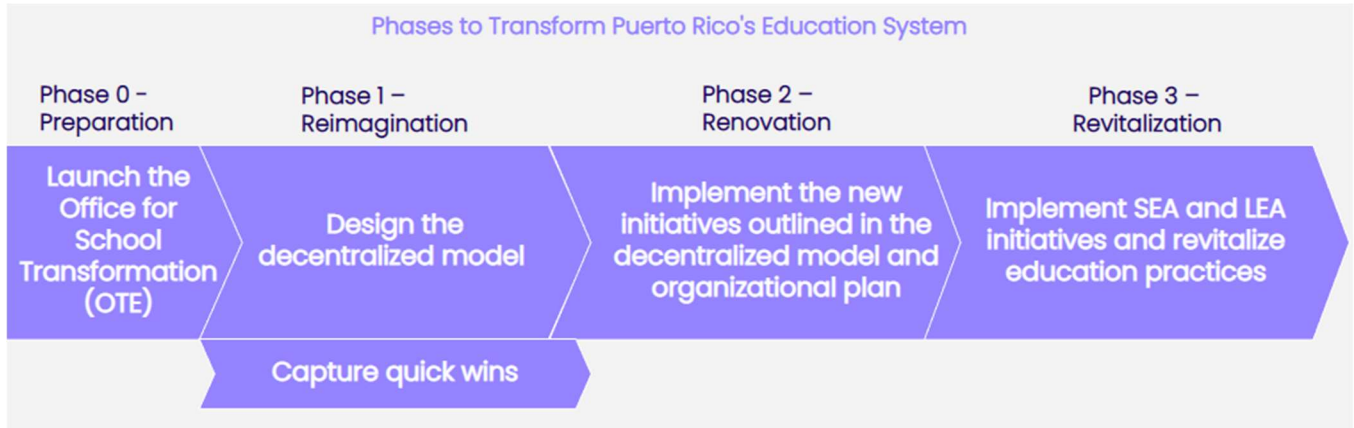
Therefore, the goal of this transformed system is to:

- Separate PRDE's responsibilities as the SEA and LEA.
- Increase local autonomy for regions and schools, as intended by Puerto Rico's Law 85.
- Allow federal resources to flow directly to the local structures created.

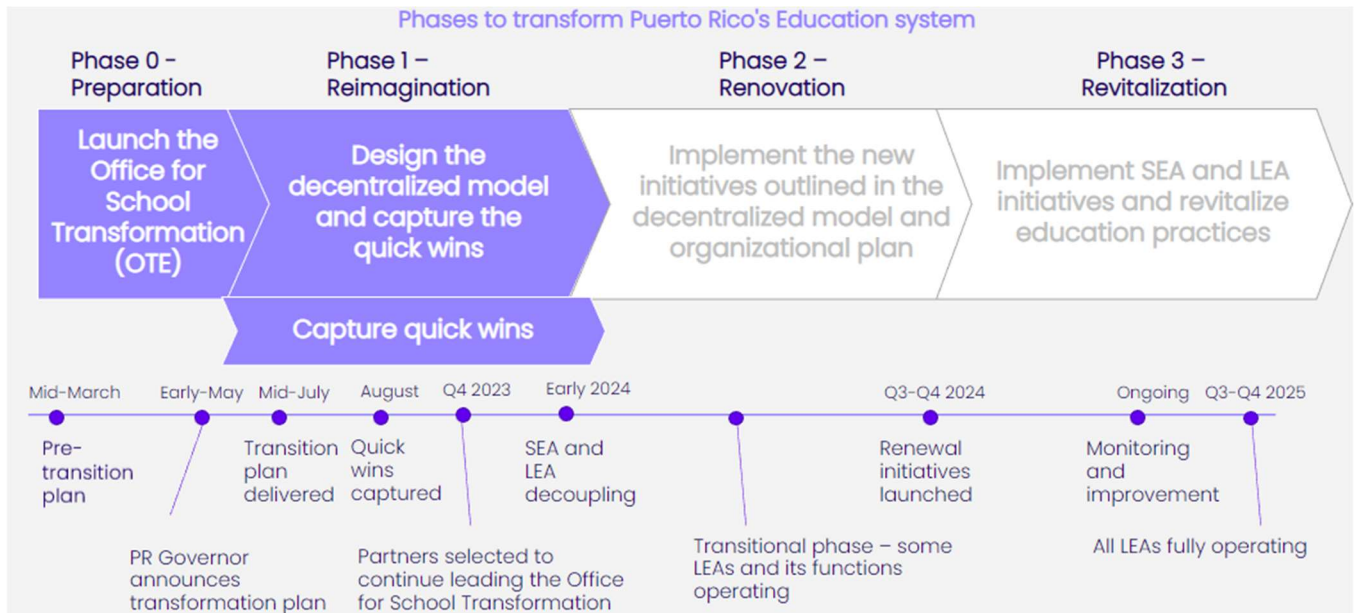
In addition, the Government of Puerto Rico has identified 2 quick wins to be achieved by the start of the school year in August 2023:

- Transparency dashboard to communicate funds available and spent per school.
- Process to ensure schoolteachers have basic materials to start the school-year available in August.

This transformation will be implemented in 3 phases, with prior work to set up the Office for School Transformation (OTE):



GPR has an ambitious timeline and is looking for a partner that can jumpstart the efforts to accelerate change.



The first challenge of this project is to deliver a transition plan and a plan for quick win capture.

- 1. The transition plan will include, but not be limited to:**

- Proposed organizational structure for both SEA and LEA
- Proposed budget for both structures
- Proposed staffing complement for both structures
- Craft Request for Proposals (RFP) for the remaining implementation of Phase 1 and the entirety of Phases 2 and 3
- Outline timeline for Phases 1, 2, and 3

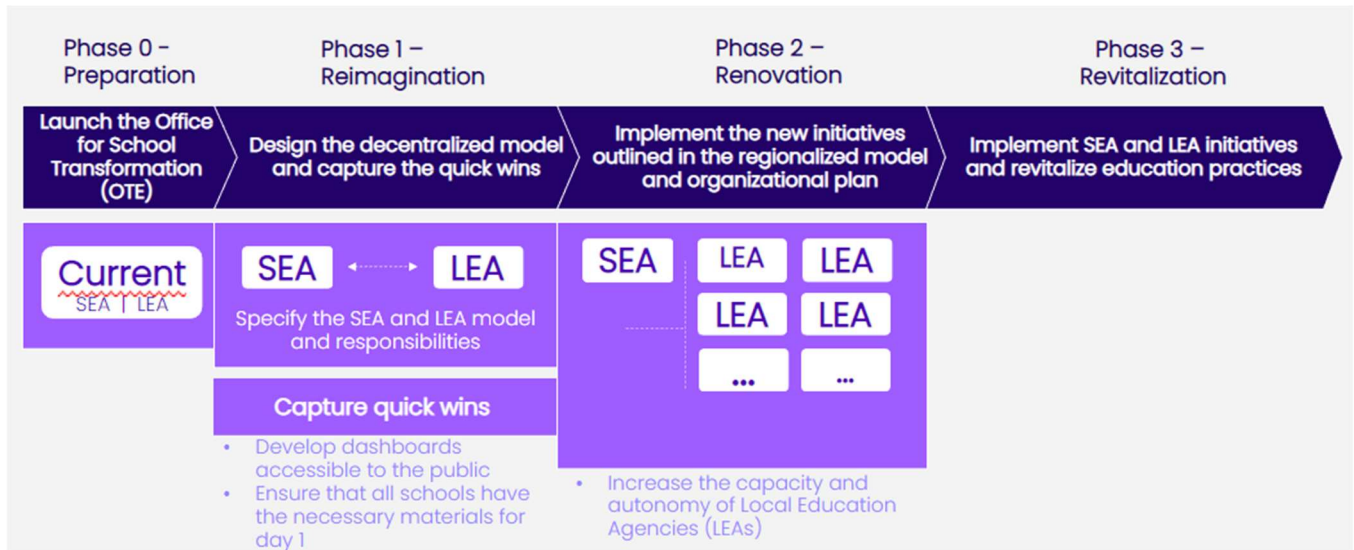
**2. Quick win 1 plan** – based on current status

**3. Quick win 2 plan** – based on current status



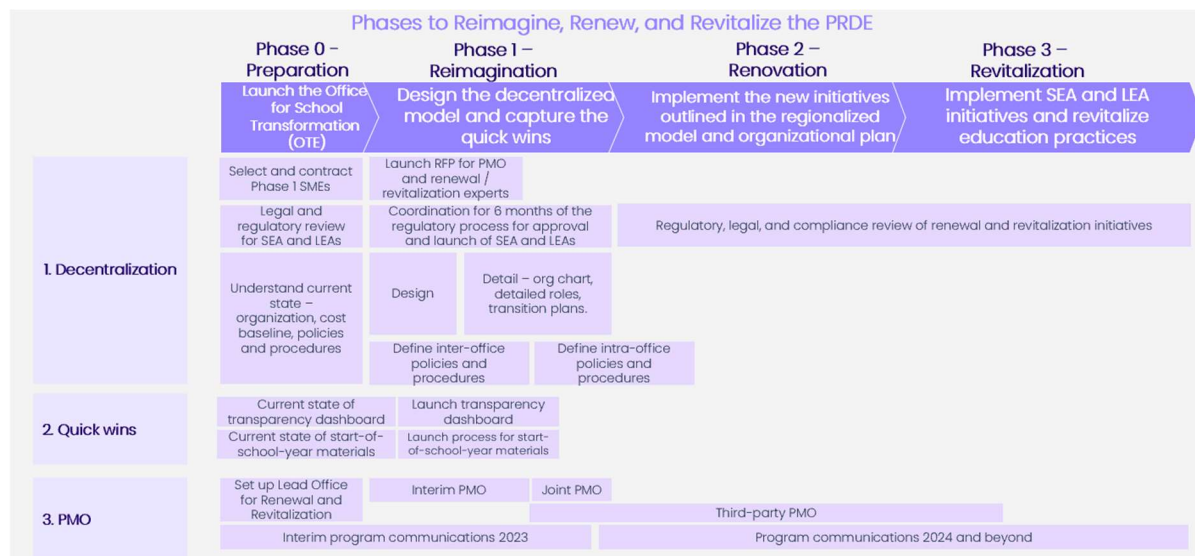
## 2. PROPOSED APPROACH

The system’s transformation will be carried out in 3 phases:

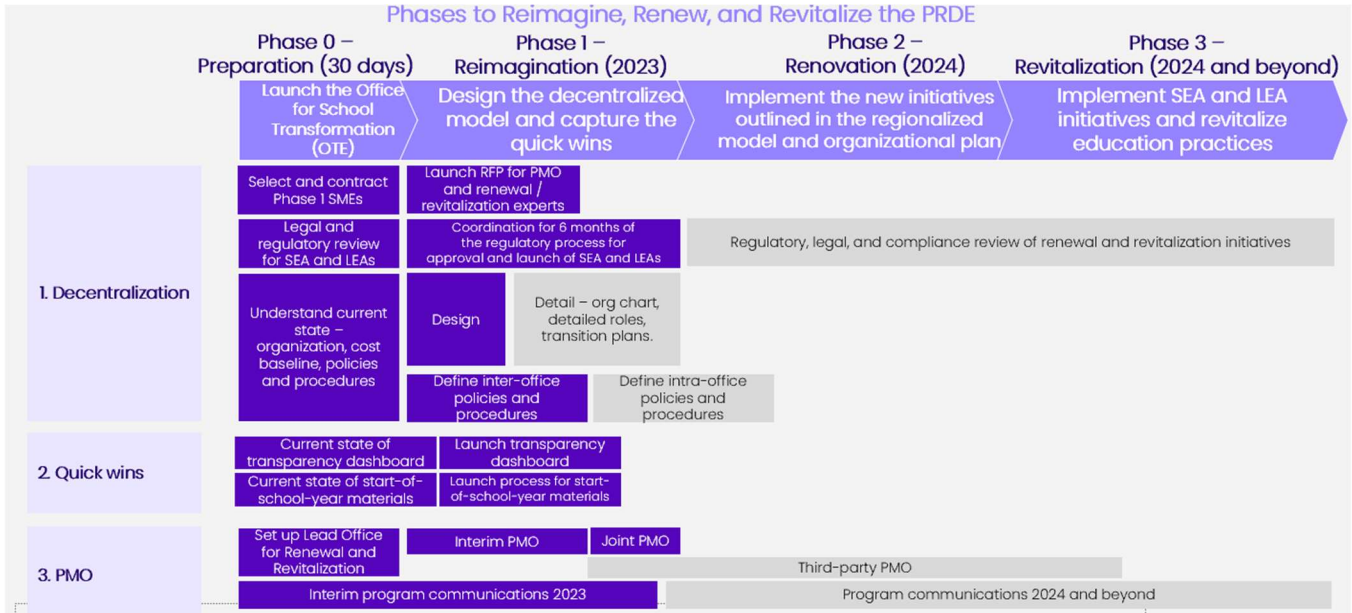


The Office for School Transformation will be responsible for leading and coordinating 3 workstreams.

