May 2, 2012

Mr. Richard Cordray
Consumer Financial Protection Bureau
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Mr. Cordray:

We are in receipt of your March 26, 2012 response to our February 22, 2012 written request for follow up information from your testimony before the Subcommittee on Oversight and Investigations on February 15, 2012. In your letter, you state the Consumer Financial Protection Bureau (CFPB or "Bureau") is committed to ". . . delivering value to American consumers, which means being accountable and using our resources wisely and carefully." While we appreciate and applaud your sentiment, CFPB has been wholly unresponsive to our requests for additional budget information.

Mr. Cordray, you run a bureau, still in its infancy, being funded solely by the Federal Reserve Board ("Fed"). In the first six months of the current fiscal year, the government has added $778,988,000,000 to the national debt.[1] Every dollar the Fed sends to CFPB is one less dollar that can be used toward deficit reduction. It is therefore imperative we monitor CFPB's budget to ensure the Bureau is, in fact, being held accountable for its spending decisions. To that end, please provide the following information, along with any supporting documentation, originally requested on February 22, 2012, by May 16, 2012:

1. We requested "copies of any financial operating plans and forecasts." Your response referred to CFPB's FY 2013 Budget Justification. A financial operating plan and a budget justification are two separate documents that are not used interchangeably. Does CFPB have a financial operating plan that states with particularity what the Bureau plans on spending during the current fiscal year, that includes, for example, anticipated spending for the third and fourth quarters of the current fiscal year? If it does, please provide a copy of the plan.

2. We expressed our view that CFPB's FY 2013 Budget Justification lacks sufficient details and is unnecessarily vague. CFPB responded that its justification was "substantially similar to other non-appropriated banking regulators." Any comparison of CFPB to non-appropriated banking regulators is inapposite, as their budgets do not affect the national debt. Will you be providing a more detailed Fiscal Year 2013 Budget Justification?

3. As the CFPB's Fiscal Year 2013 Budget Justification lacked a meaningful performance plan, we requested the Bureau release its performance measures on or before July 21, 2012, the second anniversary of the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the one-year anniversary of the date on which CFPB began operating as an independent bureau. You responded that CFPB will publish a draft strategic plan for public

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[1] U.S. Department of Treasury, Financial Management Service's Monthly Treasury Statement, Deficit through March 31, 2012, available at http://www.fms.treas.gov/mts/mts0312.pdf

comment this summer. Will you commit to releasing CFPB's written performance measures on or before July 21, 2012?

4. You state that it is not CFPB's practice to provide transfer requests to Congress 48 hours prior to officially requesting a transfer of funds from the Fed.

   a. How can the Bureau, at less than a year old, have established set practices that prevent it from providing information to Congress?

   b. Will you commit to providing transfer requests in the timeframe we requested, so that we can assure the public that CFPB is avoiding unnecessary spending?

5. Given that CFPB set aside an estimated $55 million for "land and structures," we requested a detailed construction and rehabilitation budget for your offices located at 1700 G Street, N.W. You responded that the Bureau is in the design and development phase of the building renovation project. We question how CFPB can develop a design plan without a more detailed budget.

   a. Former Treasury Department Official, Elizabeth Warren, stated that CFPB desires a headquarters that is a tourist destination, similar to the White House, with a lobby and adjacent patio open to the public.[2] That vision leaves open a wide range of possibilities. Is Ms. Warren's objective being integrated into the design phase of the Bureau's headquarters? If so, how?

   b. Will you commit to providing a detailed construction and rehabilitation budget, including, but not limited to, any artist renderings and designs currently under consideration by the Bureau?

6. On February 15, 2012, you testified that there is a "detailed process" CFPB uses to determine employment needs, which requires the Bureau's departments to scrutinize their needs and consult with the Chief Financial Officer. Based on this testimony, we understood CFPB to have a written process for hiring. The high level narrative provided in your response was not instructive. Will you commit to providing, in writing, specifics on CFPB's "detailed process" for determining employment needs?

Please provide two sets of your response and any responsive documents. The documents should be delivered to the Majority Staff at B-303 Rayburn House Office Building and the Minority Staff at B-371-A in Rayburn House Office building, respectively.

Finally, CFPB should be prepared to provide, on an ongoing basis, any additional materials responsive to this request after its receipt. We also request you make available the appropriate individuals to brief Committee staff on these documents.

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[2] CFPB Consumer Finance Blog by Elizabeth Warren, Feb. 18, 2011 Available at: http://www.consumerfinance.gov/blog/2011/02/

We appreciate your prompt attention to this matter. If you have questions regarding this request, please contact Anne Marie Turner of the Committee staff at (202) 226-3027.

Sincerely,

RANDY NEUGEBAUER
Chairman
Subcommittee on Oversight
and Investigations

MICHAEL FITZPATRICK
Vice-Chairman
Subcommittee on Oversight
and Investigations

JAMES RENACCI
Member of Congress

cc:

Hon. Spencer Bachus
Hon. Barney Frank
Hon. Michael Capuano