

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program

**REQUEST FOR A MATCHING WAIVER AND DEMONSTRATION OF FINANCIAL NEED
TO THE ASSISTANT SECRETARY OF COMMERCE**

According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) fully understand and recognized that under the above mentioned NOFA, quote "under BTOP will be required to provide matching funds of at least 20 percent toward the total eligible cost. Applicants must document their capacity to provide matching funds. NTIA will provide up to 80 percent of total eligible project costs, unless the applicant petitions the Assistant Secretary for a waiver of the matching requirement and that waiver is granted by the Assistant Secretary based on the applicant's demonstration of financial need."

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc., by its Spanish acronym) respectfully request from the Assistant Secretary of Commerce a Matching Waiver based on the following demonstration of financial need:

INTECO, Inc. is a non profit corporation with IRS Certification 501(c)(3). INTECO, Inc. is a special kind of non profit corporation under an amendment of the Autonomous Municipalities Act of Puerto Rico.

The special and outstanding fact, mandate by Law, is that INTECO, Inc. Board of Directors must and actually is conformed by: one third representatives of the Honorable Mayors of the Central East Region; one third representatives of the higher education institutions and one third representatives of entrepreneurs located within the Region.

INTECO's greatest achievements in FY 2006-2007 were granting \$5M from the US Department of Labor, Workforce Initiatives for Regional Economic Development (WIRED). In FY 2008-2009 the greatest achievements were; the inauguration of the Science and Mathematics School, the start of the design process of the Inter Metropolitan Regional Collective Transportation System and the CEESTECH and its Business Incubation Program manage by INTECO is also supporting and serving the entrepreneurs leaders from our WIRED initiative and from our Science and Mathematics School initiative among all other current and proposed projects.

Although INTECO, Inc. is managing and/or developing a significant amount of projects (as previously summarized), as a non profit corporation its financial need and request for a matching waiver for the Broadband Infrastructure Application are summarized as follows: [1] Restricted Funds. The funds available for on going projects are restricted for that use (Ex. WIRED, Science and Technology School and Inter Metropolitan Regional Train among all others. [2] Non restricted funds are received from the INTECO partners. The Annual maximum historic non restricted funds received are as follows; \$260,000 from the Municipalities of the Region; \$100,000 from the private industry partners, and \$100,000 from the higher education institutions partners. Is important to disclose that the \$100,000 from the higher institutions partners will not be received in next Fiscal Year (2009-10) since it was a non recurrent source of funds. [3] Reduce credit access for broadband and/or additional projects. Usually the financing credit for a non profit institution is significantly difficult to obtain. Considering the Financing Industry Meltdown the credit is almost non existent.

Attached, to the BTOP application you could find INTECO Audited Financial Statements for last Two Years, Organizational Chart and evidence of Key Partners. The current FY 2009-10 is available also.

As duly authorized representative of the applicant, I hereby certify that the applicant disclosures herein presented are correct and truthful according to my best knowledge and belief.

Name of Applicant and EIN # Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc.) EIN #66-0630634	Project Name Construction of Broadband Infrastructure for the Central East Region of PR
Printed Name and Title of Authorized Representative Eng. Oscar Jiménez Mártir	Executive President
Signature 	Date 08-11-2009



Iniciativa Tecnológica Centro-Oriental, Inc.

SECTION III: Other Attachments and/or Certification Required by NOFA and/or Application

Attachment X	Broadband Infrastructure Certification Statement; Services Meeting Definition of Broadband.
Attachment Y	Non Discrimination and Interconnection Obligations Commitment Certification
Attachment Z	Applicant Certification of Letter Demonstrating Financial Need and Requesting a Matching Waiver to the Assistant Secretary of Commerce
Attachment AA	BUT-FOR Letter Certification. Applicant Certification or Letter that Project would not have been implemented but for Federal Grant Assistance
Attachment BB	Use of Program Income Certification or Letter
Attachment CC	Last Mile Coverage Obligation Certification [NOT APPLICABLE-Project Principally a Middle Mile]
Attachment DD	Reasonableness of Project Budget Certification
Attachment EE	Certification for Application Step Two

**Attachment X Broadband Infrastructure Certification Statement; Services
Meeting Definition of Broadband**



Iniciativa Tecnológica Centro-Oriental, Inc.

ATTACHMENT X

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program

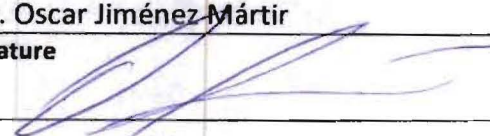
**CERTIFICATION STATEMENT
BROADBAND SERVICES MEETING DEFINITION OF BROADBAND**

According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc. By its Spanish acronym) fully understand and recognized that, the Broadband definition, under the above mentioned NOFA, quote "means providing two-way data transmission with advertised speeds of at least 768 kilobits per second (kpbs) downstream and at least 200 kpbs upstream to end users, or providing sufficient capacity in a middle mile Project to support the provision of broadband service to end users."

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc., by its Spanish acronym) certify that the proposed broadband project presented by INTECO propose to offer service meeting the definition of Broadband as defined herein as quoted from the NOFA.

As duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

Name of Applicant and EIN # Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc.) EIN #66-0630634	Project Name Construction of Broadband Infrastructure for the Central East Region of PR
Printed Name and Title of Authorized Representative Eng. Oscar Jiménez Mártir	Executive President
Signature 	Date 08-11-2009

Attachment Y Non Discrimination and Interconnection Obligations Commitment Certification



Iniciativa Tecnológica Centro-Oriental, Inc.

ATTACHMENT Y

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program

CERTIFICATION STATEMENT
COMMITMENT TO THE NON DISCRIMINATION AND INTERCONNECTION OBLIGATIONS


According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc. By its Spanish acronym) fully understand and recognized that all Broadband applicant must commit to the following Non Discrimination and Interconnection Obligations, under the above mentioned NOFA, quote "i. Adhere to the principles contained in the FCC's Internet Policy Statement (FCC 05-151, adopted August 5, 2005); ii. any lawful Internet applications and content over others; iii. display any network management policies in a prominent location on the service provider's web page and provide notice to customers of changes to these policies (awardees must describe any business practices or technical mechanisms they employ, other than standard best efforts Internet delivery, to allocate capacity; differentiate among applications, providers, or sources; limit usage; and manage illegal or harmful content); iv. Connect to the public Internet directly or indirectly,, such that the project is not an entirely private closed network; and v. offer interconnection, where technically feasible without exceeding current or reasonably anticipated capacity limitations, on reasonable rates and terms to be negotiated with requesting parties. This includes both the ability to connect to the public Internet and physical interconnection for the exchange of traffic".

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc. By its Spanish acronym) certify that the proposed broadband project presented by INTECO will fully comply with the Non Discrimination and Interconnections Obligations as defined herein as quoted from the NOFA.

Furthermore, INTECO's application, under the mentioned NOFA, have disclosed its proposed interconnection, nondiscrimination and network management practices within the application package (Item 22, Description of Network Openness).

As duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

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Printed Name and Title of Authorized Representative Eng. Oscar Jiménez Mártir	Executive President
Signature 	Date 08-11-2009

INTECO Iniciativa Tecnológica Centro-Oriental, Inc.
Centro de Innovación Tecnológica, Betances #65 Caguas, PR 00725 Tel. 787-643-0158 ó 787-653-5170

**Attachment Z Applicant Certification of Letter Demonstrating Financial
Need and Requesting a Matching Waiver to the Assistant
Secretary of Commerce**

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program

**REQUEST FOR A MATCHING WAIVER AND DEMONSTRATION OF FINANCIAL NEED
TO THE ASSISTANT SECRETARY OF COMMERCE**

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The special and outstanding fact, mandate by Law, is that INTECO, Inc. Board of Directors must and actually is conformed by: one third representatives of the Honorable Mayors of the Central East Region; one third representatives of the higher education institutions and one third representatives of entrepreneurs located within the Region.

INTECO's greatest achievements in FY 2006-2007 were granting \$5M from the US Department of Labor, Workforce Initiatives for Regional Economic Development (WIRED). In FY 2008-2009 the greatest achievements were; the inauguration of the Science and Mathematics School, the start of the design process of the Inter Metropolitan Regional Collective Transportation System and the CEESTECH and its Business Incubation Program manage by INTECO is also supporting and serving the entrepreneurs leaders from our WIRED initiative and from our Science and Mathematics School initiative among all other current and proposed projects.

Although INTECO, Inc. is managing and/or developing a significant amount of projects (as previously summarized), as a non profit corporation its financial need and request for a matching waiver for the Broadband Infrastructure Application are summarized as follows: [1] Restricted Funds. The funds available for on going projects are restricted for that use (Ex. WIRED, Science and Technology School and Inter Metropolitan Regional Train among all others. [2] Non restricted funds are received from the INTECO partners. The Annual maximum historic non restricted funds received are as follows; \$260,000 from the Municipalities of the Region; \$100,000 from the private industry partners, and \$100,000 from the higher education institutions partners. Is important to disclose that the \$100,000 from the higher institutions partners will not be received in next Fiscal Year (2009-10) since it was a non recurrent source of funds. [3] Reduce credit access for broadband and/or additional projects. Usually the financing credit for a non profit institution is significantly difficult to obtain. Considering the Financing Industry Meltdown the credit is almost non existent.

Attached, to the BTOP application you could find INTECO Audited Financial Statements for last Two Years, Organizational Chart and evidence of Key Partners. The current FY 2009-10 is available also.

As duly authorized representative of the applicant, I hereby certify that the applicant disclosures herein presented are correct and truthful according to my best knowledge and belief.

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Signature 	Date 08-11-2009



Iniciativa Tecnológica Centro-Oriental, Inc.

Attachment AA BUT-FOR Letter Certification. Applicant Certification or Letter that Project would not have been implemented but for Federal Grant Assistance

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program

CERTIFICATION STATEMENT

DEMONSTRATION THE PROJECT COULD NOT BE IMPLEMENTED BUT FOR FEDERAL GRANT ASSISTANCE

According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) fully understand and recognized that under the above mentioned NOFA, quote "Grant applicants must provide documentation that the project would not have been implemented during the grant period without federal grant assistance. This documentation may consist of, but is not limited to , such public or private lending institution denial of a funding request from RUS for a loan or loan/grant combination, a current fiscal year budget that shows the lack of available revenue options for funding the project, or a business case that demonstrates that the project would not be economically feasible without grant financing".

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc. By its Spanish acronym) respectfully present the following demonstration and documentation related to the but for statement.

INTECO, Inc. is a non profit corporation with IRS Certification 501(c)(3). INTECO, Inc. is a special kind of non profit corporation under an amendment of the Autonomous Municipalities Act of Puerto Rico.

The special and outstanding fact, mandate by Law, is that INTECO, Inc. Board of Directors must and actually is conformed by: one third representatives of the Honorable Mayors of Central East Region; one third representatives of the higher education institutions and one third representatives of entrepreneurs located within the Region. The Central East Region socio economic and geographic characteristics significantly contribute to the but for federal assistance for broadband infrastructure since it is not attractive for a for profit communication enterprise to invest in broadband expecting increasingly rates of return beyond the breakeven point. The Region is composed by nine municipalities for a total population of 437,341 within a land area of 378 sq. miles.


In addition, in FY 2008 the Federal Emergency Management Agency FEMA issued a Flood Disaster Declaration (FEMA-1798-DR-PR) on which 6 to the 9 municipalities of INTECO Region were included.

INTECO's greatest achievements in FY 2006-2007 were granting \$5M from the US Department of Labor, Workforce Initiatives for Regional Economic Development (WIRED). In FY 2008-2009 the greatest achievements were; the inauguration of the Science and Mathematics School, the start of the design process of the Inter Metropolitan Regional Collective Transportation System and the CEESTECH and its Business Incubation Program managed by INTECO is also supporting and serving the entrepreneurs leaders from our WIRED initiative and from our Science and Mathematics School initiative among all other current and proposed projects. Specifically in relation to Broadband Planning initiatives; in FY 2007-2008 INTECO, Inc. with the assistance of the US Department of Commerce's Economic Development Administration (EDA) launched a planning project (EDA Project #01-87-08553) to develop a Broadband-Telecommunication-Satellite Plan for the Central East Region of Puerto Rico. The Plan was successfully completed and clearly established the need and positive socio-economic development impacts of the construction of broadband infrastructure in the Region.

Although, INTECO, Inc. is managing and/or developing a significant amount of projects as a non profit corporation its financial need and request for federal funds addressing broadband infrastructure but for are summarized as follows: [1] FEMA Flood Disaster Declaration in 2008 (Disaster Declaration FEMA-1798-DR-PR) included 6 out of 9 municipalities within the Region. [2] The Region observed 437,341 inhabitants, a per capita income of \$11,161 a Median Family Income of \$23,465 a 13% unemployment, 48% of its population is below poverty level and the geographical presence of Luquillo's Mountains Chain make more costly and unattractive for profit corporation to invest in BB Infrastructure. [3] Restricted Funds. The funds available for on going projects are restricted for that use (Ex. WIRED, Science and Technology School and Inter Metropolitan Train among all others. [4] Non restricted funds are received from the partners. The Annual maximum historic non restricted funds received are as follows; \$260,000 from the Municipalities of the Region; \$100,000 from the private industry partners, and \$100,000 from the higher education institutions partners. Is important to disclose that the \$100,000 from the higher institutions partners will not be received in next FY 2009-10 since it was a non recurrent source of funds. [5] Reduce credit access for broadband and/or additional projects. Usually the financing credit for a non profit institution is significantly difficult to obtain. Considering the Financing Industry Meltdown the credit is almost non existence.

Attached, to the BTOP application you could find INTECO Audited Financial Statements for last Two Years, Organizational Chart and evidence of Key Partners. The current FY 2009-10 is available also.

As duly authorized representative of the applicant, I hereby certify that the applicant disclosures herein presented are correct and truthful according to my best knowledge and belief.

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Printed Name and Title of Authorized Representative Eng. Oscar Jiménez Mártir	Executive President
Signature 	Date 08-11-2009



Iniciativa Tecnológica Centro-Oriental, Inc.

BROADBAND INFRASTRUCTURE APPLICATION PACKAGE
CONSTRUCTION OF BROADBAND INFRASTRUCTURE FOR THE CENTRAL EAST REGION OF PUERTO RICO

Attachment BB Use of Program Income Certification or Letter



Iniciativa Tecnológica Centro-Oriental, Inc.