### Phases to transform Puerto Rico’s Education system



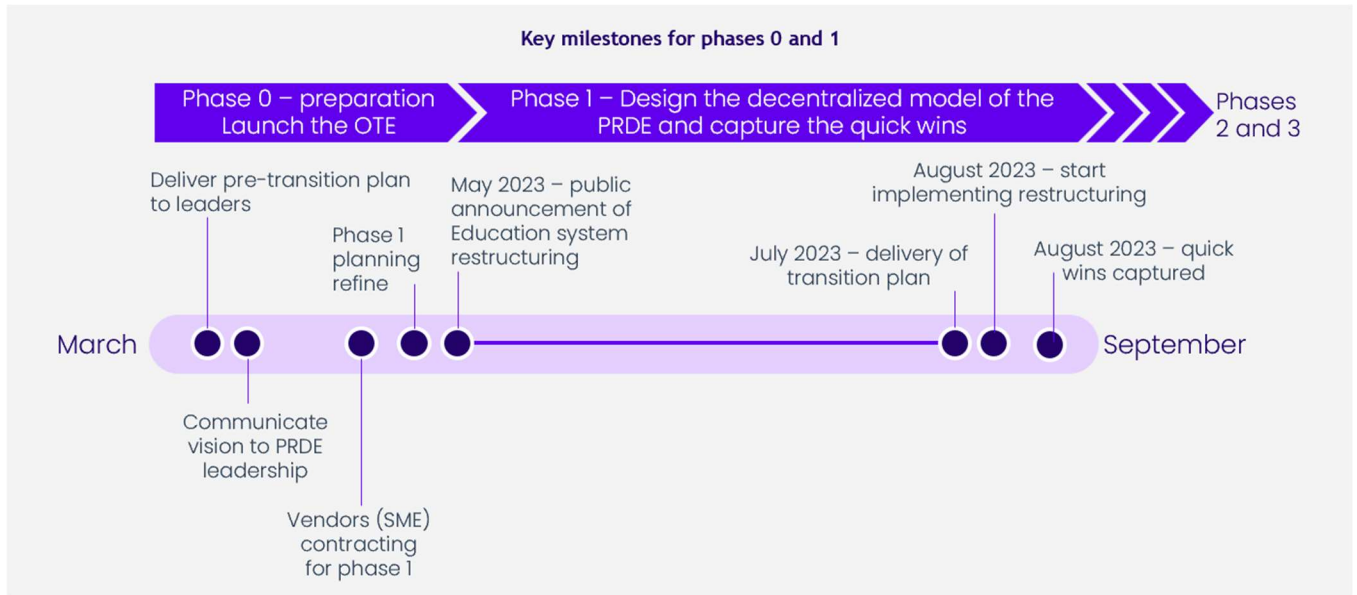
The scope of this proposal is to set up and lead the Office of School Transformation, plan and initiate the restructuring, ensure the capturing of quick wins, and define the RFPs for the initiatives once they ramp up.



IOTA’s role will be to support Puerto Rico in building and launching the transformation effort for the island’s education system:



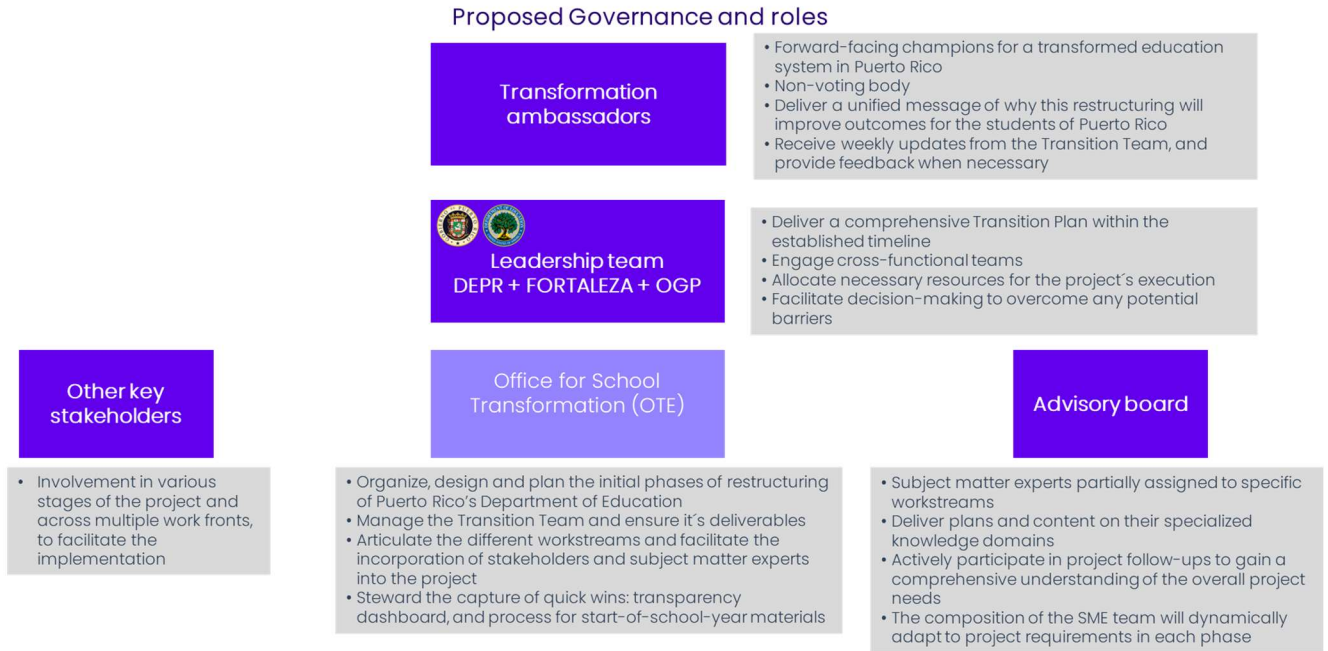
There is an ongoing agenda to accelerate the process and enable the education system’s transformation.



The transformation will leverage available expertise within federal and state agencies as well as third party subject matter experts (SMEs).

		Expected role and sources of expert knowledge	
		Federal and State Experts	SMEs
		Within IOTA's roles for the Office for School Transformation	Outside of IOTA's roles in the Office for School Transformation (to be defined by OGP)
Procurement		<ul style="list-style-type: none"> <li>Professional service contracting specialists</li> <li>Government procurement</li> </ul>	
PMO		<ul style="list-style-type: none"> <li>Change management</li> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Change management consultants</li> <li>Community management agencies</li> <li>PR and communication agencies</li> <li>Media relations experts</li> </ul>
Legal, regulatory and compliance	<ul style="list-style-type: none"> <li>Message and vision consistency</li> <li>Access to information</li> <li>Deep understanding of organizations and programs</li> <li>Feedback and validation of emerging proposals</li> <li>Subject expert knowledge</li> <li>Interphase within government education agencies and other branches of government</li> <li>Legal and regulatory insight</li> </ul>		<ul style="list-style-type: none"> <li>Federal and State regulatory</li> <li>Labor regulation</li> <li>Political and public opinion comms</li> <li>Law firm or regulatory experts</li> </ul>
Organization and people		<ul style="list-style-type: none"> <li>Govt restructuring</li> <li>Change management</li> <li>IT</li> </ul>	
Finance		<ul style="list-style-type: none"> <li>Federal and State budget and financial norms and policies</li> </ul>	
Policies and procedures		<ul style="list-style-type: none"> <li>Federal and state policies and procedures</li> </ul>	
Educational model			<ul style="list-style-type: none"> <li>Education policy and curriculum</li> <li>Transformation in education</li> <li>Educational researchers</li> <li>Education infrastructure</li> </ul>
Quick wins		<ul style="list-style-type: none"> <li>Experts in processes related to quick wins that are not currently contracted</li> </ul>	<ul style="list-style-type: none"> <li>Current vendors contracted for transparency dashboard</li> <li>Current vendors contracted for start-of-school-year materials</li> </ul>

The designated Leadership Team DEPR + Fortaleza + OGP, will carry out this endeavor with the backing of the Office for School Transformation (OTE) and the Advisory Board (AB), under the supervision of the Transformation Ambassadors.



The proposed governance model should be established and set-up in alignment with the needs of the PRDE and in collaboration with the leadership team.

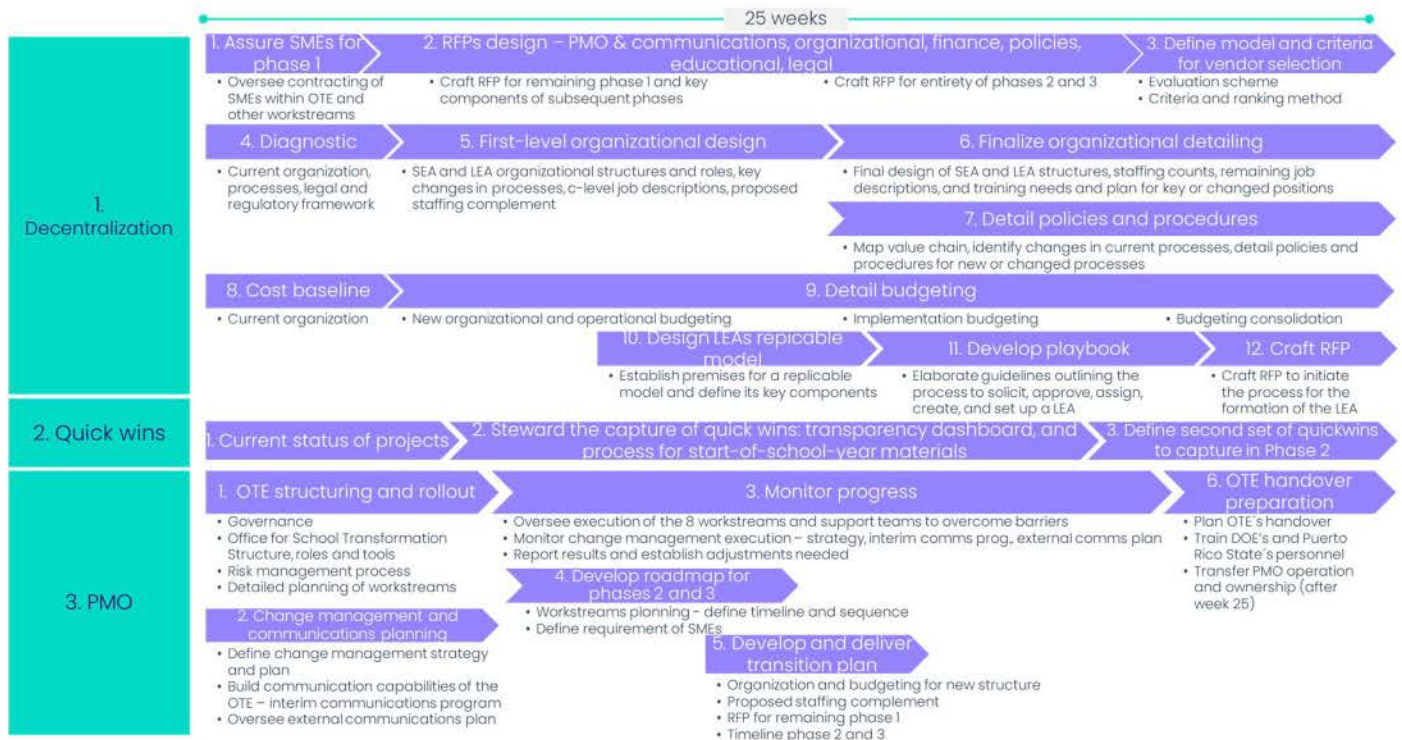
### Proposed Governance



## 3. PROPOSED METHODOLOGY

Based on this approach we propose the following methodology to be executed up to 25 weeks

