Cash Management Improvement Act Agreement
between
The Puerto Rico (Territory)
and
The Secretary of the Treasury,
United States Department of the Treasury

The Secretary of the Treasury, United States Department of the Treasury (hereafter 'Secretary'), and Puerto Rico (Territory) (hereafter 'State'), in order to implement Section 5 of the Cash Management Improvement Act of 1990, as amended (hereafter 'Act'), agree as follows:

1.0 AGENTS OF THE AGREEMENT

1.1 The Authorized Official(s) for the Puerto Rico (Territory) shall be the The Secretary of the Treasury in all matters concerning this Agreement.

1.2 The Assistant Commissioner, Revenue Collections Management, Bureau of the Fiscal Service (Fiscal Service), U.S. Department of the Treasury, shall act as the Secretary's representative in all matters concerning this Agreement.

2.0 AUTHORITY

2.1 The authority for this Agreement is the Cash Management Improvement Act of 1990 (Public Law 101-453), as amended by the Cash Management Improvement Act of 1992 (Public Law 102-589), codified at 31 U.S.C. 6501 and 31 U.S.C. 6503.

2.2 The regulations codified at 31 CFR Part 205 shall apply to all matters pertaining to this Agreement, and are incorporated herein by reference. In the event of any inconsistency between this Agreement and 31 CFR Part 205, the regulations shall govern.

3.0 DURATION, AMENDING, TERMINATING, AND MISCELLANEOUS PROVISIONS

3.1 This Agreement shall take effect on 07/01/2020 and shall remain in effect until 06/30/2021.

3.2 This Agreement may be amended at any time by written, mutual consent of the State and the Fiscal Service. This Agreement shall be amended annually to incorporate new programs that qualify as major Federal assistance programs and remove programs that no longer qualify as major Federal assistance programs. A State must notify the Fiscal Service in writing within 30 days of the time the State becomes aware of a change that involves additions or deletions of programs subject to Subpart A, changes in funding techniques, and/or changes in clearance patterns. The notification must include a proposed amendment for review by the Fiscal Service.

3.3 Notwithstanding section 3.2, in the event of Federal or State non-compliance with Subpart B of 31 CFR, Part 205, the Fiscal Service may amend this Agreement at any time to incorporate additional programs and the entities that administer those programs.

3.4 This Agreement may be terminated by either party with 30 days written notice. If this Agreement is terminated, the Fiscal Service will prescribe the funding techniques, clearance patterns, and methods for calculating interest liabilities to be used by the State.

4.0 PROGRAMS COVERED

4.1 The State's threshold and its major Federal assistance programs shall be determined based on the expenses for fiscal year ending 06/30/2015.

All major Federal assistance programs shall be covered by this Agreement, unless otherwise specified in section 4.4 of this Agreement.

4.2 The State's threshold for major Federal assistance programs is $13,668,579.

The following programs meet or exceed the threshold and are not excluded in Section 4.4:

CFDA	Program Name
10.555	National School Lunch Program
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.558	Child and Adult Care Food Program
10.559	Summer Food Service Program for Children
10.566	Nutrition Assistance for Puerto Rico
12.401	National Guard Military Operations and Maintenance (O&M) Projects
14.228	Community Development Block Grants/State's Program
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice Vouchers
14.872	Public Housing Capital Fund
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs
17.225S	Unemployment Insurance -- State Benefit Account
84.010	Title I Grants to Local Educational Agencies
84.027	Special Education -- Grants to States
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States
84.287	Twenty-First Century Community Learning Centers
84.367	Improving Teacher Quality State Grants
84.377	School Improvement Grants
84.388	School Improvement Grants, Recovery Act

93.558	Temporary Assistance for Needy Families
93.563	Child Support Enforcement
93.569	Community Services Block Grant
93.575	Child Care and Development Block Grant
93.600	Head Start
93.778	Medical Assistance Program
93.779	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
93.917	HIV Care Formula Grants
93.959	Block Grants for Prevention and Treatment of Substance Abuse
93.994	Maternal and Child Health Services Block Grant to the States

4.3 The following programs fall below the State's threshold but have been required to be covered by Fiscal Service in accordance with the non-compliance provisions of Subpart B of 31 CFR Part 205:

There are currently no programs listed for Section 4.3.

4.4 The following programs exceed the State's threshold but have been excluded from coverage for the reason indicated:

There are currently no programs listed for Section 4.4.

4.5.0 The basis of total expenses for fiscal year, as discussed in Section 4.1, is a consolidated report produced from Puerto Rico's Integrated Financial Accounting System and it is used to determine the threshold and the major Federal assistance programs.

5.0 ENTITIES COVERED

5.1 State agencies and instrumentalities that meet the definition of a State per 31 CFR Part 205, shall be subject to the terms of this Agreement. The following is a list of such entities that administer funds under the programs listed in Section 4.0 of this Agreement:

Administration for the Childhood Care and Integrated Development

Administration of Mental Health and Addiction Services

Child Support Administration

Department of Education

Department of Health

Department of Housing

Department of Labor and Human Resources

Family Socioeconomic Development Administration

Governor`s Office

National Guard

Public Housing Administration

Puerto Rico Office for Socioeconomic and Community Development

Puerto Rico Ombudsman Office for the Elderly

Vocational Rehabilitation Administration

5.2 Entities that meet the definition of a Fiscal Agent per 31 CFR Part 205 shall be subject to the terms of this Agreement. The following is a list of Fiscal Agents that administer funds under the programs listed in the Section 4.0 of this Agreement:

Fiscal Agent	CFDA	Program Name

6.0 FUNDING TECHNIQUES

6.1 General Terms

6.1.1 The State shall request Federal funds in accordance with the appropriate cut-off times shown in Exhibit I to ensure funds will be received and credited to a State account by the times specified in the funding techniques. Exhibit I is incorporated by reference herein.

6.1.2 The State shall schedule the receipt of Federal funds such that the funds are received and credited to a State account in accordance with the clearance patterns specified in Exhibit II - List of State Clearance Patterns. Exhibit II is incorporated by reference herein.

6.1.3 In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances where the receipt of Federal funds is scheduled for deposit on a day when the State is not open for business, the State shall request funds for deposit the day following the scheduled day; in instances where the receipt of Federal funds is scheduled for deposit on a day when the Federal Government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.