ATTACHMENT BB

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program

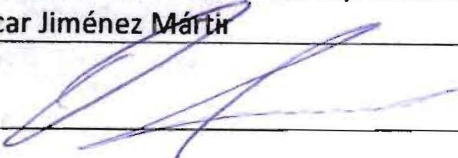
**CERTIFICATION STATEMENT
USE OF PROGRAM INCOME**

According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) fully understand that, the above mentioned NOFA requires the proper identification and use of program income; quote "Grantees are required to account for any program income directly generated by projects financed in whole or in part with federal funds. For purposes of BIP and BTOP, any program income generated by a proposed project during the grant period shall be retained by the grant recipient and shall be added to the funds committed to the project by RUS or NTIA and the recipient. The grant recipient should use program income to further eligible project objectives, including reinvestment in project facilities. Program income means gross income earned by the recipient that is either directly generated by a supported activity, or earned as a result of the award during the funding period. Grant recipients shall have no obligation to the federal government regarding program income earned after the end of the project period."

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) certify that when the proposed project be awarded, INTECO, as Grantee, will comply in full with the identification and use of program income as quoted from the NOFA.

As duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certification.

Name of Applicant and EIN # Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc.) EIN #66-0630634	Project Name Construction of Broadband Infrastructure for the Central East Region of PR
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Centro de Innovación Tecnológica, Betances #65 Caguas, PR 00725 Tel. 787-643-0158 ó 787-653-5170

Attachment CC Last Mile Coverage Obligation Certification
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NOT APPLICABLE. Project principally Middle Mile.

BROADBAND INFRASTRUCTURE APPLICATION PACKAGE
CONSTRUCTION OF BROADBAND INFRASTRUCTURE FOR THE CENTRAL EAST REGION OF PUERTO RICO

Attachment DD Reasonableness of Project Budget Certification



Iniciativa Tecnológica Centro-Oriental, Inc.

ATTACHMENT DD

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program


**CERTIFICATION STATEMENT
REASONABLENESS OF PROJECT BUDGET**

According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) fully understand and recognized that, under the above mentioned NOFA, quote "A project will only be eligible if it demonstrates that its budget is appropriate to the proposed technical and programmatic solutions, its costs are reasonable and eligible consistent with the principles outlined in section V. D below, and that the allocation of funds will be sufficient to complete the tasks outlined in the project plan. Award funds must be used only to pay for eligible costs. Eligible costs are consistent with the cost principles identified in the applicable OMB circulars and in the grant or the loan/grant program's authorizing legislation. In addition, costs must be reasonable, allocable, necessary to the project, and comply with the funding statute requirements. Any application that proposes to use any portion of the award funds for any ineligible cost will be rejected."

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) certify that the proposed broadband project presented provided a budget that is appropriate and in compliance with the reasonableness definition and statements as defined herein as quoted from the NOFA.

As duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

Name of Applicant and EIN # Iniciativa Tecnológica Centro Oriental, Inc. (INTECO, Inc.) EIN #66-0630634	Project Name Construction of Broadband Infrastructure for the Central East Region of PR
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BROADBAND INFRASTRUCTURE APPLICATION PACKAGE
CONSTRUCTION OF BROADBAND INFRASTRUCTURE FOR THE CENTRAL EAST REGION OF PUERTO RICO

Attachment EE Certification for Application Step Two



Iniciativa Tecnológica Centro-Oriental, Inc.

ATTACHMENT EE

Assistant Secretary of Commerce
US Department of Commerce
National Telecommunications and Information Administration
Broadband Technology Opportunities Program


**CERTIFICATION STATEMENT
APPLICATION STEP TWO FOR INFRASTRUCTURE BROADBAND PROJECTS**

According to the Notice of Funds Availability (NOFA) and solicitation of applications dated July 9, 2009 in relation to the US Department of Commerce, National Telecommunications and Information Administration, Broadband Technology Opportunities Program;

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) fully understand that, the above mentioned NOFA and/or Application will required a step two stage, quoted "... to fully validate the submissions in step one and identify the most highly qualified application for funding" "... applicants will be asked to submit additional information to further substantiate the representations made in the application. The following will be required in Step Two for BIP and BTOP Broadband Infrastructure Applications." [1] Outstanding Obligations: The applicant must provide a list of all outstanding and contingent obligations, including copies of existing notes, loan and security agreements, and guarantees; [2] Working Capital: 'The applicant must provide a detailed description of working capital requirements and the source of these funds; [3] Detailed Network Design: A detailed description of the proposed technology that will be used to provide service at the proposed broadband speed. This description must clearly demonstrate that all households in the funded service area will be offered service at the proposed broadband speed; [4] Detailed Build-Out Schedule: The applicant must provide a detailed construction build-out schedule that includes a description of the necessary work force, a timeline demonstrating project completion within the required timeframe, a depreciation schedule for the proposed facilities, the appropriate environmental review documentation prepared in accordance with 7 CFR Part 1794 and other applicable environmental requirements, and other information listed as required within the online application; [5] Environmental Questionnaire: the applicant must complete download and upload the environmental questionnaire. [6] Underlying Documentation: applicants will need to be prepared to provide any of the underlying documentation that is referenced in the application, as appropriate; and [7] Service Metric: For BIP applicants only, the applicant must provide a description of measurable service metrics and target service level objectives (SLOs) (e.g., the speed with which new service will be established, service availability, and response time for reports of system failure at a residence) that will be provided to the customer, and a description of the approach and methodology for monitoring ongoing service delivery and service quality for the services being employed".

I, Eng. Oscar Jiménez Mártir, Executive President of Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) certify that, the applicant will comply with the above mentioned requirements as included herein as quoted from the NOFA and/or the Application Package.

As duly authorized representative of the applicant, I hereby certify that INTECO will comply with the above applicable certification.

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OSCAR JIMÉNEZ

SUMMARY OF QUALIFICATIONS

Over thirty (30) years of increasingly responsibility positions in Management at a variety of manufacturing, consulting and service organizations. Exposure and/or hands on experience in business: engineering, information systems, manufacturing, sales & marketing and strategic planning.

SIGNIFICANT ACCOMPLISHMENTS

- General Manager for two manufacturing high tech facilities in PR.
- Merged two Divisions information systems departments and implemented a new application software.
- Division manufacturing representative in the preparation of an information system strategic plan.
- Lead a Strategic Systems Assessment team to determine feasibility of an ERP at a global scale.
- PR most distinguished Industrial Engineer for 2004 Professional Engineers Society (CIAPR).
- PR Manufactures Association Executive of the year in the Central Region of PR.

PROFESSIONAL EXPERIENCE

- 5/2003** **Executive President; INTECO**—A non-profit organization dedicated to promote economic development thru the promotion and commercialization of new technologies. The members of the organization are Mayors within the Region, Chancellors, Presidents of Universities and Chief Executive Officers of private Corporations.
- 1988 to 1/2002** **Baxter Cardiovascular Group /Edwards Lifesciences Corporation - PR /Irvine.** A diversified medical devices manufacturing company.
- (1/2000-01/2002)** **Information Systems Director.** Creation of the worldwide manufacturing sites information systems development and validation strategy. Manager for the implementation of JD Edwards system.
- (1995/1999)** **Manufacturing & QA Information Systems Director.** Manufacturing and QA systems development and maintenance at four of its manufacturing locations. Manage the operations of the computer mainframe, client server units, voice and data, LAN systems, and all software operations.

EDUCATION AND OTHERS

- BSIE from the University of PR, Mayaguez Campus 1974.
- Certified Instructor in MTM (Method Time Measurements).
- Approved APICS Certification in Inventory and Production Management – CIPM.
- Past president of the American Institute of Industrial Engineers (AIIE) PR chapter.
- Member of the PR Professional Engineers Society (CIAPR).

FRANCISCO GARCÍA MORALES

SUMMARY OF QUALIFICATIONS

Experienced executive in managing operations in Economic Development, manufacturing of Medical Devices and Pharmaceutical. Proven leadership and coaching skills, implementing organizational change initiatives. Experience in developing M-V, N&V Human Dynamics, 7. Production Management and Reengineering

PROFESSIONAL EXPERIENCE

INTECO, Inc. **Vice President Operations** **2007 -Present**

Overall corporate operations including also responsibility; managing WIRED Program for Talent Development, permits processing office (ORPP) and managing start-up of business incubators.

FGM Management Group, Inc. **Managing Director** **2004 - 2007**

Organization Transformation, Lean, 6 Sigma Implementation, Economic Development and Business Incubator Management.

Valeant Pharmaceuticals International, Inc. **Director Operations** **2003-2004**

Production and packaging for products made on-site. High involvement in the Operational Excellence. Developed 4 focus areas for Lean 6 Sigma Process.

CibaVision PR, Inc. a Novartis Company, **General Manager** **2000-2003**

Supervision of Finance, Materials, Engineering, Human Resources, Quality Assurance, Facilities and Production Business Units. Plant strategy to focus on key initiatives and goals.

Pall Biomedical, Inc. Pall Corp. **General Manager** **1987 - 2000**

P&L, Finance, Engineering, Quality Assurance, Materials, Human Resources, Operations and Facilities. Initiated a Quality Improvement process in PR. Performance Management System. Improved ratio of expense to manufacturing sales by 40%. Increased mfg sales by 75% while decreasing headcount by 20%, reducing inventory by \$ 3 million and reducing scrap by 25%.

Micom Caribe Inc. **Operations Director** **1984 - 1987**

Engineering, Test Engineering, Production, Packaging and Facilities.

Raychem Products, Inc. **General Manager** **1979 -1984**

Two manufacturing corporations and sales office with global responsibilities.

Baxter Travenol Laboratories **Production and Inventory Control Manager** **1977 - 1979**

Production planning and inventory control for raw materials and finished goods for all 6 plants in PR using MRP systems.

EDUCATION, QUALIFICATIONS AND OTHERS

Rensselaer Polytechnic Institute – 1977 Master of Engineering, Management Engineering

University of PR – 1974 Bachelor of Industrial Engineering

Registered Professional Engineer, Lic. 7354, Member CIAPR since 1975

President PR Chapter Institute of Industrial Engineers-1986-1987

President Electronic Industry Association-1981-1982

Selected PR Distinguished Industrial Engineer in 1983 & 1987

Hector Jimenez Juarbe award in 2002, lifetime contributions to Econ. Dev.

Ivelmar Salvá Camacho

Summary of Qualifications	Detail oriented with experience in the business environment. Effective under pressure of multiple task and due dates. Solid Team work skills and ability to balance multiple priorities in order to meet and exceed company objectives.		
Professional experience	July 2007 –Present	INTECO	Caguas, PR
	Administrative and Human Resources Manager Responsible for the administration of the Operational Office. Preparation and organization of special events. In charge of the Innovation and Technology Centers, one of the strategic projects of the organization. Responsible of the Human Resources area, including but not limited to: recruitment, payroll, employees files, team building, etc. Writing Proposals		
	October 2003 –2007	INTECO	Caguas, PR
Education	Executive Assistant to the President Responsible for the administration of the Operational Office including Human Resources area. Preparation, organization and telemarketing activities such as: seminars, board of directors meetings and trips. Deal with clients. Office clerk.		
	January 2001 – Sept. 2003	PROCOMP (PR 2000, Inc)	Hato Rey, P.R.
	Project Coordinator and Assistant to Operational Director Responsible for the administration of the Operational Office. Supervise employees. Preparation, organization and telemarketing activities. Deal with clients. Office clerk		
	2005 – Present	University of PR	Río Piedras, P.R.
Professional memberships	Pursing a Master degree of public administration, majoring in human resources		
	1996 – 2001	University of PR	Río Piedras, P.R.
	BBA majoring in Human Resources and Marketing Overall GPA: 3.51/4.00 and Major GPA: 3.85/4.00		
Skills	Member, Golden Key National Honor Society		
References	Computer skills include Microsoft Word, Excel, Power Point, Outlook Express, Publisher, and Internet.		
References	Available upon request.		

Georgianne M. Berríos

SUMMARY OF QUALIFICATIONS

Detail-oriented, analytical accountant with over twelve years experience in the business environment. Strong grasp of accounting practices in all phases of accounting. Effective under the pressure of multiple tasks and closing due dates. Highly able to produce top-quality work, while pulling long hours. Equally productive as an independent player or as a team member. Excellent interpersonal skills. Fluent in written and oral Spanish and English.

OBJECTIVE

To pursue a challenging accounting or managerial position in which I can enhance my skills and make significant contributions to the organization.

PROFESSIONAL EXPERIENCE

Iniciativa Tecnologica Centro Oriental ,Inc. June 2007 to present Caguas, PR
Finance Director: Managed the federal funds for the WIRED and Broadband Telecommunications Plan Program. Provide financials analysis and reports to the Board of Directors.

Eden Manufacturing, Inc./CF Foods Company, Inc. October 2003 to June 2007 Corozal, PR
Comptroller: Implemented accounting policies and procedures for the company. Provide financials analysis, projections and reports to the Board of Directors. Oversee and direct the daily accounting activities.

Hispanic Information and Telecommunications Network, Inc. July 2000 to March 2003
Comptroller: Managed the federal funds for the E-Rate program. Provided analysis to the management.

United Healthcare Plans of PR, Inc. August 1999 to June 2000 Guaynabo, PR
Managed Care Department Manager: Negotiated capitation and liquidation of the reserve fund.

Carrero & Associates (PR), Inc. d/b/a PROGRESSA December 1995-August 1999 Hato Rey, PR
Accounting Supervisor: Developed corporate annual budget. Prepared, developed and analyzed financial statements and reports. Reviewed accounting for the government sector grants.

EDUCATION

Pontifical Catholic University of PR Ponce, PR
Bachelors degree in Business Administration -1995 Majoring in Accounting and Marketing

REFERENCES AVAILABLE UPON REQUEST

BROADBAND INFRASTRUCTURE APPLICATION PACKAGE
CONSTRUCTION OF BROADBAND INFRASTRUCTURE FOR THE CENTRAL EAST REGION OF PUERTO RICO

OVERALL SUMMARY OF TRACK RECORD NARRATIVE (ONE PAGE)

Senior Management Team

Eng. Oscar Jiménez, PE, Executive President INTECO: Experience of 30 years in Management exposure and hand-on in entrepreneurs endeavors including engineering, information systems, manufacturing, sales, marketing, strategic planning, operations and general management. Relevant Expertise: General Manager of manufacturing high technology industries; new applications of software; strategic system assessments; Baxter Group Information Systems Director and Strategic System Manager; management of most critical technology sensitive product lines and Information System Director. Prior or Current Projects; as INTECO Executive President; Metropolitan Regional Train Transportation System, WIRED (US DOL) Manufacturing Technology Facilities. Outcomes: Projects completed on time and within budgets.