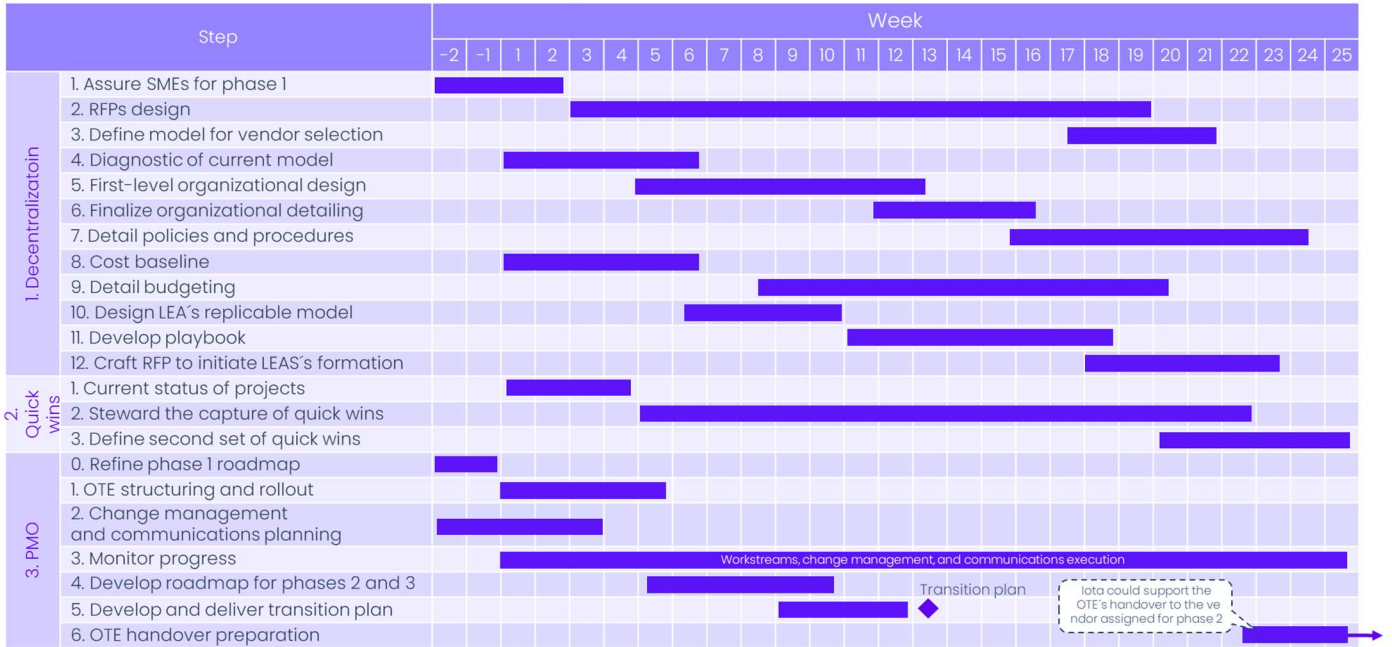
### Proposed Methodology – Phase I



# 4. WORKPLAN

According to the proposed methodology, the execution of this project can take up to 25 weeks.

Proposed Schedule – Phase I



## 5. WORKING TEAM AND COLLABORATION

IOTA Impact is a consulting and market research firm. We conduct traditional consulting and research efforts with a goal to generate positive societal impact and learn more about how to automate traditional ways to conduct research and consulting to make it more agile and affordable.

IOTA impact is uniquely positioned to support this process of transformation of the Puerto Rico education system for the following reasons:

- We **care deeply** about education and student outcomes and have broad experience in multiple countries, agencies, and education initiatives.
- **Broad experience in consulting and innovation**, in areas such as public sector transformation in the U.S and Latin America, with bilingual experts and analysts that can navigate a multicultural landscape.
- **Experience** in the Puerto Rico K-12 education system from one of our founders and key experts as well as experience working in the K-12 Education system U.S states.
- Our team and culture are **highly collaborative and results-oriented**, meaning that the voice of the Government of Puerto Rico, Budget Office, Treasury Office, the community, and other key stakeholders will significantly inform the plan (this is not a “black-box” effort)
- Our pragmatic approach allows us to **deliver while** getting sufficient input and iterations.
- Our **composable business model** means we can collaborate effectively with other firms and experts for massive transformations.
- Our automation allows us to deliver high-quality research and deliverables **much faster than others.** (e.g., we’ve been using Generative AI since 2021, we can develop dashboards in PowerBI quickly)
- We have a **competitive pricing model** vs. consulting firms with our capabilities, thanks to our low overhead.
- We can **support the implementation.**

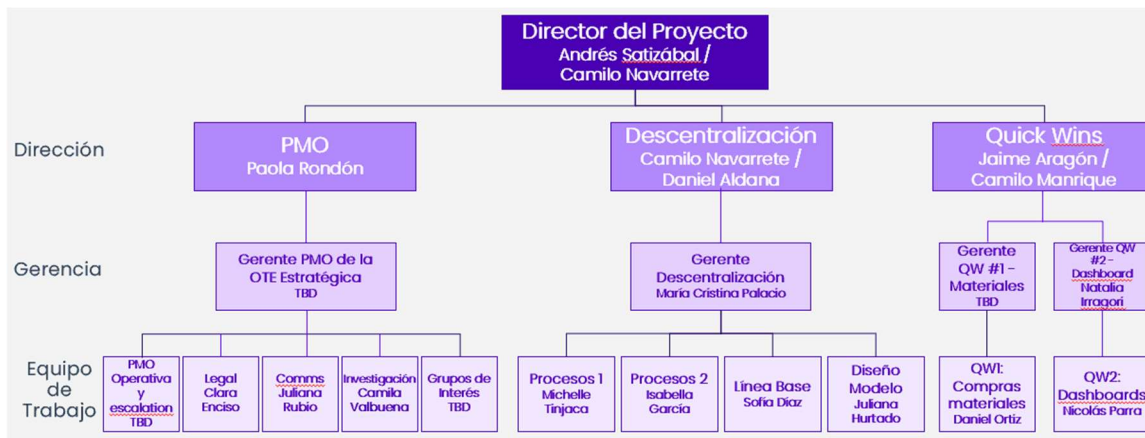
We would assign a highly qualified group of consultants and experts to the Office for School Transformation



### Proposed Team Structure and Roles for the Office for School Transformation OTE

	PMO	Decentralization	Quick Wins	
<b>Project Leadership</b>	1 Director (50%) 1 Research Director (50%)	1 Director (50%) 1 Education director (30%)	1 Director (50%) 1 Education director (30%)	<ul style="list-style-type: none"> <li>Overall project responsibility</li> <li>Objectives definition</li> <li>Barriers resolution and decision making</li> <li>Tools and best practices expertise</li> </ul>
<b>Project Management</b>	1 Project Manager (100%)	1 Project Manager (100%)	2 Project Manager (100%)	<ul style="list-style-type: none"> <li>Agile work management</li> <li>Workstream and content expertise</li> <li>Hypotheses validation</li> <li>Recommendations and quality assurance</li> </ul>
<b>SMEs</b> <i>TBD</i>	<ul style="list-style-type: none"> <li>Change management</li> <li>Risk management</li> <li>Communications experts (TBD)</li> <li>Others (TBD)</li> </ul>	<ul style="list-style-type: none"> <li>SEA and LEA implementation experts</li> <li>Education reform experts</li> <li>PRDE experts (TBD)</li> </ul>	<ul style="list-style-type: none"> <li>Communication experts</li> <li>IT</li> <li>Others (TBD)</li> </ul>	<ul style="list-style-type: none"> <li>Workstream and base information understanding</li> <li>Provide insights for hypotheses formulation and validation</li> <li>Support recommendations development</li> </ul>
<b>Project Team</b>	2 Business consultants (100%) 3 business analyst (100%)	3 Business consultants (100%) 1 business analyst (100%)	2 Business consultants (100%)	<ul style="list-style-type: none"> <li>Data gathering</li> <li>Structuring and development of analysis and modeling</li> <li>Technical analyzes and development</li> </ul>

Here’s some of the proposed IOTA Impact staff and experts that would staff the OTE and lead the multiple workstreams.



## 6. PROPOSED INVESTMENT

The investment for this scope of work is \$4.9M. This includes our staff, technical know-how, tools for PMO, organizational design, and budget modeling, SMEs, and travel expenses.

	Considerations	Investment
<b>IOTA Impact – Regionalization, Quick Wins, PMO / Finance / Process Design.</b>	<ul style="list-style-type: none"> <li>Includes experts, consultants, analysts, and technology solutions.</li> </ul>	<ul style="list-style-type: none"> <li>US\$3,719,940</li> </ul>
<b>SMEs</b>	<ul style="list-style-type: none"> <li>Experts TBD on specific workstreams and other renewal and revitalization efforts.</li> </ul>	<ul style="list-style-type: none"> <li>US\$1,190,000</li> </ul>
<b>Proposed investment</b>	<ul style="list-style-type: none"> <li>US\$4,909,940 (includes applicable taxes)</li> </ul>	

Other agencies and consulting outfits could be contracted directly by Fortaleza, OGP, or PRDE including:

<b>Communications</b>	<ul style="list-style-type: none"> <li>Communications agency.</li> </ul>	<ul style="list-style-type: none"> <li>Additional communication agencies that are not contracted directly by the PRDE or Fortaleza, can be added to this agreement prior approval from OGP</li> </ul>
<b>Legal and regulatory</b>	<ul style="list-style-type: none"> <li>Legal and regulatory consulting firm.</li> </ul>	<ul style="list-style-type: none"> <li>Additional legal and regulatory that are not contracted directly by the PRDE or Fortaleza, can be added to this agreement prior approval from OGP</li> </ul>
<b>Other SMEs</b>	<ul style="list-style-type: none"> <li>Experts TBD</li> </ul>	<ul style="list-style-type: none"> <li>Additional SMEs that are not contracted directly by the PRDE or Fortaleza, can be added to this agreement prior approval from OGP</li> </ul>
<b>Optional OTE overlap handover</b>	<ul style="list-style-type: none"> <li>Accompaniment of Iota in the handover of the OTE to the vendor assigned for phase 2 – 8 weeks</li> </ul>	<ul style="list-style-type: none"> <li>US\$0.25M</li> </ul>

Proposal valid until May 15, 2013

Costs will be invoiced the following way:

- Six invoices tied to the following milestones.
  - Invoice #1 (April) – Once the OTE is structured with defined processes and escalations and the roadmap for the quick wins is created. \$818,173
  - Invoice #2 (May) – Once the public announcement of the transition plan is communicated. \$818,173.
  - Invoice #3 (June) – Once the high-level organizational design for PRDE and LEAs is completed. \$818,173.
  - Invoice #4 (July) – Once the transition plan has been delivered and the process for start-of-school-year materials has been launched. \$818,173.

- Invoice #5 (August) – Once the policies and procedures for the new structure have been defined and the transparency dashboard is launched. \$818,173.
- Invoice #6 (September) – Once the RFP's for specialists have been defined and the LEA playbook is completed. \$818,173
- Each invoice amount already includes a 19% estimate for applicable Puerto Rico taxes.

## 7. NEXT STEPS

We're grateful for the opportunity to support this transformational effort that will impact millions of lives. We are eager to continue the conversation, refine the approach based on your feedback, and start collaborating to select / start collaborating with the SME's, Legal Firm, and Communications Agency.

At IOTA Impact we believe in the value of iterating with our clients. We can adjust our focus and deepen our efforts in areas that will generate the most value to our clients. This means that as we learn more, we're flexible to review the scope and reprioritize some of our capacity to activities that will add the most value. We want to ensure that the PRDE is getting the most value for their investment. Naturally, if changes in scope increase the amount of work significantly, we can discuss the impact in the SOW, but we are here to support you and care deeply about generating impact.

