



MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Independent Auditors' Reports as Required by Office of
Management and Budget (OMB) Circular A-133 and
Government Auditing Standards and Related Information

Year ended June 30, 2015

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Independent Auditors' Reports as Required by Office of
Management and Budget (OMB) Circular A-133 and
Government Auditing Standards and Related Information

Year ended June 30, 2015

Table of Contents

	Exhibit
Independent Auditors' Report on Compliance for Each Major Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133, <i>Audits of States, Local Governments, and Non-Profit Organizations</i>	I
Schedule of Expenditures of Federal Awards	II
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	III
Schedule of Current Year Findings and Questioned Costs	IV



KPMG LLP
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Exhibit I

**Independent Auditors' Report on Compliance for Each Major Program;
Report on Internal Control over Compliance; and Report on the Schedule
of Expenditures of Federal Awards Required by OMB Circular A-133,
*Audits of States, Local Governments, and Non-Profit Organizations***

Fiscal and Management Control Board
Massachusetts Bay Transportation Authority:

Report on Compliance for Each Major Federal Program

We have audited the Massachusetts Bay Transportation Authority's (the Authority or MBTA), a component unit of the Massachusetts Department of Transportation, compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2015. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of current year findings and questioned costs (Exhibit IV).

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.



Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2015-003 through 2015-005. Our opinion on each major federal program is not modified with respect to these matters.

The Authority's responses to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of compliance requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2015-002 through 2015-005 that we consider to be significant deficiencies.

The Authority's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Authority's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.



Exhibit I

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the Authority as of and for the year ended June 30, 2015, and have issued our report thereon dated April 28, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

June 7, 2016

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Expenditures of Federal Awards