6.1.4 Estimates and Reconciliation of Estimates:
Where estimated expenditures are used to determine the amount of the drawdown, the State will indicate in the terms of the State unique funding technique how the estimated amount is determined and when and how the State will reconcile the difference between the estimate and the State's actual expenditures.

6.1.5 Supplemental Funding:
Unless otherwise defined by program rules, Supplemental Funding is the award of additional funds to provide for an increase in costs due to unforeseen circumstances.

The State will comply with all Federal program agency policies and procedures for requesting supplemental grant funding.

The State will comply with the following guidelines when requesting supplemental funding for the Medical Assistance Program and associated administrative payments (CFDA 93.778):

The State must submit a revised Medicaid Program Budget Report (CMS-37) to request supplemental funding. The CMS guidelines and instructions for completing the CMS-37 are provided in Section 2600F of the State Medicaid Manual (SMM). The CMS/CO must receive the revised Form CMS-37 through the Medicaid Budget Expenditure System/Children's Budget Expenditure System (MBES/CBES) no later than 10 calendar days before the end of the quarter for which the supplemental grant award is being requested.

Additional guidance on this policy is available from the respective CMS Regional Office, U.S. Department of Health & Human Services.

The State will comply with the following guidelines when requesting supplemental funding for TANF (CFDA 93.558), CCDF (CFDA 93.575), CSE (93.563), and the FC/AA (CFDA 93.658 and CFDA 93.659) programs administered by the U.S. Department of Human Services, Administration for Children and Families (HHS/ACF):

a. Timing of the Request
A State should initiate its request for supplemental funding during a quarter as soon as it becomes aware of the fact that a shortfall does/will exist. For the TANF and CCDF grants, supplemental funding requests (estimates) may be submitted by a State, for consideration by ACF, up through and including the 15th day of the third month of the first, second or third quarter of any fiscal year. Since TANF and CCDF are block grant programs, all unawarded portions of the annual allotment will automatically be issued at the beginning of the fourth quarter. Therefore, supplemental funding requests will not be available during the fourth quarter for these programs. For the CSE and FC/AA programs, supplemental funding requests may be submitted by a state, for consideration by ACF, up through and including the 15th day of the third month of any quarter of a fiscal year.

b. Justification for the Request
The request for a supplemental funding for any of the above-mentioned programs should contain a justification clearly documenting the need for the additional funding authority during the current quarter. This documentation should be in the form of State accounting records or similar documents that will show the actual expenditures through the most recent month for which such data are available, as well as the State's most accurate projection of its anticipated expenditures during the remaining month(s) of the quarter. For either the TANF or the CCDF program, the State's justification should also include an explanation of the activities requiring the obligation and/or expenditure of amounts that exceed the normal quarterly grant award restrictions and why these activities could not have been delayed until the next quarter.

c. Form Submittal
Supplemental funding requests should be made by completing the appropriate ACF quarterly report of expenditures and estimates applicable to the particular program for which the grant award request is being made.

d. Approval Process
Upon receipt of the state's request for additional funding authority for a quarter, the ACF Regional Office will promptly review the supporting documentation. If the request is properly justified, so long as ACF has adequate funding availability, the State's request will be expedited and supplemental funding will be issued within 5 days of ACF receiving the request. The State will be notified by the Regional Office when the supplemental award has been transmitted to the Payment Management System (PMS) and when it may initiate drawdowns against the supplemental funding.

Additional guidance on this policy is provided in the U.S. Department of Health & Human Services, Administration for Children and Families, letter (May 19, 2004) to State Administrators from the Deputy Assistant Secretary for Administration.

6.2 Description of Funding Techniques

6.2.1 The following are terms under which standard funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Funding Technique Name	Description
Actual Clearance, ZBA - ACH	The State shall request funds such that they are deposited by ACH in a State account on the settlement date of payments issued by the State. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the amount of funds that clear the State's account on the settlement date. This funding technique is interest neutral.
Actual Clearance, ZBA - Same Day Payment	The State shall request funds the same day it pays out funds, in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. A Federal agency will deposit funds in a State account the same day as requested. The amount of the request shall be for the amount of funds that clear the State's account that day. This funding technique is interest neutral.
Average Clearance	The State shall request funds such that they are deposited by ACH on the dollar-weighted average day of clearance for the disbursement, in accordance with the clearance pattern specified in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be for the exact amount of that disbursement. This funding technique is interest neutral.
Pre-Issuance	The State shall request funds such that they are deposited in a State account not more than three business days prior to the day the State makes a disbursement. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be the amount the State expects to disburse. This funding technique is not interest neutral.

6.2.2 The following are terms under which funding techniques for administrative costs shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Funding Technique Name	Description
Fixed Administrative Allowances - Bi-Weekly Payroll	The State shall request funds such that one-sixth (or one-seventh) of the quarterly administrative allowance is deposited on the dollar-weighted average date of clearance for payroll payments, as specified in the appropriate clearance pattern in Exhibit II. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. This funding technique is interest neutral.
Indirect Cost Rates - Estimated Base	The State shall request funds once a month, such that they are deposited on the median day of the month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be determined by applying the indirect cost rate to the appropriate cost base estimated for the current month. The estimate of direct costs shall be based on the actual direct costs of the prior month. This funding technique is interest neutral.

6.2.3 The following are terms under which miscellaneous funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

There are currently no funding techniques listed in Section 6.2.3.

6.2.4 The following are terms under which State unique funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Funding Technique Name	Description
Pre-Issuance - Modified	The Commonwealth receives Federal funds from the US Department of Housing and Urban Development (HUD) on the first business day of each month. The payment of Federal funds is done automatically by US HUD and a request for funds is not

	required of the Commonwealth. The Commonwealth subsequently makes disbursements to approved recipients. The amount of funds that are received each month is equal to 1/12th of the annual budget, which is approved by US HUD. This funding technique is not interest neutral.

6.3 Application of Funding Techniques to Programs

6.3.1 The State shall apply the following funding techniques when requesting Federal funds for the component cash flows of the programs listed in sections 4.2 and 4.3 of this Agreement.

6.3.2 Programs

Below are programs listed in Section 4.2 and Section 4.3.