Best regards,

**Andres Satizabal**  
**Founder and CEO**  
[www.iotaimpact.com](http://www.iotaimpact.com)  
+1 (917) 288-3771

IOTA's international background

The founding partners are alumni of leading international management consulting firms

Graduate and undergraduate majors from highly prestigious universities in the US and Europe

Consultants or employees in some of the most renowned global corporations and public entities

Work and living experience in more than 15 countries

Booz | Allen | Hamilton  
strategy and technology consultants

**strategy&**  
Formerly Booz & Company

McKinsey  
& Company



Stanford University



Cornell University

esade



L'ORÉAL

Scotiabank



syngenta  
Global



Kellogg's



1

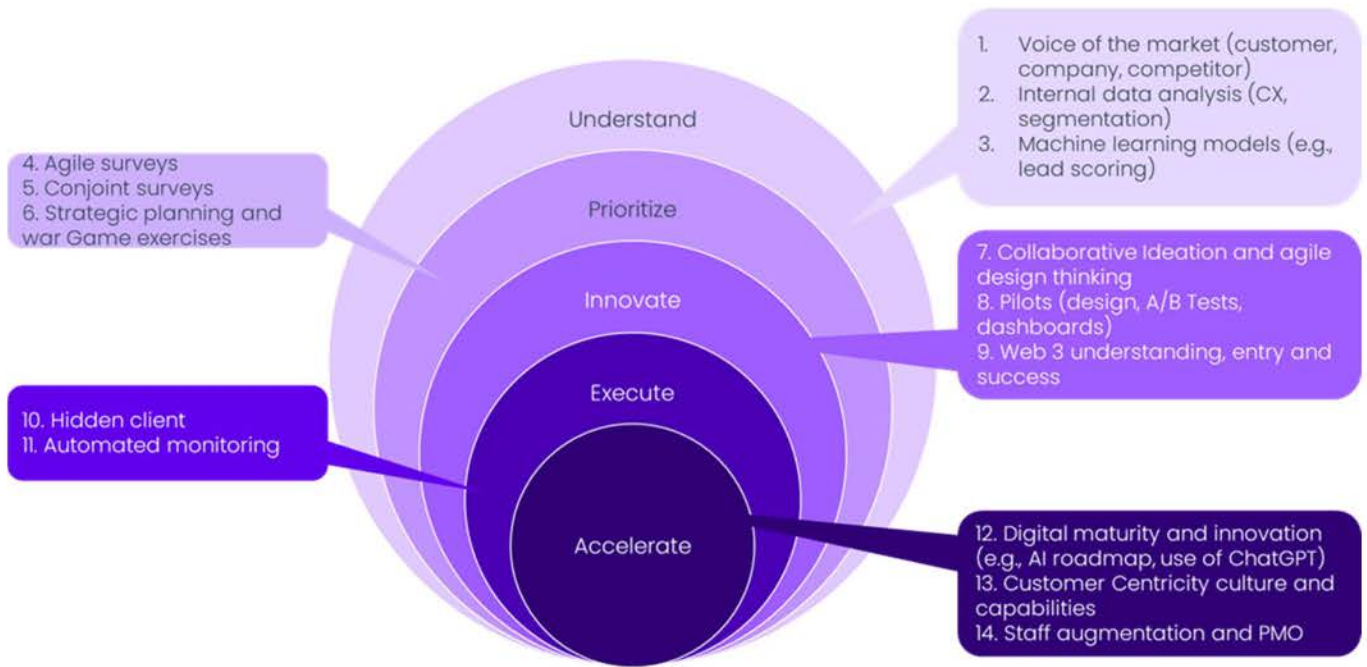
**Grow impact:** gain a deep understanding of your consumer, competitors, and channels to offer winning products and services.

2

**Expand to new business lines and markets:** win in new market segments and enter new geographies.

3

**Future-proof your business:** constantly identify innovations and determine how to capture emerging opportunities and mitigate threats.



**Quality and speed with our Brains+ Bytes + Bots.**

- Business experts, not just techies.
- Our clients tell us we're their most agile partner.
- Recurring work with Fortune 500 clients.

**Walk the walk on diversity and sustainability.**

- Certified minority-owned business.
- Staff is over 50% female and there's no wage gap.
- Zero carbon footprint.
- 100% of staff eligible for stock-based compensation.

**Rapidly ramp up with our composable business model.**

- Access to 2,200 professionals.
- 25 tech. partners.
- 3 composable business networks.



**Do more at scale with our automation- first culture.**

- Constantly automating our work.
- Agile development capabilities.
- Collaboration and product cocreation.

**Higher bang for your buck vs. consultants and research vendors.**

- Subscription to recurring custom research.
- We only execute high-ROI projects.
- Our cost model is deflationary thanks to automation.

**Partner in complex transitions**

- Strategic thinking and managerial capabilities to lead complex efforts
- Collaborative approach
- Ability to create and transfer capabilities to the teams
- Proven practical frameworks and tools
- Focus on action-driven plans and results

**Relevant experience in organizational projects and the education sector**

- More than 300 projects executed in the region
  - +150 on organizational models
  - +160 on operational models
  - 51 of them in the public sector
- Nearly 70 projects executed in the education sector



**Understanding of public sector dynamics**

- Specific experience in public sector
- Projects executed for multilateral entities
- Access to a robust network of experts knowledgeable on the U.S. public sector



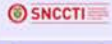





**Regional experience and background**

- Understanding of similar contexts and problems like the ones that Puerto Rico could face
- International background of our senior team
- Specific experience in the U.S.
- Spanish native-speaking team

**Selected credentials**

	TLO / PMO +120 projects	Organizational design +150 projects	Policies and procedures +160 projects	Education +70 projects
PUBLIC SECTOR				
NON-PUBLIC SECTOR				

## TLO / PMO – selected credentials

Sector	Client	Objective
Public sector		Deployment of the new organizational model for the High Presidential Council for Reintegration, public entity that leads the transition from a Reincorporation program model (short term) to a Reintegration Route (long term), to support the demobilization process in Colombia
		Design of the methodology to monitor and stabilize the deployment of the new organizational model for Colpensiones, Colombia's Government Pension Fund
		Led the PMO to implement the strategic redefinition for Banco Agrario, the Government financial entity for rural areas in Colombia. We also accompanied the execution of some of the strategic projects derived from the plan
		Supported the institutionalization of the National Competitiveness System in Colombia, for the Government's high counseling for productivity and competitiveness
		Accompanied the organizational alignment to the strategy, and implementation of some components of the new organization for Financiera de Desarrollo Nacional, a Colombian development bank specialized on the financing and structuring of projects in the infrastructure sector
		Led the PMO to deploy the strategic plan for the regions covered by Agrosavia, the Colombian Agricultural Research Corporation
Private sector		Led the PMO for the powering of insights to leverage business decisions for LLA, a leading communications company with operations in Puerto Rico, the Caribbean and other parts of Latin America
		Led the transformation office for the business refocusing and revitalization in Colombia for RSA, a multinational insurance company
		Led the PMO to power Seabourn's insight-generation capabilities and decision-taking in the business. Seabourn is a luxury cruise brand, part of Carnival Group
		Led the PMO of a comprehensive transformation program for OcenSA, the most important and modern oil transporter in Colombia
		Led the PMO for the transformation of the business towards profitability for EAN, a private University in Colombia









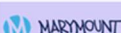
## Organizational design – selected credentials

Sector	Client	Objective
Public sector	 	Organizational redesign for Metro de Bogotá. This entity will lead the strengthening of the administrative and institutional capacity of the organization that will be responsible for the construction of the first subway line for Bogotá.
		Evaluated the institutional, functional and operative management performance of the National Planning Department, the Government's center for short to long-term planning and resource investment. We also accompanied the reorganization of the department's structure, based on results obtained from an evaluation of productivity and efficiency
		Dimensioning of the staff at Colombia's Central Bank. The project included the definition of criteria and methodologies to dimension and keep an optimal staff structure, based on an evaluation of the right sizing and the proposal of adequate profiles for each position
		Identified the organizational implications and elaborated the technical studies to present to the Administrative Department of Public Service, in order to receive approval for the new structures and staffing for Colombia's Mining Ministry
		Led the design of the legal management model for Colombia's Ministry of Justice, to improve the efficiency and efficacy of each level of the National Public Administration
Private sector		Defined an integrated operative model for two organizations of Grupo Phoenix, a TeknipleX consumer product business
		Reviewed the management processes and the interaction mechanisms for AXA Colpatría, an insurance company part of AXA S.A.
		Led the definition of a corporate center and the design of a new organizational model based on business units for Pacific Infrastructure, a petroleum and gas exploration and production firm

## Policies and procedures – selected credentials




Sector	Client	Objective
Public sector		Detailed review and recommendations for the program of the Final Use Monitoring of the International Narcotics and Law Enforcement Affair for the US Embassy in Colombia
		Organizational design and staff dimensioning for the development of public policies, in line with ANTV's sectorial plans and guidelines. The project included legal, technical and financial analyses to draft resolutions to modify the organizational structure, staff, functions manual and labor competencies. The ANTV is the Government's entity in charge of the provision of public television in Colombia
		Definition of the organizational architecture and institutional structure for Colombia's IT and Communications Ministry. The project included the functions manual development for each role.
		Redesign and implementation of key processes: client on-boarding, loan origination and collateral management for Bladex, the Latin American Bank of Foreign Trade
Private sector		Conceptual definition of the university's cost model and definition of a new sourcing model for Universidad de los Andes, a private university ranked top 1 in Colombia
		Organizational redesign and improvement of the interaction mechanisms between the different departments of Grupo Argos, a Colombian conglomerate with investments in infrastructure and cement. We also helped with the definition of policies to maximize productivity and efficiency within the organization
		Structuring and deployment of an operational model for the client's campaign process in Panama and Jamaica. C&W Networks is a telecommunications service provider for Latin America

## Education sector – selected credentials

Sector	Client	Objective
Public sector		built the strategic plan for 7 Vocational Education and Training Institutions (VETs) who were in the process of being de-centralized from the national government to the regional departments. The main goal was preparing them to face the challenges of quality, coverage, efficiency, and regional competitiveness enhancement during the next 5 years. The project included for each (VETs), the construction of the institutional diagnosis, formulation of strategic lines and specific vision goals for the next 5 years, the establishment of the action plan with specific projects and items determined by the Ministry of Education, and the construction of a financial, operative and academic planning model
		Organizational restructuring of Colciencias, a public institution that promotes scientific development in Colombia, to boost the National System of Science, Technology and Innovation. We also accompanied the improvement of the availability of instruments that support research to close the gap between regions and enhance the country's skills in Technology, Science and Innovation.
		Evaluation of the financing program for Doctoral Degrees of Colciencias
		Evaluation of management, results and impact of Colfuturos' loans for the period 1992-2006. We carried out the impact and cost-benefit analyses of the international graduate scholarship program. The evaluation was conducted with a quasi-experimental methodology that allowed proper comparisons between the beneficiaries and a comparison group
Private sector		Assisted the strategic definition for Uncoli, the Association of International Private Schools (K-12) in Colombia
		Identification of the cities and K-12 schools with potential for the entry of Ingenious Schools to Colombia. Ingenious Schools is a community of internationally collaborative K-12 schools
		Strategic planning and definition of the development model for Helvetia School, a K-12 private school in Bogota, Colombia
		Development of the strategic planning for Gimnasio Campestre, a K-12 private school in Bogota, Colombia
		Design of the organizational model in alignment with the new strategy for Marymount, a K-12 private school in Bogotá, Colombia. Definition of management initiatives to optimize the school's expenditure



## Education sector – selected credentials

Sector	Client	Objective
Private sector		Strategic Planning for 2014-2020 period and detailing of strategic projects for CESA, a Colombian private business university
		Designed the Development Plan and updated the model of financial, operative and academic planning for Rosario University, a private university in Bogotá, Colombia
		Assisted the strategic formulation of Tadeo University, a private university in Bogotá, Colombia
		Strategic planning for Leonardo Da Vinci School, a K-12 private school in Bogotá, Colombia
		Led the PMO for the transformation of the business towards profitability for EAN, a private University in Colombia
		Assisted in the identification of potential areas for the creation of a vocational education program for young people in South Africa. JP Morgan Chase Foundation is the financial institution's philanthropic arm that focuses on community development

## Testimonials



### Fortune-500 CPG Strategy leader

"Of course, I recommend Iota; they are an excellent team dedicated to meeting the quality of project objectives, providing a significant business vision, and accompanying you throughout the process."



### – Revenue Growth Expert in leading global travel player

"The project with Iota was successful and achieved the goals established for the project. They can be a valuable partner in the future and a great resource for other firms looking for a talented team to assist with addressing insight needs."



### – Sr. Director of Consumer Research

While working as Sr. Director of Consumer Research, I had the pleasure of partnering with Iota Impact on an Attitude & Usage study of our products. Iota Impact demonstrated incredible flexibility by working with us on a challenging sampling plan; their analytical skills shone through when processing the large data file and identifying key findings that were relevant and actionable. I would use Iota Impact again for a wide array of study types and cannot endorse them strongly enough.



### – Marketing Strategist Global Education client based in U.S.

"Iota helped us with a rapid, but comprehensive competitive landscaping research effort. They were responsive, collaborative and expanded our thinking, making the final product more valuable than originally defined."



### COO Social Impact organization U.S.

"An incredibly thorough, comprehensive and intuitive tool. I was impressed with the speed and robustness with which the tool produced reports."



### – CX Leader CPG Mexico client

"Los puntos que destacaría del trabajo de ustedes serían: Primero, el compromiso porque le meten todo el empuje para que las cosas se hagan y salgan adelante."

