



AMERICAN JOB CENTER

**PUBLIC POLICY AND PROCEDURE FOR THE ACQUISITION OF
SERVICES FOR YOUTHS, ADULTS, AND DISPLACED
WORKERS PROGRAM**

The Local Board of the Local Area for Labor Development Mayagüez- Las Marías (ALDL), determines the Public Policy for the Acquisition of Services in order to establish a uniform procedure and instructions in the process of selection and acquisition of the proposals submitted for the components of the Career Activities, the elements of the Youths Program, training and any other services with the exception of the contracting method of Individual Training Account (ITA Accounts).

I. INTRODUCTION:

The Workers Innovation and Opportunity Act (WIOA) requires that the services of the Youths, Adults and Displaced Workers Programs be offered through the Single Management Center System. The Center will offer all the Careers Services (Basic, individual and Follow-up), the Elements of the Youths Program and the Training services. Training services will be provided through the Individual Training Accounts (ITA's) Acquisition Method. With some exceptions that will be defined later. The ALDL must ensure that the services to be offered under contract are procured through a system that offers adequate procurement and competition to the extent possible. The ITA's method does not apply to the Youths Program and career services, these Services will be acquired through a weighted, objective, and competitive process. First, the qualifications of the Service Provider and/or Employer will be evaluated in relation to the aspects that will be taken into consideration: financial documents, physical facilities, qualifications of the resources, previous experience with the service provider and / or employer. Should

the provider be esteemed able to offer the services, then will proceed to evaluate the proposal presented in its merits, and will award scores in accordance with the established evaluation criteria.

II. LEGAL BASIS

The following have been used as statutory basis :

Public Law # 113-128 of July 22, 2014, Workforce Innovation and Opportunity Act (WIOA) Sections 107, 134, 129, 122.

III. DEFINITIONS:

- 1. Training:** One or more courses or classes, or a structured regiment, which, upon successful completion, leads to the attainment of a recognized post-secondary credential, a High School diploma or equivalent, a job, or the acquisition of a measurable skill conducive to such credential or employment. These programs can be offered in person, or through an online course or by combining both.
- 2. On-the-Job Training (OJT):** On-the-Job Training (OJT) is a training option that gives the Employer the opportunity to train new employees (Participants) in the specific skills and knowledge essential for full and adequate performance on the job. The OJT is a structured training provided by a public or private sector employer with or without profit. OJT opportunities are made through a contractual agreement between the Employer and the Local Area of Labor Development Mayagüez - Las Marías, who will offer the Employer a partial reimbursement of the salary, typically up to 50% of the salary of the Participant, for the out of ordinary costs of providing training and the supervision related to it. However, Section 134(c) of WIOA authorizes Local Boards to reimburse Employers up to a maximum of 75% of an OJT Participant's salary, after considering the factors listed in the rules proposed in 20 CFR 680.730 and the ALDL's public policy for these purposes.

3. Customized training: It is designed to meet the specific requirements of an employer or a group of employers; it is carried out with the commitment of the employer that he will retain the participant, as an employee, once he completes the training successfully. It is offered with the commitment on the part of the employer to employ the individual after satisfactorily completing the training. The employer's contribution will be determined in accordance with the public policy established by the ALDL to offer this program activity.

4. Local Area (LA): In accordance with Section 106 of WIOA, it is the appointment of the Governor of a representative entity of a given geographical area composed of one or more municipalities with the purpose of receiving WIOA funds for Puerto Rico.

In our case Local Labor Development Area for Mayagüez - Las Marías (ALDL).

5. Single Management Center (SMC): Access center for the provision of services related to employment and training. "American Job Center"

6. Code of One: Occupational Classification System that replaces the Dictionary of Occupational Titles (DOT). It provides a common language for defining and describing occupations, whose database is the main source of occupational information in the United States.

7. Cost of the Project, Service or Activity: Total costs of the course, including all costs related to the course and / or activity including tuition fees, charges, books, materials, tools that are provided to all students, resource cost and other costs necessary according to the program activity that applies.

Regardless of whether or not they are paid for with WIOA funds.