Eng. Francisco García, PE, Operations Vice President of INTECO: Experience of 30 years in executive and managing operations in Regional and International Economic Development and enterprises leadership including strategic and Budget/Capital planning, production, M-V, N and V development, human dynamics and reengineering. Relevant Expertise: Managing WIRED (US DOL) Funds and project execution, organizational transformation, Lean and Six Sigma implementation, multifunctional work teams and finance, materials, engineering quality assurance and production business units. Prior or current projects; as INTECO VP of Operations WIRED, Regional Permits Office, INNOVA Business Incubators and School of Science, Mathematics and Technology among all others, production packaging for Valent Pharmaceuticals, finance, engineering, Quality Assurance, materials for Pall Biomedical, Merger and downsizing management including team structure, increasing sales, decreasing head counts, reducing inventory and reducing scrap. Outcomes: Projects completed on time, within budget with 40% to 20% increases in efficiency.

Ivelmar Salvá, INTECO's Manager of Human Resources, MA Candidate for Public Administration and Human Resources. Experience of 8 years in: administration of resources, project coordination, direction of operations, business environment and team work. Relevant Expertise: effectiveness under pressure and multiple priorities to meet and exceed company objectives in INTECO and PRO COMP, and computer skills. Prior or current projects; Project Manager of the School of Science, Mathematics Centers for Innovation and Technology (Public Computer Centers) among many others. Outcomes: Projects and administrative endeavors completed on time and within budgets.

Georgianne Berrios, INTECO's Finance Director, BA Business Administration. Experience of 13 years in: analytical accounting, business environment, all phases of accounting, multiple tasks and closing due dates. Relevant Expertise: 2 years as Finance Director (INTECO), 4 years as Comptroller of Eden manufacturing, 3 years as Comptroller of Hispanic Information and Telecommunications Network, Inc. and manager of health care department of United Plans of PR. Prior or current projects; INTECO Finance and Accounting operations for last two years; implementing accounting policies and procedures, financial analysis and supervision for Eden Manufacturing, Inc./CF Foods Company; Management of Federal Funds (E-Rates) for Hispanic Telecommunications Network and corporate budget for Carrero Ass.

Iván Gregorio Suazo Ramos

[/isuazo@pdctel.com](mailto:isuazo@pdctel.com)

Over 18 years experience in the telecommunication industry. Passionate commitment to analytics; dynamic professional commended for problem solving and team-building, reflected in top branch manager awards and accolades; proven track record in successfully communicating recommendations to achieve economies of scale and productive results.

EDUCATION:

Name of Institution: *Universidad APEC; 1992 to 1997; BSEE*

EXPERIENCE:

(June 2005 – Present) PdC Telecom, Inc. Technical Operation Manager

Responsible for maintaining and improving quality system as related area(s) of responsibility. Coordinate engineering and systems integration activities with various groups within the organization and with customers. Provide technical training on the different products by means of Technical presentations and field and laboratory tests. Prepare documentation packages including but not limited to; equipment list, block & level diagrams, wire list, rack profiles and as-built drawings. Provide hands-on support for system integration. Execute site surveys at customers location, as well as any follow-up field support required to resolve design issues.

(1/1991–12/2004) Centennial Dominicana (former AAC&R) Transmission MW & F.O. Manager

Preventive maintenance programs development. Accurately troubleshooting of the system. Alarm logs verification and action. Systems configuration and billings database Backups. Generation and Analysis of statistics reports (NOC statistics). O&M of DMS-250, CBRS, DMS-MTX and transport systems. Performed traffic analysis to ensure maximum revenue without degrading service quality, provided maintenance.

MOST PROMINENT PROJECTS:

Installation of the AAC&R-01 International Satellite Earth station (15mts antenna) at La Romana, DR to interconnect IntellSat satellites with carriers. Installation and commissioning a DR-6/AT&T microwave path between Higüey, DR and Monte del Estado, PR, to interconnect both islands. Design, installation and commission of 2.4mts. V-Sat satellite dishes at AAC&R/Curacao for interconnection with the Dominican Republic. Implementation of the complete microwave backbone ring for Centennial Dominicana. Implementation of 130 Lucent Technologies BTS at Centennial Dominicana. Deployment of 130 Lucent Technologies BTS Network to a new 130 Nortel Networks BTS Network at Centennial Dominicana. Swap of 340 Lucent Technologies BTS Network to a new 340 Nortel Networks BTS Network in Centennial de PR. Installation and commissioning of new TDM and Wideband LAN network for PR Police Department. Configuration and commissioning: 94 CSU/DSU equipment UMTS project; 96 units of PECO II power plant and battery bank installation for Cingular Wireless PR. Design, Installation and Commissioning microwave backbone for broadband at SUAGM, PR. Ericsson GSM/UMTS BTS installation and implementation at CLARO PR. Design, Installation and Commissioning of 30 path OC3 MW Ring for PR Police Department.

Pedro G. del Cuadro

OVERVIEW:

Over 30 years experience in the Telecommunication Industry in a diversity of fields including manufacturing engineering, operations, product designs, network design, optimization, sales and administration. Experience in managing and developing several Telecommunications' operations in North and South America and Europe where as president; was required to oversee all related aspects of the operations, from manufacturing to sales and marketing.

EDUCATION:

May, 1974 University of PR, Mayaguez Campus Bachelor in Science in Engineering

May, 1992 University of North Carolina at Chapel Hill, Kenan-Flagler Business School Business Management Degree

PROFESSIONAL EXPERIENCE:

President and Owner of PdC Telecom, Inc. May 1995 until Present.

Established in 1995 in San Juan, PR. The company offers professional and business consulting services to market, sell, design, deploy and operate communications networks. The company provides "end-to-end" integration and support services that allow for dependable, cost-effective, high-performance communications solutions for data, voice and video applications.

The Allen Telecom Group, Inc. August 1977 - May 1995

President of the Antenna Specialists Co; a \$25 Million division of The Allen Telecom Group; a major manufacturer of telecommunication products and equipment for the domestic and International Communications Industry, Cleveland, Ohio. Responsible for the overall Strategic Planning of the business; product management, research, design and development, sales and marketing. Responsible to manage all operations in PR, Mexico and Spain.

SUMMARY OF MAJOR PROJECTS INVOLVEMENT:

PR StarNet-The Office of Management and Budget of PR, with the assistance of several integrators, developed a Network that interconnected all government agencies. It's a broadband wireless service that relies on point to point microwave radios and point to multipoint wireless radios. Our involvement was to develop the PR StarNet backbone infrastructure and last mile point to multipoint infrastructure; including training and deployment. Municipality of San Juan Inter-agency network development for voice, data and video transmission between all municipal offices. Our involvement was to design, install and integrate the network. PR Police Department infrastructure for Advance Voice and Data Applications. Network management, design, deployment and integration of all cellular carriers and integrators in PR and Dominican Republic; including, PR Telephone Company, Centennial de PR, AT&T, Sprint, Cingular, Verizon and Codetel in DR. Digital Deployment of License Microwave backbone for the PR Police Department. Involves a turnkey solution including deployment, installation, project management, integration and final acceptance.

ENG. QUINTIN RAMOS SEDA, P.E., M.B.A.

SUMMARY:

Licensed professional electrical engineer 15 years of work experience in technical, sales, service and support management. Outstanding results in overall management of technical organizations with international responsibilities. Sound experience dealing, negotiating and selling, services and solutions to Commercial, Government and Industrial markets.

EXPERIENCE:

Jan 04 to Present Power Comm, Inc. President and General Manager

Overall administration of the business, complete technological solutions. Product portfolio design, sale, installation and service Commercial PBX, IT, Broadband Wireless for WLAN, Video, Telemetry, Digital Surveillance, Alarms and Access Control. Created an Engineering Consultation Division. Major projects: PR Police Department, Office of Public Safety Affairs, ASSMCA, design the microwave communication system, the Console and Dispatch System, and management of the Rebanding 800MHz; Office of Public Safety Affairs-design of the Countrywide Interoperability Communications Infrastructure.

Jul 01 to Dec 03 Caribbean Communication Solutions, Inc., President and General Manager

Motorola Commercial, Government and Industrial markets. Creation of the organization and as the General Manager, responsible for development and implementation of the overall strategies, financial goals, objectives and code of conduct.

Sept 94 to Jun 01 Motorola de PR, Inc. Various positions via promotion

Regional Manager-CGISS Division & Local Office VP-PR Service Manager-Latin America Paging Division, LAPD Senior Product Engineer-Manufacturing Plant. Commercial, Government and Industrial Sectors, (CGISS) President and VP positions in the PR Board of Managers. As Service Manager, responsible of all aspects of the CGISS Service organization (operational & financially). Management of all aspects of the organization provide support to Central America and Caribbean.

Mar 24 to Aug 94 Allergan Medical Optics Automation Cell Engineer

Team leader responsibility of new product introduction and process development and optimization at the Intra-Optical Lenses Generation. Development, creation and run of qualification and validation protocols at the Intra-Optical Lenses Generation.

May 91 to Mar 92 Digital Switch Communications, D.S.C. Test Engineer

Standard Test Engineering responsibilities supporting manufacturing.

EDUCATION PROFESSIONAL MEMBERSHIPS & CERTIFICATIONS:

University of Turabo, MBA, G.P.A. (4.0/4.0) Dec, 2001

University of PR, RUM, BA in Science - Electrical Engineering May, 1991

University of PR, CORA, Associate Degree in Electronic Technician May, 1985

Member of College of Land Surveyors and Engineers of P.R.; Licensed PE No. 14617.

National Incident Management System, NIMS: IS100 and IS700 certified. Certified as Solar System Designer and Installer: Member #14 in PR.

Erico Crespo

Project Architect and Communications Design Consultant



PROFILE

Erico Crespo is a Project Architect and Communications Design Consultant with over 20 years of experience in the Communications and IT Security industry. Successfully design and implement many important IT and Communications projects. Vast experience as IT and Communications Consultant. Held a tenured position as Associate Professor of Computer Science and Telecommunications at University of PR.

SAMPLE IMPLEMENTATION PROJECTS

Deployments of complex IT, communications and security projects. Designed and oversaw the deployment of the system wide network infrastructure migration of the SUAGM.

Systems design and deployment of the communications infrastructure for the PR Department of Education. Creation of a highly available communications infrastructure, a wireless LAN, a WAN. The project was completed on time and within budget. Deployment for a comprehensive networking and IP telephony infrastructure for the PR Department of the Family. Design and deployment of a IS Security infrastructure for the PR Department of the Treasury. The project was also completed on time and within budget. Systems design and deployment of a backbone network for University of PR at Ponce. The project consisted of a fiber optics backbone to 23 separate locations in the campus Computer Center. Network core and active components at all remote locations.

DESIGN

Design of a metropolitan wireless network for the City of Cayey, PR. Coverage of five contiguous square miles with a requirement of 95% outdoor coverage. The design included a mesh network supporting 2.4 GHz IEEE 802.11b/g client access and 4.9 GHz public safety mobile client access. Design of a comprehensive campus wide wireless network for University of PR at Rio Piedras. Includes indoor and outdoor coverage. Design of an island-wide IP Telephony system for the PR Ports Authority. This project requires six-9 availability. Includes fifteen remote locations and twenty other single user locations.

ACADEMIC CREDENTIALS

BA of Science Massachusetts Institute of Technology (MIT), MA of Science in Structural Engineering University of California, MA Science in Computer Science Georgia Institute of Technology and a MA of Science in Information Networking Carnegie Mellon University.

BROADBAND INFRASTRUCTURE APPLICATION PACKAGE
CONSTRUCTION OF BROADBAND INFRASTRUCTURE FOR THE CENTRAL EAST REGION OF PUERTO RICO

Project Team

Pedro Cuadro, BA Science Eng., BA Business Management University of North Carolina. Experience of 30 years in: Telecommunications industry including manufacturing engineer, operations, product design, network, sales and administration, managing telecommunications development in North America and Europe. Relevant Expertise: End to End integration and support services, high performance solutions for data-voice and video; antenna specialist for the Allen Telecom Group, Cleveland, overall strategic planning of businesses. Prior or current projects; Digital Deployment of License Microwave backbone PR Police; Network management-design of all cellular carriers and integrations in Puerto Rico and Dominican Republic (Centennial, ATT, Sprint, Cingular, Verizon).

Iván Suazo, Broadband Project Manager BSEE, APEC University. Experience of 18 years in: telecommunications industry committed to problem solving and term building solutions and achieving economies of scale and productive results. Relevant Expertise: Transmission MW and FO Manager for Centennial performed preventive maintenance, troubleshooting, systems configuration and billing database backups and generation-analysis of statistics reports. Technical Operation manager for PDC Telecom performing improving quality systems, coordination of engineering, provide technical training and hand off support and documentation packages. Prior or current projects; Installation of AAC and R-01 International Satellite Earth Station, design of V-SAT dishes and installation, implementation of complete microwave backbone ring, deployment of 130 Lucent Tech. BTS, Ericsson GSM/UMT SBTS installation and implementation. Prior or current projects: PR Police Department design, installation of 30 path OC3 MW Ring; Cingular Wireless configuration of 94 CSU/DSU equipment; PR Police Department installation of new Wideband LAN Network, and implementation of complete microwave ring for Centennial Dominicana.

Quintín Ramos, PE, MBA. Experience More that 15 years of experience beginning with and Associate Degree as Electronic Technician and ending with a PE in Electrical Engineering and a MBA. Technical sales, service and support management and international corporate development. Relevant Expertise: overall management of business concerns, design, sale, installation, and service of PBX systems, IT, Broadband wireless, video, telemetry, surveillance solutions and alarm systems. President and Vice president of Motorola PR Board of Managers. Prior or current projects; Test and Automation Cell Engineer, validation and customer support in Central America and the Caribbean with Motorola. President and General manager of Caribbean Communications Solutions, Inc. Outcomes: Projects completed on time and within budgets.

Erico Crespo, BA Science MIT Main Structural Engineering at Berkeley and MA in Science in Georgia Tech. Experience more than 20 years of experience in IT and communications projects and Associate professor of Computer Science and Telecommunications at the University of Puerto Rico. Relevant Expertise: Deployments of complex IT, communications and security projects, communication infrastructure, comprehensive networking and IP telephony infrastructure, IS Security and deployment of backbone networks. Prior or current projects; IP system for PR Ports Authority; wireless network for University of Puerto Rico, design of metropolitan network for the City of Cayey and backbone network for the University of Puerto Rico. Outcomes: Projects completed on time and within budgets.