GOVERNMENT OF PUERTO RICO  
OFFICE OF MANAGEMENT AND BUDGET  
SAN JUAN, PUERTO RICO

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

PARTIES

----The OFFICE OF MANAGEMENT AND BUDGET of the Government of Puerto Rico (herein after, "OMB"), represented by its Director, Juan Carlos Blanco, of legal age, married and resident of San Juan, Puerto Rico, who is duly authorized to execute this Contract pursuant to Act No. 147 of June 18, 1980, as amended, known as the "The Office of Management and Budget Organic Law". ---

----The IOTA IMPACT COMPANY INC., (herein after, "Consultant"), organized under the laws of the State of Delaware, with offices at 300 East 75 Th Street, Apt 12 D , New York, NY, 10021, represented by its CEO, Andres Satizabal of, of legal age, married and a resident of New York, NY, duly authorized to execute this Contract; (collectively, the "PARTIES").-----

----The "PARTIES", assuring they have the legal capacity to enter into this Agreement, which they promise to reasonably evidence when necessary, set forth the following: -----

RECITALS

----WHEREAS, the OMB, in accordance with the powers conferred to it by Act No. 147 of June 18, 1980, is authorized to enter into any professional, technical and consulting agreements and contracts that are convenient and necessary in order to carry out the activities, programs and operations, and comply with any public purpose, required by law. -----

----WHEREAS, the OMB, was created to assist the Office of the Governor in the direction and administration of the Executive Branch. As such, OMB is authorized to conduct those management studies, examinations and evaluations deemed necessary to measure, improve and increase the effectiveness, efficiency, and economy in the operation of the regular agencies of the Government of the Commonwealth of Puerto Rico and its Public Corporations. -----

--- WHEREAS, on December 27, 2020, the Consolidations Appropriations Act of 2021, Public Law 116-260 was enacted and within its provisions the Governor's Emergency Education Relief Fund (GEER II) program was instituted. As part of such program, each of the Nation's Governors were allowed, among other things, to provide emergency support through grants to Local Educational Agencies (LEA) that the State Educational Agency (SEA) deems have been most significantly impacted by coronavirus to support the ability of such LEA to continue to provide educational services to their students and to support the on-going functionality of the local educational agency. -----

---WHEREAS, the PRDE as an agency of the Government of Puerto Rico serves and thus, carries in a centralized manner, both SEA and LEA's duties and obligations. -----

-WHEREAS, GEER II funds may be allocated for, among other things, any activities that are authorized under the Elementary and Secondary Education Act of 1965 (ESEA). The ESEA allows for the implementation of fiscal support teams that provide technical fiscal support assistance,

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which includes evaluating fiscal, administrative, and staffing functions, and any other key operational function. -----

---WHEREAS, consistent with the Government's IDEAR initiative, on May 26, 2023, OMB and the Consultant executed Agreement 2023-000056 (hereinafter "Agreement") to reorganize the structure and operation of the Puerto Rico Department of Education (PRDE) in order to increase the efficiency and delivery of its services to elevate student achievement. The Agreement provides that the total amounts to be paid by OMB under the original Agreement may not exceed the aggregate amount of five million one hundred fifty-nine thousand nine hundred forty dollars (\$5,159,940) during its effectiveness. -----

--- The Agreement provides for any changes to its terms and conditions to be made by prospective amendment, in writing, signed by both Parties and made during the term of the Contract. -----

---Thus, the Parties need to amend the Agreement to continue supporting the implementation and transformation process in PRDE and to increase its Maximum amount. -----

---THEREFORE, the Parties agree to execute a First Amendment, or Amendment A to the Agreement, subject to the following: -----

**TERMS AND CONDITIONS**

---FIRST: The FIRST clause of the Agreement is amended so it may read as follows: -----

FIRST: PROPOSAL; CONSULTANT will provide the OMB and the Government of Puerto Rico with technical advisory services (hereinafter, the "Services") as described in the proposals entitled *Launching The Office For School Transformation (OFST) To Restructure Education In Puerto Rico*, dated April 8, 2023; and *Implementation of IDEAR Phase 2 ("Implementación de la Fase 2 de IDEAR)* dated September 19, 2023 (hereinafter, the "Proposals"), which are included as part of this Contract, insofar as they do not contravene its terms and conditions. -----

---SECOND: The SECOND clause of the Agreement is amended so it may read as follows: -----

SECOND: SERVICES; In sum, Consultant proposes to provide advice and guidance on the following matters by carrying out the following: -----

Phase I

- a. Decentralize or separate Puerto Rico Department of Education's (PRDE) responsibilities as the State Educational Agency (SEA) and Local Educational Agency (LEA);
- b. Increase local autonomy for regions and schools, as intended by Puerto Rico's Act 85-2018;
- c. Allow federal resources to flow directly to the local structures created; and
- d. Perform any other workstreams and duties reasonably necessary and proper to promote the goals of the engagement.

Phase II

- 1. Support in the operation of the IDEAR Office in PRDE:
  - a. Support the installation of the IDEAR Office in the DEPR;
  - b. Provide support to the IDEAR Management in the operation of the Office;

- c. Monitor and follow up on implementation;
  - d. Support change management and communications plans; and
  - e. Provide support in the management of interest groups.
2. Coordination and management of implementation teams;
  3. Analytical and content support on specific fronts of the project; and
  4. Perform any other workstreams and duties reasonably necessary and proper to promote the goals of the engagement.

---Consultant will coordinate and meet with OMB or its authorized representative, and with other agency or governmental representatives, or any other person, when necessary, in order to complete the Services as required under this Agreement. The OMB will provide all the necessary information so that Consultant can perform the Services covered by this Contract. The OMB is responsible for the accuracy and completeness of the information submitted and agrees to notify Consultant, as soon as possible, of any problems or errors. -----

---THIRD: The SEVENTH clause of the Agreement is amended so it may read as follows: ---

SEVENTH: PAYMENT OF FEES; With respect to the payment of fees and expenses arising from this Contract, the PARTIES agree to the following: -----

- a) The total amounts to be paid by OMB under this Contract may not exceed the aggregate amount of nine million six hundred fifty-nine thousand nine hundred forty dollars (\$9,659,940) ("Maximum Amount"). -----
- b) OMB will issue payment for services up to the following amounts after the applicable deliverables have been provided or milestones completed: -----

DELIVERABLES/MILESTONES	AMOUNT
Once the OFST is structured with defined processes and escalations and the roadmap is created.	\$818,323.33
Once the public announcement of the transition plan is communicated.	\$818,323.33
Once the high-level organizational design for PRDE and LEAs is completed.	\$818,323.33
Once the transition plan has been delivered and the process for start-of-school-year materials has been launched.	\$818,323.33
Once the policies and procedures for the new structure have been defined and the transparency dashboard is launched.	\$818,323.33
Once the Request for Proposals (RFP's) for specialists have been defined and the LEA playbook is completed.	\$818,323.33

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c) As of October 1st, 2023, the Consultant shall render services pursuant to the following hourly rates: -----

Position	Estimated Workhours	Hourly Rate
Senior Associate	1,405	\$400.00
Associate	1,857	\$340.00
Manager	4,292	\$240.00
Senior Consultant	3,333	\$172.00
Consultant	8,907	\$145.00
Analyst	3,583	\$115.00

d) Consultant will inform the OMB when, due to billing for Services or reimbursement of reasonable expenses, the balance of this Contract reaches eighty percent (80%) of said Maximum Amount. In the event that a distribution of working hours has been included (and it is not expressly provided that it constitutes maximum workable hours), such inclusion will correspond to an estimate. Thus, the OMB may use at its sole discretion the resources it deems necessary, regardless of the distribution included, as long as it does not exceed the maximum amount of the contract. The OMB will not make any payment for Services rendered in excess of the Maximum Amount provided in this Clause, regardless of the reasons for said excess. Changes in the Maximum Amount for this Contract will require a formal prospective amendment, as described further on. -----

e) Payments corresponding to this Agreement will be made from Account No. 222-0160000-06F-2021-S425C210047SUB, or any other account identified for such purposes, subject to the availability of funds. The source of funding for this Agreement originates from Grant Award S425C210047 issued by the United States Department of Education to Puerto Rico and pursuant to certain Memorandum of Understanding dated on May 17, 2023, between The Office of the Governor of Puerto Rico and OMB. The CONSULTANT acknowledges that OMB's budget is subject to changes that may be implemented by, including but not limited to, the Governor of Puerto Rico, the Financial Oversight and Management Board, or required by law. In said case, OMB may reduce the contracted Services and will give a fifteen (15) day written notice of the reduction. OMB will be responsible for the payment of Services already rendered, in accordance with the terms in this Contract. -----

---FOURTH: The first sentence of the NINTH clause of the Agreement is amended so it may read as follows: -----

NINTH: TERM OF AGREEMENT; EFFECTIVENESS; AMENDMENTS; This Contract will be in effect from the date of execution until January 28, 2024 (hereinafter, the "Term"), subject to extension by mutual agreement of the PARTIES. -----

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*Handwritten mark*

---FIFTH: CERTIFICATIONS: Consultant represents to the OMB that all certifications and/or authorizations required to formalize the initial agreement remain in force. Likewise, it is clarified that all the terms of the initial contract that do not contravene the provisions herein, remain in full effect and force. -----

---SIXTH: COUNTERPARTS: This Agreement may be signed in multiple counterparts, each of which shall be deemed an original instrument and together shall constitute a single instrument. -----

---SEVENTH: COMPTROLLER: No Services or payments shall be required or rendered under this Contract until it has been properly presented and registered in the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended. -----

---EIGHTH: EFFECTIVENESS: The provisions of this Amendment shall become effective immediately after its execution. -----

ACCEPTANCE

IN WITNESS OF ITS ACCEPTANCE, the PARTIES execute and sign this Contract on the 27 day of September 2023.

Juan Carlos Blanco  
Director  
Office of Management and Budget

Andres Satizabal  
Chairman & CEO  
IOTA Impact Company Inc



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DEPARTAMENTO DE  
**EDUCACIÓN**  
OFICINA DE  
**GERENCIA Y  
PRESUPUESTO**



IOTA **IMPACT**

# IMPLEMENTACIÓN DE LA FASE 2 DE IDEAR

Confidencial  
andres@iotaimpact.com

## TABLA DE CONTENIDO

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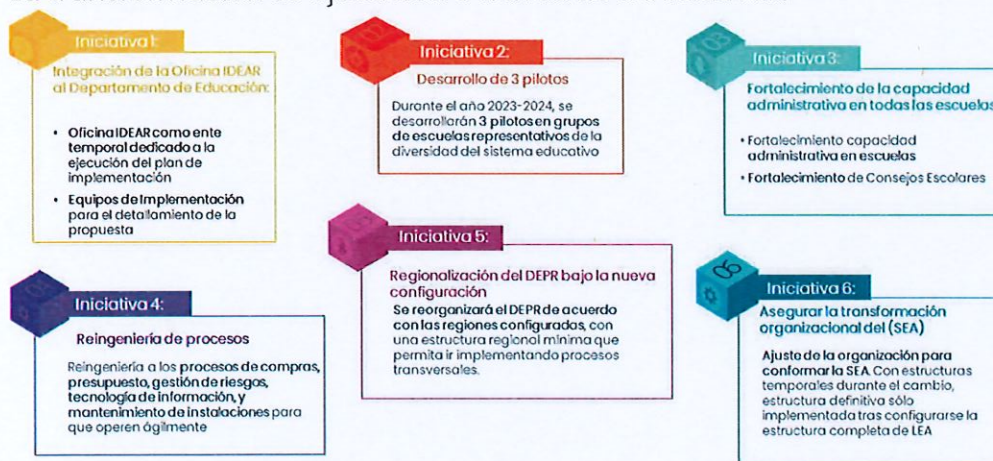
## 1. CONTEXTO

La Oficina de IDEAR alcanzó su principal objetivo para La Fase 1 de reimaginación, el cual fue la entrega del informe para la descentralización del Departamento de Educación de Puerto Rico, tras un proceso altamente participativo.

El informe plantea 5 pilares de transformación, los cuales apuntalan a desarrollar un sistema educativo público participativo, ágil, eficiente y transparente, que se ajuste a las necesidades y aspiraciones de cada comunidad escolar.

