MUNICIPALITY OF MANATI

MANAGEMENT LETTERS
JUNE 30, 2018

MEMBERS:
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA)
PUERTO RICO SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

CPA AGUSTÍN RODRÍGUEZ NIEVES

CERTIFIED PUBLIC ACCOUNTANT

March 28, 2019

Honorable Mayor and Members
of the Municipal Legislature
Municipality of Manatí
Manatí, Puerto Rico

In planning and performing my audit of the financial statements Municipality of Manatí as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, I considered Municipality of Manatí's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control. Accordingly, I do not express an opinion on the effectiveness of the Municipality's internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. I did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Payroll Test

In my payroll test, I observed six (6) of the forty (40) records employees examined had one o more of the documents required by the Human Resources Department for the beginning in the work in the Municipality.

We recommend the Human Resources Department checked the records of the current employees and require all necessary documents

This communication is intended solely for the information and use of the Major and Members of the Municipal Legislature, management, and others within the municipality and is not intended to be and should not be used by anyone other than these specified parties.

CPA Agustín Rodríguez Nieves