

Congress of the United States
Washington, DC 20515

August 21, 2017

Mr. José B. Carrión III
Chairman
Financial Oversight and Management Board
for Puerto Rico
P.O. Box 192018
San Juan, PR 00919-2018

Dear Chairman Carrión:

On May 11, 2017, we wrote you a letter underlining our concerns regarding the fiscal and economic policies included in Puerto Rico's Fiscal Plan. Our views remain unchanged, but the purpose of this letter is to bring to your attention our deep concerns regarding the Fiscal Oversight Board's lack of transparency when it comes to its expenses and disbursements.

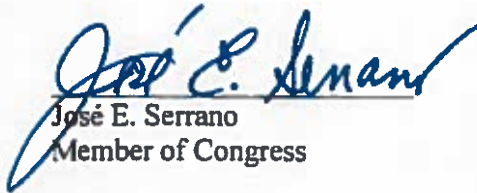
It has come to our attention that the Oversight Board has spent over \$30 million—which comes from Puerto Rican taxpayers—for salaries, equipment, and services during its first year of operations. At a time when the government of Puerto Rico and its people have had to endure financial sacrifices, it is incumbent upon the Board to do the same and lead by example. As part of that process, the Board must be transparent and accountable by disclosing all of its disbursements. For example, in Congress we have a quarterly Statement of Disbursements for each expense incurred by a Congressional office. This system—which has been in place for decades—maintains transparency and accountability while at the same time encourages good stewardship of public funds.

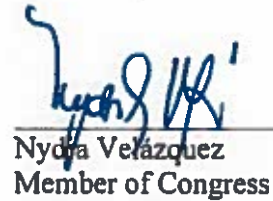
We believe this is a good practice to follow, and to that end, we believe that it is necessary for the Board to provide Congress and the public a detailed account and specific breakdown of all expenses incurred to date. This breakdown should detail all salaries, reimbursements, equipment purchases, and contracts incurred by the Board in a detailed, accessible, and comprehensive manner.

Furthermore, the Board must make sure that it is a good steward of public funds and—if it has not done so yet—should implement appropriate procedures and practices that maintain the efficiency and effectiveness of the Board. To this end, the Board should have a Chief Financial Officer that makes sure that services rendered are obtained at the best price possible and that waste, fraud, and abuse have no place. Additionally, the Board must ensure that all contracts are competitively bid, in line with federal contracting standards. Lastly, the Board should be willing to undergo an annual audit to ensure independent oversight over these processes.

Implementing policies that make the Board more transparent and accountable will help the Board maintain support for its mission in Puerto Rico from both the federal government and the people of Puerto Rico. Thank you for your attention and we look forward to your response.

Sincerely,


José E. Serrano
Member of Congress


Nydia Velázquez
Member of Congress

CC: Ricardo Rosselló
Andrew G. Biggs
Carlos M. García
Arthur J. González
José R. González
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