

**GOVERNMENT OF PUERTO RICO
OFFICE OF THE OMBUDSMAN**



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Gobierno de Puerto Rico

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OMBUDSMAN

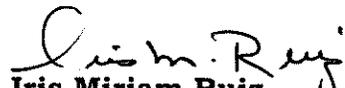
Budget Summary

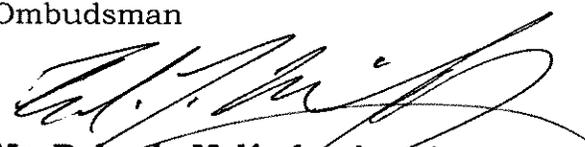
2020-2021

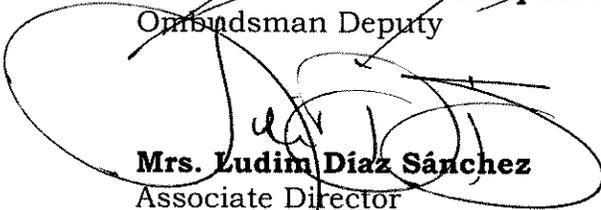
Hon. Iris Miriam Ruiz

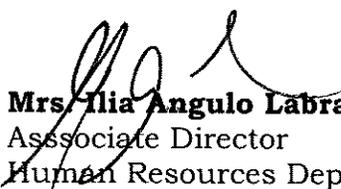
December 18, 2019

Mrs. Iris Díaz Aponte
Director
Office of Management and Budget


Hon. Iris Miriam Ruiz
Ombudsman


Mr. Rolando Meléndez Aponte
Ombudsman Deputy


Mrs. Ludim Díaz Sánchez
Associate Director
Administrative Services Area


Mrs. Ilia Angulo Labrador
Associate Director
Human Resources Department

BUDGET SUMMARY FOR THE FISCAL YEAR 2020-2021

The Office of the Ombudsman, established by Law 134 of June 30th, 1977, was enacted to ensure the governmental efficiency of the services provided by the Executive Branch preventing arbitrary acts and misconduct of the officers in public service. The Ombudsman Office, which is part of the Legislature, guarantees the citizens of the Puerto Rico Commonwealth, the human rights included in our Constitution.

The Ombudsman is the only forum that citizens have, to enforce their right to receive adequate services guaranteed under our Constitution, which, in the face of the fiscal plan budget reduction, has been jeopardized the continuity

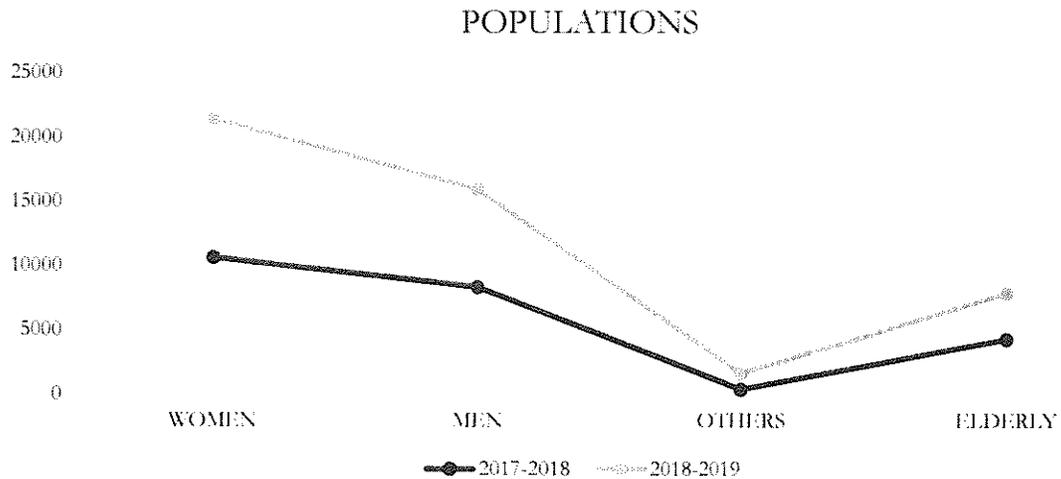
of its services, and thus the possible disappearance of this only auditing body of the Legislature Branch. But, since the fiscal year 2013, our Office has received tremendous budget cuts which for the fiscal year 2021, if approved as suggested, the Office would receive a cut of \$3 million in view of the 2013 budget. That is 49 percent. Therefore it is important that agencies as the Ombudsman, that have oversight roles in order to the agencies comply with their objectives, can't continue to be targeted. Much more, we don't receive any other funds than the general fund, to help us achieve our goals and make better governance.