10.555 National School Lunch Program
Recipient: Department of Education
% of Funds Agency Receives: 20
Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.555 National School Lunch Program
Recipient: Department of Education
% of Funds Agency Receives: 40
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.555 National School Lunch Program
Recipient: Department of Education
% of Funds Agency Receives: 20
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.555 National School Lunch Program
Recipient: Department of Education
% of Funds Agency Receives: 20
Component: Other Direct Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
Recipient: Department of Health
% of Funds Agency Receives: 25
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
Recipient: Department of Health
% of Funds Agency Receives: 75
Component: Administrative Costs (including Payroll)
Technique: Fixed Administrative Allowances - Bi-Weekly Payroll
Average Day of Clearance: 1 Day

10.558 Child and Adult Care Food Program
Recipient: Department of Education
% of Funds Agency Receives: 100
Component: Payment to Services Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.559 Summer Food Service Program for Children
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.559 Summer Food Service Program for Children
Recipient: Department of Education
% of Funds Agency Receives: 60
Component: Direct Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.559 Summer Food Service Program for Children
Recipient: Department of Education
% of Funds Agency Receives: 2
Component: Other Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.559 Summer Food Service Program for Children
Recipient: Department of Education
% of Funds Agency Receives: 23
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.559 Summer Food Service Program for Children
Recipient: Department of Education
% of Funds Agency Receives: 14
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.566 Nutrition Assistance for Puerto Rico
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 4
Component: Administrative Costs
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 1 Day

10.566 Nutrition Assistance for Puerto Rico
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 4
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

10.566 Nutrition Assistance for Puerto Rico
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 2
Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH

Average Day of Clearance: 1 Day

10.566 Nutrition Assistance for Puerto Rico
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 90
Component: Payment to Beneficiaries
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 14
Component: Purchase Services
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 16
Component: Professional Services
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 20
Component: Facilities and Services Payment
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 3
Component: Equipment
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 15
Component: Other Expenses
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 4
Component: Material
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

12.401 National Guard Military Operations and Maintenance (O&M) Projects
Recipient: National Guard
% of Funds Agency Receives: 28

Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

14.228 Community Development Block Grants/State's Program
Recipient: Department of Housing
% of Funds Agency Receives: 51
Component: Payment to Beneficiaries
Technique: Average Clearance
Average Day of Clearance: 3 Days

14.228 Community Development Block Grants/State's Program
Recipient: Department of Housing
% of Funds Agency Receives: 37
Component: Payroll
Technique: Average Clearance
Average Day of Clearance: 2 Days

14.228 Community Development Block Grants/State's Program
Recipient: Department of Housing
% of Funds Agency Receives: 12
Component: Administrative Costs
Technique: Average Clearance
Average Day of Clearance: 3 Days

14.850 Public and Indian Housing
Recipient: Public Housing Administration
% of Funds Agency Receives: 1
Component: Payroll
Technique: Average Clearance
Average Day of Clearance: 2 Days

14.850 Public and Indian Housing
Recipient: Public Housing Administration
% of Funds Agency Receives: 96
Component: Payment to Beneficiaries
Technique: Average Clearance
Average Day of Clearance: 3 Days

14.850 Public and Indian Housing
Recipient: Public Housing Administration
% of Funds Agency Receives: 3
Component: Administrative Costs
Technique: Average Clearance
Average Day of Clearance: 3 Days

14.871 Section 8 Housing Choice Vouchers
Recipient: Public Housing Administration
% of Funds Agency Receives: 96
Component: Payment to Beneficiaries
Technique: Pre-Issuance - Modified
Average Day of Clearance: N/A

14.871 Section 8 Housing Choice Vouchers
Recipient: Public Housing Administration
% of Funds Agency Receives: 4
Component: Administrative Cost
Technique: Pre-Issuance - Modified
Average Day of Clearance: N/A

14.872 Public Housing Capital Fund
Recipient: Public Housing Administration
% of Funds Agency Receives: 3
Component: Administrative Costs
Technique: Average Clearance
Average Day of Clearance: 3 Days

14.872 Public Housing Capital Fund
Recipient: Public Housing Administration
% of Funds Agency Receives: 96
Component: Payment to Beneficiaries
Technique: Average Clearance
Average Day of Clearance: 3 Days

14.872 Public Housing Capital Fund
Recipient: Public Housing Administration
% of Funds Agency Receives: 1
Component: Payroll
Technique: Average Clearance
Average Day of Clearance: 2 Days

17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Recipient: Department of Labor and Human Resources
% of Funds Agency Receives: 1
Component: Indirect Costs
Technique: Indirect Cost Rates - Estimated Base
Average Day of Clearance: 3 Days

17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Recipient: Department of Labor and Human Resources
% of Funds Agency Receives: 75
Component: Payment to Beneficiaries-FECA and EUCA
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: 0 Days

17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Recipient: Department of Labor and Human Resources
% of Funds Agency Receives: 24
Component: Administrative Costs (Including Payroll)
Technique: Fixed Administrative Allowances - Bi-Weekly Payroll
Average Day of Clearance: 3 Days

17.225S Unemployment Insurance -- State Benefit Account
Recipient: Department of Labor and Human Resources
% of Funds Agency Receives: 100
Component: Payment to Beneficiaries-State Account
Technique: Pre-Issuance
Average Day of Clearance: N/A

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education

% of Funds Agency Receives: 4
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education
% of Funds Agency Receives: 61
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Other Direct Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education
% of Funds Agency Receives: 33
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.027 Special Education -- Grants to States
Recipient: Department of Education
% of Funds Agency Receives: 75
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.027 Special Education -- Grants to States
Recipient: Department of Education
% of Funds Agency Receives: 20
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.027 Special Education -- Grants to States
Recipient: Department of Education
% of Funds Agency Receives: 5
Component: Other Direct Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States
Recipient: Vocational Rehabilitation Administration
% of Funds Agency Receives: 30
Component: Payment to Beneficiaries
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States
Recipient: Vocational Rehabilitation Administration
% of Funds Agency Receives: 70
Component: Administrative Costs (including payroll)
Technique: Actual Clearance, ZBA - ACH

