



Good afternoon, distinguished members of the Fiscal Oversight and Management Board for Puerto Rico. My name is Dr. Carmen Mirabal Rivera, Institutional Development Director at Liceo de Arte y Tecnología, located in Hato Rey, Puerto Rico.

Today, I speak before you with great honor and integrity on behalf of Mrs. Gretchen Manzanal Vázquez, President and Chief Executive Officer of Liceo de Arte y Tecnología of Puerto Rico, an institution that has been offering quality educational programs to underprivileged students for the last 54 years. Esteemed members, education is the soul of a nation; the driving force behind economic development. It is for this reason that we would like to express our gratitude to the Fiscal Oversight and Management Board for Puerto Rico for giving us the opportunity to present our opinion, ideas and recommendations on how to restore positive economic growth in Puerto Rico.

Liceo de Arte y Tecnología, like other occupational training institutions in Puerto Rico, aims to serve the thousands of students who dream about having a professional education of excellence within their

reach. Liceo de Arte y Tecnología is a post-secondary Institution with vocational, technical and high-skill academic programs, whose mission is to prepare professionals for employment in the industry they chose, offering a dynamic educational experience, which places the individual at the center of his professional training. In doing so, we provide the theoretical knowledge and the training of practical skills necessary for a competent and responsible performance in the workforce. The caliber of our academic courses, based on a practical and occupational approach, has sustained our position as leader among schools that offer short, high-employability career training, such as: Drafting, Automotive Technology, Electricity with Renewable Energy, Refrigeration and Air Conditioning, Audio Engineering, Cinematography, Graphic Design, Culinary Arts, Cosmetology, and Beauty programs, among other occupations. Over the years, vocational and technical institutions in Puerto Rico have graduated hundreds of thousands of students who have regarded these academic offerings and services as their only alternative for a better future.

In order to promote economic growth in Puerto Rico, to be truly competitive, highly productive and self-sustaining, we must rely on

changes based on knowledge. Education, therefore, has to be a non-negotiable priority in our society and must be accessible to all sectors.

With this in mind, Liceo de Arte y Tecnología, like other educational institutions, provides numerous academic options, mainly in towns that do not have access to short-term career training that is in great demand by employers nationwide. Our educational offer includes services that extend outside our facilities. As an example, to encourage the economy, we help students obtain the professional licenses that the State requires for Architectural and Engineering Drawing, Automotive Mechanics and Technology, Electricity with Renewable Energy, Refrigeration and Air Conditioning, including payment of such licenses. It should be noted that the cost of these licenses currently represent an economic hindrance for many of our students. As facilitators, we not only train for employment, we also support them so that they can meet the requirements of the State to practice their professions.

To encourage the economy, we propose to expand our participation in the communities we serve beyond the classroom. Programs and support services must be developed for foundations that serve these areas through

monetary contributions and hours of services of our employees and students. Job creation must be one of the pillars of Puerto Rico's economic growth. Our sector, the professional technical institutions, is the only educational sector that has as a Federal requirement to help all our graduates in the active job search related to their studies. Traditional universities are not obliged to do so. In the 1970's, the Federal Department of Education authorized our professional-technical sector to offer Title IV financial aid to students, as is the case for universities. At that time, federal regulation imposed on our sector a very important and inviolable condition of employability in order to provide these aids.

Over the years, our Institution has trained and placed over 70% of our graduates in jobs related to their programs of study, as required by our accrediting agencies and the Federal Department of Education, in order to offer and maintain Title IV scholarships, better known as the Pell Grant. In this sense, we are one of the main contributors to the economic and social development of Puerto Rico, especially in the area of employability and individual social mobility.

Support for education should be a priority of this Board and the Government of Puerto Rico. To a great extent, strengthening Puerto Rico's economy will depend on the employability of all students who graduate. These professionals will create a new, robust middle class in Puerto Rico. As we know, economic inequality is the root of many national problems, but social inequality is one aspect the Government has always tried to avoid at all costs.

Our focus should be on job creation. We must recognize that our unemployment rate is around 12%, approximately double the rate in many states in the continental United States. It is even possible that this rate may be higher because of the massive exodus of Puerto Ricans in recent years.

Liceo de Arte y Tecnología is part of a distinguished group of technical and professional career training institutions, a valuable sector and strategic stronghold in the creation of jobs and the promotion of entrepreneurship, since many of our graduates actually establish their own companies and even employ more technical professionals like themselves.

Access to education offers individuals the opportunity to reinvent themselves, to start over. It is possible to reinvent products and services

that already exist, but making it appear that they never existed. In a weak economy that is shattered by so many sterile factors, professional technical institutions provide individuals with the skills and tools needed to reinvent themselves in a short period of time.

We are aware of the critical reality that our economy is currently facing. We want to emphasize that we are not only educators, we are also administrators. As administrators of an Institution that has been operating for 54 years, we recognize that revenues will never be sufficient if the expenses exceed them. What we are stating at the moment is that no new tax burden generating higher revenues for the Government will be enough to get the nation out of this fiscal crisis if it is not accompanied by a rigorous, detailed and specific spending control plan. No one should spend more than they receive or have. Therefore, this management of the people's money must be transparent, auditable and analyzed when it does not respond to the interests of the citizens who contribute to the State's Treasury.

It is a genuine concern to ask, how is it possible that public corporations operating without competition in the local market,

practically *de facto* monopolies, are indebted to the point of not being able to support themselves without oppressing the Puerto Rican people with more taxes? This, for any administrator, is difficult to understand.

On the other hand, many economists agree that the consumption of goods and services is vital for strengthening the economy. However, the imposition of more taxes implies less money in the pocket of consumers, so we will see less consumption, creating an endless cycle of economic decline. As concerned educators, this is not what we want for our Puerto Rico. It is imperative to carefully evaluate the short-term solutions that seek to solve the problems that took years to manifest without taking into account their future impact in our society.

We need to support the educational sector in Puerto Rico in order to promote employability. The lack of employment is in itself the greatest threat to the people and to our economy. It is extremely vital that all sectors of our country work for the common good, regardless of partisan preferences; that the information communicated to the people on matters of this importance be clear, concise, truthful, rigorously analyzed, and

timely; and that our Government representatives also take their time and continue to listen to the opinion of their constituents.

Our only interest is to contribute to the economic benefit and prosperity of Puerto Rico. We are at your disposal to advice and support this Board and our elected representatives in making decisions that affect our students, who will define the future of Puerto Rico. We will always have different criteria and different perceptions of the issues pertaining to the people of Puerto Rico. That is understandable. All we ask is that they listen to us and use us as one more resource since, as educational institutions, we have daily access to the mind and feelings of the people, as well as information that we can share to support you in the process of making decisions that will certainly affect Puerto Rico permanently.

We urge this Board to recognize that education is the soul of a nation; the driving force behind economic development. On countless occasions we have heard that Puerto Rico's greatest resource is its people. If we do not invest in education, that resource loses value. If we do not invest in educating the upcoming generations, our economy will never thrive; will never flourish. Instead of restricting education, we must

support it, nourish it and protect it. The future and economic progress of Puerto Rico depends on our citizen's competitive skills.

In conclusion, we respectfully suggest and recommend that this Board ponder the alternatives of educational budget reduction through a calm, dispassionate and thorough analysis. Your decision will have an immediate-long term impact in Puerto Rico. Your legacy will depend on it.

Carmen Mirabal on behalf of  
**Gretchen Manzanal Vázquez**  
President and Chief Executive Officer  
Liceo de Arte y Tecnología