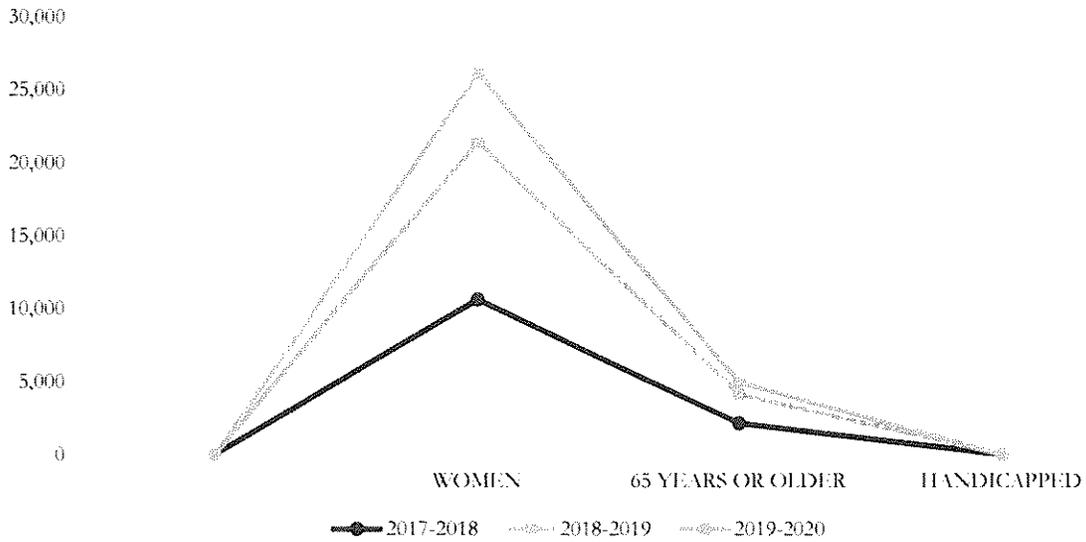
Despite the reduction of population, the attended cases of our office have an ascending statistical tendency. For the 2017-2018 fiscal year, the Office worked 19,361 cases, regardless of the reduction of our regional offices and the change of premises, and for the 2018-2019 fiscal year, 19,771 cases were reviewed. We expect this increasing trend to continue, not only because of the deterioration of many government services but because we expect our clients to become accustomed to the new distribution of our regional offices and locality changes. Specifically, we predict to be over 20,000 cases next year and 21,000 by 2022.



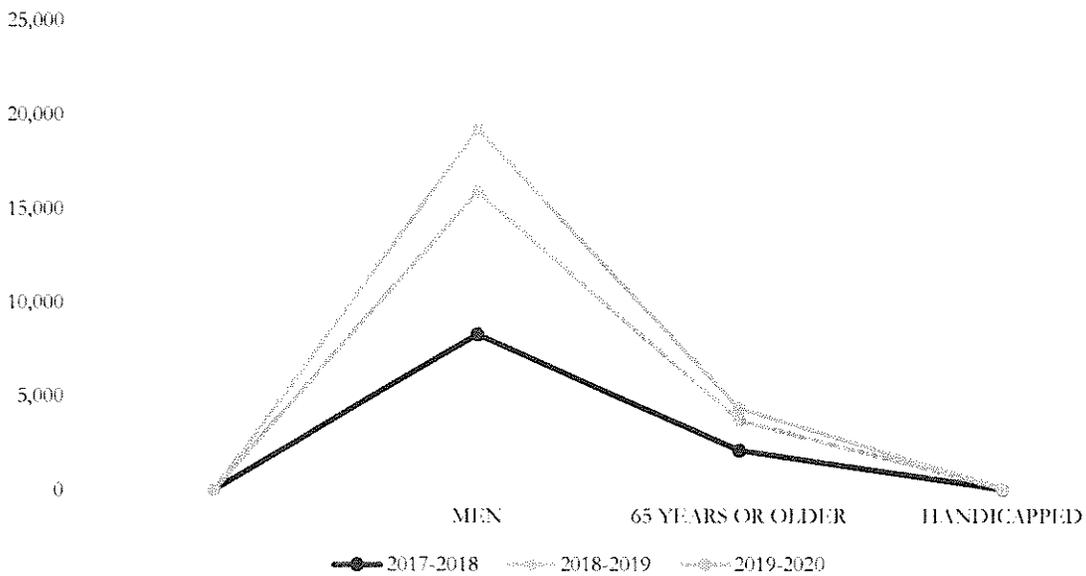
Our cases are compound by several types of services. First of all, we have direct community services, which we classify as claims against the agencies and orientations given to the citizens regarding the administrative procedures of the agencies. Those services are included as part of our organic law. On the other hand, we have interagency services called coordinations made with those municipalities or agencies not cover under our law, but in which we help the citizens resolve the controversy with those entities. In 2018, the economic impact of the attended cases in favor of citizens sums up from \$3,858,022.48 to \$16,705,509.51 in 2019. But the budget reductions have depleted our planned programs, restricting our scope.