8. Credential: Means the recognition of an individual for obtaining a measurable technical skill or occupation necessary for obtaining employment

or improvement within the occupation. Consists of an industry-recognized certificate or certification, a High School diploma or license recognized by the State or Federal Government, or an associate degree or baccalaureate.

- 9. Individual Training Accounts (ITA):** Payment for training service agreement with a provider for the benefit of a participant.

- 10. Eligibility:** Determination of eligibility of an educational institution, service provider and/or employer to receive funds and conduct a training, or a career service and/or one of the elements of the youth's program, as described in Sections 129, 134, of the WIOA Act.

- 11. Work Experience and/or Internship:** An Internships or Work Experience for Adults and Displaced Workers is defined in 20 CFR 680.170 as a planned and structured learning experience that takes place in a workplace for a limited time. The internship or Work Experience can be with or without pay, as appropriate, and can be offered by both private enterprise -with or without profit- and / or in the public sector.

- 12. Transitional Jobs:** These are work experience of limited duration and subsidized. The goal of this activity is for an individual to be able to establish a work history that can develop the skills for placement and retention of unsubsidized employment. This activity is limited to a maximum of 20% of the funds allocated to the Adult and Displaced Workers Program.

- 13. Board of Mayors (BM):** Body composed of the mayors of the municipalities that comprise the Local Area for Labor Development and that, in coordination and / or collaboration with the Local Investment Boards shares the responsibility of establishing the public policy of their geographical area.

- 14. Local Board for Labor Development:** Body created under section 107 of WIOA that in coordination and / or collaboration with the Board of Mayors shares the responsibility of establishing the public policy and carrying out the functions and responsibilities established by WIOA for each LA.

- 15. List of Eligible Providers for the Youths Program:** Official list containing the programs and services certified as eligible to be offered in the SMC, the elements required by the Youths Program, according to Section 129 (c) (2), with funding from WIOA.

- 16. List of Eligible Career Service Providers:** An official list containing Career programs and services certified as eligible to be offered in the SMC with funding from WIOA's Adult and Displaced Workers programs.
- 17. Community-Based Organizations:** A private non-profit entity represents a significant segment of the community and has demonstrated capacity, experience, and effectiveness in the field of Workforce Development and Youth Education.
- 18. Labor Development Program (LDP):** Work Unit attached to the Department of Economic Development (DEC), created under Law 171-2014, whose function is to administer, advise, coordinate, supervise, and implement the public policy of the labor development system.
- 19. Registered Apprenticeship (RA);** It is a flexible training system that combines employment-related technical education with structured on-the-job learning experience. Among the industries active in the system are the emerging industries such as: health, energy, and safety.
- 20. Eligible Service Provider:** Eligible educational institution, entity, organization, or individual according to WIOA Sections, 107, 122, 134. Meets all the requirements of the law to be eligible as service providers.
- 21. Selection by Competition:** Competitive process between several providers for the same service to be contracted, in such a way that the use of the financial resources of the WIOA funds is optimized. That is, acquiring the best service at the best cost. The process should include a determination of the ability to meet the specifications of the program design and should be documented including the selection rate.
- 22. Cost Reasonableness:** A cost is permissible if it is reasonable in terms of the type of cost and quantity. Reasonable is that cost that according to the established requirements, is determined its quality, quantity, of work and materials proposed are necessary and sufficient to perform a

good job.

iv. GENERAL PROVISIONS :

A. Exceptions to Training Contracts:

The Individual Training Account (ITA's) are the main method for the acquisition of training services under WIOA. However, in certain circumstances a training service contract may be developed instead of an ITA. Section 134(c)(3)(G)(ii) of the WIOA Act, has expanded ITA's contract exceptions. Below we mention these exceptions:

- i. On-the-Job Training, which may include the placement of participants in a Registered Apprenticeship (RA) program, Customized Training, Training of Current Employees or Transitional Jobs.
- ii. If the Local Board determines that there is not a sufficient number of service providers for training to use ITA's.
- iii. If there is a proven training services program offered in a local area for community-based organizations and another private entity.
- iv. If the Local Board determines that a "pay-for-performance" contract is the most effective means of providing training services (only up to 10% of the funds allocated to the ALDL may be used to develop payment strategies for performance, as defined in Section 3 (47) of WIOA);
- v. In addition, the Local Board may determine that through a combination of ITA's and training cooperation is the most effective approach. This approach may be used to place participants in a RA programs and other similar types of training.

