



# **Financial Oversight and Management Board for Puerto Rico**

## **REQUEST FOR PROPOSAL**

### **INDEPENDENT INVESTIGATION TEAM**

August 16, 2017

#### **Executive Summary**

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) was established by the bipartisan Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), which was signed into law by President Obama on June 30, 2016 to address the economic crisis in Puerto Rico and to provide Puerto Rico with the tools it needs to restructure its debts and embark on a path to economic recovery.

The Oversight Board is tasked with working with the people and Government of Puerto Rico to create the necessary foundation for economic growth and to restore opportunity to the people of Puerto Rico. The Oversight Board consists of seven members appointed by the President of the United States and one an ex-officio member designated by the Governor of Puerto Rico.

The Oversight Board is seeking submissions from interested parties to be retained as an independent investigation team to carry out an investigation into Puerto Rico’s debt and its connection to the current fiscal crisis. The scope of work should include (i) a review of the factors contributing to Puerto Rico’s fiscal crisis, including changes in the economy, expansion of spending commitments and entitlement programs, changes in the federal funding it receives, and its reliance on debt to finance a structural budget deficit; (ii) a review of Puerto Rico’s debt, the general use of proceeds, the relationship between the debt and Puerto Rico’s structural budget deficit, the range of its debt instruments, and how Puerto Rico’s debt practices compare to the debt practices of states and large municipal jurisdictions; and (iii) a review of Puerto Rico’s debt issuance, disclosure, and selling practices, including its interpretation of Puerto Rico’s constitutional debt limit.

The independent investigation team will report to the Special Investigation Committee of the Oversight Board. The investigation’s findings will be made public. The Oversight Board is sending this Request for Proposal (“RFP”) to help with its selection process.

## **Selection Criteria**

Independent investigation teams will be evaluated and selected based on the following factors:

- Professional qualifications
- Competitiveness of economic proposal
- Completeness and quality of response to RFP
- Relevant experience in conducting investigations
- Knowledge and experience in securities law
- Knowledge and experience in the municipal bond market
- Knowledge of government budgeting and fiscal management
- Ability to commence work immediately

## **Qualifications**

Respondents should provide a description of their qualifications, including any relevant previous experience, and their proposed approach for working with the Oversight Board. Responses must also include resumes of the key individuals who will be assigned to the engagement.

Please include in your submission a list and description of any connections, past and present, with Puerto Rico and its financial crisis, including its creditors and other constituencies.

## **Fees and Expenses**

The response to the RFP should include a proposed contract complete with terms, conditions and pricing. The response should also contain a list of each person who may perform services and their title, and the proposed rate or blended hourly rate proposed. Notwithstanding the foregoing, the Board reserves the right to modify the form of proposed contract.

Invoice shall be presented on a monthly basis for services rendered. Any “out of scope” service or expenditure shall be preapproved.

## **Response Deadline**

**The response to the RFP is due no later than 5:00 p.m. on Wednesday, August 23, 2017.** Please respond in a thorough and timely fashion. Proposals submitted beyond the deadline may not be accepted. The Oversight Board reserves the right not to consider responses to the RFP or revisions after the response due date. All proposals received shall remain in effect for thirty (30) days from the date of receipt of the proposal. The Oversight Board will evaluate the responses, conduct interviews with select respondents, and make the ultimate selection.

All inquiries and correspondence during the RFP process are to be addressed to Jaime A. El Koury, General Counsel of the Oversight Board, at [jaime.elkoury@promesa.gov](mailto:jaime.elkoury@promesa.gov).