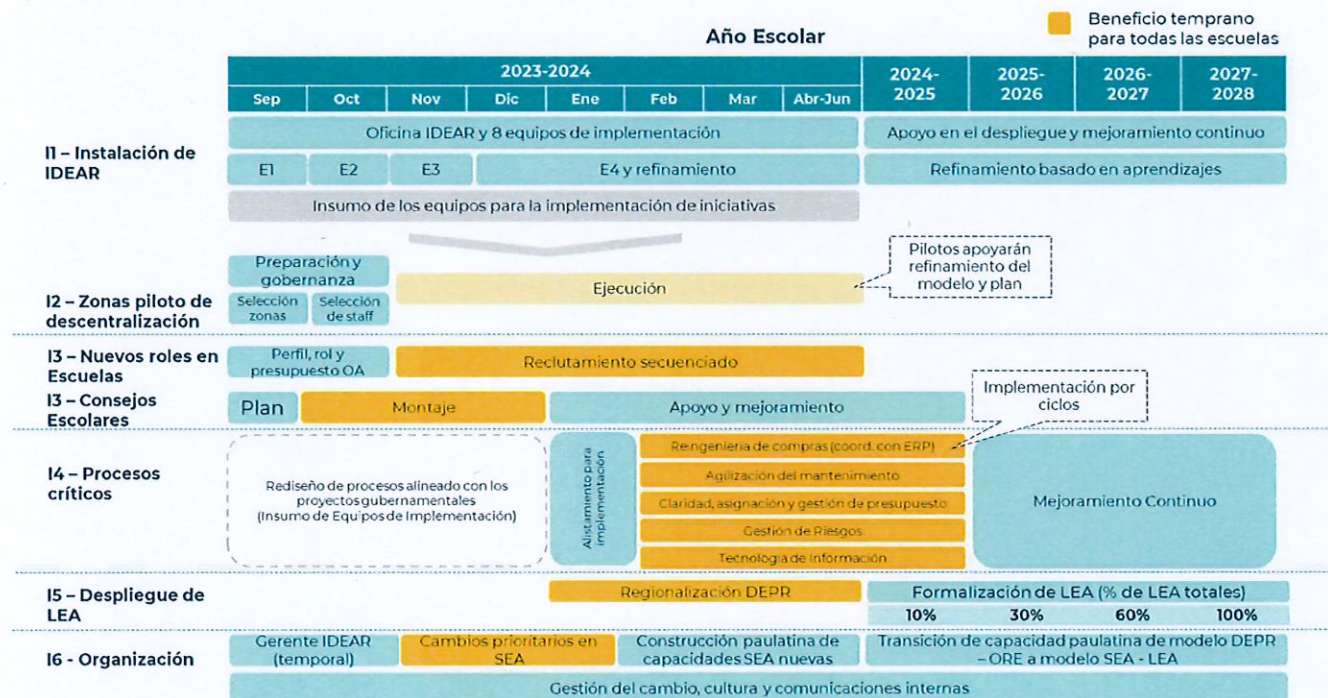
Transformación	¿Qué beneficios trae para las escuelas?
<b>Pilar de transformación #1</b> Estructura de DEPR; SEAY LEA	<ul style="list-style-type: none"> <li>✓ Estructuras, personas y recursos más cercanas a las escuelas y enfocados en apoyarlas</li> <li>✓ Procesos más simples y ágiles</li> <li>✓ Líderes capacitados e idóneos para liderar el desarrollo de la educación en la región</li> </ul>
<b>Pilar de transformación #2</b> Desarrollar una estructura de Gobernanza	<ul style="list-style-type: none"> <li>✓ Empoderamiento y mayor poder a la voz de la comunidad para garantizar su participación en la toma de decisiones.</li> </ul>
<b>Pilar de transformación #3</b> Procesos operativos de apoyo	<ul style="list-style-type: none"> <li>✓ Agilidad y eficiencia en los procesos que atienden las necesidades de las escuelas</li> <li>✓ Se liberará tiempo del personal docente y del director de escuela para ser dedicado a labores educativas</li> </ul>
<b>Pilar de transformación #4</b> Gestión académica y desarrollo de personal	<ul style="list-style-type: none"> <li>✓ Mayor empoderamiento y adaptabilidad en lo que se enseña y sus modelos y métodos de enseñanza</li> </ul>
<b>Pilar de transformación #5</b> Sistema de monitoreo y gestión de riesgos	<ul style="list-style-type: none"> <li>✓ Sistema ágil y transparente que agilice los procesos y asegure el buen uso de los recursos</li> </ul>

La transformación se ejecutará a través de 6 iniciativas:



Estas iniciativas están previstas para ejecutarse de manera escalonada, con ejecución de pilotos para probar componentes del modelo durante el primer año, captura de beneficios incrementales año a año y una implementación completa del modelo en 5 años.

El plan de implementación propuesto por iniciativas está a continuación. Los tiempos podrán revisarse dependiendo de los tiempos internos del Departamento de Educación para su ejecución.



**E1** – primeros entregables de las mesas: selección de escuelas de zonas piloto de descentralización, manuales de procedimiento de CE y CAL, proceso de selección de superintendente de LEA, caso de inversión para nuevas capacidades.

**E2** – segundos entregables de las mesas: conformación órganos de gobierno piloto, asegurar nombramiento de superintendentes de zonas piloto de descentralización, procedimientos de educación especial descentralizada.

**E3** – terceros entregables de las mesas: plan de transición organizacional para el departamento, presupuesto del esfuerzo de descentralización, definición de configuración de las LEA para la isla, proceso de creación y certificación de LEA, manual de operación de LEA, apoyo a docentes, procesos de capacitación,

**E4** – diseños finales de las mesas.

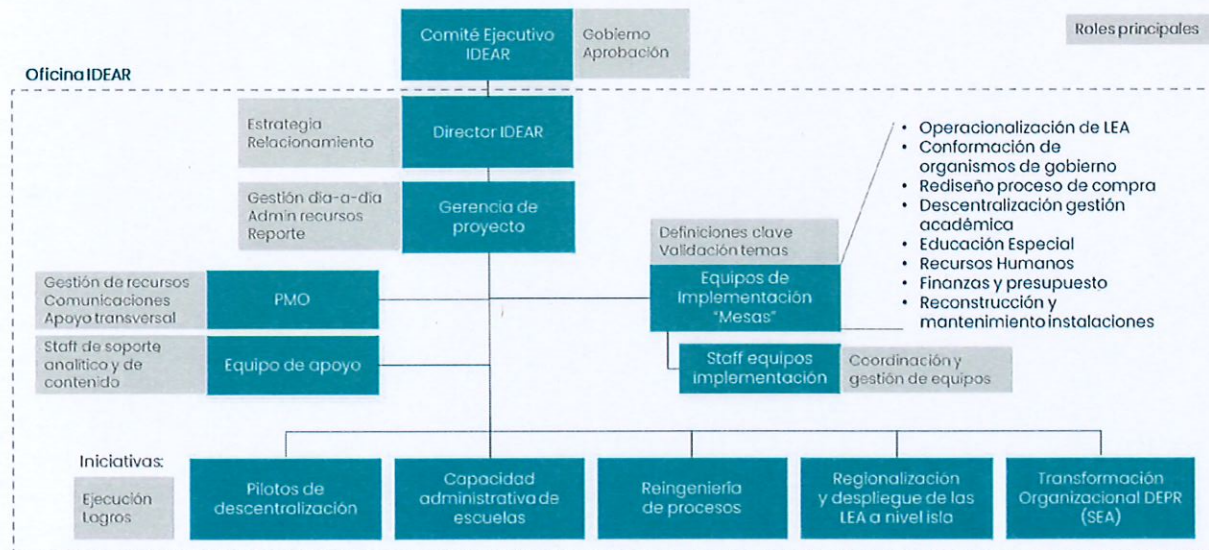
## 2. ENFOQUE PROPUESTO

La implementación buscará asegurar 5 factores clave para maximizar la probabilidad de éxito:

1. Claridad de propósito y prioridades: descentralizar y eliminar barreras para enfocar esfuerzos.
2. Coordinación y cadencia en la ejecución: equilibrio entre planificación meticulosa vs. ejecutar rápidamente para ver cambios – pilotos.
3. Comunicación clara, transparente y recurrente: comunicar la visión del sistema, objetivos, planes, progreso y aprendizaje – retroalimentación.
4. Capacidades para el cambio: desarrollo de capacidades en el DEPR, colaboración y coordinación.
5. Compromiso consistente: esfuerzo sostenido y respaldado por los líderes de la comunidad

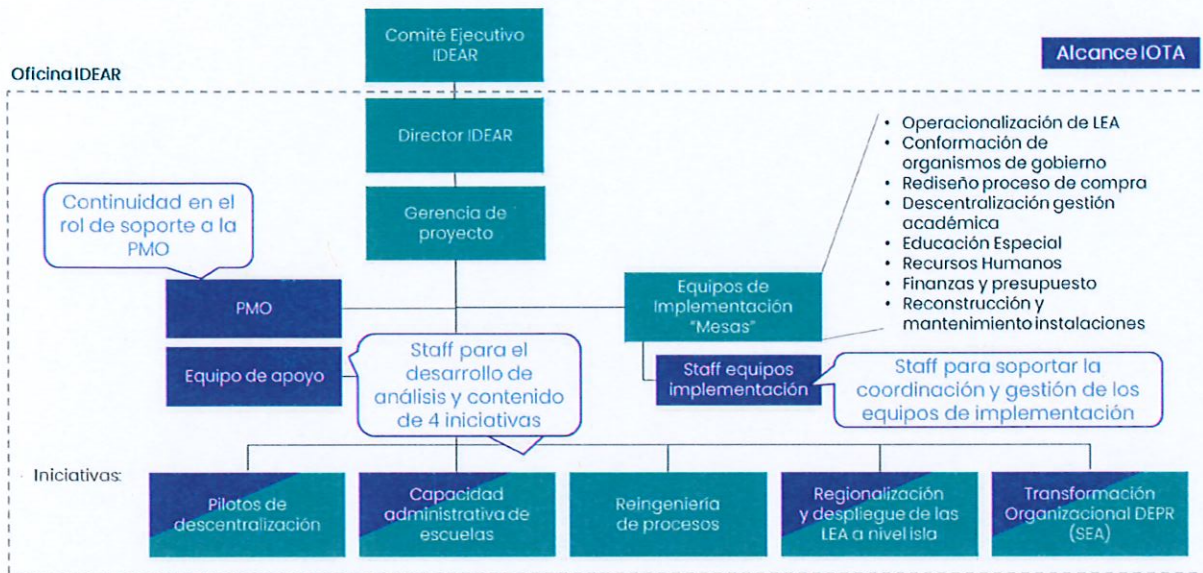
La Oficina IDEAR implementará la descentralización reportando al Comité Ejecutivo y contará con roles de PMO y seguimiento, gerencia día-a-día de las iniciativas y equipos de implementación para definiciones e insumos clave.

### Estructura de la Oficina IDEAR y roles propuestos para Fase 2 de implementación



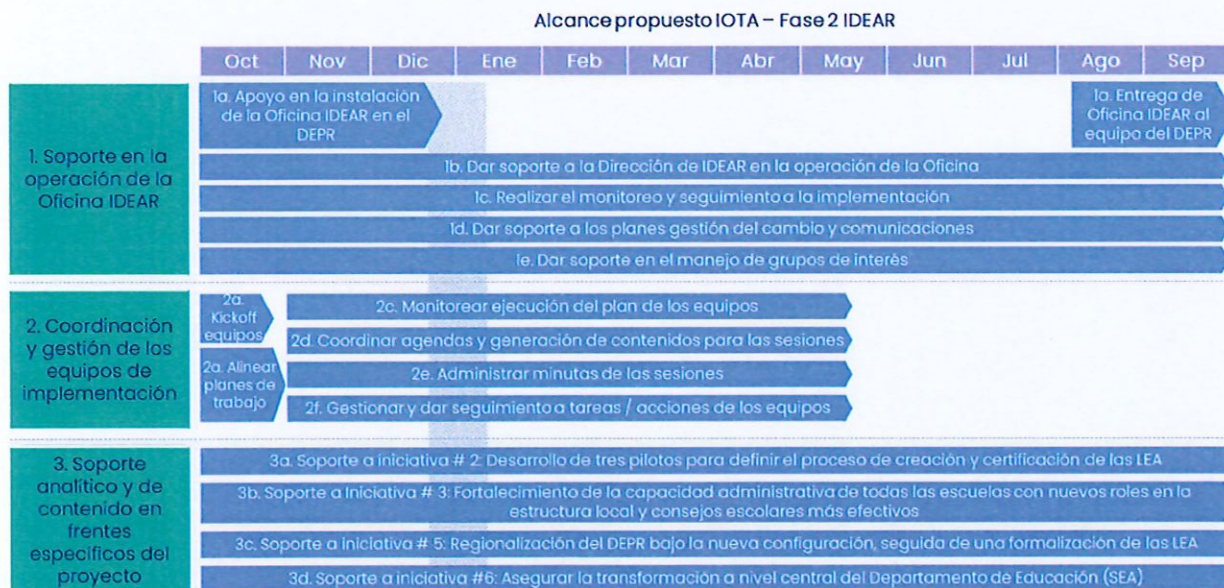
- El Comité Ejecutivo IDEAR direccionará y solucionará barreras de la implementación, y reportará logros y avance al Gobernador. Decidirá sobre asuntos críticos y asegurará la implementación de acuerdo con el alcance establecido.
- El Director de IDEAR definirá la visión integral de la implementación, supervisará el avance del proyecto y soportará la resolución de asuntos críticos. Así mismo tendrá un rol clave en cuanto al relacionamiento con el Comité Ejecutivo y los distintos grupos de interés de IDEAR.
- La Gerencia de Proyecto se encargará del seguimiento del día a día de todas las iniciativas, asegurar el uso óptimo de los recursos, solucionar barreras en la implementación y elevar asuntos críticos a la Dirección de IDEAR.
- La PMO es un staff que se encargará de supervisar el avance y reportar al Director de IDEAR y la Gerencia del proyecto, movilizar los recursos requeridos en las iniciativas, apoyar el despliegue del plan de comunicaciones y gestión del cambio, así como el de grupos de interés.
- Las iniciativas serán responsables de la implementación, al liderar la planeación del trabajo, la ejecución del plan y el seguimiento en el día a día. Cada iniciativa, asegurará la integralidad, consistencia, cumplimiento y alineación con las definiciones realizadas.
- Los equipos de implementación estarán encargados de brindar insumos y definiciones a las iniciativas, producir los entregables establecidos y aclarar o ampliar definiciones a los equipos de las iniciativas.
- El staff de equipos de implementación se encargará de alinear el plan de trabajo del equipo, monitorear su ejecución, coordinar la agenda y contenidos para las sesiones de trabajo, y desarrollar y socializar los resultados con los equipos respectivos.
- El Equipo de apoyo será un staff de recursos disponibles para dar soporte analítico y de generación de contenidos a las iniciativas de implementación. Estos equipos serán asignados por el Director de IDEAR a las iniciativas, de acuerdo a las prioridades.