B. As a general policy, for the final selection of the supplier the following factors are considered:

1. **Previous Experience of the Supplier:** It is determined based on the achievements and results obtained in previous projects offered by the entity. It will not be considered to hire employers who have received payments under previous contracts who have demonstrated non-compliance with providing participants with long-term employment as regular employees of the company with the same benefits in similar

positions. As for service providers, the execution will be evaluated for each proposal, program or service submitted.

In the case of entities without previous experience in the ALDL Mayagüez - Las Marías their experience with other entities of the WIOA System will be verified. Newly created entities will be evaluated based on their potential development and then, their execution during a first year.

2. Probability of Achieving Goals or Execution Measures: Refers to the effectiveness of the institution in visualizing the objectives established by the ALDL in its Four (4) year Plan in the activity to be contracted and compliance with the Enforcement Measures for Suppliers. Consideration will be given to the ability to place participants in unsubsidized employment at the end of their participation.

3. Performed Achievement: Refers to the effectiveness and commitment established by the service provider to achieve the goals such as retention commitment in the activity, commitment to achieve the goal established in the Proposals. The percentage of provider commitment will be taken into consideration to ensure that the participants achieve or improve the necessary skills .

4. Costs and Quality of Services: To establish if an institution complies with the criteria of cost and quality, it is necessary to determine and analyze:

- a. If costs are allowed within the parameters set by WIOA Reasonableness of Cost - This is determined based on the comparison between the proposals submitted and if the cost is necessary, sufficient, and permissible. When there is price per catalog, the requirement of cost analysis is excepted.
- b. Quality of Services - To determine the quality of services, the commitment to employability, the academic preparation of the professional person of the institution, organization and / or individual, the adequacy of the physical

facilities which the Company or Institution has, is evaluated. Changes in professional personnel and physical facilities require prior approval from the Consortium.

- c. Priority will be given to those institutions that have physical facilities in the municipalities of the ALDL Mayagüez - Las Marías or that have rented facilities in these municipalities, prior to the award of the project. In cases where the institution does not have its own facilities in the Municipalities, the appointment of an official to coordinate said project will also be required. If they have not rented the facilities, the potential premises to offer the trainings will be evaluated.

5. Characteristic of the Participant: It will be taken into consideration how the proposed services fit the characteristics of the clientele. Refers to the Supplier's ability to modify its curriculum in tune with the capabilities and needs of the people to be served, so that they can obtain the skills to be competitive in the labor market.

6. No Duplication of Facilities and Services: This criterion establishes that the facilities and services available in the area, coming from federal, state, or local resources, will not be duplicated with the exception that it is demonstrated that alternative services may be more effective or more likely to achieve the execution goals.

7. Fiscal Responsibility and Administrative Capacity: This criterion can be verified, both for a financial statement and for a recent monitoring, audit, or evaluation. In cases of newly created entities, their capacity will be evaluated based on a business projection of the entity prepared by an accountant. It will be verified that the documentation submitted demonstrates the fiscal and administrative capacity and responsibility of the provider to comply with the terms of service.

8. Compliance with Labor Standards and Employment Benefits: Employment and training conditions must be appropriate and reasonable from the perspective of the

participant's job, geographic location, and competence: state and federal health standards and safety standards for employment conditions and compensation for employment.

9. Acquisition of Skills (Training in Employment): Consideration will be given to the form and manner in which the training provides for the acquisition of skills necessary for the occupation in such a way that the potential for long-term employment is viable.

10. Ethics Code: All personnel involved in the processing, evaluation and awarding of proposals must comply with the Code of Ethics and Prohibitions of Conflict of Intereses established for the Local Area of Labor Development Mayagüez-Las Marías, by the Law of Ethics of Puerto Rico and by the WIOA Law.

