

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
FOR PUERTO RICO**



José B. Carrión III
Chair

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David A. Skeel, Jr.

Natalie Jaresko
Executive Director

BY ELECTRONIC MAIL

December 21, 2017

The Honorable Ricardo A. Rosselló Nevares
Governor of Puerto Rico
La Fortaleza
P.O. Box 9020082
San Juan, PR 00902-0082

Honorable Thomas Rivera Schatz
President of the Senate of Puerto Rico

Honorable Carlos J. Méndez Núñez
Speaker of the House of Representatives of Puerto Rico

Dear Governor Rosselló Nevares, Senator Rivera Schatz, and Speaker Méndez Núñez:

As a follow-up to our fiscal plan deadline extension letter dated December 20, 2017, we are writing to provide a revised FY19 Budget process schedule. The new schedule for your submission and our certification of the FY19 Budgets is as follows:

Central Government:

- January 10 – Along with the submission of the Fiscal Plan, the Government provides a complete inventory listing of all agencies, corporations, and funds included in the Commonwealth Fiscal Plan
- February 23 – The Government provides proposed revenues (and/or sources of funds) for each agency, corporation, and fund along with supporting details, including all relevant third-party certifications
- March 9 – Consistent with Section 202(b), the Oversight Board sends the Governor, Legislature, and Boards of Directors, the forecast of revenues for the period covered by all applicable Budgets

- March 30 – Consistent with Section 202(c), the Government and Boards of Directors provide proposed budgets to the Oversight Board along with supporting detail, including a detailed reconciliation of budgeted expenses to revenues and supporting detail to evidence consistency with historical actual expenditures and/or explanations if there is a significant difference. The Government and Boards of Directors provide proposed key performance indicators (“KPIs”) for reporting post-certification
- May 18 – Consistent with Section 202(c), the Oversight Board provides the FY19 General Fund budget to Legislature. The Oversight Board provides/approves reporting blueprints for each fund type (templates and timing)
- June 29 – Consistent with Section 202(e), the Oversight Board approves the FY19 Budgets

PREPA/PRASA:

- January 10 – The Government provides a complete inventory listing of all funds included in the PREPA and PRASA Fiscal Plans
- February 23 – The Government provides proposed revenues (and/or sources of funds) for PREPA and PRASA along with supporting details, including all relevant third-party certifications
- March 9 – Consistent with Section 202(b), the Oversight Board sends the Governor and Boards of Directors the forecast of revenues for the period covered by all applicable Budgets
- March 30 – Consistent with Section 202(c), the Government and/or Boards of Directors provide proposed budgets to the Oversight Board along with supporting detail, including a detailed reconciliation of budgeted expenses to revenues and supporting detail to evidence consistency with historical actual expenditures and/or explanations if there is a significant difference. The Government and/or Boards of Directors provide KPIs for reporting post-certification
- June 29 – Consistent with Section 202(e), the Oversight Board approves the FY19 Budgets and the reporting blueprints for each fund type (templates and timing)

UPR/HTA/GDB/COSSEC:

- January 10 – The Government transmits a complete inventory listing of all funds included in the UPR, HTA, GDB, and COSSEC Fiscal Plans
- April 20 – The Government provides proposed revenues (and/or sources of funds) for UPR, HTA, GDB, and COSSEC along with supporting details, including all relevant third-party certifications
- April 27 – Consistent with Section 202(b), the Oversight Board sends the Governor and Boards of Directors the forecast of revenues for the period covered by all applicable Budgets
- May 11 – Consistent with Section 202(c), the Government and/or Boards of Directors provide proposed budgets to the Oversight Board along with supporting detail, including a detailed reconciliation of budgeted expenses to revenues and supporting detail to evidence consistency with historical actual expenditures and/or explanations

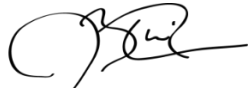
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if there is a significant difference. The Government and/or Boards of Directors provide KPIs for reporting post-certification

- June 29 – Consistent with Section 202(e), the Oversight Board approves the FY19 Budgets and the reporting blueprints for each fund type (templates and timing)

Please consider this a revision to the formal notice under Section 202(a) for the schedule for developing, submitting, approving, and certifying budgets for the entire Commonwealth, PREPA, PRASA, UPR, HTA, GDB, and COSSEC. Subsequent clarifications of due dates and deliverables will follow as appropriate.

Sincerely,



José B. Carrión
Chair

Andrew G. Biggs
Carlos M. García
Arthur J. González
José R. González
Ana J. Matosantos
David A. Skeel, Jr.

CC: Christian Sobrino Vega
Natalie A. Jaresko