Year ended June 30, 2015

Grant number	Federal catalog number	Program description	Cumulative to June 30, 2014	Expenditures, net of transfers July 1, 2014 – June 30, 2015	Cumulative to June 30, 2015
U.S. Department of Justice:					
Federal Equitable Sharing Program:					
MA-03-2500	16.XXX	Federal Equity Sharing Program	\$ 2,823,464	11,422	2,834,886
		Total U. S. Dept. of Justice	<u>2,823,464</u>	<u>11,422</u>	<u>2,834,886</u>
U.S. Department of Transportation:					
Federal Transit – Highway Planning and Construction:					
MA-15-0012	20.205	Salem Intermodal Station	—	1,100,000	1,100,000
		Subtotal #20.205 Direct Program	—	<u>1,100,000</u>	<u>1,100,000</u>
Passed through the MassDOT:					
Federal Highway Administration (FHWA) S13005					
FHWA – Section 130: S14001	20.205	Longfellow Bridge Support	—	1,323,614	1,323,614
	20.205	Knowledge Corridor-Grade Crossings	2,058,390	7,452,299	9,510,689
		Subtotal #20.205 Pass Through	<u>2,058,390</u>	<u>8,775,913</u>	<u>10,834,303</u>
		Total #20.205	<u>2,058,390</u>	<u>9,875,913</u>	<u>11,934,303</u>
Federal Transit – Capital Investment Grants Program:					
MA-03-0227	20.500	Blue Line Modernization	147,379,692	1,207,876	148,587,568
MA-03-0254	20.500	Beverly/Salem Parking	2,809,881	73,747	2,883,628
MA-03-0281	20.500	Auburdale Access Improvements	145,510	1,463	146,973
MA-03-0292	20.500	Fitchburg CR Improvements	63,527,256	12,243,295	75,770,551
MA-04-0019	20.500	Hingham Intermodal & Harbor Park	3,825,490	147,533	3,973,023
MA-04-0025	20.500	Quincy High Speed Catamaran	104,913	162,807	267,720
MA-04-0026	20.500	Ferry System Improvements	1,352,324	408,640	1,760,964
MA-04-0036	20.500	Ferry Parking Expansion – Quincy	2,005,265	—	2,005,265
MA-04-0048	20.500	Hingham Intermodal Center	—	2,074,135	2,074,135
MA-04-0051	20.500	Commonwealth Ave. Green Line Station	589,261	28,867	618,128
MA-04-0052	20.500	Hingham Ferry Dock	430,535	66,225	496,760
MA-04-0053	20.500	Auburdale Station Design	61,133	40,028	101,161
MA-04-0054	20.500	Rockport Comm. Rail Station	6,163	56,124	62,287
MA-04-0064	20.500	Auburdale Fiber Optic Cable Installation	68,497	9,193	77,690
MA-04-0067	20.500	Salem Intermodal Station Track Upgrades	681,174	1,247,970	1,929,144
MA-04-0068	20.500	Ferry System Repairs and Upgrades	533,702	19,591	553,293
MA-04-0077	20.500	FY 13 Bus Procurement	—	17,396,568	17,396,568
MA-05-0102	20.500	Blue Line Modernization	74,167,484	1,600,774	75,768,258
MA-05-0103	20.500	FY07 Station Management Proj.	34,752,307	6,607,321	41,359,628
MA-05-0105	20.500	FY07 Comm. Rail Vehicle Service	67,169,526	9,555,064	76,724,590
MA-05-0106	20.500	FY07 Coach Reliability & Safety Prog.	43,049,800	130,077	43,179,877
MA-05-0109	20.500	Green Line #7 Car	26,790,843	14,037,389	40,828,232
MA-05-0111	20.500	Columbia Junction	56,885,791	8,114,206	64,999,997
MA-05-0115	20.500	FY 10 Red Line # 2 Car Overhaul	32,374,762	2,797,707	35,172,469
MA-05-0119	20.500	FY10 Loco & Coach Procurement	51,241,157	1,559	51,242,716
MA-05-0120	20.500	Coach Reliability & Safety Prog.	1,324,017	129,970	1,453,987
MA-05-0121	20.500	MBTA Power Program	17,366,602	5,315,536	22,682,138
MA-05-0128	20.500	FY 2013 Infrastructure Impvs.	24,249,807	2,949,709	27,199,516
MA-05-0129	20.500	Positive Train Control Ph. 1	1,351,785	340,277	1,692,062
MA-55-0003	20.500	South Weymouth Access Impvs.	8,088,476	363,324	8,451,800
MA-55-0004	20.500	Assembly Square Project	3,579,012	2,685,298	6,264,310
MA-55-0005	20.500	Worcester-Boston Rail Corridor Improvement	2,206,948	404,560	2,611,508
MA-56-0001	20.500	CR Stations, Dudley Square (ARRA)	50,576,859	945,690	51,522,549
		Subtotal #20.500 Direct Program	<u>718,695,972</u>	<u>91,162,523</u>	<u>809,858,495</u>
Passed through the MassDOT:					
S13A12 (04-0079)					
MA-15-0012	20.500	RTA Bus Design	217,020	—	217,020
Passed through the Rhode Island Department of Transportation:					
Federal Transit – Capital Investment Grants Program:					
RI-X12-X001 (90R112)	20.500	Pawtucket Inspection Pit	431,066	28,481	459,547
		Subtotal #20.500 Pass-through	<u>431,066</u>	<u>28,481</u>	<u>459,547</u>
		Total #20.500	<u>719,344,058</u>	<u>91,191,004</u>	<u>810,535,062</u>
Federal Transit – Public Transportation Research:					
MA-26-0060	20.514	Transit Asset Management (TAM)	914,454	35,546	950,000
MA-26-0063	20.514	Fairmount/Indigo Line TSCP Program	49,918	70,625	120,543
		Total # 20.514	<u>964,372</u>	<u>106,171</u>	<u>1,070,543</u>
Passed through the MassDOT:					
MA-57-0023	20.521	Paratransit Taxi Subsidy	76,826	63,843	140,669
		Total # 20.521	<u>76,826</u>	<u>63,843</u>	<u>140,669</u>
Federal Transit – Capital Assistance for Reducing Energy Consumption/Greenhouse Emissions:					
MA-77-0002	20.523	Renewable Wind Energy – TIGGER (ARRA)	2,229,335	270,665	2,500,000
		Total # 20.523	<u>2,229,335</u>	<u>270,665</u>	<u>2,500,000</u>
Federal Transit – State of Good Repair Grants Program:					
MA-54-0001	20.525	Green Line No. 8 Car Enhancements	163,081	683,169	846,250
MA-54-0002	20.525	FY 14 Bridge Program	—	190,600	190,600
MA-54-0003	20.525	FY 13 AFC IT Upgrades	—	247,756	247,756
MA-54-0005	20.525	MBTA Winter Resiliency Program	—	41,950	41,950
		Total # 20.525	<u>163,081</u>	<u>1,163,475</u>	<u>1,326,556</u>
Federal Transit Formula Grants Program:					
MA-90-0331	20.507	FY99 Sec 5307 Infrastructure	234,825,245	371,395	235,196,640
MA-90-0497	20.507	Escalator/Elevator Improvements	32,218,481	6,851,970	39,070,451
MA-90-0513	20.507	310 ECD Bus Procurement	110,177,983	12,852,225	123,030,208
MA-90-0515	20.507	New Blue Line Cars	40,216,703	1,467,212	41,683,915
MA-90-0516	20.507	Public Address/Electronic Sign	23,233,803	3,008	23,236,811
MA-90-0519	20.507	Automated Fare Collection	24,468,335	856,516	25,324,851
MA-90-0552	20.507	Orange Line Upgrades	1,392,382	111,195	1,503,577
MA-90-0566	20.507	ECD/CNG Bus Rebuild	27,355,662	144,338	27,500,000
MA-90-0576	20.507	Orange Line Journal Bearing Replacement	2,164,505	319,731	2,484,236
MA-90-0577	20.507	175 Buses/Fairmount Line (GANS)	20,985,863	324,969	21,310,832
MA-90-0589	20.507	Everett Shop Equipment	1,804,310	554,313	2,358,623