V. PROCEDURE:

A. Promotion and Request for Proposals

The promotion and request for proposals will be based on the service goals established in the plan of the Local Area of Labor Development and those detected, through the clientele that visits the Single Management Center. A List of Certified Providers Eligible for Adults (Career Services) and Displaced Workers, and one for Youths who have been established in coordination with the Local Board and with the Youths Permanent Committee regarding the Youths Program. The lists contain general information about eligible suppliers in the area, their offerings, and their execution. This list is used to provide information on eligible providers that participants may choose for training services.

For the hiring of Training in Employment or tailor-made training, among other activities, the Local Area of Labor Development has Promoters and Program Coordinators who continuously carry out direct promotions with the private sector, non-profit entities and community-based organizations of the Local Area and its labor market. These proposals will not be subject to the itinerary, nor competition.

Any entity that is interested in offering services to the Local Area, must submit its proposal in writing in accordance with the requirements of each activity as they have been informed in the request for proposals or public announcement and in accordance with the Guidelines to File Request that is delivered to each entity prior to the filing of the proposal and / or general information about the services provided by the program.

B. Receipt and registration of Proposals:

The Local Board of the Local Area for Labor Development will have the responsibility of receiving the proposals submitted by any entity that interests to offer employment services or Training to the Local Area. Proposals for training in the job (OJT), Combined Activity, or tailor-made, Internships, and Work Experience, will be received at the Office either through the Employment Promoter who has worked with the employer, or directly by the employer, entity, or program coordinators.

The process that is broken down below will be fulfilled:

1. The Local Board will have a staff in charge of registering, according to the Program, any proposal filed the same day it is received.
2. The Register of Proposals will be done through the Registration and Control of Received Proposals Form. This record contains the name, address and telephone number of the proposer, type of submitted proposal, date of filing, number of participants and total cost .
3. Each copy of the proposals received will be stamped with the date of receipt and the signature of the personnel in charge who receive it.
4. After registration, the proposal will be forwarded to the staff of the Local Labor

Development Board, which will verify the documents of the proponents, verifying and certifying that they meet the minimum requirements to be a service provider of the ALDL. In the case of proposals to offer services of Youths programs, Adults and Displaced Workers will be transferred to the Program Coordinators who will begin with the initial verification process using the form provided, for the pre-evaluation of the proposals, which corresponds to the activity. In the case of other activities, it will be transferred to the corresponding area.

C. Evaluation of Proposals:

1. Initial Revision

The Coordinator for the Program Unit will be responsible for carrying out the initial review of the proposals submitted. The Process of Initial Revision of the Proposals of Services must be carried out within a period of ten (10) working days from the moment the proposal is received in the Unit and five (5) working days for any other proposal like those of OJT, ET, etc.

- a. Any proposal for Occupational Training entails in its initial revision to determine if the occupation for which the proposal is submitted is in the program and in occupational demand and if proposals have been requested through public announcement or direct invitation, prior to its submission for evaluation.
- b. Proposals for Training in Employment, Combined Activity, Job Creation, Internship and Work Experience do not require checking if there has been a public announcement. They will arrive at the Local Area of Labor Development Mayagüez-Las Marías through the promotions that are made with the employers or entities.
- c. The verification of documents included with the proposal will then be performed, using the Document Comparison Sheet Form.
- d. Proposals that are incomplete must be corrected by the entity or proponents. To achieve completion, they will be offered technical assistance in terms of the preparation or amendment of it and will be given a maximum of ten (10) working days. If the coordinator has doubts at this stage of the process, he should consult with the Director to request technical assistance.
- e. On the proposals that are complete and meet the general requirements of the activity, will proceed to carry out the pre-evaluation, which includes the evaluation of facilities.
- f. Proposals received by public announcement or invitation will be submitted to consideration of the members of the Local Board. This will be evaluated by the members that make up the Service Providers and Youth Committee of the Local Board who after evaluating them, will recommend the programs, workshops and services that will be in the Careers, Training Registries, and the Elements of the Youth Program. Proposals will be evaluated in a competitive way. These committees will submit their recommendations to the Executive Committee of the Local Board which will evaluate the recommendations making the final decision of which will prevail.
- g. Once the Local Board decides, a written communication will be sent to each proponent with the results of the programs submitted. In cases that were not chosen, 30 working days will be granted so that they can submit a

- h. reconsideration to the Local Board.

