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Executive Director

BY ELECTRONIC MAIL

June 1, 2026

Dr. Zayira Jordán Conde
President
University of Puerto Rico

Re: Juan F. García, Inc.

Dear Dr. Jordán Conde:

In accordance with the Contract Review Policy (the “Policy”) of the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), established pursuant to Section 204(b)(2) of PROMESA, we have reviewed the proposed amendment to the contract between the University of Puerto Rico (the “UPR”) and Juan F. García, Inc. (the “Proposed Amendment”).

After reviewing the Proposed Amendment, the Oversight Board concludes “Approved with Observations.” Observations related to the Proposed Amendment are set forth in Appendix A attached hereto.

Our review is solely limited to compliance of the Proposed Amendment with Section 204(b)(2) of PROMESA, which seeks to ensure proposed contracts promote market competition and are not inconsistent with approved Fiscal Plans. For the avoidance of doubt, the review performed by the Oversight Board does not constitute a legal review of the contractual documentation or the contracting process, including without limitation: (i) compliance with contracting requirements under applicable laws, rules, and regulations, both federal and local; and (ii) compliance with applicable laws, rules, and regulations governing procurement activities, both federal and local.

In addition, the Oversight Board has not engaged in any due diligence or background check with respect to the contracting parties nor whether the contracting parties comply with the requirements under the applicable contract. Any material changes to the Proposed Amendment or the original contract must be submitted to the Oversight Board for review and approval **prior to execution**.

Date: 6/1/2026

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Recipient: Dr. Jordán Conde

This letter is delivered as of the date hereof and we reserve the right to provide additional observations and modify this letter based on information the Oversight Board was not directed to when the review was conducted. In addition, during the course of our review, we may receive information that we may refer to the relevant authorities.

This letter is issued only to the UPR and solely with respect to the Proposed Amendment.

Sincerely,



Jaime A. El Koury
General Counsel

APPENDIX A

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UPR – JUAN F. GARCÍA, INC.

Fiscal Plan Alignment

This review covers the Proposed Amendment to the contract between UPR and Juan F. García, Inc. for the construction of an additional 7,600 square feet on the fifth floor of the UPR's Molecular Sciences Research Center Building, which houses the Advancing Science and Technology Research and Entrepreneurship Center (the "Project").

The original contract (2026-000012) was approved with observations by the Oversight Board on September 4, 2025. It stems from competitive procurement process no. RFP JSMP 25-007 issued on November 15 and 16, 2024. It has a maximum payable amount of **\$9,200,000** with a substantial completion date of **240 days** from the issuance of the notice to proceed. The original contract has a term from its date of execution of September 26, 2025 until **October 31, 2026**.¹

The first amendment to the original contract was approved with observations by the Oversight Board on April 9, 2026. It increased the maximum payable amount by \$664,245.15 to **\$9,864,245.15** to cover the acquisition of laboratory equipment and furniture for the Project, without modifying the term.

The Proposed Amendment, which constitutes the second amendment to the contract, increases the maximum payable amount by \$128,744.74 to **\$9,992,989.89** without modifying the term. According to the UPR, the Proposed Amendment is necessary to address additional modifications to the clean room design and associated systems that were identified during the progression of the Project and subsequent design evaluations.²

The UPR has certified that the Proposed Amendment shall be covered entirely with federal funds stemming from the Economic Development Administration (EDA) allocated in **Account No. 10470.692.000.7711.000.10C119048710.00**. As such, the Oversight Board's review indicates that the UPR has sufficient budgeted funds in Fiscal Year 2026 to cover the cost of the Proposed Amendment as of the date of this letter.

¹ On November 1, 2023, the Oversight Board approved with observations Contract No. 2024-000085 for design and construction services on the fifth floor of the Molecular Sciences Research Center Building designated for the Advancing Science and Technology Research and Entrepreneurship Center. Contract No. 2024-000085 stems from competitive procurement process no. JSMP 23-009 issued on June 7, 2023. It had a maximum payable amount of \$7,826,066 and a term from its date of execution of November 6, 2023 until August 31, 2024. On May 29, 2024, the Oversight Board approved with observations a proposed amendment to Contract No. 2024-000085. The proposed amendment increased the maximum payable amount by \$589,875.88 and extended the term until September 4, 2024. Such proposed amendment was not executed. On July 29, 2024, the Oversight Board approved with observations the first amendment to Contract No. 2024-000085, which increased the maximum payable amount by \$91,331.41 to \$7,917,397.41 and extended the term until October 31, 2024.

² In response to a request for information issued by the Oversight Board as to why the Proposed Amendment was not included as part of the proposed first amendment, the UPR indicated that at the time it was finalized and submitted for the Oversight Board's review, the design team was still evaluating and developing the revised drawings and technical documentation associated with the clean room mechanical system modifications, footprint revisions, window resizing, and the incorporation of zone valves and point-of-use valves. Consequently, the supporting design documents necessary to complete the Proposed Amendment were not sufficiently developed for submission at that time.

APPENDIX A

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This determination does not consider the extent to which total available funds will be subsequently encumbered by the UPR throughout the Applicable term. Consequently, we rely on the UPR's budget certification for purposes of this review. In the event of a federal funds shortfall, the UPR must find savings within its budget to cover the Proposed Amendment and submit a budget reprogramming request in order to ensure compliance with the Certified UPR Budget.

The UPR is expected to inform the Oversight Board of any budgetary differences other than those specified in Appendix A to the Policy (Contract Submission Questionnaire) and to request a re-review of the Proposed Amendment should any changes occur.

This review was conducted on the basis of information submitted by the UPR. The Oversight Board has not independently verified the information included in the submission. Should the Oversight Board become aware of any inaccuracies or misrepresentations – whether intentional or not – it would re-evaluate its assessment.