INICIATIVA TECNOLOGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)

FINANCIAL STATEMENTS

For the Years Ended June 30, 2007 and 2006

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

FINANCIAL STATEMENTS

For the Years Ended June 30, 2007 and 2006

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Iniciativa Tecnológica Centro Oriental, Inc.
Gurabo, Puerto Rico

We have audited the accompanying statement of financial position of **Iniciativa Tecnológica Centro Oriental, Inc. (INTECO)** as of June 30, 2007 and 2006, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of **INTECO's** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **INTECO**, as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2007 on our consideration of **INTECO's** internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

CPA Diaz-Martinez, PSC
CPA DIAZ-MARTINEZ, PSC
Certified Public Accountants & Consultants
License Number 12, expires on December 1, 2010

Caguas, Puerto Rico
October 16, 2007



INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Financial Position

	JUNE 30, 2007	JUNE 30, 2006
ASSETS		
Current Assets:		
Cash	\$ 270,012	\$ 59,049
Supports Receivable (Notes 3 and 8)	595,414	18,301
Prepaid Expense	<u>37,372</u>	<u>-</u>
Total Current Assets	<u>902,798</u>	<u>77,350</u>
Property, Plant, and Equipment:		
Leasehold Improvements	232,222	126,415
Furniture and Equipment	248,955	182,386
Software	<u>311,609</u>	<u>310,565</u>
Subtotal	792,786	619,366
Less: Accumulated Depreciation	<u>(512,964)</u>	<u>(277,820)</u>
Total Property, Plant, and Equipment	<u>279,822</u>	<u>341,546</u>
TOTAL ASSETS	<u>\$1,182,620</u>	<u>\$ 418,896</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 93,610	\$ 14,370
Salaries and Vacations Payable	11,474	7,673
Payroll Taxes Payable	1,144	922
Line of Credit	160,672	-
Accounts Payable – Related (Note 8)	<u>6,833</u>	<u>3,646</u>
Total Current Liabilities	<u>273,733</u>	<u>26,611</u>
Net Assets:		
Temporary Restricted	888,416	-
Unrestricted	<u>20,471</u>	<u>392,285</u>
Total Net Assets	<u>908,887</u>	<u>392,285</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$1,182,620</u>	<u>\$ 418,896</u>

See accompanying Notes to Financial Statements.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Supports:			
Contributions (Note 7 and 11)	\$ 393,000	\$1,531,988	\$1,924,988
In-Kind	15,850	-	15,850
Net Assets Released from Restriction by Satisfaction of Specific Purpose Restriction	<u>643,572</u>	<u>(643,572)</u>	<u>-</u>
Total Supports	<u>1,052,422</u>	<u>888,416</u>	<u>1,940,838</u>
Expenses (Note 10):			
Program Services:			
Innovation and Technology Centers	(481,629)	-	(481,629)
Regional Permits Processing Office	(171,918)	-	(171,918)
Incubators Network	(53,362)	-	(53,362)
Workforce Innovation in Regional Economic Development	(81,936)	-	(81,936)
Other Projects	(229,126)	-	(229,126)
Supporting Services – Management and General Activities	<u>(406,894)</u>	<u>-</u>	<u>(406,894)</u>
Total Expenses	<u>(1,424,865)</u>	<u>-</u>	<u>(1,424,865)</u>
Other Revenue:			
Miscellaneous	<u>629</u>	<u>-</u>	<u>629</u>
Total Other Revenue	<u>629</u>	<u>-</u>	<u>629</u>
CHANGE IN NET ASSETS	(371,814)	888,416	516,602
Net Assets, Beginning, as Restated (Note 13)	<u>392,285</u>	<u>-</u>	<u>392,285</u>
NET ASSETS, ENDING	<u>\$ 20,471</u>	<u>\$ 888,416</u>	<u>\$ 908,887</u>

See accompanying Notes to Financial Statements.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Statement of Activities and Changes in Net Assets

For the Year Ended June 30, 2006

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Supports:			
Contributions (Note 7 and 11)	\$ 239,673	\$ 291,000	\$ 530,673
In-Kind	12,850	-	12,850
Net Assets Released from Restriction by Satisfaction of Specific Purpose Restriction	<u>291,000</u>	<u>(291,000)</u>	<u>-</u>
Total Supports	<u>543,523</u>	<u>-</u>	<u>543,523</u>
Expenses (Note 10):			
Program Services:			
Innovation and Technology Centers	(397,302)	-	(397,302)
Regional Permits Processing Office	(120,729)	-	(120,729)
Incubators Network	(22,725)	-	(22,725)
Supporting Services – Management and General Activities	<u>(391,365)</u>	<u>-</u>	<u>(391,365)</u>
Total Expenses	<u>(932,121)</u>	<u>-</u>	<u>(932,121)</u>
Other Revenues:			
Other Income	<u>444</u>	<u>-</u>	<u>444</u>
Total Other Revenues	<u>444</u>	<u>-</u>	<u>444</u>
CHANGE IN NET ASSETS	(388,154)	-	(388,154)
Net Assets, Beginning, as Restated (Note 13)	<u>780,439</u>	<u>-</u>	<u>780,439</u>
NET ASSETS, ENDING	<u>\$ 392,285</u>	<u>\$ -</u>	<u>\$ 392,285</u>

See accompanying Notes to Financial Statements.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Cash Flows
For the Years Ended

	JUNE 30, 2007	JUNE 30, 2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Contributions Received	\$1,344,204	\$ 682,483
Interest Received	-	-
Cash Paid to Suppliers and Employees	<u>(1,120,493)</u>	<u>(698,894)</u>
Net Cash Provided by (Used in) Operating Activities	<u>223,711</u>	<u>(16,411)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash Used for Leasehold Improvements	(105,807)	(20,387)
Cash Used for Purchase of Software	(1,044)	-
Cash Used for Purchase of Furniture and Equipment	<u>(66,569)</u>	<u>(1,587)</u>
Net Cash Used in Investing Activities	<u>(173,420)</u>	<u>(21,974)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash Received from Line of Credit	354,558	50,000
Payment of Principal of Line of Credit	<u>(193,886)</u>	<u>(50,000)</u>
Net Cash Provided by Financing Activities	<u>160,672</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	210,963	(38,385)
Cash, Beginning	<u>59,049</u>	<u>97,434</u>
CASH, ENDING	<u>\$ 270,012</u>	<u>\$ 59,049</u>

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Statement of Cash Flows

For the Years Ended

Page 2

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:

	JUNE 30, 2007	JUNE 30, 2006
CHANGE IN NET ASSETS	<u>\$ 516,602</u>	<u>(\$ 388,154)</u>
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Depreciation	235,144	195,890
Bad Debts Expense	4,300	21,325
(Increase) Decrease in Current Assets:		
Supports Receivable	(581,413)	151,365
Prepaid Expense	(37,372)	422
Increase (Decrease) in Current Liabilities:		
Accounts Payable	79,240	2,429
Salaries and Vacations Payable	3,801	1,425
Payroll Taxes Payable	222	(69)
Accounts Payable – Related	<u>3,187</u>	<u>(1,044)</u>
Total Adjustments	<u>(292,891)</u>	<u>371,743</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 223,711</u>	<u>(\$ 16,411)</u>

See accompanying Notes to Financial Statements.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 1

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) was organized under the General Corporation Law of 1995 of the Commonwealth of Puerto Rico on September 4, 2004 as a non-profit organization. **INTECO** is organized and operated exclusively for charitable, scientific and educational purposes within the meaning of Sections 501 (c) (3), 170 (c) (2) (B) and 2055 (a) (2) of the United States Internal Revenue Code of 1986, as amended, and within the meaning of Section 1104 (4) of the Commonwealth Internal Revenues Code of 1994, as amended, 14 L.P.R.A. 8501 (4).

The purposes for which **INTECO** is formed are to:

1. Broaden the industrial base of the east-central region of Puerto Rico.
2. Foster the creation of jobs in the east-central region of Puerto Rico.
3. Generate new sources of economic benefits for the east-central region of Puerto Rico.

INTECO is supported primarily through donor contributions and grants.

Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures are recognized in the accounts and reported in the statement of activities. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, follow the accrual basis of accounting. Under this basis revenues are recorded when earned, independently when are collected, and expenses are recorded when incurred, independently when are paid.

Financial Statements Presentation

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No.117, *Financial Statements of Non-Profit Organizations*. This Statement requires that all non-profit organizations provide a statement of financial position, a statement of activities, and statement of cash flows. It requires reporting amounts for the organization's total assets, liabilities, and net assets in a statement of financial position; reporting the change in an organization's net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows.

This Statement also requires classification of an organization's net assets and its revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets (permanently restricted, temporarily restricted, and unrestricted net assets) be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 1

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – continuation

Contributions Received and Contributions Made

In accordance with SFAS Number 116, *Accounting for Contributions Received and Contributions Made*, contributions received, including unconditional promises to give, are recognized as revenues in the period received at their fair values. Contributions made, including unconditional promises to give, are recognized as expenses in the period made at their fair values. Conditional promises to give, whether received or made, are recognized when they become unconditional, that is, when the conditions are substantially met.

This Statement requires non-profit organizations to distinguish between contributions received that increase permanently restricted net assets, temporary restricted net assets, and unrestricted net assets. It also requires recognition of the expiration of donor-imposed restrictions in the period in which the restriction expire.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and other supports and expenses during the year. Accordingly, actual results could vary from the estimates that were used.

Donor-Imposed Restriction

Donor-imposed restriction assets are reported as temporarily restricted net assets and/or permanently restricted net assets. *Temporarily Restricted Net Assets* are those net assets limited by donors to: (a) later periods of time or after specified dates or (b) specific purposes. When a donor-imposed restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as Net Assets Released from Restrictions. *Permanently Restricted Net Assets* must be maintained in perpetuity. At June 30, 2007 and 2006 there are not *Permanently Restricted Net Assets*.

Property, Plant and Equipment

Property, plant and equipment over an individually cost of \$1,000 will be capitalized. Lesser amounts are expensed. Purchase property, plant and equipment are capitalized at cost. Donations of property, plant and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property, plant and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, **INTECO** reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. A reclassification is made from temporary restricted net assets to unrestricted net assets at that time.

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – continuation**Property, Plant and Equipment – continuation**

The costs of leasehold improvements, if any, are depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Depreciation is computed on the straight-line method as follow:

Category	Estimate Life	Depreciation Expense For the Years Ended	
		June 30, 2007	June 30, 2006
Leasehold Improvements	3 years	\$ 67,842	\$ 41,345
Furniture	5 years	14,974	11,557
Equipment	3 years	48,720	39,466
Software	3 years	<u>103,608</u>	<u>103,522</u>
Total		<u>\$235,144</u>	<u>\$195,890</u>

Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized.

Income Taxes

INTECO is a non-profit organization that is exempt from Income Tax under Section 1104(4) of the Commonwealth Internal Revenues Code of 1994, as amended.

Supplemental Cash Flows Information

For purposes of the Statement of Cash Flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents. As of June 30, 2007 and 2006 no cash equivalents exists.

NOTE 2 CONSIDERATION OF CREDIT RISK

The bank deposit account is maintained at high credit qualify financial institutions. The balances of cash, at times, may exceed the Federal Insurance Deposit Corporation (FDIC) limits. At June 30, 2007 and 2006 the amount of cash deposits in excess of FDIC limits was \$150,000 and \$0, respectively.

NOTE 3 SUPPORTS RECEIVABLE

INTECO has a supports receivable balances compounded as follows as of:

	June 30, 2007	June 30, 2006
Human Resources and Occupational Development Council	\$567,858	\$ -
Alianza Municipal de Servicios Integrados	23,367	-
Others	<u>4,189</u>	<u>18,301</u>
Total	<u>\$595,414</u>	<u>\$ 18,301</u>

continue

INICIATIVA TECNOLOGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 4 COMPENSATED ABSENCES

Employees are entitled to pay vacation, sick leaves, and personnel lays off, depending on length of service and others factors. The amount to be paid for sick leave and lays off is not determinable and will depend on the number of years in service, for such reason no accrual is made for this concept. At June 30, 2007 and 2006, the accrued vacations were \$5,790 and \$3,593, respectively.

NOTE 5 LINE OF CREDIT

INTECO has a \$250,000 and \$100,000 of line of credit from Popular Bank of Puerto Rico for the years 2006-2007 and 2005-2006, respectively. Any short-term borrowings from this line of credit will due at 90 days. The unpaid principal shall bear interest at a floating rate per annum equal to the sum of the prime rate plus 2%, provided, however, that in case of any event of default under this note, the unpaid principal shall thereafter until paid, bear interest at floating rate per annum equal to the sum of the prime rate plus 5%. This debt has certain debt covenants associated with it; and, in management's opinion, **INTECO** is in compliance with these covenants. The line of credit is expected to be renewed under substantially the same terms. The available balance of this line of credit at June 30, 2007 and 2006 were \$89,328 and \$100,000, respectively.

NOTE 6 OPERATING LEASES

INTECO has a long-term operating lease agreement covering a program facility in Humacao, since starts at September 2007, and have a term of ten (10) years. For the Fiscal Year ended June 30, 2007 and 2006 there were no rent expense under the above and other operating leases. Commitment's under non-cancelable operating leases (covering operating premises and equipment) for the five fiscal years subsequent to June 30, 2007, are as follows:

YEAR ENDING JUNE 30,	TOTAL
2008	\$ 95,164
2009	114,197
2010	114,197
2011	138,454
2012	<u>143,306</u>
TOTAL	<u>\$605,318</u>

NOTE 7 SOURCES OF REVENUE**Federal Financial Assistance**

INTECO has been awarded a planning grant from the Human Resources and Occupational Development Council, a Puerto Rico Pass-through Entity of US Department of Labor, to provide services for the operation of **INTECO**'s program. Total amount of \$600,000 are awarded from the Workforce Innovation in Regional Economic Development and are available for use up to June 30, 2010.

continue

INICIATIVA TECNOLOGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 7 SOURCES OF REVENUE – continuation**Contributions**

INTECO received non-cash assets and contributed services for the operation of *Innovation and Technology Center* and *Administration* programs. Total non-cash assets and contributed services received for the years ended are as followed:

	June 30, 2007	June 30, 2006
Centennial	\$ 5,685	\$ 5,072
Model Offset Printing	<u>10,165</u>	<u>7,778</u>
Total	<u>\$ 15,850</u>	<u>\$ 12,850</u>

Concentration Risk

For the years ended June 30, 2007 and 2006 at least 56% and 76% of its revenues, respectively, were received from its members under the Contribution Agreement.