- i. In the cases of Proposals for Training in Employment (OJT), Customized Training, Internships, and Work Experience, the Local Board authorizes the Executive Director of the ALDL to approve it after they are evaluated by a Proposal Evaluation Committee, whose composition is described below. This is done in order to be able to streamline the services offered to employers, so that they are offered quickly and efficiently.

Contracting of services: With the purpose of guaranteeing competition in the ALDL, when there are similar proposals, the following process will be carried out:

1. The coordinator once the Pre-evaluation has been completed, will refer a copy of the proposals, for processing to all the members of the Proposal Evaluation Committee (CEP), requiring their signature upon receipt.

2. Review Stage by the Proposal Evaluation Committee (CEP) - five (5) Members:

With the purpose of speeding up the process of evaluating proposals for the different activities, two (2) proposal evaluation committees will be constituted:

- a. Proposal Evaluation Committee (CEP) - five (5) Members.

This committee will evaluate the proposals submitted for: Career Services, Youth Elements, Training and Special Projects of Adult, Displaced Workers, and Youth Programs. It will also review the credentials for the Registration of Eligible Service Providers and Participation of Providers before referring them to the Local Board or the Permanent Youth Committee.

The CEP shall be composed of five (5) members. One representative from the Programmatic Unit, one from Planning, two from the corresponding Single Management Center and one from the Office of the Executive Director. The presence of three (3) members at each meeting shall constitute a quorum. Each member of the Committee will emphasize aspects to be evaluated in accordance with the procurement policy established here, verifying cost, fiscal and program aspects.

This Committee (CEP) will meet when necessary for the evaluation of proposals. The Program Coordinator will forward the proposals to the

members of the Committee at least three (3) days before the meeting for review. The evaluation of the Committee will be carried out within a period not exceeding eight (8) working days.

b. Private and Public Sector Proposal Review Committee - three (3) members

This Committee (CRP) shall consist of three (3) members. A representative of the Program Unit, a representative of the Office of the Executive Director and one of the corresponding Single Management Center. They will be responsible for the evaluation of the proposals for training in Employment, Combined Activity, Internships, Job Creation, Work Experience, Re-Training, and improvement. The members of the Committee will receive the proposals one to two days before the meeting to review them individually. The evaluation of these proposals will be done within a period not exceeding eight (8) working days.

These Committees will have a responsibility to evaluate all the proposals referred to and as appropriate, recommend to the Executive Director the conditional approval or rejection of proposals and proposals for youth program that will be reviewed by the Permanent Youth Committee.

The members of the Committees will evaluate the proposals using the forms called Guidelines for the Evaluation of Occupational Training Proposals, Employment Training Guidelines (OJT) and Guidelines for work experience Activity (ET). These forms have been designed to study all the data presented in the proposal from the general data, justification, objectives, occupation, skills to be developed, employability commitments, based on a scoring system in the proposals of Occupational Training and compliance with the requirements of Law in the other activities. The instructions offered with each form will be followed. Each of the corresponding members that make up the committees will evaluate all the proposals submitted. The cornerstone of the Procurement and Proposal Evaluation System is the competition to obtain the most appropriate and reasonable service and cost that meets the needs of the clientele and the program.

Upon receipt of the proposals by the corresponding Committee, all those competing for the same service will be evaluated individually first and then

proceed to compare the results of the individual evaluation by proposal in a joint meeting of its members.

3. Recommendations of the Committees

The Committees will recommend to the Executive Director for final approval of the proposals that have been eligible for recruitment indicating in which of the essential criteria the proposal does not fully meets, experience, financial capacity, physical facilities, equipment, qualified personnel. The Executive Director reserves the right to accept the recommendation.

