

# **Single Audit of the Commonwealth of Puerto Rico Department of the Family for the Fiscal Year Ended June 30, 2016**

## **A-77-17-00010**



June 2017

**Office of Audit Report Summary**

### **Objective**

To report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to the Social Security Administration (SSA) for resolution action.

### **Background**

Valdes, Garcia, Marin & Martinez LLP conducted the single audit of the Commonwealth of Puerto Rico Department of the Family (PRDF). SSA is responsible for resolving single audit findings related to its disability programs. The Department of the Family is the Puerto Rico Disability Determination Services' parent agency.

### **Findings**

The single audit reported PRDF did not have adequate procedures and controls over the timing of cash draws for SSA's disability program. Specifically, there was a delay ranging from 31 to 90 days between the cash draw request and disbursement of the funds. In addition, PRDF drew \$733,651 in excess of documented disbursements.

In addition, PRDF did not submit the Data Collection Form and single audit reporting package to the Federal Audit Clearinghouse within 9 months after the fiscal year-end. The single audit identified multiple Federal agencies, including SSA, responsible for resolving this finding. The U.S. Department of Agriculture, as the cognizant agency, is responsible for ensuring the single audit is properly submitted when due. Therefore, we are bringing this matter to your attention, but we are not making a recommendation.

### **Recommendations**

We recommend that SSA:

1. Verify that PRDF has appropriate procedures for cash draws and
2. Determine whether \$733,651 in cash draws was for allowable disbursements and, if not, request a refund.