NOTE 8 RELATED PARTY TRANSACTIONS

INTECO lease a facility for central office and *Innovation and Technology Center* in the Municipality of Caguas. This lease is a one year contract, with automatically renovation under the same conditions and restrictions as the current contract and depending on Municipal funds availability. The Agreement calls for a monthly base rent of \$1. The Mayor of the Municipality of Caguas is President of the Board of Directors of **INTECO**.

INTECO lease a facility for *Innovation and Technology Center* in the Municipality of Cayey. This lease is a one year contract, with automatically renovation under the same conditions and restrictions as the current contract and depending on Municipal funds availability. The Agreement calls for a monthly base rent of \$1. The Mayor of the Municipality of Cayey is Member of the Board of Directors of **INTECO**.

INTECO uses a facility for *Innovation and Technology Center* in the Municipality of Juncos. No contract agreement exists. The Mayor of the Municipality of Juncos is Member of the Board of Directors of **INTECO**.

NOTE 9 CONTRIBUTION AGREEMENTS

As of September 3, 2003 all members signed a Contribution Agreement in which they will contribute cash, property, technological capital and in-kind services to **INTECO**. The Contribution Agreement is for five years. The individual contribution range is from \$5,000 to \$1,000,000.

A new Contribution Agreement was signed with **INTECO**'s members during October 2004 and June 2005. Contributions will be in technological capital and in-kind services to **INTECO**. The Contribution Agreement is for three years. The individual contribution is \$10,000 approximately. In 2005 the Board of Directors determined to accept commercial, industrial entities, or associations that pledge to contribute at least \$10,000 in a period of three (3) years.

In November 2005 the Board of Directors determined that the Municipalities will contribute \$1 per inhabitant each year.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 10 MANAGEMENT AND GENERAL ACTIVITIES EXPENSES:

For the Year Ended June 30, 2007

	Innovation and Technology Centers	Regional Permits Processing Office	Incubators Network	Management and General Activities	Workforce Innovation in Regional Economic Development	Other Projects
Professional Services	\$ 108,464	\$160,535	\$ 42,250	\$ 80,257	\$ 34,700	\$208,759
Salaries, Payroll Taxes and Fringe Benefits	63,976	-	-	198,678	7,207	-
Depreciation	229,003	-	-	6,142	-	-
Office and Instructional Supplies	14,615	70	-	4,882	2,263	32
Meetings and Seminars	13,492	1,922	-	17,430	3,214	829
Motor Vehicles	-	15	-	10,312	-	-
Marketing Activities	9,028	142	8,708	26,710	5,770	817
Medical Insurance	4,322	576	-	9,604	-	-
Miscellaneous	10,532	139	35	13,925	303	998
Travel	4,856	7,425	2,093	18,317	28,479	16,866
Training and Educational	-	1,094	276	5,058	-	825
Insurance	2,429	-	-	-	-	-
Interest	-	-	-	2,030	-	-
Bad Debt Expense	-	-	-	4,300	-	-
Repair and Maintenance	14,137	-	-	1,479	-	-
Telephone and Communications	6,775	-	-	7,770	-	-
Total	\$481,629	\$171,918	\$ 53,362	\$406,894	\$ 81,936	\$229,126

For the Year Ended June 30, 2006

	Innovation and Technology Centers	Regional Permits Processing Office	Incubators Network	Management and General Activities
Professional Services	\$ 71,104	\$120,000	\$ 21,580	\$109,757
Salaries, Payroll Taxes and Fringe Benefits	46,944	-	-	167,469
Depreciation	195,889	-	-	-
Office and Instructional Supplies	53,129	-	-	5,164
Meetings and Seminars	7,635	729	555	13,918
Motor Vehicles	-	-	-	8,994
Marketing Activities	4,176	-	-	13,548
Medical Insurance	1,872	-	-	10,211
Miscellaneous	9,987	-	590	9,156
Travel	2,059	-	-	24,349
Training and Educational	-	-	-	1,904
Insurance	1,609	-	-	599
Interest	-	-	-	260
Bad Debt Expense	-	-	-	21,325
Repair and Maintenance	400	-	-	-
Telephone and Communications	2,498	-	-	4,711
Total	\$397,302	\$120,729	\$ 22,725	\$391,365

continue

INICIATIVA TECNOLOGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

NOTE 11 TEMPORARY RESTRICTED CONTRIBUTIONS

The following entities made temporary restricted contributions to **INTECO** for the years ended:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Resource Center for Science and Engineering	\$ 62,840	\$ 45,000
Microsoft	-	58,500
Municipality of Juncos	-	25,000
Municipality of Cayey	-	25,000
Aireko	-	10,000
Alianza Municipal de Servicios Integrados	94,148	22,500
Banco Popular de Puerto Rico	-	10,000
Janssen Ortho LLC	-	10,000
Medtronic	10,000	10,000
Amgen	10,000	75,000
Human Resources and Occupational Development Council ..	600,000	-
Puerto Rico Industrial Development Company	400,000	-
Municipality of Caguas	<u>355,000</u>	<u>-</u>
Total	<u>\$1,531,988</u>	<u>\$ 291,000</u>

NOTE 12 TEMPORARY RESTRICTED NET ASSETS

Following are the balance of Temporary Restricted Net Assets at the end of the years;

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Incubator Network	\$ 9,478	\$ -
Workforce Innovation in Regional Economic Development....	518,064	-
Other Projects	<u>360,874</u>	<u>-</u>
Total	<u>\$888,416</u>	<u>\$ -</u>

NOTE 13 NET ASSETS RESTATEMENT

The balance of Net Assets at the beginning of year 2005-2006 has been restated from the balance previously reported to reflect an adjustment of \$2,643 for an overstatement of depreciation expense from prior years. In addition, the 2005-2006 depreciation expense, as originally reported, was understated by \$24,842. Consequently, Changes in Net Assets for 2006 has been restated to reflect this \$24,842 decrease.

END OF NOTES

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)

FINANCIAL STATEMENTS

For the Years Ended June 30, 2008 and 2007

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)

FINANCIAL STATEMENTS

For the Years Ended June 30, 2008 and 2007

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Iniciativa Tecnológica Centro Oriental, Inc.
Gurabo, Puerto Rico

We have audited the accompanying statement of financial position of **Iniciativa Tecnológica Centro Oriental, Inc. (INTECO)** as of June 30, 2008 and 2007, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of **INTECO's** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **INTECO**, as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2008 on our consideration of **INTECO's** internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

CPA Diaz-Martinez, PSC

CPA DIAZ-MARTINEZ, PSC
Certified Public Accountants & Consultants
License Number 12, expires on December 1, 2010

Caguas, Puerto Rico
November 14, 2008



INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Financial Position

	June 30, 2008	June 30, 2007
ASSETS		
Current Assets:		
Cash	\$ 49,584	\$ 270,012
Supports Receivable (Notes 3 and 8)	5,438,853	576,914
Accounts Receivable - Others	4,207	-
Prepaid Expense	<u>28,782</u>	<u>37,372</u>
Total Current Assets	<u>5,521,426</u>	<u>884,298</u>
Property, Plant and Equipment:		
Leasehold Improvements	313,580	232,222
Furniture and Equipment	378,899	248,955
Software	<u>311,609</u>	<u>311,609</u>
Subtotal	1,004,088	792,786
Less: Accumulated Depreciation	<u>(679,658)</u>	<u>(512,964)</u>
Total Property, Plant and Equipment	<u>324,430</u>	<u>279,822</u>
TOTAL ASSETS	<u>\$ 5,845,856</u>	<u>\$ 1,164,120</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 907,094	\$ 93,610
Salaries and Vacations Payable	42,637	11,474
Payroll Taxes Payable	14,462	1,144
Line of Credit	521,668	160,672
Due to Related Party	1,395,798	-
Accounts Payable-Related (Note 8)	<u>-</u>	<u>6,833</u>
Total Current Liabilities	<u>2,881,659</u>	<u>273,733</u>
Net Assets:		
Temporary Restricted	3,167,896	835,048
Unrestricted	<u>(203,699)</u>	<u>55,339</u>
Total Net Assets	<u>2,964,197</u>	<u>890,387</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,845,856</u>	<u>\$ 1,164,120</u>

See accompanying Notes to Financial Statements.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2008

	<u>Unrestricted</u>	<u>Temporary Restricted</u>	<u>Total</u>
Supports:			
Contributions (Notes 7 and 11)	\$ 684,694	\$ 9,510,381	\$ 10,195,075
In-Kind	82,321	177,777	260,098
Net Assets Released from Restriction by Satisfaction of Specific Purpose Restriction	<u>7,355,310</u>	<u>(7,355,310)</u>	<u>-</u>
Total Supports	<u>8,122,325</u>	<u>2,332,848</u>	<u>10,455,173</u>
Expenses (Note 10):			
Program Services:			
Innovation and Technology Centers	(216,754)	-	(216,754)
Regional Permits Processing Office	(320,186)	-	(320,186)
Incubators Network	(188,640)	-	(188,640)
Workforce Innovation in Regional Economic Development	(505,175)	-	(505,175)
Science, Math, and Technology School	(4,498,810)	-	(4,498,810)
Centro Criollo de Ciencias y Tecnología	(152,407)	-	(152,407)
Train TODOS	(1,604,554)	-	(1,604,554)
Broadband Telecommunication Plan Program	(10,634)	-	(10,634)
Supporting Services-Management and General Activities	<u>(884,560)</u>	<u>-</u>	<u>(884,560)</u>
Total Expenses	<u>(8,381,720)</u>	<u>-</u>	<u>(8,381,720)</u>
Other Revenue:			
Other Income	<u>357</u>	<u>-</u>	<u>357</u>
Total Other Revenue	<u>357</u>	<u>-</u>	<u>357</u>
CHANGE IN NET ASSETS	(259,038)	2,332,848	2,073,810
Net Assets, Beginning	<u>55,339</u>	<u>835,048</u>	<u>890,387</u>
NET ASSETS, ENDING	<u>\$ (203,699)</u>	<u>\$ 3,167,896</u>	<u>\$ 2,964,197</u>

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2007

	<u>Unrestricted</u>	<u>Temporary Restricted</u>	<u>Total</u>
Supports:			
Contributions (Notes 7 and 11)	\$ 393,000	\$ 1,531,488	\$ 1,906,488
In-Kind	15,850	-	15,850
Net Assets Released from Restriction by Satisfaction of Specific Purpose Restriction	<u>678,440</u>	<u>(678,440)</u>	<u>-</u>
Total Supports	<u>1,087,290</u>	<u>853,048</u>	<u>1,922,338</u>
Expenses (Note 10):			
Program Services:			
Innovation and Technology Centers	(481,629)	-	(481,629)
Regional Permits Processing Office	(171,918)	-	(171,918)
Incubators Network	(53,362)	-	(53,362)
Workforce Innovation in Regional Economic Development	(116,804)	-	(116,804)
Other Projects	(229,126)	-	(229,126)
Supporting Services-Management and General Activities	<u>(372,026)</u>	<u>-</u>	<u>(372,026)</u>
Total Expenses	<u>(1,424,865)</u>	<u>-</u>	<u>(1,424,865)</u>
Other Revenue:			
Miscellaneous	<u>629</u>	<u>-</u>	<u>629</u>
Total Other Revenue	<u>629</u>	<u>-</u>	<u>629</u>
CHANGE IN NET ASSETS	(336,946)	835,048	498,102
Net Assets, Beginning, as Restated (Note 13)	<u>392,285</u>	<u>-</u>	<u>392,285</u>
NET ASSETS, ENDING	<u>\$ 55,339</u>	<u>\$ 835,048</u>	<u>\$ 890,387</u>

See accompanying Notes to Financial Statements.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Cash Flows
For the Years Ended

	June 30, 2008	June 30, 2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Contributions Received	\$ 5,326,276	\$ 1,344,204
Interest Received	-	-
Cash Paid to Suppliers and Employees	<u>(5,696,398)</u>	<u>(1,120,493)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(370,122)</u>	<u>223,711</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash Used for Leasehold Improvements	(81,358)	(105,807)
Cash Used for Purchase of Software	-	(1,044)
Cash Used for Purchase of Furniture and Equipment	<u>(129,944)</u>	<u>(66,669)</u>
Net Cash Used in Investing Activities	<u>(211,302)</u>	<u>(173,520)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash Received from Line of Credit	4,470,554	354,558
Payment of Principal of Line of Credit	<u>(4,109,558)</u>	<u>(193,886)</u>
Net Cash Provided by Financing Activities	<u>360,996</u>	<u>160,672</u>
NET INCREASE (DECREASE) IN CASH	(220,428)	210,963
Cash, Beginning	<u>270,012</u>	<u>59,049</u>
CASH ENDING	<u>\$ 49,584</u>	<u>\$ 270,012</u>

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)
Statement of Cash Flows
For the Years Ended
Page 2

RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:

	June 30, 2008	June 30, 2007
CHANGE IN NET ASSETS	<u>\$ 2,073,810</u>	<u>\$ 516,602</u>
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSET TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Depreciation	166,694	235,144
Bad Debts Expense	3,010	4,300
(Increase) Decrease in Current Assets:		
Supports Receivable	(4,864,949)	(581,413)
Other Receivable	(4,207)	-
Prepaid Expense	8,590	(37,372)
Increase (Decrease) in Current Liabilities:		
Accounts Payable	813,484	79,240
Salaries and Vacations Payable	31,163	3,801
Payroll Taxes Payable	13,318	222
Accounts Payable-Related	<u>1,388,965</u>	<u>3,187</u>
Total Adjustments	<u>(2,443,932)</u>	<u>(292,891)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (370,122)</u>	<u>\$ 223,711</u>

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 1

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Iniciativa Tecnológica Centro Oriental, Inc. (INTECO) was organized under the General Corporation Law of 1995 of the Commonwealth of Puerto Rico on September 4, 2004 as a non-profit organization. **INTECO** is organized and operated exclusively for charitable, scientific and educational purposes within the meaning of Sections 501 (c) (3), 170 (c) (2) (B) and 2055 (a) (2) of the United States Internal Revenue Code of 1986, as amended, and within the meaning of Section 1104 (4) of the Commonwealth Internal Revenues Code of 1994, as amended, 14 L.P.R.A. 8501 (4).