Once the proposals have been evaluated by CEP or CRP, the following process will be followed :

- a. The corresponding evaluation form, the recommendation and comments duly signed by the members of the Committee will be registered.
- b. The evaluated proposals will be referred to the Program Unit so that they can be answered.
- c. Any proposal recommended for approval shall be referred to the relevant Program Coordinator for the preparation of the Recommendation Sheet and summary of main data to be sent to the Contracting Officer for the preparation of the contract and to the Single Management Center or Satellite Office.
- d. The approved proposals with modification will be referred to the Program Coordinator to communicate with the proposer to obtain the necessary information or documentation. These modifications will be noted in the corresponding Proposal Evaluation form that is filled out by the Proposal

Committee.
- e. Denied proposals will be referred to the Program Coordinator for the preparation of the denial letter for signature by the Director.

D. Procedure for the Processing of Evaluated and Recommended Proposals

Upon receipt of any recommended proposals, approved with amendment or denied, the corresponding coordinators:

1. Prepare the Recommendation Sheet and corresponding letter for the consideration of the Executive Director and will proceed as follows:

Send the Recommendation Sheet and letter of Approval to the Executive Director with a copy of the proposal and file for signature and final action.

Upon receipt of the letter signed by the Executive Director, the coordinator will summon the entity or proponent to agree on the terms of the contract such as beginning, ending, mode of payment to be made, beginning of referrals of participants, etc.

Send the Budget Analyst a copy of the Cost Summary of the proposal so that the Allocation of Changes of Funds can be approved.

Prepare the Summary Data Form of the Proposal and send it to the Single Management Center or the Satellite Office for the recruitment or referral process of the participants.

2. In the Denied Proposals, the Recommendation Sheet and the refusal letter are prepared using the models designed and will proceed according to the following:

Send the Recommendation Sheet and Denial Letter to the Office of the Executive Director with a copy of the Proposal.

File a copy of the proposal in the procurement file in an archive of denied proposals.

Upon receipt of the letter of refusal signed by the Executive Director, the additional copies of the denied proposals will be discarded.

3. Prepare the Recommendation Sheet of the approved proposals with modification

and proceed in accordance with the following:

Send Recommendation Sheet to the Office of the Executive Director with a copy of the proposal.

File a copy of the notification letter in the file of proposals pending receipt of documentation or modifications.

File a copy of the proposals in the file of proposals pending modification and the direct processing with the supplier once a copy of the letter signed by the Director has been received.

Ten (10) working days will be awarded to the proposer to cure any documentation that lacks additional information. The proposer will be summoned if necessary.

PROCEDURE IN THE OFFICE OF THE EXECUTIVE DIRECTOR (OED) FOR THE PROCESSING OF APPROVED PROPOSALS

The Executive Director will receive the Recommendation Sheets and letters addressed to the proponents for the signature and final determination approving, denying, or approving with modification and will proceed according to the following, once signed by the director.

Send the letter of approval to the proposer and return the proposal to the Program Unit with a copy of the letter of approval. A copy of the letter will be sent to the Contracting Unit and another copy of the letter will be sent to the Budget Unit.

Send the letter of refusal to the proponent and forward to the Program Unit the denied proposals with a copy of the letter of refusal.

Send the proposer the letter of approval with modification and return to the Program Unit with a copy of the letter. A control of all communication sent on the basis of approved, denied, and modified proposals will be kept in archive.

Proposals under Reconsideration

All those proposals that have been approved with modification will pass through the following process:

If it is the proposer who has to correct areas of the proposal, will be notified,

and will be granted ten (10) working days to correct it.

If a negotiation of cost, conditions or other is required, the Program Unit

summons the proposer to carry out the information and /or negotiation process.

The amended proposals will be reconsidered by the relevant Committee once the areas have been corrected per the guidelines. The evaluation form provides space for evaluation and final determination. If, after the reconsideration, the Committee decides to recommend the approval of the proposal, then the process previously referred to above, will be followed.

E. Procedure for the Granting and Registration of Contracts

The designated Contracting Official (CO) will have the responsibility of developing the different contracts for each program activity, whose proposal has been subject to evaluation and approval. As an intrinsic part of this responsibility, the CO must ensure faithful compliance with WIOA, as well as with Local and State Laws. Must also register and file it, within the ten (10) working days after granted, in the Comptroller of Puerto Rico Office.

