

COMMONWEALTH OF PUERTO RICO
 PUERTO RICO ENERGY AFFAIRS ADMINISTRATION
 CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE
 YEAR ENDED JUNE 30, 2010

Finding Number	Finding (Condition Found)	Questioned Cost	Status	Management Corrective Action Plan	Anticipated Completion Date	Contact Person																																
10-01	<p>REQUIRED CLAUSES ON CONTRACT - Five(5) contract of sample of ten(10) examines did not include the following clauses: 1)The Contracted Party has not been Convicted of Crimes Against Public Integrity.</p>	None	In Process	<p>The Legal Counsel of the PREAA should review very carefully each new contract and ascertain that the same should be prepared in order to include all disclosures and clauses required by laws and regulation to comply with the requirement of the Comptroller's of Puerto Rico (COPR). Also before the contract signature, the Legal Department should be assured that contract that has been paid with federal fund include all clauses required by the federal agencies.</p>	December 2011	Luis B. Osorio Legal Counsel																																
10-02	<p>PERSONNEL FILES- Information not available on employees files. Nine(9) on ten (10) files examined did not include the following documents:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Document not found in personnel file</th> <th>Exception Found</th> <th>Total Files Examined</th> <th>Percentage of Exceptions</th> </tr> </thead> <tbody> <tr> <td>Certification of tax return field</td> <td>5</td> <td>10</td> <td>50%</td> </tr> <tr> <td>Certification of no debt- Treas. Dept.</td> <td>4</td> <td>10</td> <td>40%</td> </tr> <tr> <td>Evidence of professional experience</td> <td>2</td> <td>10</td> <td>20%</td> </tr> <tr> <td>Form I-9</td> <td>7</td> <td>10</td> <td>70%</td> </tr> <tr> <td>Form ASMA-5 Adm. Of Child Support</td> <td>7</td> <td>10</td> <td>70%</td> </tr> <tr> <td>Negative cert. of no property tax debt.</td> <td>6</td> <td>10</td> <td>60%</td> </tr> <tr> <td>Health Certificate</td> <td>4</td> <td>10</td> <td>40%</td> </tr> </tbody> </table>	Document not found in personnel file	Exception Found	Total Files Examined	Percentage of Exceptions	Certification of tax return field	5	10	50%	Certification of no debt- Treas. Dept.	4	10	40%	Evidence of professional experience	2	10	20%	Form I-9	7	10	70%	Form ASMA-5 Adm. Of Child Support	7	10	70%	Negative cert. of no property tax debt.	6	10	60%	Health Certificate	4	10	40%	none	In Process	<p>The PREAA communicated the findings to the Office of Human Resources of the Planning Board of Puerto Rico and stressed need for complete files and that all personnel required reports are prepared and processed immediately . During October 2011, Legal Counsel of the PREAA will evaluate that all require documents will be included in the personnel files.</p>	October 2011	Luis B. Osorio Legal Counsel
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10-03	DISBURSEMENT MADE BEFORE FUNDS WERE AVAILABLE - For one (1) of thirty (30) disbursements selected for testing the disbursement made was for services rendered before fund were available for disbursement. The underlying obligation occurred before the period of funds availability.	none	In Process	The PREAA implemented policies and procedures to assure that each disbursement is made in accordance with the grant date approval. Also, the PRAEE should improve their payments procedures for the disbursements voucher to ascertain that payments are made within reasonable period. The PRAEE approved a formal operational policies and procedures manual to strengthen the accounting policies and procedures	December 2011	Hiram A. Avilés Chief Financial Officer												
10-04	LATE SUBMISSION OF SINGLE AUDIT REPORT PACKAGE - PREAA did not submitted the single audit reports and reporting package for the year ended June 30, 2008 to the Federal Clearinghouse during the required period. This condition has been noted and report in prior years.	none	In Process	The PREAA will work to complete the single audit report in a timely matter and also submitting the report to the Clearing House within the period required by Subpart C, section 320 of OMB Circular A-133. To meet this, the PRAEE should formalize the auditor contract before the fiscal year end.	March 2012	Hiram A. Avilés Chief Financial Officer												
10-05	MONITORING PROCEDURES - PREAA internal audit does not comply with the monitoring procedures for the subrecipients. During the fiscal year ended June 30, 2010, no monitoring was made; also the internal audit department does not have a monitoring schedule for the subrecipients.	none	Corrected	In January 2011, the PREAA implemented a monitoring guide to assure that all of subrecipients use the fund in accordance with the federal laws and regulation and that any breach can be corrected on time. During fiscal year ended June 30, 2011 monitoring procedures were performed to WAP and SEP ARRA programs. The monitoring procedures to the subgrantees will be performed every six(6) months, in accordance with the requirements of the Department of Energy.		Javier Nuñez Rafael Gongón Javier Cortés Programs Manager												


 Esq. Luis M. Bernal Jimenez
 Executive Director
 Puerto Rico Energy Affairs Administration