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)
Schedule of Expenditures of Federal Awards
Year ended June 30, 2015

Grant number	Federal catalog number	Program description	Cumulative to June 30, 2014	Expenditures, net of transfers July 1, 2014 – June 30, 2015	Cumulative to June 30, 2015
MA-90-0590	20.507	IT System/NR Vehicle GL PTC	\$ 11,773,654	638,740	12,412,394
MA-90-0591	20.507	FY 2010 Loco & Coach Procurement	92,365,029	39,077,957	131,442,986
MA-90-0600	20.507	MBTA Power Program	14,993,655	5,733,370	20,727,025
MA-90-0609	20.507	FY 2012 Bridge Program	24,408,884	6,736,939	31,145,823
MA-90-0617	20.507	Science Park Station Project	20,229,658	1,476,037	21,705,695
MA-90-0618	20.507	Haverhill Line Double Track	2,238,850	783,161	3,022,011
MA-90-0621	20.507	Red & Orange Line Vehicle Prev. Maint.	5,024,561	4,149,933	9,174,494
MA-90-0622	20.507	Orient Heights Station	17,104,235	124,430	17,228,665
MA-90-0631	20.507	Orient Heights Station	21,899,468	5,077,585	26,977,053
MA-90-0641	20.507	192 ECD Bus Midlife Overhaul	13,248,846	19,351,783	32,600,629
MA-90-0642	20.507	FY 13 Preventative Maintenance	15,000,000	—	15,000,000
MA-90-0644	20.507	FY 2013 Infr Improvements B	18,430,912	3,415,201	21,846,113
MA-90-0649	20.507	Government Center Reconstruction	6,536,106	27,104,770	33,640,876
MA-90-0711	20.507	Red Line Signals Upgrade	—	5,217,994	5,217,994
MA-66-0013	20.507	13 Key Bus Routes Improvements (ARRA)	9,397,670	670,078	10,067,748
MA-95-0012	20.507	Assembly Square Project	7,658,199	4,841,580	12,499,779
MA-95-0014	20.507	Locomotive Procurement CMAQ Flex	53,492,055	99,877,586	153,369,641
MA-95-0022	20.507	Wachusett Extension Project	1,834,952	2,017,939	3,852,891
MA-96-0001	20.507	Back Bay Vent/RIDE Vans (ARRA)	25,670,504	719,435	26,389,939
MA-96-0014	20.507	Bus Fac/Fitchburg Dbl. Trk. (ARRA)	99,936,336	(90,148)	99,846,188
		Total # 20.507	<u>980,086,846</u>	<u>250,781,242</u>	<u>1,230,868,088</u>
Federal Transit – Transportation Investment Generating Economic Recovery Program:					
MA-78-0002	20.932	Fitchburg Wachusett Ext. Tiger (ARRA)	20,499,213	13,061,439	33,560,652
		Total #20.932	<u>20,499,213</u>	<u>13,061,439</u>	<u>33,560,652</u>
Federal Railroad Administration: Passed through the Comm. Of Massachusetts:					
S10007	20.319	Knowledge Corridor – HSIPR-(ARRA)	50,822,353	22,917,457	73,739,810
		Total #20.319	<u>50,822,353</u>	<u>22,917,457</u>	<u>73,739,810</u>
National Infrastructure Investments:					
MA-79-0001	20.933	Merrimack River Bridge – TIGER (ARRA)	2,391,908	5,168,486	7,560,394
MA-79-0002	20.933	Ruggles Station Improvements - TIGER	—	1,355,857	1,355,857
		Total # 20.933	<u>2,391,908</u>	<u>6,524,343</u>	<u>8,916,251</u>
		Total U. S. Dept. of Transportation	<u>1,778,636,382</u>	<u>395,955,552</u>	<u>2,174,591,934</u>
U.S. Department of Homeland Security:					
Urban Areas Security Initiatives:					
HSTS02-06-H-MLS110 (J10002)	97.072	TSA Natl. Explosives Canine Prog.	561,619	34,326	595,945
HSTS02-10-H-CAN632 (J11002)	97.072	TSA Natl. Explosives Canine Prog.	475,759	—	475,759
		Total #97.072	<u>1,037,378</u>	<u>34,326</u>	<u>1,071,704</u>
Direct Award:					
2009RAT9K013	97.075	FY 2009 Transit Security (J09001)	27,367,448	1,892,448	29,259,896
2010RATOK045	97.075	FY 2010 Transit Security (J10001)	13,460,953	8,512,544	21,973,497
EMW2011RA00035	97.075	FY 2011 Transit Security (J11001)	5,154,484	842,169	5,996,653
EMW2012RAK00015	97.075	FY 2012 Transit Security (J12001)	815,055	4,549,346	5,364,401
EMW2013RA00054	97.075	FY 2013 Transit Security (J13001)	—	2,192,088	2,192,088
EMW2014R00055	97.075	FY 2014 Transit Security (J14001)	—	113,067	113,067
		Total #97.075	<u>46,797,940</u>	<u>18,101,662</u>	<u>64,899,602</u>
FEMA Direct Award					
PA-01MA=3362-PW-00046	97.036	Marathon Bombing	—	386,285	386,285
		Total of U. S. Dept. of Homeland Security	<u>47,835,318</u>	<u>18,522,273</u>	<u>66,357,591</u>
		Grand total	<u>\$ 1,829,295,164</u>	<u>414,489,247</u>	<u>2,243,784,411</u>