PHASE I - CREATION OF THE CONTRACT

. Upon receipt of the copy of the letter of approval, copy of the approved proposal and the summary of costs and approval of allocation of funds, the Contracting Office

will proceed within five (5) following working days, to prepare the final contract. The Program Coordinators will supervise the preparation of the contracts.

PHASE II - SIGNING BY THE PROPONENT

Once the contract has been prepared, one of the lawyers, advisors or the Legal Division of the Municipality will be consulted. The CO will refer the contract to the Budget Analyst for the allocation of funds. The signing of the contract will be made within the next five (5) working days.

The contract will be signed before the Contracting Official, who will ensure the identity of the proponent. The proponent must bring with him a valid ID, such as driver's license and voter ID.

Once signed, it will be immediately referred to the Office of the Executive Director (OED) for signature within five (5) working days. The OED will return it to the CO for filing with the Comptroller's Office.

PHASE III - FILE AND PROCESSING OF THE CONTRACT

Once the contract has been signed, a complete contract file will be opened, including the original of the proposal, justification of the approval signed by the CEP evaluators, a letter notifying the approval and a copy of the contract that will go to a file in the Program Unit. The CO shall keep a file with a copy of the contract.

The contract will be listed ascendingly with the prefix, Year, Title, and Number. The numerical assignment will be chronologically by the contract award date.

Once numbered, a certified copy of the contract will be sent to the Finance Office of the Mayagüez-Las Marías Local Area with copies of the Proposal. A copy of the

contract shall be referred to the relevant Local Offices and to the supplier or entity by ordinary mail.

GENERAL RULES ON CONTRACTS

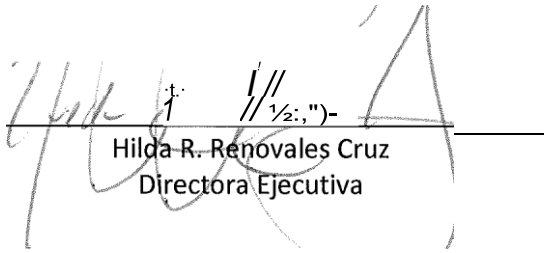
1. As a general rule, it can only be amended up to three (3) times for the following situations:
 - a. Increase in the amount of funds and participants initially agreed upon.
 - b. Changes in the effective date .
 - c. Any other truly important unforeseen change that takes into account the provision of services.
2. Generally, it will not be sufficient cause to amend a contract the change of the occupation to train or add new occupations, this implies by itself a new proposal, since it is an essential element to be considered in the evaluation of the proposal.
3. The ALDL reserves the right to approve the requested amendments or terminate the contract.

PROCEDURE FOR AMENDING A CONTRACT

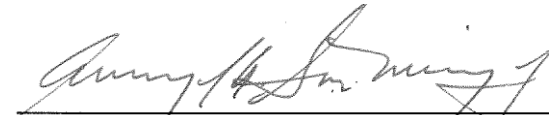
1. The Service Provider will notify the Program Coordinator of its intention to amend the current contract ten (10) days in advance of the validity of the 1st amendment. The Program Coordinator will sustain a follow-up to the Service Providers in this area.
2. The Coordinator will notify the Executive Director, who approves or disapproves within five (5) working days following the notification, referring the approved request to the CO who will proceed to prepare the corresponding amendment within two (2) working days of receipt. Will use the template model for amendments corresponding to the activity for which they have been designed.
3. The Program will notify the requesting Provider of approval or disapproval.
4. The signature, registration, filing and filing of the amendment shall follow the same steps of the original contract.

VIII. APPROVAL AND VALIDITY:

This Policy is effective immediately upon its approval and supersedes the procedure adopted on 28 June of 2002.



Hilda R. Renóvalos Cruz
Directora Ejecutiva



Ángel A. San Miguel Hernández

Ángel A. San
Miguel Hernández
President Local
Board

Date