During the fiscal year 2017-2018, the office attended 10,628 women cases which 2,172 were from 65 years or older; in 2018-2019 this statistic ascended to 10,783 which 1,971 were 65 years or older.

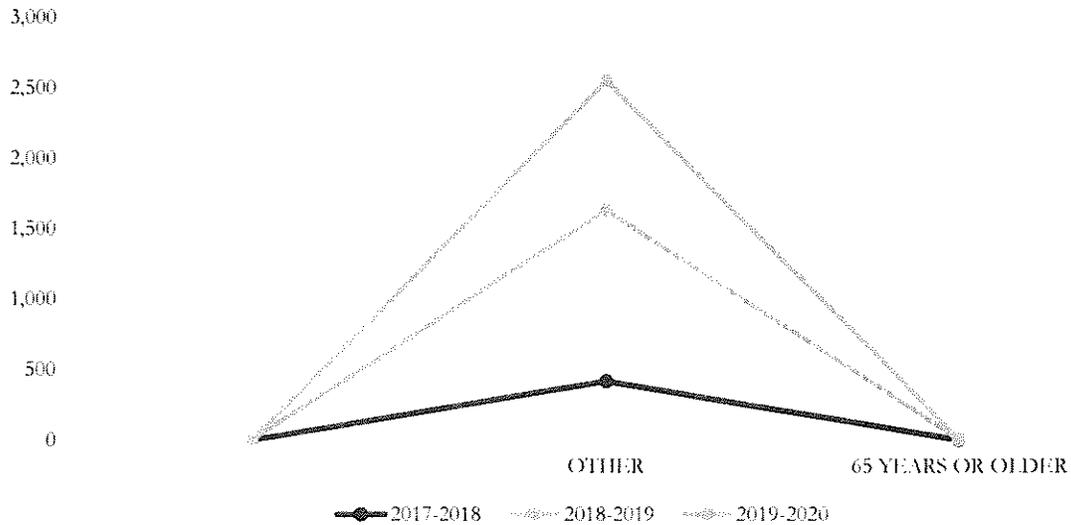




In the same years, 2017-2018 were attended 8,315 men cases from which 2,122 were 65 years or older; and for the fiscal year, 2018-2019 7,581 were attended in which 1,586 were 65 years or older.



Other sectors that we attended as a whole are, entities, organizations, schools, small businesses, communities, churches, among others.



This data collection is possible with our custom made program called Manejo Automatizado de Servicios (MAS), which in order to achieve the budget targets for fiscal year 2019 and 2020, we were unable to contract active maintenance for our electronic equipment (Clusters) or pay for our custom program licenses (Serena Business Mashup and Teamtrak) which holds and maintains case data, as well as produce statistical reports that must be sent periodically to the Governor's Office and the Legislature as required by law as indicated since fiscal year 2019 (see PP-2019-26078).