Average Day of Clearance: 1 Day

84.287 Twenty-First Century Community Learning Centers
Recipient: Department of Education
% of Funds Agency Receives: 3
Component: Equipment
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.287 Twenty-First Century Community Learning Centers
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Materials and Supplies
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.287 Twenty-First Century Community Learning Centers
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Other Expenses
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.287 Twenty-First Century Community Learning Centers
Recipient: Department of Education
% of Funds Agency Receives: 77
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.287 Twenty-First Century Community Learning Centers
Recipient: Department of Education
% of Funds Agency Receives: 15
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.287 Twenty-First Century Community Learning Centers
Recipient: Department of Education
% of Funds Agency Receives: 3
Component: Transportation Expenses
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.367 Improving Teacher Quality State Grants
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.367 Improving Teacher Quality State Grants
Recipient: Department of Education
% of Funds Agency Receives: 20
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.367 Improving Teacher Quality State Grants
Recipient: Department of Education

% of Funds Agency Receives: 74
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.367 Improving Teacher Quality State Grants
Recipient: Department of Education
% of Funds Agency Receives: 5
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.377 School Improvement Grants
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Other Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.377 School Improvement Grants
Recipient: Department of Education
% of Funds Agency Receives: 98
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.377 School Improvement Grants
Recipient: Department of Education
% of Funds Agency Receives: 1
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.388 School Improvement Grants, Recovery Act
Recipient: Department of Education
% of Funds Agency Receives: 3
Component: Administrative Cost
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.388 School Improvement Grants, Recovery Act
Recipient: Department of Education
% of Funds Agency Receives: 3
Component: Equipment
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.388 School Improvement Grants, Recovery Act
Recipient: Department of Education
% of Funds Agency Receives: 3
Component: Other Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

84.388 School Improvement Grants, Recovery Act
Recipient: Department of Education
% of Funds Agency Receives: 91
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.558 Temporary Assistance for Needy Families
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 4
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.558 Temporary Assistance for Needy Families
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 90
Component: Payment to Beneficiaries
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.558 Temporary Assistance for Needy Families
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 4
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.558 Temporary Assistance for Needy Families
Recipient: Family Socioeconomic Development Administration
% of Funds Agency Receives: 2
Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.563 Child Support Enforcement
Recipient: Child Support Administration
% of Funds Agency Receives: 39
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.563 Child Support Enforcement
Recipient: Child Support Administration
% of Funds Agency Receives: 7
Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.563 Child Support Enforcement
Recipient: Child Support Administration
% of Funds Agency Receives: 54
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.569 Community Services Block Grant
Recipient: Puerto Rico Office for Socioeconomic and Community Development
% of Funds Agency Receives: 5
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.569 Community Services Block Grant
Recipient: Puerto Rico Office for Socioeconomic and Community Development
% of Funds Agency Receives: 95

Component: Payment to Services Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.575 Child Care and Development Block Grant
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 3
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.575 Child Care and Development Block Grant
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 3
Component: Operations
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.575 Child Care and Development Block Grant
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 3
Component: Payment to Beneficiaries
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.575 Child Care and Development Block Grant
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 23
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.575 Child Care and Development Block Grant
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 68
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 1.5
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: .5
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Governor`s Office
% of Funds Agency Receives: 33
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Governor`s Office
% of Funds Agency Receives: 2
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Governor`s Office
% of Funds Agency Receives: 6
Component: Operations
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 47
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Administration for the Childhood Care and Integrated Development
% of Funds Agency Receives: 1
Component: Operations
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.600 Head Start
Recipient: Governor`s Office
% of Funds Agency Receives: 9
Component: Other Direct Cost
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.778 Medical Assistance Program
Recipient: Department of Health
% of Funds Agency Receives: 5
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.778 Medical Assistance Program
Recipient: Department of Health
% of Funds Agency Receives: 5
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.778 Medical Assistance Program
Recipient: Department of Health
% of Funds Agency Receives: 90

Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.779 Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
Recipient: Department of Health
% of Funds Agency Receives: 39
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.779 Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
Recipient: Department of Health
% of Funds Agency Receives: 9
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.779 Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
Recipient: Department of Health
% of Funds Agency Receives: 9
Component: Administrative Cost
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.779 Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
Recipient: Department of Health
% of Funds Agency Receives: 39
Component: Payment to Beneficiaries
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.779 Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations
Recipient: Puerto Rico Ombudsman Office for the Elderly
% of Funds Agency Receives: 4
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.917 HIV Care Formula Grants
Recipient: Department of Health
% of Funds Agency Receives: 11
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.917 HIV Care Formula Grants
Recipient: Department of Health
% of Funds Agency Receives: 1
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.917 HIV Care Formula Grants
Recipient: Department of Health
% of Funds Agency Receives: 1

Component: Indirect Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.917 HIV Care Formula Grants
Recipient: Department of Health
% of Funds Agency Receives: 4
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.917 HIV Care Formula Grants
Recipient: Department of Health
% of Funds Agency Receives: 83
Component: Direct Services
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.959 Block Grants for Prevention and Treatment of Substance Abuse
Recipient: Administration of Mental Health and Addiction Services
% of Funds Agency Receives: 38
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.959 Block Grants for Prevention and Treatment of Substance Abuse
Recipient: Administration of Mental Health and Addiction Services
% of Funds Agency Receives: 21
Component: Operational Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.959 Block Grants for Prevention and Treatment of Substance Abuse
Recipient: Administration of Mental Health and Addiction Services
% of Funds Agency Receives: 2
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.959 Block Grants for Prevention and Treatment of Substance Abuse
Recipient: Administration of Mental Health and Addiction Services
% of Funds Agency Receives: 39
Component: Payment to Service Providers
Technique: Average Clearance
Average Day of Clearance: 1 Day

93.994 Maternal and Child Health Services Block Grant to the States
Recipient: Department of Health
% of Funds Agency Receives: 5
Component: Administrative Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.994 Maternal and Child Health Services Block Grant to the States
Recipient: Department of Health
% of Funds Agency Receives: 17
Component: Other Direct Costs
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.994 Maternal and Child Health Services Block Grant to the States
Recipient: Department of Health
% of Funds Agency Receives: 1
Component: Payment to Service Providers
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

93.994 Maternal and Child Health Services Block Grant to the States
Recipient: Department of Health
% of Funds Agency Receives: 77
Component: Payroll
Technique: Actual Clearance, ZBA - ACH
Average Day of Clearance: 1 Day

6.3.3 Materiality Exemptions

Agencies exempt from coverage on the basis of materiality:

None

7.0 CLEARANCE PATTERNS

7.1 The State shall develop separate clearance patterns for each of the following:

Group of Similar Programs - Composite clearance pattern for the administrative costs and payroll components of the following group of programs:

CFDA	Program
14.228	Community Development Block Grant's Program
14.850	Public and Indian Housing

Group of Similar Programs - Composite clearance pattern for the payroll costs of the following programs:

CFDA	Program
10.557	Special Supplemental Nutrition Program for Women, Infants and Children
93.778	Medical Assistance Program (Medicaid)
93.779	Children Health Insurance Program

7.2 The following shall develop the State's clearance patterns:

Banco Popular de Puerto Rico

7.3 The sources of data the State shall use when developing its clearance patterns are as follows:

1. PRIFAS - The Central Accounting System
2. Information from agencies outside of PRIFAS
3. Banco Popular de Puerto Rico

7.4 The State shall use the following methodology when developing its clearance patterns:

When developing each clearance pattern, the State shall track at least 99% of the funds disbursed, from issuance to clearance, for a period of at least three months.

7.5 The State shall identify for each check or warrant (hereafter, check) in the population: (1) the date the check was released for payment; (2) the date the check was debited from the State's account, and, (3) the amount of the check.

7.6 The State shall use the following method to calculate the dollar-weighted average day of clearance:

To determine the number of days each check was outstanding (clearance time), the issue date shall be subtracted from the date the check cleared the State's account.

To determine the percentage of the disbursement paid out each day following issuance, the amount of the checks that clear the State's account each day shall be summed and then divided by the amount of the total disbursement.

For each day following issuance, the clearance time of the checks paid out that day shall be multiplied by the percentage of the total disbursement those checks represent. This product is the clearance factor.

The dollar-weighted average day of clearance for the disbursement shall be determined by summing the clearance factor of each day following the disbursement.

7.7 The State shall adjust each clearance pattern to reflect the dollar-weighted proportion of funds paid out by EFT/Direct payroll, with the following exceptions:

None

The State shall also adjust each clearance pattern to reflect:

None

7.8 Each of the State's clearance patterns is calculated in Calendar days.

7.9 An authorized State official shall certify that each clearance pattern developed by the State accurately corresponds to the clearance activity of the programs to which it is applied. This certification shall be provided to the Fiscal Service prior to the effective date of the Agreement. The State shall recertify its clearance patterns at least every five years.

7.10 The State shall follow the procedures of 31 CFR 205 if it has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity.

8.0 INTEREST CALCULATION METHODOLOGY

8.1 General Terms

8.1.1 The State and the Secretary agree that no interest liabilities will be incurred for transfers of funds made in accordance with the procedures specified in section 6 of this Agreement where the following funding techniques are applied:

Actual Clearance, ZBA - ACH

Actual Clearance, ZBA - Same Day Payment

Average Clearance

Fixed Administrative Allowances - Bi-Weekly Payroll

Indirect Cost Rates - Estimated Base

8.1.2 The State shall maintain information on disbursements and receipts of funds to verify the implementation of any funding technique and document interest liabilities.
For each disbursement, the State shall be able to identify:
(1) amount of the issuance
(2) date of issuance

(3) date Federal funds are received and credited to a State account
(4) amount of Federal funds received
(5) date funds were requested

8.2 Federal Interest Liabilities

8.2.1 A Federal interest liability shall accrue from the day the State pays out its own funds for program purposes to the day Federal funds are credited to a State account. With regard to funds transferred out of the Federal Highway Trust Fund, if a State does not bill at least weekly for current project costs, the Federal interest liability shall not accrue prior to the day the State submits a request for funds.

8.2.2 The State shall use the following method to calculate Federal interest liabilities:

For all transactions where the State pays out its own funds for program purposes prior to receiving Federal funds, the State shall track each payment from the date it is paid out of a State account to the date Federal funds are subsequently credited to a State account to cover that outlay. The Federal interest liability on each payment shall be based on the difference in whole days between the two events. With Federal-State matching programs, interest shall be calculated on the Federal percentage of the disbursement.

8.3 The Unemployment Trust Fund

8.3.1 The State shall use the following method to calculate State interest liabilities on funds withdrawn from the several accounts in the Unemployment Trust Fund:

The State shall use the following methodology to calculate State interest liabilities on funds withdrawn from the several accounts in the UTF under the Unemployment Insurance program.

Based on statements provided by its financial institution, or other appropriate source, the State shall determine the actual interest earnings and the related banking costs attributable to funds withdrawn from its account in the UTF.

At the end of the State's fiscal year, the State shall calculate the percentage of its total unemployment compensation expenditures for (1) funds withdrawn from the State account in the UTF, or the State %, and (2) funds withdrawn from the Federal Employees Compensation Account (FECA) and the Extended Unemployment Compensation Account (EUCA) and any other accounts of Federal funds in the UTF, or the Federal %.

The State shall calculate the actual interest earnings and the related banking costs attributable to funds withdrawn from the State account in the UTF by multiplying the State % by the amount of the actual interest earnings and the related banking costs of the account as a whole. The State's liability for interest on funds withdrawn from its account in the UTF shall consist of the actual interest earnings attributable to such funds less the related banking costs attributed to such funds.

The State shall determine the average daily cash balance of its unemployment compensation benefit payment account for its fiscal year. The State shall calculate the average daily cash balance of Federal funds by multiplying the Federal % by the average daily cash balance of the benefit payment account on the whole. The State's liability for interest on funds withdrawn from the FECA and EUCA (and any other benefit accounts of Federal funds in the UTF from which the State draws funds) shall be the average daily cash balance of Federal funds multiplied by the annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during the State's fiscal year.

8.4 Refund Liabilities

8.4.1 The State shall be liable for interest on refunds from the date the refund is credited to a State account until the date the refund is debited from the State account for program purposes. The State shall apply a $50,000 refund transaction threshold below which the State shall not incur or calculate interest liabilities on refunds. A transaction is defined as a single deposit.

