

Espacios Abiertos
PO Box 9024270
Viejo San Juan PR 00902-4270
T (787) 622-1123
F (787) 721-1121
www.espaciosabiertos.org



August 14, 2017

Ms. Andrea Bonime-Blanc, CEO
GEC Risk Advisory
P.O. Box 231351
New York, New York 10023

Ethics Advisor
Financial Oversight and Management Board
for Puerto Rico

Via e-mail: abonimeblanc@gecrisk.com

Dear Ms. Bonime-Blanc:

The potential conflicts of interests of the Oversight Board's members and its staff has been an issue since its inception, and continues to be unresolved. As of this date, the Board's members and staff have not dutifully complied with Section 109 of PROMESA Act. The lack of transparency and disregard for the law from the Board is evident, as they continue to provide deficient and incomplete information regarding their financial interests, violating Section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.) and Section 208 of the Criminal Conflict of Interest statutes, 18 U.S.C. §§ 202-209.

This disregard was evidenced once again, last Friday August 11 with the publication of the Board's members and staff Periodic Transaction Reports for the quarter comprising the months of April through June, where some information is missing in the reports and these were certified without comments. Last June 30th, when the first Quarterly Periodic Transaction Reports were published, we noted as well, that several Board's members left in blank the value or total amount of the reported transactions and some staff did not submit these periodic reports (see Appendix Table 2).

The publication of incomplete reports seems to be developing into a pattern of blatant disregard for their duties and the law. This lack of transparency has increased the public's distrust regarding potential and existing conflicts of interests of some current and former Board's members and staff. The institution's credibility also suffers when these flaws are noted by the public and no corrective

measures are taken.

The pattern of deficiencies dates back to the Initial Financial Disclosure Reports, filed in February and revised on July to comprise the period up to December 31, 2016. Those reports were incomplete then and continue to be incomplete today. Particularly, in Part 2: Filer's Employment Assets, Income and Retirement Accounts, the value, income type or amount was left in blank (see Appendix Table 1) and in Part 5: Spouse's Employment Assets, Income and Retirement Accounts, some Board's members and staff did not meet or only partially met the disclosure requirements, by not disclosing the amounts (see Appendix Table 1).

The lack of full compliance with the ethical requirements established in PROMESA is a grave breach that must be corrected. According to the [certification requirements for ethics officials](#) of the Ethics in Government Act, in order to certify a report a reviewer must determine, to his or her satisfaction, that each required item on the report is completed. Consequently, since several reports are incomplete, they are in violation of what is required by law and they should not have been certified.

It seems that the reports are certified just as they are filed without any consideration to their completeness and content. We continue to be concerned with the neutrality and independence of an official that is hired and paid by the same people that she must review. We have spent time and public resources, which are scarce, without moving one step closer to the the identification of real, potential or perceived conflicts of interests of the Board and its staff.

PROMESA is very clear on the ethics and financial disclosure requirements for the Board and staff. Without complete and strict compliance of the established federal guidelines, the the Board's members and staff are in violation of what it is required by PROMESA. This applies also to former members and staff who did not fully comply with the disclosure of their financial interests during their tenure, as required by the law.

We request that immediate corrective actions are taken regarding the initial and periodic reports that have not been filed and to complete those found in default as of today, so they comply with the law as enacted by the US Congress.

Respectfully,



Natalia Ramírez Echevarría
Project Coordinator

Enclosures (1)

Cc Ms. Natalie Jaresko
Executive Director

Cc Mr. José B. Carrión
Chairman