Despite the recurring budget reduction, our Office continues to receive additional entrusts. Some through legislation and government mandates, such as the contribution to the Micro-merchants and Small and Medium Business Support Board, and the Human Trafficking Victims Support Coalition, as well as volunteered such as serving as judge and mediator for the beneficiaries of the Department of Justice's ABCD Program as transactional compliance in the federal case of Morales Feliciano v. E.L.A. In the latter, the ombudsman's failure to assist the Department of Justice

jeopardizes the final transaction of that multimillion-dollar case and long years of litigation and deliberation, which will result in greater costs to the government of Puerto Rico, when and if reopened.

On the other hand, complying with the proposed AF21 and its objectives remain a challenge, as the Government has passed laws without consultation on adequate resources, without reports of economic impact to our institution or without the assigned funds. These laws have set us with additional responsibilities that require not only additional human resources but also other expenses. Although we have been reducing our payroll costs, if employees on leave of absence chose to return to their positions, we would not be able to afford their payroll, because of the proposed target for the fiscal year 2021 is not enough.

It is our commitment to assisting the Government to achieve the fiscal plan's goals, however, our Office cannot suffer further budget cuts. Even though Puerto Rico's population is reducing, our statistics continue to rise, due to the poor services received by agencies that must provide them. On one hand, you have the Comptroller's Office, which oversees the legal use of public funds and on the other, the Ombudsman's Office ensures the proper conduct of the officials as to their responsibilities under the law. Both, part of the Legislature, exercising the constitutional responsibility of auditing the Executive Branch.

It is therefore important that agencies such as the Office of the Ombudsman, which have overseeing functions so that agencies fulfill their purposes and objectives, can continue to do their work. This results in government economies in the long term. Even more so since we do not receive additional monies apart from that of the General Fund to help us achieve our goals and improve governance in Puerto Rico.

Nevertheless, historically, our Office has never exceeded the budget that has been allocated to us, and in this difficult time, it has not been the exception. Regardless of the limited economical and employment resources because of budget cuts, the allocated funds have been efficiently managed by implementing effective fiscal controls and maximizing the use of them for the benefit of our citizens.

We are committed to the goals and objectives of the previous and current Fiscal Plan and since its implementation, our strategies have included, but not limited to; reducing non-career staff; decreasing medical employer contribution from \$350 to \$100 per employee, as we cannot afford to pay the suggested \$125 per employee which is part of the fiscal plan; freezing vacant positions, eliminating the Christmas Bonus; the closing and consolidation of regional offices premises; the relocation of the Central Office the renegotiation and cancellation of service contracts and the reduction of professional services, among others.

Inevitably, these reductions affect the agency's services, as these cuts result in a lack of staff in essential areas that provide direct service to citizens, as well as the limitation of additional services specific to different populations as women, elderly, workers, handicapped small businesses, among others.

The projected budget for the fiscal year 2021 has a difference in the payroll target of \$188,000 plus \$26 for the medical plan benefit in accordance with the public policy payment of \$125 per employee. The proposed target is not enough to fulfill the responsibilities delegated by Law 75 of 2017, where it assigns the appointment of a Carrier Ombudsman, and Law 207 of 2018, where the responsibility of managing the elections of public sector representatives on the Governing Boards of public corporations PREPA and PRASA is delegated, as they were approved without any additional funds allocation, as well as to pay the employees under leave without pay.

Moreover, we should clarify that Law 8 of 2017, the "Law for the Administration and Transformation of Human Resources in the Government of Puerto Rico", excludes the Legislative Branch in section 5.2 (1). This creates the difficulty that, as we are not beneficiaries of the Single-Employer Program (Programa del Empleador Unico), we cannot transfer staff to other units to reach the payroll target projected by the Fiscal Control Board, so we would be required to incur in downsizings of employees. This measure would nevertheless result in a budget impact by having to liquidate not only vacation licenses but also sick leave since, Article 2.01 of Law 26 of 2017, "Fiscal Plan Compliance Act" establishes the exclusive applicability of this to the Legislative Branch.

We hope that we will be granted the appropriate budget in order to be able to fulfill, not only our legal and ministerial duty, but all the approved laws that impact our budget, imposing other duties in benefit of the citizens by giving the Ombudsman the required resources to the lookout for efficiency in the duty of agencies achievement of public services.