8.4.2 For each refund, the State shall maintain information identifying:
(1) date a refund is credited to a State account
(2) date of the subsequent deposit of Federal funds against which the refund is offset
(3) amount of the refund

8.4.3 The State shall use the following methodology to calculate interest liabilities on refunds:

With programs to which applicable interest neutral funding techniques shall be applied, the State shall determine the actual amount of refunds received during the State fiscal year for each program using the information in its standard Federal financial status reports. For each program, the State shall estimate the number of days that refunds are held prior to being offset against a subsequent deposit of Federal funds. This shall be calculated as the average number of days between drawdown deposits, which is determined by dividing the total number of drawdowns into 365, and assuming that all refunds are received at the midpoint of the average number of days between drawdowns.

With programs to which applicable non-interest neutral funding techniques shall be applied, the State shall also calculate the time refunds are in a State account by comparing the date the refund is offset against a subsequent deposit of Federal funds and the date the refund is paid out for program purposes. This period will be measured for each program in accordance with the State method for calculating interest under pre-issuance funding, and will be applied independently to the amount of refunds under each program to calculate the interest on refunds.

8.5 Exemptions

8.5.1 Where more than one State agency is a recipient of Federal funds under a program, a particular State agency's funding may be excluded from interest calculation procedures if the State agency receives an amount of funds less than 5 % of the State's threshold for major Federal assistance programs. Notwithstanding this potential exemption, however, in no case shall less than 90% of a program's total funding be subject to interest calculation procedures.

Proration of calculations: If less than total program funding is subject to interest calculation procedures, the resulting interest liability calculations shall be prorated to 100% of program funding.

8.6 State Interest Liabilities

8.6.1 The State shall be liable for interest on Federal funds from the date Federal funds are credited to a State account until the date those funds are paid out for program purposes.

8.6.2 The State shall use the following method to calculate State interest liabilities on Federal funds:

8.6.2.1 Measuring Time Funds Are Held

To determine the total time Federal funds are held, the State shall measure the time between the date Federal funds are received and credit to a State's account and the date those funds are debited from the State's account.

8.6.2.2 Source of Data

The time period from deposit to debit shall be determined from information captured by Banco Popular de Puerto Rico.
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8.6.2.3 Standards Applied

To measure the time Federal funds are held in a State account prior to being disbursed, the State shall use statistical sampling. The sample shall be randomly selected, and shall be of sufficient size to ensure, at a minimum, a 95% confidence interval no wider than ą 0.3 dollar-weighted days about the estimated mean.

For each check in the sample population, the State shall:
1 subtract the deposit date from the issuance date
2 multiply the difference of step 1 by the check amount
3 divide the product of step 2 by the total amount of funds drawn in the sample to determine the dollar-weighted pre-issuance time for that check

The State shall then sum the dollar-weighted pre-issuance time for each check to arrive at the total dollar-weighted average pre-issuance time to be used for calculating State interest liabilities.

8.6.2.4 Calculation Procedure

I = ADB x R, where

I = State's total interest liability

ADB = Average Daily Balance of cash in a program's account, measured from deposit to clearance

R = Annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during a State's fiscal year

9.0 REVERSE FLOW PROGRAMS

The State is not required to cover any reverse flow programs under the terms of this Agreement because the State does not participate in the program.

10.0 INTEREST CALCULATION COSTS

10.1 As set forth in 31 CFR 205.27, interest calculation costs are defined as those costs necessary for the actual calculation of interest, including the cost of developing and maintaining clearance patterns in support of the interest calculations. Interest calculation costs do not include expenses for normal disbursing services, such as processing of checks or maintaining records for accounting and reconciliation of cash balances, or expenses for upgrading or modernizing accounting systems. Interest calculation costs in excess of $50,000 in any year are not eligible for reimbursement, unless the State provides justification with the annual report.

10.2 The State expects to incur the following types of interest calculation costs:

Those costs necessary for the development and maintenance of clearance patterns and to perform the actual calculation of interest liabilities.

10.3 The State shall submit all claims for reimbursement of interest calculation costs with its Annual Report in accordance with 31 CFR 205.

11.0 NON-COMPLIANCE

11.1 The provisions of 31 CFR Part 205.29 and 31 CFR Part 205.30 shall apply in cases of non-compliance with the terms of this Agreement.

12.0 AUTHORIZED SIGNATURES

Francisco Parés Alicea, CPA
Secretary of the Treasury, Commonwealth of Puerto Rico

DocuSigned by:
Francisco Parés Alicea
Signature:____A2AB71B7A33B4C6...____ Date Signed: 11/15/2021

Date Submitted 10/15/2021

Sandra R. Paylor
Acting Assistant Commissioner
Revenue Collections Management
Bureau of the Fiscal Service
U.S. Department of the Treasury

DocuSigned by:
Sandra Paylor
Signature:____A4CB79795B9B48E...____ Date Signed: 11/16/2021

Exhibit I - Funds Request and Receipt Times Schedule

Puerto Rico (Territory)

Federal Agency	Payment Type	Request Cut-Off Time	Receipt Window
Agriculture-FNS	ACH	11:59 PM	1 day
Agriculture-FNS	Fedwire	5:45 PM	0 day
Agriculture-FS	ACH	3:00 PM	1 day
Air National Guard	ACH	12:00 PM	15 days
Army National Guard	ACH	12:00 PM	15 days
Commerce-NOAA	ACH	2:00 PM	1 day
Dept of Homeland Security (FEMA)	Fedwire	2:00 PM	2 days
Dept of Homeland Security (ODP)	ACH	2:00 PM	2 days
Dept of Homeland Security (ODP)	Fedwire	2:00 PM	2 days
EPA	ACH	2:00 PM	2 days
EPA	Fedwire	2:00 PM	0 day
Education	ACH	3:00 PM	1 day
Education	Fedwire	2:00 PM	0 day
Energy	ACH	4:00 PM	1 day
Energy	Fedwire	3:00 PM	0 day
HHS	ACH	5:00 PM	1 day
HHS	Fedwire	3:00 PM	0 day
HUD	ACH	5:30 PM	2 days
HUD	Fedwire	3:00 PM	0 day
Interior-FWS	ACH	11:59 PM	1 day
Interior-FWS	Fedwire	5:45 PM	0 day
Interior-OSM	ACH	3:00 PM	1 day
Interior-OSM	Fedwire	1:00 PM	0 day
Justice	ACH	11:00 PM	6 days
Justice	Fedwire	2:00 PM	2 days
Labor-Non-UTF	ACH	3:00 PM	1 day
Labor-UTF	ACH	3:00 PM	1 day
Labor-UTF	Fedwire	3:00 PM	0 day
National Science Foundation (NSF)	ACH	8:00 PM	1 day
National Science Foundation (NSF)	Fedwire	5:45 PM	0 day
Social Security Administration	ACH	11:59 PM	1 day
Social Security Administration	Fedwire	5:45 PM	0 day
Transportation (FAA)	ACH	2:00 PM	1 day
Transportation (FHWA)	ACH	12:00 PM	3 days
Transportation (FHWA)	Fedwire	12:00 PM	0 day
Transportation (FTA)	ACH	2:00 PM	1 day
Veterans Administration	ACH	12:00 PM	3 days