Dado este enfoque, proponemos el siguiente alcance de apoyo de IOTA en los siguientes 12 meses:



### 3. METODOLOGÍA PROPUESTA

Basado en el enfoque presentado, proponemos la siguiente metodología de acompañamiento de la Fase 2 de IDEAR, que se ejecutará en 52 semanas (12 meses).



\*\*El cronograma considera un volumen menor de horas durante el verano del 2024.

## Detalle de las actividades a ejecutar de acuerdo alcance propuesto:

1. Soporte en la operación de la Oficina IDEAR en Fase 2
  - a. Apoyar la instalación de la Oficina IDEAR en el DEPR:
    - i. Definición de la estructura y roles requeridos para la Fase 2 de implementación.
    - ii. Refinar procesos para la gestión de la Oficina IDEAR en Fase 2.
    - iii. Capacitación al personal del DEPR / agencias para la operación de la Oficina.
    - iv. Preparar al final del acompañamiento, al equipo del DEPR para recibir y operar la Oficina IDEAR.
  - b. Dar soporte a la Dirección de IDEAR en la operación de la Oficina
    - i. Mantener la visión holística del proyecto y claridad en la ruta de implementación.
    - ii. Apoyar en la gestión de la agenda estratégica del proyecto.
    - iii. Soportar la resolución de barreras en la implementación.
    - iv. Apoyar el desarrollo de documentos/contenidos requeridos para reportar avance, informar a grupos de interés u otros requerimientos que se generen.
  - c. Realizar el monitoreo y seguimiento a la implementación
    - i. Soporte en la planeación de trabajo de Fase 2 – planes, cronogramas, responsables.
    - ii. Actualizar las herramientas de monitoreo y seguimiento de la implementación.
    - iii. Definir esquema de monitoreo y seguimiento ágil del proyecto.
    - iv. Establecer métricas y KPIs de medición de desempeño de la Oficina.
  - d. Dar soporte a los planes de gestión del cambio y comunicaciones
    - i. Soportar la definición de la estrategia de comunicaciones para Fase 2.
    - ii. Apoyar el desarrollo de materiales y contenidos para las comunicaciones.
    - iii. Crear plantillas y estándares para reportes, actualizaciones y otros comunicados, asegurando consistencia y claridad en las comunicaciones.
    - iv. Monitorear la difusión de la información e identificar aspectos de mejora.

- v. Identificar y mapear a los stakeholders impactados por el cambio.
  - vi. Desarrollar y ejecutar un plan de comunicación que informe a las partes interesadas sobre el cambio.
  - vii. Diseñar estrategias para posibles resistencias al cambio.
  - viii. Monitorear el progreso y adopción del cambio en el DEPR y establecer estrategias.
- e. Dar soporte en el manejo de grupos de interés
- i. Gestión y permanente actualización del mapa de stakeholders del proyecto.
  - ii. Definición del plan de acción con grupos de interés en Fase 2.
  - iii. Gestión del plan y de los responsables del plan para el manejo de los grupos de interés.
  - iv. Desarrollar materiales/contenidos requeridos.
  - v. Participar en sesiones/reuniones según lo requiera la Dirección de IDEAR.

## 2. Coordinación y gestión de los equipos de implementación

- a. Apoyar el lanzamiento e instalación de los equipos de implementación.
- b. Alinear el plan de trabajo con cada equipo de implementación.
- c. Monitorear la ejecución del plan definido para cada equipo – tiempo, alcance, costos.
- d. Coordinar la agenda de cada sesión y agendar espacios / sesiones.
- e. Coordinar la generación de los contenidos para las sesiones de cada equipo de implementación.
- f. Enviar minutas o resultados de las sesiones.
- g. Gestionar de tareas o acciones con miembros de los equipos de implementación.

## 3. Soporte analítico y de contenido en frentes específicos del proyecto

- a. Iniciativa # 2: Desarrollo de tres pilotos para definir el proceso de creación y certificación de las LEA
  - i. Definir las zonas piloto.

- ii. Apoyar la contratación de los 3 líderes de los pilotos y capacitarlos para la ejecución.
  - iii. Apoyar a la Gerencia de pilotos del DEPR el desarrollo de los pilotos y en llevar la agenda de ejecución de los mismos.
  - iv. Construir el plan de trabajo y cronograma de cada piloto.
  - v. Construir el presupuesto requerido para ejecutar el piloto y el presupuesto interino de cada LEA piloto.
  - vi. Recopilar información y reportar los resultados de los pilotos mes a mes.
  - vii. Dar soporte en el montaje de la capacidad de data analytics a nivel central y a nivel LEA piloto – desarrollar dashboards y/o esquema de medición de las LEA piloto.
  - viii. Construir la base de hallazgos y aprendizajes de los pilotos e informarlas a las iniciativas y equipos de implementación correspondientes para retroalimentar el detallamiento.
- b. **Iniciativa # 3: Fortalecimiento de la capacidad administrativa de todas las escuelas con nuevos roles en la estructura local y consejos escolares más efectivos**
- i. Definir el plan para el montaje de los Consejos Escolares en la totalidad de escuelas a diciembre 2023.
  - ii. Definir el plan para mejoramiento y fortalecimiento de los Consejos Escolares en 2024, retroalimentado por los resultados de pilotos.
  - iii. Apoyar a la Gerencia en el despliegue del plan de mejoramiento y fortalecimiento.
  - iv. Definir las estructuras tipo para el fortalecimiento de la capacidad administrativa en escuelas y selección de modelo idóneo por escuela.
  - v. Soportar la implementación de las estructuras definidas por escuela para el inicio del año escolar 2024-2025.
- c. **Iniciativa # 5: Regionalización del DEPR bajo la nueva configuración, seguida de una formalización de las LEA**
- i. Formular propuestas para la operacionalización de las LEA para revisión en el equipo de implementación:
    - 1. Propuesta de conformación de las LEA – criterios, clustering y composición de escuelas, número de LEA definitivas.



2. Proceso de solicitud, aprobación y conformación de la LEA.
  3. Manual de operación de la LEA – mapa de procesos, subprocesos y funciones; y matriz de atribuciones /derechos de decisión.
  4. Estructura organizacional de la LEA, headcount y costos.
  5. Plan de regionalización y transición para implementar la totalidad de las LEA arrancando en el año escolar 2024-2025.
  6. Generar informes de progreso del plan de operacionalización de las LEA.
  7. Acompañar a la Gerencia en el despliegue de la primera etapa de Consejos Asesores LEA.
  8. Dar soporte en la conformación de los Consejos Asesores de las nuevas LEA definidas, a partir de los diseños y aprendizajes de los pilotos.
  9. Precisar el rol de apoyo a la Gobernanza de la LEA y definir y apoyar el plan de desarrollo de capacidades y formación requerido para el despliegue.
  10. Generar informes de progreso en cuanto a la conformación y operación de los Consejos Escolares y Consejos Asesores de LEA.
- ii. Proveer insumos al equipo de implementación de RRHH
    1. Desarrollo de perfiles, descripciones de cargo.
    2. Plan de traslados y contratación de personal.
    3. Plan de capacitación de personal.
- d. Iniciativa #6: Asegurar la transformación a nivel central del Departamento de Educación (SEA)
- i. Formular propuestas para el detallamiento de la estructura y procesos a nivel SEA:
    1. Mapa de procesos, subprocesos y funciones; y matriz de atribuciones /derechos de decisión.
    2. Estructura organizacional de la SEA, headcount y costos.
    3. Identificar los cambios prioritarios a adoptar a nivel SEA y definir plan de despliegue de los mismos.
    4. Acompañar el despliegue del plan para la transformación de la organización central del DEPR hacia la estructura definida para la SEA.

- ii. Proveer insumos al equipo de implementación de RRHH en:
1. Desarrollo de perfiles, descripciones de cargo.
  2. Plan de traslados y contratación de personal.
  3. Plan de capacitación de personal.
  4. Definir el plan de transición del modelo ORE a modelo SEA – LEA.

### Gráfico. Entregables por equipo de implementación

■ Insumos de contenido generado por IOTA ■ Insumos de contenido generado por terceros

Equipo de implementación	Entregable	# RFP	Due date
# 1 Operacionalización de las LEA	1. Definición de zonas piloto		oct-15
	2. Definición de futuras LEA a ser conformadas		oct-30
	3. Manual de conformación de LEA	*Apoyo de asesores legales para reglamento	ene-31
	4. Manual de operación de LEA	*Apoyo de asesores legales para reglamento	ene-31
# 2 Conformación y fortalecimiento de los organismos de gobierno y definición del proceso de selección de los superintendentes de LEA	5. Reglamentos y proceso de conformación CE y CAL		oct-15
	6. Proceso de selección del Superintendente		nov-30
	7. Proceso de evaluación y desarrollo profesional de Superintendentes y Directores	Capacitación	dic-31
# 3 Rediseño integral del proceso de compra	8. Identificación de potenciales quick wins en el proceso de compras	Compras	oct-30
	9. Definición del proceso de compras objetivo rediseñado	Compras	nov-30
	10. Definición de la secuencia y estadios de transformación del proceso de compras	Compras	dic-15
	11. Manuales de operación y guías del proceso objetivo de compras	Compras	ene-31
# 4 Descentralizar la gestión académica para lograr pertinencia y calidad en la escuela	12. Diseño de proceso y materiales para evaluación docente	Capacitación	Por definir
	13. Plan de formación profesional para docentes	Capacitación	Por definir
	14. Metodología para disponibilización de currículo, métodos de instrucción y herramientas a escuelas	Expertos Educación	Por definir
	15. Definición de capacidades organizacionales requeridas en escuela, LEA y SEA, y un plan para el desarrollo de las mismas	Capacitación	Por definir
# 5 Educación Especial	16. Detalle del modelo operativo para Educación Especial	Educación Especial	Por definir
	17. Definición de capacidades, organización e infraestructura (Centros de SPED) requeridas para operar el modelo dentro de la configuración de LEA definida	Educación Especial	Por definir
	18. Manual de procedimientos de Educación Especial en escuela, LEA y SEA	Educación Especial	Por definir
	19. Especificación de Centros de SPED: configuración física, funciones, qué ocurre en ellos, organización base	Educación Especial	Por definir
# 6 Recursos humanos	20. Estructura DEPR – temporales y fijas		
	21. Perfiles de cargo		
	22. Plan de traslados y contratación de personal	RRHH	Por definir
	23. Plan de capacitaciones	Capacitación	
	24. Estrategia de gestión del cambio año 1		
# 7 Finanzas y presupuesto, monitoreo y ajuste de tecnología de información	25. Implementación de gestión del cambio en año 2	Gestión de cambio	Por definir
	26. Presupuesto aprobado para la implementación	*Apoyo de asesores financieros	Por definir
	27. Definición de los procesos objetivo de presupuesto, incluyendo fórmula per pupil y monitoreo	Finanzas y Presupuesto	Por definir
	28. Definición de la secuencia y estados intermedios de la transformación de los procesos	Finanzas y Presupuesto	Por definir
	29. Manuales de operación y guías del proceso objetivo	Finanzas y Presupuesto	Por definir
	30. Propuesta de ajuste a sistemas de información	Finanzas y Presupuesto	Por definir
# 8 Reconstrucción y mantenimiento de instalaciones.	31. Plan de acción para reconstrucción de instalaciones – e identificación de potenciales quick wins	Mantenimiento	Por definir
	32. Definición del proceso objetivo rediseñado para mantenimiento	Mantenimiento	Por definir
	33. Definición de la secuencia y estados de transformación del proceso	Mantenimiento	Por definir
	34. Manuales de operación y guías del proceso objetivo	Mantenimiento	Por definir

#### 4. CRONOGRAMA DE TRABAJO

De acuerdo con la metodología planteada, la ejecución del apoyo tendría una duración de 12 meses, iniciando en Octubre de 2023.