The purposes for which **INTECO** is formed are to:

1. Broaden the industrial base of the east-central region of Puerto Rico.
2. Foster the creation of jobs in the east-central region of Puerto Rico.
3. Generate new sources of economic benefits for the east-central region of Puerto Rico.

INTECO is supported primarily through donor contributions and grants.

Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures are recognized in the accounts and reported in the statement of activities. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, follow the accrual basis of accounting. Under this basis revenues are recorded when earned, independently when are collected, and expenses are recorded when incurred, independently when are paid.

Financial Statements Presentation

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No.117, *Financial Statements of Non-Profit Organizations*. This Statement requires that all non-profit organizations provide a statement of financial position, a statement of activities, and statement of cash flows. It requires reporting amounts for the organization's total assets, liabilities, and net assets in a statement of financial position; reporting the change in an organization's net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows.

This Statement also requires classification of an organization's net assets and its revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets (permanently restricted, temporarily restricted, and unrestricted net assets) be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 1

NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – continuation

Contributions Received and Contributions Made

In accordance with SFAS Number 116, *Accounting for Contributions Received and Contributions Made*, contributions received, including unconditional promises to give, are recognized as revenues in the period received at their fair values. Contributions made, including unconditional promises to give, are recognized as expenses in the period made at their fair values. Conditional promises to give, whether received or made, are recognized when they become unconditional, that is, when the conditions are substantially met.

This Statement requires non-profit organizations to distinguish between contributions received that increase permanently restricted net assets, temporary restricted net assets, and unrestricted net assets. It also requires recognition of the expiration of donor-imposed restrictions in the period in which the restriction expire.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and other supports and expenses during the year. Accordingly, actual results could vary from the estimates that were used.

Donor-Imposed Restriction

Donor-imposed restriction assets are reported as temporarily restricted net assets and/or permanently restricted net assets. *Temporarily Restricted Net Assets* are those net assets limited by donors to: (a) later periods of time or after specified dates or (b) specific purposes. When a donor-imposed restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as Net Assets Released from Restrictions. *Permanently Restricted Net Assets* must be maintained in perpetuity. At June 30, 2008 and 2007 there are not *Permanently Restricted Net Assets*.

Property, Plant and Equipment

Property, plant and equipment over an individually cost of \$1,000 will be capitalized. Lesser amounts are expensed. Purchase property, plant and equipment are capitalized at cost. Donations of property, plant and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property, plant and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, **INTECO** reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. A reclassification is made from temporary restricted net assets to unrestricted net assets at that time.

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 1**NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – continuation****Property, Plant and Equipment – continuation**

The costs of leasehold improvements, if any, are depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Depreciation is computed on the straight-line method as follow:

Category	Estimate Life	Depreciation Expense For the Years Ended	
		June 30, 2008	June 30, 2007
Leasehold Improvements	3 years	\$ 39,005	\$ 67,842
Furniture	5 years	26,782	14,974
Equipment	3 years	34,895	48,720
Software	3 years	66,012	103,608
Total		<u>\$ 166,694</u>	<u>\$ 235,144</u>

Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized.

Income Taxes

INTECO is a non-profit organization that is exempt from Income Tax under Section 1104(4) of the Commonwealth Internal Revenues Code of 1994, as amended.

Supplemental Cash Flows Information

For purposes of the Statement of Cash Flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents. As of June 30, 2008 and 2007 no cash equivalents exists.

NOTE 2**CONSIDERATION OF CREDIT RISK**

The bank deposit account is maintained at high credit qualify financial institutions. The balances of cash, at times, may exceed the Federal Insurance Deposit Corporation (FDIC) limits. At June 30, 2008 and 2007 the amount of cash deposits in excess of FDIC limits was \$150,000 and \$0, respectively.

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 3 SUPPORTS RECEIVABLE

INTECO has a supports receivable balances compounded as follows as of:

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Human Resources and Occupational Development Council.....	\$ 2,478,220	\$ 567,858
Alianza Municipal de Servicios Integrados.....	-	23,367
Autoridad para el Financiamiento de la Infraestructura.....	1,288,031	-
Puerto Rico Industrial Development Company.....	850,000	-
U.S. Department of Commerce and Economic Development	120,000	-
Government Development Bank of Puerto Rico.....	50,000	-
Municipality of Caguas.....	489,979	-
Municipality of Gurabo.....	39,000	-
Municipality of Las Piedras.....	36,000	-
Municipality of Naguabo.....	24,000	-
Municipality of San Lorenzo.....	42,000	-
Others.....	21,623	4,189
Total.....	<u>\$ 5,438,853</u>	<u>\$ 595,414</u>

NOTE 4 COMPENSATED ABSENCES

Employees are entitled to pay vacation, sick leaves, and personnel lays off, depending on length of service and others factors. The amount to be paid for sick leave and lays off is not determinable and will depend on the number of years in service, for such reason no accrual is made for this concept. At June 30, 2008 and 2007, the accrued vacations were \$29,800 and \$5,790, respectively.

NOTE 5 LINE OF CREDIT

INTECO has a \$250,000 of line of credit from Popular Bank of Puerto Rico for the years 2007-2008 and 2006-2007. Any short-term borrowings from this line of credit will due at 90 days. The unpaid principal shall bear interest at a floating rate per annum equal to the sum of the prime rate plus 2%, provided, however, that in case of any event of default under this note, the unpaid principal shall thereafter until paid, bear interest at floating rate per annum equal to the sum of the prime rate plus 5%. This debt has certain debt covenants associated with it; and, in management's opinion, **INTECO** is in compliance with these covenants. The line of credit is expected to be renewed under substantially the same terms. The available balance of this line of credit at June 30, 2008 and 2007 were \$59,402 and \$89,328, respectively.

INTECO has a \$1,700,000 of line of credit from Popular Bank of Puerto Rico for the year 2007-2008. Any borrowings from this line of credit will due at December 31, 2008. The unpaid principal shall bear interest at a floating rate per annum equal to the sum of the prime rate plus 1.75%, provided, however, that in case of any event of default under this note, the unpaid principal shall thereafter until paid, bear interest at floating rate per annum equal to the sum of the prime rate plus 4.75%. This debt has certain debt covenants associated with it; and, in management's opinion, **INTECO** is in compliance with these covenants. The line of credit is expected to be renewed under substantially the same terms. The available balance of this line of credit at June 30, 2008 was \$1,368,931.

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 6 OPERATING LEASES

INTECO has a long-term operating lease agreement covering a program facility in Humacao, since starts at September 2007, and have a term of ten (10) years. For the Fiscal Year ended June 30, 2008 and 2007 the rent expenses were \$38,066 and \$0 under the above operating leases. Commitment's under non-cancelable operating leases (covering operating premises and equipment) for the five fiscal years subsequent to June 30, 2008, are as follows:

<u>YEAR ENDING JUNE 30,</u>	<u>TOTAL</u>
2009	\$114,197
2010	114,197
2011	123,900
2012	143,306
2013	<u>165,697</u>
TOTAL	<u>\$661,297</u>

NOTE 7 SOURCES OF REVENUE**Federal Financial Assistance**

INTECO has been awarded a planning and implementation grant from the Human Resources and Occupational Development Council, a Puerto Rico Pass-through Entity of US Department of Labor, to provide services for the operation of **INTECO**'s program. Total amount of \$2,425,000 are awarded from the Workforce Innovation in Regional Economic Development and are available for use up to January 29, 2009.

INTECO has been awarded a planning grant from the U.S. Department of Commerce, to provide services for the operation of **INTECO**'s program. Total amount of \$120,000 are awarded from the Short-term Planning Grant Program and are available for use up to December 31, 2008.

Contributions

INTECO received non-cash assets and contributed services for the operation of the Programs and Administration. Total non-cash assets and contributed services received for the years ended are as followed:

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Arroyo & Associates	\$ 2,400	\$ -
Asociación de Industriales	1,495	-
Camera Mundi	12,446	-
Centennial	26,774	5,685
Puerto Rico Industrial Development Company	84,066	-
Iniciativa Tecnológica Centro-Oriental	8,539	-
Model Offset Printing	8,719	10,165
Municipality of Caguas	115,209	-
Ren Planning	<u>450</u>	<u>-</u>
Total	<u>\$ 260,098</u>	<u>\$ 15,850</u>

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.
(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 7 SOURCES OF REVENUE – continuation

Concentration Risk

For the years ended June 30, 2008 and 2007 at least 45% and 56% of its revenues, respectively, were received from its members under the Contribution Agreement.

NOTE 8 RELATED PARTY TRANSACTIONS

INTECO lease a facility for central office and *Innovation and Technology Center* in the Municipality of Caguas. This lease is a one year contract, with automatically renovation under the same conditions and restrictions as the current contract and depending on Municipal funds availability. The Agreement calls for a monthly base rent of \$1. The Mayor of the Municipality of Caguas is President of the Board of Directors of **INTECO**.

INTECO lease a facility for *Innovation and Technology Center* in the Municipality of Cayey. This lease is a one year contract, with automatically renovation under the same conditions and restrictions as the current contract and depending on Municipal funds availability. The Agreement calls for a monthly base rent of \$1. The Mayor of the Municipality of Cayey is Member of the Board of Directors of **INTECO**.

INTECO uses a facility for *Innovation and Technology Center* in the Municipality of Juncos. No contract agreement exists. The Mayor of the Municipality of Juncos is Member of the Board of Directors of **INTECO**.

INTECO has related parties payable balances compounded as follows as of:

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Angora Convention Center.....	\$ 1,153	\$ -
Behar Ybarra and Associates.....	1,288,030	-
Popular Bank.....	760	-
Camera Mundi.....	62,829	-
Centennial.....	325	-
Columbia College.....	184	-
Sony Puerto Rico Inc.....	1,918	-
Sistema Universitario Ana G. Mendez.....	40,599	5,183
Hewlett Packard.....	-	1,650
Total.....	<u>\$ 1,395,798</u>	<u>\$ 6,833</u>

NOTE 9 CONTRIBUTION AGREEMENTS

As of September 3, 2003 all members signed a Contribution Agreement in which they will contribute cash, property, technological capital and in-kind services to **INTECO**. The Contribution Agreement is for five years. The individual contribution range is from \$5,000 to \$1,000,000.

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 9 CONTRIBUTION AGREEMENTS – continuation

A new Contribution Agreement was signed with **INTECO**'s members during October 2004 and June 2005. Contributions will be in technological capital and in-kind services to **INTECO**. The Contribution Agreement is for three years. The individual contribution is \$10,000 approximately. In 2005 the Board of Directors determined to accept commercial, industrial entities, or associations that pledge to contribute at least \$10,000 in a period of three (3) years.

In November 2005 the Board of Directors determined that the Municipalities will contribute \$1 per inhabitant each year.

NOTE 10 TEMPORARY RESTRICTED CONTRIBUTIONS

The following entities made temporary restricted contributions to **INTECO** for the years ended:

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Resource Center for Science and Engineering.....	\$ -	\$ 62,840
Microsoft.....	-	-
Municipality of Juncos.....	-	-
Municipality of Cayey.....	-	-
Aireko.....	-	-
Alianza Municipal de Servicios Integrados.....	-	94,148
Popular Bank of Puerto Rico.....	-	-
Janssen Ortho LLC.....	-	-
Medtronic.....	-	10,000
Amgen.....	-	10,000
Human Resources and Occupational Development Council.....	2,425,000	581,500
Puerto Rico Industrial Development Company.....	1,625,000	400,000
Municipality of Caguas.....	3,928,650	355,000
Autoridad para el Financiamiento de la Infraestructura de PR.....	1,288,031	-
Governmental Development Bank of Puerto Rico.....	100,000	-
Municipality of Gurabo.....	20,000	-
Saint Jude Medical.....	3,000	-
US Department of Commerce.....	120,000	-
Others.....	700	-
Total.....	<u>\$ 9,510,381</u>	<u>\$ 1,513,488</u>

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 11 TEMPORARY RESTRICTED NET ASSETS

Following are the balance of Temporary Restricted Net Assets at the end of the years;

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Regional Permits Processing Office.....	\$ 54,814	\$ -
Incubator Network.....	-	9,478
Workforce Innovation in Regional Economic Development.....	2,412,733	464,696
Science, Math, and Technology School.....	126,160	70,874
Centro Criollo de Ciencias y Tecnología	228,293	190,000
Train TODOS.....	227,991	100,000
Broadband Telecommunication Plan Program	117,905	-
Total.....	<u>\$ 3,167,896</u>	<u>\$ 835,048</u>

NOTE 12 NET ASSETS RESTATEMENT

The balance of Temporary Restricted Net Assets at the beginning of year 2007-2008 has been restated from the balance previously reported to reflect an adjustment of \$18,500 for an overstatement of supports revenue from prior year. In addition, Workforce Innovation in Regional Economic Development expenses of \$34,868 was reclassified from Unrestricted Net Assets to Temporary Restricted Net Assets. Consequently, Changes in Unrestricted and Temporary Restricted Net Assets for 2007 has been restated to reflect a \$34,868 increase and \$53,368 decrease, respectively.

continue

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 13 FUNCTIONAL EXPENSES

For the Year Ended June 30, 2008										
	Innovation and Technology Centers	Regional Permits Processing Office	Incubators Networks	Workforce Innovation in Regional Economic Development	Science, Math, and Technology School	Centro Criollo de Ciencias y Tecnología	Train TODOS	Broadband Telecommunications Plan Program	Management and General Activities	Total
Professional Services	\$ 131,712	\$ 314,841	\$ 95,190	\$ 233,288	\$ 219,461	\$ 98,668	\$ 1,520,970	\$ -	\$ 166,965	\$ 2,781,095
Salaries, Payroll Taxes and Fringe Benefits	33,629	-	15,395	179,562	-	17,652	-	-	249,830	496,068
Depreciation	1,139	105	2,701	-	-	-	25,097	-	137,650	166,692
Office equipment	1,269	-	-	-	452,260	2,780	-	-	1,328	457,637
Office and Instructional Supplies	3,441	599	21	2,281	35	718	3,093	7	586	10,781
Meeting and Seminars	625	-	59	1,025	-	335	30	-	8,623	10,697
Motor Vehicles	2,984	-	2,056	9,216	-	380	-	-	14,394	29,030
Marketing Activities	210	-	1,440	2,422	120	9,849	4,345	2,088	169,344	189,818
Medical Insurance	3,280	-	1,842	6,559	-	-	-	-	13,113	24,794
Miscellaneous	740	3	382	35	77	-	234	-	7,321	8,792
Travels	1,133	1,334	12	29,443	411	21,924	32	-	8,203	62,492
Training and Educational	-	-	-	-	-	-	285	-	3,887	4,172
Insurance	-	-	14,854	-	12,370	-	-	-	2,896	30,120
Interest	-	-	-	-	35,665	-	20	-	7,834	43,519
Bad Debt Expense	-	-	-	-	-	-	-	-	3,010	3,010
Repair and Maintenance	9,510	160	4,350	181	3,777,455	-	5,926	-	808	3,798,390
Rent Expense	-	-	38,066	-	-	-	-	-	-	38,066
In-Kind Contribution Expense	19,521	-	5,000	28,212	-	-	44,064	8,539	45,562	150,898
Program Activities	6,191	3,144	3,334	9,388	956	101	458	-	8,669	32,241
Telephone and Communications	1,370	-	3,938	3,563	-	-	-	-	34,537	43,408
Total	\$ 216,754	\$ 320,186	\$ 188,640	\$ 505,175	\$ 4,498,810	\$ 152,407	\$ 1,604,554	\$ 10,634	\$ 884,560	\$ 8,381,720

INICIATIVA TECNOLÓGICA CENTRO ORIENTAL, INC.