Exhibit II - Puerto Rico (Territory)
LIST OF STATE CLEARANCE TIMES
(Rounded Dollar-Weighted Average Day of Clearance)
Clearance Times Where the Timing of A Draw Down Is Based on A Clearance Pattern

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
10.555	National School Lunch Program	Department of Education	20.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day
	National School Lunch Program	Department of Education	40.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	National School Lunch Program	Department of Education	20.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	National School Lunch Program	Department of Education	20.0	Other Direct Costs	Actual Clearance, ZBA - ACH	1 Day
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	25.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	75.0	Administrative Costs (including Payroll)	Fixed Administrative Allowances - Bi-Weekly Payroll	1 Day
10.558	Child and Adult Care Food Program	Department of Education	100.0	Payment to Services Providers	Actual Clearance, ZBA - ACH	1 Day
10.559	Summer Food Service Program for Children	Department of Education	1.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Summer Food Service Program for Children	Department of Education	60.0	Direct Costs	Actual Clearance, ZBA - ACH	1 Day
	Summer Food Service Program for Children	Department of Education	2.0	Other Costs	Actual Clearance, ZBA - ACH	1 Day
	Summer Food Service Program for Children	Department of Education	23.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Summer Food Service Program for Children	Department of Education	14.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
10.566	Nutrition Assistance for Puerto Rico	Family Socioeconomic Development Administration	4.0	Administrative Costs	Actual Clearance, ZBA - Same Day Payment	1 Day
	Nutrition Assistance for Puerto Rico	Family Socioeconomic Development Administration	4.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Nutrition Assistance for Puerto Rico	Family Socioeconomic Development Administration	2.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day

	Nutrition Assistance for Puerto Rico	Family Socioeconomic Development Administration	90.0	Payment to Beneficiaries	Actual Clearance, ZBA - ACH	1 Day
12.401	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	14.0	Purchase Services	Actual Clearance, ZBA - ACH	1 Day
	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	16.0	Professional Services	Actual Clearance, ZBA - ACH	1 Day
	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	20.0	Facilities and Services Payment	Actual Clearance, ZBA - ACH	1 Day
	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	3.0	Equipment	Actual Clearance, ZBA - ACH	1 Day
	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	15.0	Other Expenses	Actual Clearance, ZBA - ACH	1 Day
	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	4.0	Material	Actual Clearance, ZBA - ACH	1 Day
	National Guard Military Operations and Maintenance (O&M) Projects	National Guard	28.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
14.228	Community Development Block Grants/State's Program	Department of Housing	51.0	Payment to Beneficiaries	Average Clearance	3 Days
	Community Development Block Grants/State's Program	Department of Housing	37.0	Payroll	Average Clearance	2 Days
	Community Development Block Grants/State's Program	Department of Housing	12.0	Administrative Costs	Average Clearance	3 Days
14.850	Public and Indian Housing	Public Housing Administration	1.0	Payroll	Average Clearance	2 Days
	Public and Indian Housing	Public Housing Administration	96.0	Payment to Beneficiaries	Average Clearance	3 Days
	Public and Indian Housing	Public Housing Administration	3.0	Administrative Costs	Average Clearance	3 Days
14.871	Section 8 Housing Choice Vouchers	Public Housing Administration	96.0	Payment to Beneficiaries	Pre-Issuance - Modified	N/A
	Section 8 Housing Choice Vouchers	Public Housing Administration	4.0	Administrative Cost	Pre-Issuance - Modified	N/A
14.872	Public Housing Capital Fund	Public Housing Administration	3.0	Administrative Costs	Average Clearance	3 Days

	Public Housing Capital Fund	Public Housing Administration	96.0	Payment to Beneficiaries	Average Clearance	3 Days
	Public Housing Capital Fund	Public Housing Administration	1.0	Payroll	Average Clearance	2 Days
17.225 F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Labor and Human Resources	1.0	Indirect Costs	Indirect Cost Rates - Estimated Base	3 Days
	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Labor and Human Resources	75.0	Payment to Beneficiaries-FECA and EUCA	Actual Clearance, ZBA - Same Day Payment	0 Days
	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Labor and Human Resources	24.0	Administrative Costs (Including Payroll)	Fixed Administrative Allowances - Bi-Weekly Payroll	3 Days
17.225 S	Unemployment Insurance -- State Benefit Account	Department of Labor and Human Resources	100.0	Payment to Beneficiaries-State Account	Pre-Issuance	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	1.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day
	Title I Grants to Local Educational Agencies	Department of Education	4.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Title I Grants to Local Educational Agencies	Department of Education	61.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Title I Grants to Local Educational Agencies	Department of Education	1.0	Other Direct Costs	Actual Clearance, ZBA - ACH	1 Day
	Title I Grants to Local Educational Agencies	Department of Education	33.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
84.027	Special Education -- Grants to States	Department of Education	75.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Special Education -- Grants to States	Department of Education	20.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Special Education -- Grants to States	Department of Education	5.0	Other Direct Costs	Actual Clearance, ZBA - ACH	1 Day
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Vocational Rehabilitation Administration	30.0	Payment to Beneficiaries	Actual Clearance, ZBA - ACH	1 Day
	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Vocational Rehabilitation Administration	70.0	Administrative Costs (including payroll)	Actual Clearance, ZBA - ACH	1 Day
84.287	Twenty-First Century Community Learning Centers	Department of Education	3.0	Equipment	Actual Clearance, ZBA - ACH	1 Day
	Twenty-First Century	Department of Education	1.0	Materials and Supplies	Actual Clearance, ZBA - ACH	1 Day