Paso		Mes												
		Oct	Nov	Dic	Ene	Feb	Mar	Abr	May	Jun	Jul	Ago	Sep	
1. Soporte a la Oficina IDEAR	a. Instalación Oficina IDEAR													Delegación
	b. Soporte a la Dirección IDEAR													
	c. Monitoreo y seguimiento a la implementación													
	d. Soporte a comunicaciones y gestión del cambio													
	e. Soporte en manejo de grupos de interés													
2. Coordinación y gestión equipos implementación	a. Lanzamiento equipos de implementación													
	b. Alinear planes de trabajo													
	c. Monitorear ejecución													
	d. Coordinar agenda y sesiones													
	e. Coordinar generación de contenido													
	f. Administrar minutas y resultados de sesiones													
	g. Gestionar tareas con miembros del equipo													
3. Soporte analítico y de contenido en frentes específicos	a. Soporte a iniciativa # 2: desarrollo de tres pilotos para definir el proceso de creación y certificación de las LEA													
	b. Soporte a iniciativa # 3: Fortalecimiento de la capacidad administrativa de todas las escuelas con nuevos roles en la estructura local y consejos escolares más efectivos													
	c. Soporte a iniciativa # 5: Regionalización del DEPR bajo la nueva configuración, seguida de una formalización de las LEA													
	d. Soporte a iniciativa #6: Asegurar la transformación a nivel central del Departamento de Educación (SEA)													

### 5. EQUIPO DE TRABAJO Y MODELO DE COLABORACIÓN

IOTA Impact es una firma de consultoría e investigación de mercado. Llevamos a cabo esfuerzos tradicionales de consultoría e investigación con el objetivo de generar un impacto social positivo y aprender más sobre cómo automatizar las formas tradicionales de realizar investigaciones y consultoría para que sea más ágil y asequible.

Asignaríamos un grupo altamente calificado de consultores y expertos a la Oficina IDEAR para acometer este importante esfuerzo.

**Estructura de Equipo y Roles propuestos para IOTA**

	PMO: oct-sep Equipos impl: oct-mar	Pilotos: oct-jun	Iniciativa #3: oct-jun Iniciativa #5 y 6: mar-jul	
	PMO y equipos de implementación	Pilotos	Soporte analítico a iniciativas	
<b>Liderazgo del Proyecto</b>	2 Directores de Oficina IDEAR – Andrés Satizabal (50%) y Camilo Navarrete (40%)			<ul style="list-style-type: none"> <li>Responsabilidad general del proyecto</li> <li>Definición de objetivos</li> <li>Toma de decisiones y resolución de barreras</li> <li>Experticia en herramientas y mejores practicas</li> </ul>
	1 Director (50%) – Paola Rondón	1 Director (30%) – Jaime Aragón	1 Director (50%) – Camilo Manrique	
<b>Gerencia del Proyecto</b>	1 Gerente de PMO (100%) 1 Research manager (15%)	1 Gerente de Pilotos (100%)	1 Gerente de Organización y Gestión del Cambio (100%)	<ul style="list-style-type: none"> <li>Gestión ágil del trabajo</li> <li>Experticia en frentes de trabajo y contenido</li> <li>Validación de hipótesis</li> <li>Recomendaciones y garantía de calidad</li> </ul>
<b>Expertos</b> <i>Por definir</i>		<ul style="list-style-type: none"> <li>Operación de LEA</li> <li>Desarrollo de capacidades</li> <li>Regionalización</li> </ul>	<ul style="list-style-type: none"> <li>Gerencia en Educación</li> <li>Desarrollo de modelos descentralizados</li> <li>Implementación de modelos</li> </ul>	<ul style="list-style-type: none"> <li>Entendimiento de ramas de trabajo e información base</li> <li>Proveer comprensión de formulación de hipótesis y validación</li> <li>Apoyar desarrollo de recomendaciones</li> </ul>
<b>Equipo de Proyecto</b>	<ul style="list-style-type: none"> <li>1 consultor de comms y gdc (100%)</li> <li>1 consultor monitoreo (100%)</li> <li>2 consultores equipos implementación (100%)</li> <li>1 diseñador (25%)</li> <li>1 research analyst (30%)</li> </ul>	<ul style="list-style-type: none"> <li>1 supervisor de pilotos (100%)</li> <li>2 consultores pilotos (100%)</li> <li>1 desarrollador de dashboards (25%)</li> </ul>	<ul style="list-style-type: none"> <li>1 consultor iniciativa #3 Gobernanza (100%)</li> <li>1 consultor iniciativa #5 LEA (100%)</li> <li>1 consultor iniciativa #6 SEA (100%)</li> </ul>	<ul style="list-style-type: none"> <li>Recopilar datos</li> <li>Estructurar y desarrollar análisis y modelos</li> <li>Desarrollo y avances tecnológicos</li> </ul>

Estos equipos de implementación operarán según el siguiente banco de horas.

<b>Perfil</b>	<b>Horas</b>	<b>Tarifa por hora</b>
Socio Senior	1,405	400
Socio	1,857	340
Gerente	4,292	240
Consultor senior	3,333	172
Consultor	8,907	145
Analista	3,583	115
<b>Total</b>	<b>23,377</b>	<b>193</b>

## 6. INVERSIÓN PROPUESTA

De acuerdo con el alcance, equipo y cronograma propuestos, la inversión sería de \$ 4.5 MM. Esta incluye nuestro personal, conocimientos técnicos, herramientas para PMO, expertos requeridos, gastos misceláneos e impuestos.

Esta propuesta es válida hasta septiembre 30 de 2023.

Proponemos realizar la facturación de la siguiente manera:

- 12 facturas por presentar al cierre de cada mes según las horas asignadas para el equipo.
- Cada factura incluirá el monto estimado de impuestos aplicables en Puerto Rico del 21.5%.

De requerirse adiciones al alcance o capacidad adicional, estos serán cotizados según estas tarifas y sometidos a autorización previa a su ejecución.

## 7. PRÓXIMOS PASOS

Estamos agradecidos por la oportunidad de apoyar este esfuerzo transformador que impactará millones de vidas. Estamos ansiosos por continuar apoyando el proceso, refinar el enfoque en función de sus comentarios y continuar nuestra colaboración para implementar IDEAR.

En IOTA Impact creemos en el valor de iterar con nuestros clientes. Podemos ajustar nuestro enfoque y profundizar nuestros esfuerzos en las áreas que generarán el mayor valor. Esto significa que a medida que aprendemos más, somos flexibles para revisar el alcance y volver

a priorizar parte de nuestra capacidad para las actividades que agregarán el mayor valor. Queremos asegurarnos de que el DEPR obtenga el máximo valor por su inversión.

Saludos

Andrés Satizabal  
Fundador y CEO

GOVERNMENT OF PUERTO RICO  
OFFICE OF MANAGEMENT AND BUDGET  
SAN JUAN, PUERTO RICO

SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

PARTIES

---The OFFICE OF MANAGEMENT AND BUDGET of the Government of Puerto Rico (herein after, "OMB"), represented by its Director, Juan Carlos Blanco, of legal age, married and resident of San Juan, Puerto Rico, who is duly authorized to execute this Contract pursuant to Act No. 147 of June 18, 1980, as amended, known as the "The Office of Management and Budget Organic Law". ---  
---The IOTA IMPACT COMPANY INC., (herein after, "Consultant"), organized under the laws of the State of Delaware, with offices at 300 East 75 Th Street, Apt 12 D , New York, NY, 10021, represented by its CEO, Andres Satizabal of, of legal age, married and a resident of New York, NY, duly authorized to execute this Contract; (collectively, the "PARTIES").-----  
---The "PARTIES", assuring they have the legal capacity to enter into this Agreement, which they promise to reasonably evidence when necessary, set forth the following:-----

RECITALS

---WHEREAS, the OMB, in accordance with the powers conferred to it by Act No. 147 of June 18, 1980, is authorized to enter into any professional, technical and consulting agreements and contracts that are convenient and necessary in order to carry out the activities, programs and operations, and comply with any public purpose, required by law.-----  
---WHEREAS, the OMB, was created to assist the Office of the Governor in the direction and administration of the Executive Branch. As such, OMB is authorized to conduct those management studies, examinations and evaluations deemed necessary to measure, improve and increase the effectiveness, efficiency, and economy in the operation of the regular agencies of the Government of the Commonwealth of Puerto Rico and its Public Corporations.-----  
--- WHEREAS, on December 27, 2020, the Consolidations Appropriations Act of 2021, Public Law 116-260 was enacted and within its provisions the Governor's Emergency Education Relief Fund (GEER II) program was instituted. As part of such program, each of the Nation's Governors were allowed, among other things, to provide emergency support through grants to Local Educational Agencies (LEA) that the State Educational Agency (SEA) deems have been most significantly impacted by coronavirus to support the ability of such LEA to continue to provide educational services to their students and to support the on-going functionality of the local educational agency.-----  
---WHEREAS, the PRDE as an agency of the Government of Puerto Rico serves and thus, carries in a centralized manner, both SEA and LEA's duties and obligations.-----  
-WHEREAS, GEER II funds may be allocated for, among other things, any activities that are authorized under the Elementary and Secondary Education Act of 1965 (ESEA). The ESEA allows for the implementation of fiscal support teams that provide technical fiscal support assistance,

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which includes evaluating fiscal, administrative, and staffing functions, and any other key operational function. -----

---WHEREAS, consistent with the Government's IDEAR initiative, on May 26, 2023, OMB and the Consultant executed Agreement 2023-000056 (hereinafter "Agreement") to reorganize the structure and operation of the Puerto Rico Department of Education (PRDE) in order to increase the efficiency and delivery of its services to elevate student achievement. -----

--- The Agreement provides for any changes to its terms and conditions to be made by prospective amendment, in writing, signed by both Parties and made during the term of the Contract. -----

---Thus, the Parties need to amend the Agreement to continue supporting the implementation and transformation process in PRDE and to increase its Maximum amount. -----

---THEREFORE, the Parties agree to execute a Second Amendment, or Amendment B to the Agreement, subject to the following:-----

**TERMS AND CONDITIONS**

---FIRST: The first sentence of the NINTH clause of the Agreement is amended so it may read as follows:-----

NINTH: TERM OF AGREEMENT; EFFECTIVENESS; AMENDMENTS; This Contract will be **in effect from the date of execution until December 31<sup>st</sup>, 2024** (hereinafter, the "Term"), subject to extension by mutual agreement of the PARTIES. -----

---SECOND: CERTIFICATIONS: Consultant represents to the OMB that all certifications and/or authorizations required to formalize the initial agreement remain in force. Likewise, it is clarified that all the terms of the initial contract that do not contravene the provisions herein, remain in full effect and force. -----

---THIRD: COUNTERPARTS: This Agreement may be signed in multiple counterparts, each of which shall be deemed an original instrument and together shall constitute a single instrument. -----

---FOURTH: COMPTROLLER: No Services or payments shall be required or rendered under this Contract until it has been properly presented and registered in the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 of October 30, 1975, as amended. -----

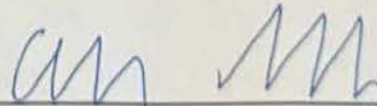
---FIFTH: EFFECTIVENESS: The provisions of this Amendment shall become effective immediately after its execution. -----

**ACCEPTANCE**

IN WITNESS OF ITS ACCEPTANCE, the PARTIES execute and sign this Contract on the 26 day of January 2024.



Juan Carlos Blanco  
Director  
Office of Management and Budget



Andres Satizabal  
Chairman & CEO  
IOTA Impact Company Inc.,

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