(Non-Profit Organization)

Notes to Financial Statements

For the Years Ended June 30, 2008 and 2007

NOTE 13 FUNCTIONAL EXPENSES – continuation

For the Year Ended June 30, 2007

	Innovation and Technology Centers	Regional Permits Processing Office	Incubators Networks	Workforce Innovation in Regional Economic Development	Other Projects	Management and General Activities	Total
Professional Services	\$ 108,464	\$ 160,535	\$ 42,250	\$ 34,700	\$ 208,759	\$ 80,257	\$ 634,965
Salaries, Payroll Taxes and Fringe Benefits	63,976	-	-	23,707	-	182,178	269,861
Depreciation	229,003	-	-	-	-	6,142	235,145
Office and Instructional Supplies	14,615	70	-	2,263	32	4,882	21,862
Meeting and Seminars	13,492	1,922	-	3,214	829	17,430	36,887
Motor Vehicles	-	15	-	-	-	10,312	10,327
Marketing Activities	9,028	142	8,708	5,770	817	26,710	51,175
Medical Insurance	4,322	576	-	-	-	9,604	14,502
Miscellaneous	10,532	139	35	3,223	998	11,005	25,932
Travels	4,856	7,425	2,093	43,927	16,866	2,869	78,036
Training and Educational	-	1,094	276	-	825	5,058	7,253
Insurance	2,429	-	-	-	-	-	2,429
Interest	-	-	-	-	-	2,030	2,030
Bad Debt Expense	-	-	-	-	-	4,300	4,300
Repair and Maintenance	14,137	-	-	-	-	1,479	15,616
Telephone and Communications	6,775	-	-	-	-	7,770	14,545
Total	\$ 481,629	\$ 171,918	\$ 53,362	\$ 116,804	\$ 229,126	\$ 372,026	\$ 1,424,865

END OF NOTES

Estimado Contribuciones											
Partida	Operacion Regular	CIT	Incubator Hum	Incubator Caguas	WIRED	C3 Administrative	C3 Project Management	Tren	Regional Telecom Plan	CIMATEC	Operacion Regular
Honorarios Profesionales Proyectos Municipales						263,750	90,294	150,000		766,000	1270,044
Aportacion Municipal \$1 por habitante	282,000										282,000
Fondos Programas Educativos		267,600									267,600
Fondos Federales					2250,000						2250,000
Fondos Estado Libre Asociado											-
Sector Privado	100,000	40,000								160,000	300,000
Alquiler facilidades INTECO			242,000	321,574	-	-	-	-		65,000	628,574
Prestamo									100,000		100,000
Sub Total Efectivo	382,000	307,600	242,000	321,574	2250,000	263,750	90,294	150,000	100,000	991,000	5098,218
IN-KIND		25,000									25,000
Total Contribuciones	\$ 382,000	\$ 332,600	\$ 242,000	\$ 321,574	\$ 2250,000	\$ 263,750	\$ 90,294	\$ 150,000	\$ 100,000	\$ 991,000	\$ 5123,218

Estimado expenditures											
Nomina	106,414	33,064		58,595	464,146	69,593		18,421	-	696,010	1446,243
Bono	14,073	716		3,516	22,697	-					41,002
Total Nomina y Beneficios	\$ 120,487	\$ 33,780	\$ -	\$ 62,111	\$ 486,843	\$ 69,593	\$ -	\$ 18,421	\$ -	\$ 696,010	\$ 1487,245
Legal and Prof Exp	72,859	190,920	14,520	84,020	1739,257	160,000	64,000	117,779	100,000	54,360	2597,715
Repayment Line of Credit	186,967								6,000	40,000	
Interest & Finance Expense	34,500	-								30,000	64,500
Motor Vehicle Exp	3,000	-									3,000
Meals, Representation expense	3,500	-		500		1,000		1,000			6,000
Travel Expenses	4,000	3,500		5,000	17,000	16,000				5,000	50,500
Tel Comm Exp	3,000	25,000		16,800	3,900					18,000	66,700
Bank Charges Exp	1,500	-		120							1,620
Selling, Mark Adv Exp	3,000	-		5,000		8,000					16,000
Office Sup Exp	3,000	6,000		1,000	3,000			3,600		8,000	24,600
Postage Parcel Post	500	200		100				600		1,000	2,400
Printing	4,000	1,000		3,500		8,000		1,000			17,500
Publishing	4,000	-						3,000		10,000	17,000
Security	-	2,000		-							2,000
Software	500	1,700		-				-			2,200
Other Expenses	5,000	500		10,540		500		1,600		1,500	19,640
Insurance	6,255	-	15,000	630						2,000	23,885
Property Tax			906								906
Office Rental	-	-	94,000	64,157						11,419	169,576
Utilities	-	-									-
Inkind Contributions	1,500										
Seminars and Trainings	3,000										
Programs Activities	8,000	7,000		52,000		657					67,657
Memberships and subscriptions	2,000	-		500							2,500
Maintenance & Repair	9,300	6,000		15,596		-		3,000		24,000	57,896
Otros gastos	286,522	52,900	109,906	175,443	23,900	34,157	-	13,800	6,000	150,919	853,547
Sub Total Gastos Operacionales	359,381	243,820	124,426	259,463	1763,157	194,157	64,000	131,579	106,000	205,279	3451,262
Equipment		90,000						-		94,711	184,711
Sub Total Gastos Capital	-	90,000	-	-	-	-	-	-	-	94,711	184,711
Total	\$ 479,868	\$ 367,600	\$ 124,426	\$ 321,574	\$ 2250,000	\$ 263,750	\$ 64,000	\$ 150,000	\$ 106,000	\$ 996,000	\$ 5123,219
Sobrante / Deficit	\$ (97,868)	\$ (35,000)	\$ 117,574	\$ 0	\$ (0)	\$ -	\$ 26,294	\$ -	\$ (6,000)	\$ (5,000)	\$ (0)

ADMIN

SUMMARY CURRENT FISCAL YEAR BUDGET 2009-10 INTECO

INGRESOS

New Members	20,000
Aportacion old members	80,000
	<u>100,000</u>

Censo:

Caguas 150000	150,000
Cayey 47000	
Humacao 60000	60,000
Juncos 38000	36,000
San Lorenzo 42000	
Gurabo 39000	
Las Piedras 36000	36,000
Naguabo 24000	-
Ceiba 18000	-
	<u>282,000</u>

Total Cash \$ 382,000

Nomina

Empleados Allocations	Salario	
Oscar Jimenez	\$	32,290
Gesenia Velazquez		8,083
Junior Accountant		30,195
	\$	<u>70,568</u>
Bono Navidad 6%	\$	4,234
Bono Navidad 6% C3		4,176
Bono Navidad 6% Cimater		3,290
Bono Navidad 6% Tren		1,105
Bono Navidad 6% CIT - diferencia		1,268
5% aumento salarios todos proyectos		<u>35,846</u>

not included in some projects

not included in some projects

not included in some projects

not included in some projects

Legal & Professional Allocations

Abogados Cancio Nadal	32,400
Out. Sol. Al Chavo	2,520
Auditoria Diaz Martinez	1,800
Oro Lopez Comunicaciones	6,300
Intelligent Technologies	2,700
Josean Tirado	6,900
	<u>52,620</u>

Other Professional Services

Luz Diane	7,000
Solmaria Hernandez	7,000
Maribel Rosario car allowance	6,239
	<u>20,239</u>

Other expenses

Accounts Payable Line of Credit Adm	52,395
Acc. Payable Line of Credit Escuela	98,251
Acc. Payable ORPP	36,322
Acc. Payable Tren	-
Acc. Payable C3	-

359,381

Office Supplies	3,000	
Insurance expense	6,255	(Seguro Inteco)
Motor Vehicle	3,000	Gasoline charge to credit cards
Travel	4,000	
Representation	3,500	
Repair & Maintenance	1,500	
Maintenance Janitor	7,800	
Telecommunications	3,000	Celular Oscar
Software	500	
Bank Charges	1,500	
Finance Charges	10,000	
Interest Charges	500	
Interest Building	24,000	
Program Activities	8,000	
Postage	500	
Printing	4,000	
Marketing	3,000	
Publishing	4,000	
Seminar & Trainings	3,000	
Membership & Subscription	2,000	Otros & DunBradstrret
Inkind Contributions	1,500	
LTDisability employees		
Others	5,000	
	<u>286,522</u>	

Total Ganacia/perdida \$ (52,183.22)

\$ 225,767

SUMMARY CURRENT FISCAL YEAR BUDGET 2009-10 INTECO

CIT

INGRESOS

Fundación Wal Mart - Greenship	\$	35,000	(72/28)		
Consortio AMSI (STBasico)		50,000	1 Caguas, 1 Cayey, 1 Gurabo	40 estudiantes	1,250 each one
Consortio AMSI (Smarteens Avanzado)		14,400	1 Cayey	16 estudiantes	900 each one
Consortio AlSureste (ST Basico)		43,200	1 Juncos / 1 S Lorenzo	36 estudiantes	1,200 each one
Consortio AMSI (FSAdultos)		50,000	(75/25)		
Consortio AMSI (FSJOvenes)		75,000	(75/25)		
Cash	\$	267,600			

Inkind Centennial telecom.	25,000
Donation para CIT	40,000

Nomina

Empleados Allocations

	Salario
Ivelmar Salva	\$ 2,703
Contador	3,355
Javier Rivera	5,054
Eloisa Garcia	21,952
Total	\$ 33,064
Bono Navidad 6%	\$ 716

1983.84 \$ 1,268

Legal & Professional Allocations

Oro Lopez	\$ 2,700
Cancio Nadal	16,200
Al Chavo	2,520
Auditores	1,800
Sistema	2,700
Columbia	2,750
Serv. Profesionales Others	-
	\$ 28,670

Programas

Foamship	\$ 93,750
Greenship	25,000
Smartteens Basico	39,000
Smartteens Avanzado	4,500
	\$ 162,250

Other expenses:

Print Material	1,000
Activities	7,000
Office Supplies	6,000
Repairs & Maintenance	6,000
Alarma	2,000
Travel	3,500
Antivirus Software	1,700
Membership & Subscription	-
Trainings	-
Representations	-
Postage	200
Others	500
	27,900

Equipment

New CIT	75,000
CIT Juncos	5,000
CIT Caguas	-
CIT Cayey	5,000
License Solid Works	5,000
	90,000

TOTAL GASTOS 342,600

BALANCE (75,000)

SUMMARY CURRENT FISCAL YEAR BUDGET 2009-10 INTECO

INCUBATOR

INGRESOS

		Monthly	P2
Sector Privado	\$	50,000	
Alquiler inquilinos			
(G)Audio Advanced Technology		10,200	850 225
(G)Lean It - Enhanced Com.		5,100	425 225
Eagle Processing Service		19,200	1,600 1,300
Advance Computer Technology		106,989	8,916 450
(G)Veloce		10,200	850 6,900
VSAT		18,660	1,555 1,000
(G)Ai Robotix		10,200	850 225
(G)Emozzion		10,200	850 225
(G)Foamship		4,500	375 150
(G)Webfactory		5,100	425 225
Global Rainmaker Inc.		19,500	1,625 1,300
Nuevos Inquilinos Alquiler		35,000	5,000
Virtual Incubation		2,100	17,225
Location Services		1,125	0.637963
Alquiler de Conference Rooms		4,800	
Telecom		300	
Education Services		1,200	
Video Conference		2,400	
Business Center		4,800	
	\$	321,574	

Nomina Allocations

Empleado		
Oscar Jimenez	\$	16,145
Gesenia Velazquez		4,850
Javier Rivera		16,847
Belinda Diaz		17,398
Junior Accountant		3,355
	\$	58,595
Bono Navidad 6%	\$	3,516

Legal & Professional Allocations

Oro Lopez	\$	2,700
Cancio Nadal		16,200
Al Chavo		2,520
Audidores		1,800
Sistema		2,700
	\$	25,920
Other Professional Services:		
Incubator Manager	\$	32,500
Janitor		9,600
Secretary		16,000
Jose Alberto Santiago		
Onopa Management		
		58,100

SUMMARY CURRENT FISCAL YEAR BUDGET 2009-10 INTECO

Expenses:

Alquiler contrato MAC	\$	65,955	2009-2010
Alquiler contrato MAC		12,608	2008-2009
Alquiler contrato MAC que pagare en el next year		(14,405)	
Motor Vehicle Exp		-	
Meals, Representation expense		500	
Travel Expenses		5,000	
Tel Comm Exp		16,800	
Bank Charges Exp		120	
Selling , Mark Adv Exp		5,000	
Office Sup Exp		1,000	
Postage Parcel Post		100	
Printing		3,500	
Agua Potable - Others		540	
Security		-	
Software			
Insurance Responsabilidad Publica		630	
Insurance Contenido			
Programs Activities		2,000	
Programs Educational Activities		50,000	Esto es David ???????
Memberships and Subscriptions		500	
Maintenance Areas Verdes		7,872	
Maintenance Waste Disposal		1,752	
Maintenance Fumigacion		540	
Maintenance Alfombra		432	
Maintenance & Repair		5,000	
Other Expenses		10,000	
		175,443	
Balance		0	

