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 18, 2024

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

In connection with our audit of compliance of the **Municipality of Toa Baja** with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement in Accordance with the Uniform Guidance* applicable to each major federal programs for the year ended June 30, 2023 as identified in the summary of auditors' results section of the schedule of findings and questioned costs, we considered the **Municipality of Toa Baja** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with (*OMB*) Super Circular.

As a result of our evaluation, we noted certain immaterial matters involving the internal control over compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement in Accordance with the Uniform Guidance* applicable to each major federal programs for the year ended June 30, 2023, as identified in the summary of auditors' results section of the schedule of findings and questioned costs, where procedures should be improved and administrative controls strengthened. This letter summarizes our comments and suggestions. These comments are not significant enough to be considered significant deficiencies as defined by AU Section 801 "Compliance Audit". A separate report dated March 18, 2024, contains our report on compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement in Accordance with the Uniform Guidance,* and our report on internal control over such compliance requirements. This letter does not affect our report dated March 18, 2024, on the financial statements as of and for the year ended June 30, 2023.

We 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. Compliance Matters

A. Eligibility

We performed an eligibility test related to the Section 8 Housing Choice Voucher (ALN 14.871) and revealed the following:

Assistance Listing No.	Deviation	Cases
14.871	The required corrections were made later than the thirty (30) days given to the owner to repair non-threatening deficiencies.	2

Recommendation:

We recommend that the Municipality maintain required documents up to date, such as: initial application, participant's income, eligibility, initial inspections, re-inspections, participant's income, corrections of deficiencies found, and calculations to determine the amount allocated for aid. It is important to keep track of documents at each participant review, because information can change, as can eligibility. In this way, the compliance requirements established under the program will be met.

B. Reporting

We performed a reporting test related to the Section 8 Housing Choice Voucher (ALN 14.871) and revealed the following:

Assistance Listing No.	Deviation	Cases
14.871	The monthly Voucher for Payment of Annual Contributions and Operating Statement report was not submitted on time.	4

Recommendation:

We recommend management strengthen its controls and procedures to assure that the submission of the reports is made in a timely manner.