	Community Learning Centers					
	Twenty-First Century Community Learning Centers	Department of Education	1.0	Other Expenses	Actual Clearance, ZBA - ACH	1 Day
	Twenty-First Century Community Learning Centers	Department of Education	77.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Twenty-First Century Community Learning Centers	Department of Education	15.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Twenty-First Century Community Learning Centers	Department of Education	3.0	Transportation Expenses	Actual Clearance, ZBA - ACH	1 Day
84.367	Improving Teacher Quality State Grants	Department of Education	1.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day
	Improving Teacher Quality State Grants	Department of Education	20.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Improving Teacher Quality State Grants	Department of Education	74.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Improving Teacher Quality State Grants	Department of Education	5.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
84.377	School Improvement Grants	Department of Education	1.0	Other Costs	Actual Clearance, ZBA - ACH	1 Day
	School Improvement Grants	Department of Education	98.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	School Improvement Grants	Department of Education	1.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
84.388	School Improvement Grants, Recovery Act	Department of Education	3.0	Administrative Cost	Actual Clearance, ZBA - ACH	1 Day
	School Improvement Grants, Recovery Act	Department of Education	3.0	Equipment	Actual Clearance, ZBA - ACH	1 Day
	School Improvement Grants, Recovery Act	Department of Education	3.0	Other Costs	Actual Clearance, ZBA - ACH	1 Day
	School Improvement Grants, Recovery Act	Department of Education	91.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
93.558	Temporary Assistance for Needy Families	Family Socioeconomic Development Administration	4.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Temporary Assistance for Needy Families	Family Socioeconomic Development Administration	90.0	Payment to Beneficiaries	Actual Clearance, ZBA - ACH	1 Day
	Temporary Assistance for Needy Families	Family Socioeconomic Development Administration	4.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day

	Temporary Assistance for Needy Families	Family Socioeconomic Development Administration	2.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day
93.563	Child Support Enforcement	Child Support Administration	39.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Child Support Enforcement	Child Support Administration	7.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day
	Child Support Enforcement	Child Support Administration	54.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
93.569	Community Services Block Grant	Puerto Rico Office for Socioeconomic and Community Development	5.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Community Services Block Grant	Puerto Rico Office for Socioeconomic and Community Development	95.0	Payment to Services Providers	Actual Clearance, ZBA - ACH	1 Day
93.575	Child Care and Development Block Grant	Administration for the Childhood Care and Integrated Development	3.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Child Care and Development Block Grant	Administration for the Childhood Care and Integrated Development	3.0	Operations	Actual Clearance, ZBA - ACH	1 Day
	Child Care and Development Block Grant	Administration for the Childhood Care and Integrated Development	3.0	Payment to Beneficiaries	Actual Clearance, ZBA - ACH	1 Day
	Child Care and Development Block Grant	Administration for the Childhood Care and Integrated Development	23.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Child Care and Development Block Grant	Administration for the Childhood Care and Integrated Development	68.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
93.600	Head Start	Administration for the Childhood Care and Integrated Development	1.5	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Head Start	Administration for the Childhood Care and Integrated Development	0.5	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Head Start	Governor`s Office	33.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Head Start	Governor`s Office	2.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Head Start	Governor`s Office	6.0	Operations	Actual Clearance, ZBA - ACH	1 Day
	Head Start	Administration for the Childhood Care and Integrated Development	47.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day

	Head Start	Administration for the Childhood Care and Integrated Development	1.0	Operations	Actual Clearance, ZBA - ACH	1 Day
	Head Start	Governor`s Office	9.0	Other Direct Cost	Actual Clearance, ZBA - ACH	1 Day
93.778	Medical Assistance Program	Department of Health	5.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Medical Assistance Program	Department of Health	5.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Medical Assistance Program	Department of Health	90.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
93.779	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Department of Health	39.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Department of Health	9.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Department of Health	9.0	Administrative Cost	Actual Clearance, ZBA - ACH	1 Day
	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Department of Health	39.0	Payment to Beneficiaries	Actual Clearance, ZBA - ACH	1 Day
	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Puerto Rico Ombudsman Office for the Elderly	4.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
93.917	HIV Care Formula Grants	Department of Health	11.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	HIV Care Formula Grants	Department of Health	1.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	HIV Care Formula Grants	Department of Health	1.0	Indirect Costs	Actual Clearance, ZBA - ACH	1 Day
	HIV Care Formula Grants	Department of Health	4.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	HIV Care Formula Grants	Department of Health	83.0	Direct Services	Actual Clearance, ZBA - ACH	1 Day
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Administration of Mental Health and Addiction Services	38.0	Payroll	Actual Clearance, ZBA - ACH	1 Day
	Block Grants for Prevention and Treatment of Substance Abuse	Administration of Mental Health and Addiction Services	21.0	Operational Costs	Actual Clearance, ZBA - ACH	1 Day

	Block Grants for Prevention and Treatment of Substance Abuse	Administration of Mental Health and Addiction Services	2.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Block Grants for Prevention and Treatment of Substance Abuse	Administration of Mental Health and Addiction Services	39.0	Payment to Service Providers	Average Clearance	1 Day
93.994	Maternal and Child Health Services Block Grant to the States	Department of Health	5.0	Administrative Costs	Actual Clearance, ZBA - ACH	1 Day
	Maternal and Child Health Services Block Grant to the States	Department of Health	17.0	Other Direct Costs	Actual Clearance, ZBA - ACH	1 Day
	Maternal and Child Health Services Block Grant to the States	Department of Health	1.0	Payment to Service Providers	Actual Clearance, ZBA - ACH	1 Day
	Maternal and Child Health Services Block Grant to the States	Department of Health	77.0	Payroll	Actual Clearance, ZBA - ACH	1 Day

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Certification

I hereby certify that an authorized State official has certified at least every five years that the "Rounded Days of Clearance" listed in Exhibit 2 of this Treasury-State Agreement:

1. Have been prepared in accordance with the standards provided in 31 CFR 205.20;
2. Accurately represent the flow of Federal funds under the Federal assistance programs to which they apply;
3. Reflect seasonal or other periodic variations in the clearance activities; and,
4. Are auditable.

Date: 11/15/2021

Printed Name: Francisco Parés Alicea

Certifying Signature: DocuSigned by: Francisco Parés Alicea A2AB71B7A33B4C6...

Title: Secretary