Equipo / Capital - MAC provee el dinero

Area		Costo
Support Building	Instalacion Teatro SONY	20,000
Bay 1	Paneles de Electricidad	
Bay 2	Paneles de Electricidad	
Bay 3	Paneles de Electricidad	
Primer Piso	Salón de Conferencia	8,000
Primer Piso	Salón de Conferencia	8,000
Mezzanine	Lounge	
Mezzanine	Business Center	15,000
Bay 1		
Bay 2	Conference	
Bay 3	Conference	
		\$ 51,000

WIRED**INGRESOS**

CDORH 2250,000

Nomina Allocations

Empleado	Allocation		
Francisco Garcia	130,136	4,500.00	
Oscar Jiménez	80,724	2,500.00	
Gesenia Velazquez	1,617	97.02	
Javier Rivera	1,685	101.10	
Ivelmar Salva	45,951	2,757.06	
Georgianne Berrios	51,595	3,095.70	
Accountant	20,130	1,207.80	
Humberto Malave	52,780	3,166.80	
David Kinard	46,989	2,819.34	
Maria Lameiro	32,539	1,952.34	
	464,146.00	22,197.16	
Bono Navidad 6%	22,697.16		500.00

Legal & Professional Allocations

Oro Lopez	3,600
Cancio Nadal	21,600
Al Chavo	3,360
Auditores	3,000
Sistema	3,600
	35,160

Other Prof. Services

Betty Garcia	54,000
Carmen Silver	54,000
	108,000

RFP

RFP's	1596,097
	1596,097.00

Other expenses

Meals, Representation expense	
Travel Expenses	17,000
Tel Comm Exp	
Selling , Mark Adv Exp	
Office Sup Exp	3,000
Postage Parcel Post	
Printing	
Publishing	
Telecom	3900
Software	
Other Expenses	
Insurance	
Office Rental	
Utilities	
Programs Activities	
Memberships and subscriptions	
Maintenance & Repair	
Otros gastos	
	23,900

Balance	(0)
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C3**Ingresos**

Municipio Autónomo Caguas	\$	263,750
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Sub-total Cash		263,750
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Nomina Allocations

Empleados	Salario	
Oscar Jiménez		8,072
Georgianne Berrios		17,198
Gesenia Velázquez		6,467
Javier Rivera		5,054
Chanel Gronau		<u>32,802</u>
		69,593

Bono Navidad 6%

Servicios Profesionales

Fund Raiser - Roma BC	50,000
Liberty Science Center	<u>110,000</u>
	160,000

Gastos

Office Supplies	
Medical Insurance	
Motor Vehicle	
Travel Liberty	8,000
Travel	8,000
Audit	
Representation	1,000
Repair & Maintenance	
Telecommunications	
Software	
Legal Professional Services	
Bank Charges	
Interest & Finance Charges	
Program Activities	657
Postage	
Printing	8,000
Marketing Video	8,000
Publishing	
Others	500
	<u>34,157</u>

Balance	\$	-
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C3**Ingresos**

Project Management Fee	\$	307,000	Gerencia de proyecto, habilitacion
Sub-total Cash		307,000	(\$12,015,000 millones x 2.5% Industry Standard)

18,059 Monthly charge (\$ 307,000 / 17 meses)

Year 2009-2010 charge **90,294 Comenzando en Julio 1 2008 a Noviembre 2009**

Servicios Profesionales

Inspector JR Technical	64,000
Otros	26,294
	90,294

Balance \$ 0

SUMMARY CURRENT FISCAL YEAR BUDGET 2009-10 INTECO

C3

Construccion

Ingresos

Municipio Autónomo Caguas	\$	12105,294
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Sub-total Cash	12105,294
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206,250

Construcción

Contratista General	12015,000
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Insurance Builders Risk

Supervisión Arquitecto

Project Management & Inspection	90,294
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PRASA Fees

PREPA Fees

Contingencia

12105,294

Balance	(0)
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ESCUELA PRESUPUESTO 2009-2010

Estimado Ingresos

Partida	
Municipio MAC	\$ 766,000
Renta Edificio	65,000
Aportación padres	160,000
Total Ingresos	\$ 991,000

Legal & Professional Allocations

Servicios Profesionales de Apoyo Especializado

Oro Lopez	-
Cancio Nadal	21,600
Al Chavo	3,360
Audidores	1,800
Sistema	3,600
	30,360

Other Professional Services

Consultoria busqueda de fondos	24,000
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Nomina Empleados Directos Escuela

Secretaria	Verónica Martinez Rodriguez	27,705
Registradora	Elena Vellon Martínez	23,731
Orientadora	María de los A. Torres Diaz	23,731
Trabajador	Victor M. Bermúdez Fontanez	19,960
Trabajador	Luis A. Aponte De Jesús	19,960
Maestro de Inglés	Christian Rosario Rodríguez	36,661
Maestro de Español	Jaime Pérez Morales	36,661
Maestro de Tecnologia	Elvin Rivera Cruz	40,340
Maestro de Ciencias	James K. L. Otero Montañez	45,524
Maestro de Matemáticas	Jorge R. Haddock Morales	45,524
Maestro de Salud	Melba De Jesús Miranda	36,661
Maestro de Historia	Samary Jiménez Santos	36,661
Maestro Artes Visuales	Lillian M. Lara Fonseca	40,340
Maestro de Ciencias	TBH	45,524
Maestro de Matemáticas	TBH	45,524
Maestro de Inglés	TBH	36,661
Maestro Español/Historia	TBH	36,661
Maestro Educación Física	Lila R. Meléndez Falcón	22,500
Maestro Idiomas/Mandarín	TBH	18,000
Maestro Vocacional	TBH	18,000
Profesor Invitado	TBH	-
		(15,159)
		641,173

Nomina Allocations

Empleado	Allocation
Francisco García	-
Oscar Jiménez	24,217
Gesenia Velazquez	4,850
Javier Rivera	5,054
Ivelmar Salva	5,406
Georgianne Berrios	8,599
Accountant	6,711
	54,837

Bono Navidad 6%

Gastos Operacionales

Office Supplies	8,000
Travel	2,000
Travel Estudiantes	3,000
Seguros	2,000
Publishing	10,000
Postage	1,000
Repair & Maintenance materials	1,000
Telecommunications	18,000
Others	1,000
Medical Equipment - others	500
Repair & Maintenance Estructura	20,000
Repair & Maintence Equipo	3,000
	69,500

Equipment

Compra de Programas de Comput.	59,711
Adiestramientos	6,000
Mantenimiento de Bibliotecas	19,000
Cuotas y Subscripciones	10,000
	94,711
Hipoteca	12,000

Balance	\$ 88,419
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Escuela de Ciencias, Matemáticas y Tecnología de Caguas

El Municipio Autónomo de Caguas e INTECO se han unido para la creación de la Escuela de Ciencias, Matemáticas y Tecnología de Caguas. Como ya sabemos el propósito de este nuevo docente es promover el amor por las ciencias, las matemáticas y las diversas tecnologías, convirtiéndose en una “escuela imán”, capaz de atraer estudiantes talentosos de la región brindándole una oportunidad real para que se desarrollen y en el futuro formen parte de una cultura de innovación tecnológica y empresarial que impulse la economía del conocimiento. Con esto en mente, es que INTECO tiene la intención de adquirir el edificio contiguo a la escuela y así convertirlo en comedor escolar para servicio de los estudiantes y personal docente. Además contaría con estacionamiento adicional disponible tanto para el personal como para los visitantes.

Al momento la escuela no posee un comedor escolar para atender a sus estudiantes y personal administrativo, hasta el momento provisto lo que esta provisto es traer comida de afuera diariamente para servir a los estudiantes.

Ingreso

		MAC lo utilizaría para comedor escolar y estacionamiento adicional
Primer Nivel	45,699.68	Edificio contiguo a la escuela que será adquirido por INTECO
Segundo Nivel	35,987.77	8,397 pies cuadrados para renta propiedad comercial
Vacante & Incobrible	<u>(16,337.40)</u>	(8,397 pies x \$ 10.00)
Alquiler / Comedor Escolar	\$ 65,350.05	

Gastos

Equipo de comedor escolar	Estos gastos deberán ser presupuestados por el MAC.	
Empleados comedor	"	"
Comida	"	"
Otros	"	"

TREN**Ingresos**

Ingresos Municipio de Caguas	\$	150,000
Ingreso Banco Gubernamental de Fomento		
AFI		
Total	\$	<u>150,000</u>

Nomina Allocations

Empleado	Allocation	
Georgianne Berrios	\$	8,599
Gesenia Velazquez		6,467
Junior Accountant		<u>3,355</u>
		18,421

Legal & Professional Allocations

Oro Lopez	\$	2,700
Cancio Nadal		-
Al Chavo		2,520
Audidores		1,800
Sistema		<u>2,700</u>
	\$	9,720

Legal & Professional

Estudio Viabilidad			
Legal			
Diseño			
Contrato Comunicacion	-	13,000	
Destaque	-	36,000	
RENN Planning	108,059	110,000	
Serv. Profesionales otros	-	43,800	
Sub-Total	\$ 108,059		

Equipmet

Equipo	\$	-	42,400
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Otros Gastos:

Interest Expense			
Motor Vehicle Exp			
Representation Meals, Entert	1,000	2,000	1,000
Travel Expenses	-	10,000	
Tel Comm Exp			
Bank Charges Exp			
Selling , Mark Adv Exp			
Office Sup Exp	3,600		
Postage Parcel Post	600		
Printing	1,000		
Publishing	3,000		
Meet Seminar Exp	1,600		
Software	-	31,000	
Repairs			
Insurance			
Office Rental			
Utilities			
Programs Activities			
Memberships and subscriptions			
Maintenance Building	600		
Maintenance Equipment	2,400		
Otros gastos			
	<u>13,800</u>		

Balance	\$	-
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Employee Cost

Employee	Annual Salary	Annual Allowance	Annual Medical Plan	Annual Long Term Dis.	Social Security	Medicare	Disability	State Unempl oymnt	FSE	SUMM Total Cost Employee	WIRED Project % Allocation	C3	Tren	CIT	Non Charg eable	Escuela	Inova	ORPP	EDA	WIRED Project \$ Allocation	C3	Tren	CIT	Non Chargeable	Escuela	Inova	ORPP	EDA
Francisco García	110,000	6,240	3,643	582	6,820	1,595	27	294	935	130,136	100%									130,136	-	-	-	-	-	-	-	-
Oscar Jiménez	126,915	19,200	3,643	582	7,869	1,840	27	294	1,079	161,448	50%	5%			20%	15%	10%			80,724	8,072		-	32,290	24,217	16,145	-	-
Gesenia Velazquez	26,586	480	2,443	244	1,648	385	27	294	226	32,334	5%	20%	20%		25%	15%	15%			1,617	6,467	6,467	-	8,083	4,850	4,850	-	-
Javier Rivera	30,283	190	-	326	1,878	439	27	294	257	33,694	5%	15%		15%		15%	50%			1,885	5,054		5,054	-	5,054	16,847	-	-
Ivelmar Salva	42,960	4,440	2,443	244	2,664	623	27	294	365	54,060	85%			5%		10%				45,951	-	-	2,703	-	5,406	-	-	-
Georgianne Berrios	72,080	4,440	2,443	582	4,469	1,045	27	294	613	85,992	80%	20%	10%			10%				51,595	17,198	8,599	-	-	8,599	-	-	-
Dir. Ejec. C3Tec	-	-	-	-	-	-	-	-	-	-	0%	100%	0%			0%				-	-	-	-	-	-	-	-	-
Gerente Exhibiciones	-	-	-	-	-	-	-	-	-	-	0%	100%	0%			0%				-	-	-	-	-	-	-	-	-
Gerente Facilidades	-	-	-	-	-	-	-	-	-	-	0%	100%	0%			0%				-	-	-	-	-	-	-	-	-
Accountant	55,000	4,080	2,443	582	3,410	798	27	294	468	67,101	30%		5%	5%	45%	10%	5%			20,130	-	3,355	3,355	30,195	6,710	3,355	-	-
Humberto Malave	-	-	-	-	-	-	0	0	-	-	100%									-	-	-	-	-	-	-	-	-
Chanel Gronau	27,685	-	2,443	-	1,716	401	27	294	235	32,802		100%								-	32,802	-	-	-	-	-	-	-
David Kinard	37,000	4,560	2,443	-	2,294	537	27	294	315	47,469	100%									47,469	-	-	-	-	-	-	-	-
Maria Lameiro	27,000	480	2,443	-	1,674	392	27	294	230	32,539	100%									32,539	-	-	-	-	-	-	-	-
Belinda Diaz	15,600	-	-	151	967	226	27	294	133	17,398							100%			-	-	-	-	-	-	17,398	-	-
Eloisa Garcia	19,760	-	-	192	1,225	287	27	294	169	21,952				100%						-	-	-	21,952	-	-	-	-	-
590,869																				411,845	69,593	18,421	33,064	70,568	54,837	58,595	-	-
																				57%	10%	3%	5%	10%	8%	8%	0%	0%

Consultores	Contract										WIRED Project % Allocation	C3	Tren	CIT	Non Charg eable	Escuela	Inova	ORPP	EDA	WIRED Project \$ Allocation	C3	Tren	CIT	Non Chargeable	Escuela	Inova	ORPP	EDA
Oro Lopez	18,000									18,000	20%		15%	15%	35%	0%	15%			3,600	-	2,700	2,700	6,300	-	2,700	-	-
Bufete Cancio Nadal	108,000									108,000	20%			15%	30%	20%	15%			21,600	-	-	16,200	32,400	21,600	16,200	-	-
Al Chavo	16,800									16,800	20%		15%	15%	15%	20%	15%			3,360	-	2,520	2,520	2,520	3,360	2,520	-	-
Audiotres	16,000									16,000	25%		15%	15%	15%	15%	15%			4,000	-	2,400	2,400	2,400	2,400	2,400	-	-
Josean Tirado	6,900									6,900					100%					-	-	-	-	6,900	-	-	-	-
Sistema	18,000									18,000	20%		15%	15%	15%	20%	15%			3,600	-	2,700	2,700	2,700	3,600	2,700	-	-
183,700																				36,160	-	10,320	26,520	53,220	30,960	26,520	-	-
																				20%	0%	6%	14%	29%	17%	14%	0%	0%