

5 August 2019

OPEN LETTER

The Honorable Thomas Rivera Schatz
President
Puerto Rico Senate

The Honorable Carlos "Johnny" Méndez Núñez
President
House of Representatives of Puerto Rico

The Next Governor of Puerto Rico
La Fortaleza

RE: Transparency Commitment from the Government of Puerto Rico

To the Presidents of the Senate and House of Representatives of Puerto Rico, and the Next Governor of Puerto Rico:

Puerto Rico is living through a political crisis of historical proportions. Events in recent days put into question our shared vision of a state based on the rule of law, expectations of integrity in our elected officials, our relationship and trust with the United States, and our appeal as a destination for investment in sustainable social and economic development.

However, there is hope. As Albert Einstein said, "Let's not pretend that things will change if we keep doing the same things. A crisis can be a real blessing to any person, to any nation. For all crises bring progress. Creativity is born from anguish. Just like the day is born from the dark night." Winston Churchill remarked, "Difficulties mastered are opportunities won." The current political situation provides both the Legislative and Executive Branches a historic opportunity to change the trajectory of Puerto Rico by tackling the wounds created by recent history. You have a unique historical opportunity to change the future of Puerto Rico that cannot be wasted. Your responsibility is to be the catalyst for change that Puerto Rico needs at this point in history. In your hands now rests the power to positively transform our social, political and economic future in a lasting manner.

The people of Puerto Rico spoke clearly and forcefully against corruption by the members of this past administration. It is now necessary that you acknowledge their mandate and **end corruption, once and for all**. This one act will be the single most important legacy towards the greater welfare of the American citizens of Puerto Rico. We propose nothing short of making **radical transparency** the lasting legacy of your mandate. The people of Puerto Rico yearn for integrity in public governance at every level. The events of the last three weeks are concrete evidence of the need to address this situation in an expeditious, effective and lasting manner.

Moral law can be defined as "a set of concrete principles and norms from which the practical rules of humanity are derived, which enables people to be law-abiding and treat others with dignity and respect." This provides for the "application of reason towards the common good, exercised by those who will be leaders of the community." Failure to act with resolve, integrity and conviction at this time puts in jeopardy our shared respect for ethics, transparency and the rule of law. Thus we provide the following

recommendations as actionable, immediate initiatives that complement existing laws addressing transparency and sound governance. These initiatives include the appointment of an "Anti-Corruption Office" to manage the initiatives. We agree that these initiatives are necessary yet insufficient, and represent only the beginning of a lengthy journey towards transparency. The Government of Puerto Rico can achieve all these initiatives through executive order or legislation.

1. **Implement a "cooling down period" for political appointments.** Any person who has held political positions may not serve as a lobbyist or consultant for a defined period after leaving government service. The defined period must be such so that the person in question can only return after an election. If there were a change in government, they would be unemployed and could not influence their former employer. If their political interest group wins, those positions would be discussed with the incumbents that were brought under the new administration.
2. **Any company that chooses to obtain contracts with the government must have registered more than two years before the elections, have existing clients from the private sector (not outsourced by the Government) and demonstrate relevant past performance.** This prevents elected officials from "rewarding" specific individuals with contracts. An administration cannot bring a company to help unless it has past performance, other clients and has applicable expertise in the requested matter.
3. **Assistance and Advisory contracts will follow open and public "Request for Proposals" (RFP) processes similar to all other procurement contract activities.** The advisory work should be evaluated using a transparent and open RFP process. Some will insist that they cannot bring on board specific talent if they have to evaluate contracts simply on cost. This is incorrect. Service contracts can be easily and transparently evaluated according to "best value" criteria, where the consulting firm is evaluated as to the amount of results it can provide based on the quoted price. This has been the norm in the US Federal government for decades. This also forces the government to identify exactly WHAT it needs in a service contract, and thus focuses the scope of work to those specific tasks.
4. **All government agencies will provide all non-personally identifiable Information (non-PII) data to an independent third party for online publication for the public benefit.** This information should include per capita information related to results (e.g., "Key Performance Indicators" or KPIs) to measure the services provided by the agency, including qualitative and quantitative data. For example, Puerto Rico's Department of Education has spent thousands more per student in education (with a combination of local and federal funds) than the average in the US, but demonstrated results that are ranked 53d, behind all 50 states, the District of Columbia and Department of Defense schools. The public should have access to this information to ensure the proper management of taxpayer resources. Government leaders should be held accountable to the citizenry based on their levels of measurable administrative performance.
5. **The amount of government contracts will be limited for contractors wishing to do government business.** A maximum percentage of sales will be established (for example 30%) that a private supplier can have with the Government and all of its agencies. The intent is for contractors to not have to depend solely on the Government of Puerto Rico for their revenue. For example a service provider could have no more than 30% of revenue coming from either direct contracting or subcontracting with the Government of Puerto Rico. This ensures that contractors that sell services and / or products to the Government have already been vetted, audited and approved by the

private sector as a contractor or supplier via sustainable, solid operational and procurement practices.

6. **Immediately establish an “Office to Fight Corruption”.** This entity will be responsible for implementing transparency structures, systems and processes across all government agencies. The Office will report directly to the Governor. Its board of directors will be composed primarily of private sector leaders without direct or indirect contract relationships with the Government. In turn, no member of said Office may have any contract with the Government during its execution and three (3) years after completing their tenure.

All the information this Office produces would be immediately accessible online to the People of Puerto Rico. The Office would also have an Ethics Officer responsible for ensuring full compliance with ethical standards across the management team.

The selection and hiring of the professionals performing functions in this Office will be carried out solely and exclusively by the directors of the Office with no input from elected officials. Every employee’s professional background and credentials will be published on the Office’s online transparency portal.

These measures are necessary, although we know they are insufficient. More, much more is needed to regain the confidence of the people of Puerto Rico and the Federal Government in the Government of Puerto Rico. We are at an unprecedented historical point, where taking these actions becomes easier knowing the positive legacy that will be granted to future generations of Puerto Ricans. We share the desires of many Puerto Ricans who dream of a better island for future generations. The opportunity before you to provide that for them is unique in our history, and will benefit all.

We leave you with wise words from William Arthur Ward and John F. Kennedy “Opportunities are like sunrises. If you wait too long you miss them” and “Ask not what your country can do for you, ask what you can do for your country.”

We remain, respectfully,



Noel Zamot
President, Atabey Group
Former Revitalization Coordinator, Financial Oversight and Management Board for Puerto Rico

Endorsed by:



Carlos López-Lay
President and Owner, Bella Group



Jorge L. Rodríguez, PE
CEO, PACIV