López-Vega, CPA, PSC
Certified Public Accountants / Management Advisors

Member of:
- American Institute of Certified Public Accountants
- Puerto Rico Society of Certified Public Accountants

March 24, 2023

To the Honorable Mayor
and the Municipal Legislature
Autonomous Municipality of Cidra
Cidra, Puerto Rico

In connection with our audit of the basic financial statements of the **Autonomous Municipality of Cidra** as of and for the year ended June 30, 2022, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control structure.

Also, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatements, we performed test over the **Autonomous Municipality of Cidra's** compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the financial statements was not to provide an opinion or overall compliance with such provisions.

As a result of our evaluation, we noted certain areas where financial matters should be considered, procedures improved and administrative controls strengthened. This memorandum summarizes our comments and suggestions. These comments are not significant enough to be considered significant deficiencies as defined by AU Section 325 "Communicating Internal Control Related Matters Identified in an Audit". A separate report dated March 24, 2023 contains our report on significant deficiencies in the Municipality's internal control structure, and separate report dated March 24, 2023 contain our report on compliance with laws, regulations, contracts, and grants based on an audit of the financial statements. This letter does not affect our report dated March 24, 2023 on the financial statements as of and for the year ended June 30, 2022.

We will hope to provide our services to you in the next fiscal year audit. Thank you for your trust in our Firm.

Cordially,

Angel Alfredo López Vega, CPA
President
López-Vega, CPA, PSC

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I. Financial Matters

A. Expenditures for Goods and Services and Accounts Payable – Purchasing and Receiving

During our examination of the Municipality's procedures related to the purchasing and receiving process, we examined forty (40) disbursement vouchers of General Fund, three (3) disbursement vouchers of Disaster Relief Fund, seven (7) disbursement vouchers of Coronavirus Relief Fund and ten (10) disbursement vouchers of Special Revenue Fund (other) for a total of sixty (60) vouchers. The following will summarize the internal control deviations noted:

Deviation	Cases
The disbursement doesn't have the requisition order.	6

Recommendation:

We recommend that the Municipality implement internal controls and ensure that they have all documentation up to date, in order to hand over the correct documents when needed.