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 22, 2023

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

In connection with our audit of the basic financial statements of the **Municipality of Maricao** 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 **Municipality of Maricao'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 22, 2023 contains our report on significant deficiencies in the Municipality's internal control structure, and separate report dated March 22, 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 22, 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

Calle Paraná #1686, El Cerezal, San Juan, P.R. 00926-3144 – Tel. (787) 777-8044 / Fax (787) 764-9377

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 twelve (12) disbursement vouchers of General Fund, seven (7) disbursement vouchers of Disaster Relief Fund and twenty-one (21) disbursement vouchers of Special Revenue Fund (other) for a total of forty (40) vouchers. The following will summarize the internal control deviations noted:

Deviation	Cases
The disbursement voucher was not available for our examination.	2
The invoice does not have the receiving report or the certification of the Municipality's employee who have knowledge of the receipts of the goods or services.	3
The disbursement voucher was not marked as paid.	1

Recommendation:

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