See accompanying notes to schedule of expenditures of federal awards.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2015

(1) Definition of the Reporting Entity

The Massachusetts Bay Transportation Authority (the Authority) is a component unit of the Massachusetts Department of Transportation and political subdivision of the Commonwealth of Massachusetts (the Commonwealth) formed pursuant to Commonwealth law to, among other things, hold and manage mass transportation facilities and equipment, and to enter into agreements for its operation, construction and use.

The U.S. Department of Transportation (DOT) has been designated as the Authority's cognizant Federal agency for the Single Audit.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying schedule of expenditures of federal awards has been prepared on the cash basis of accounting and includes federal, state, and local expenditures.

(b) Expenditures in Excess of Federal Participation

Expenditures under the Federal Transit Cluster are stated at their total cost regardless of their source of funding. Under its grant contracts with the federal government, the Authority is reimbursed for a fixed percentage of eligible project costs. The Authority funds the expenditures in excess of the federal share in various ways, including through the issuance of long-term debt and funds received from the Commonwealth and local sources.

(3) Approved Federal Grant Programs

The Authority's Federal Transit – Capital Investment Grants and Formula Grants Programs and the Transportation Investment Generating Economic Recovery Program (TIGER) for the year ended June 30, 2015 consisted primarily of capital grants under contracts with the Federal Transit Administration (FTA). These grants provide for the acquisition of land and equipment, the construction of service extensions, stations, and maintenance facilities, and the improvement of facilities and equipment.

The Authority also received major program funding passed through the Commonwealth of Massachusetts from the Federal Railroad Administration (FRA), for the High-Speed Rail Corridors and Intercity passenger Rail Service (HSIPR). This program will provide approximately \$72.8 million in federal funding for the reconstruction of the historic "Knowledge Corridor" rail line between Springfield, Massachusetts and East Brookfield, Massachusetts. The Authority also received \$10.9 million from HWA Section 130 funding, also passed through the Commonwealth of Massachusetts, to rehab 19 grade crossings along the Knowledge Corridor project. This project will allow restoration of Amtrak's "Vermont" intercity passenger rail service to a former, more direct route, and improve access to densely populated areas along the Connecticut River. Recognizing that the Knowledge Corridor project is outside of the Authority service area, a memorandum of agreement was executed with MassDOT, to provide for the Authority's Design and Construction Department's oversight of this reconstruction effort.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2015

According to the terms of the FTA contracts, the Authority will be reimbursed from 80% to 100% of the allowable project costs as defined in the grant agreement. The terms of those federal grant contracts require the Authority to, in part, utilize the equipment and facilities for the purpose specified in the grant agreement, maintain these items in operation for a specified time period, which normally approximates the useful life of the equipment, and comply with the Equal Opportunity and Affirmative Action programs as required by the *Moving Ahead for Progress in the 21st Century Act* (MAP-21).

The Authority also received program funding from the U.S. Department of Homeland Security Office for the Department of Homeland Security's Rail and Transit Security Grant Program.

According to the terms of the Rail and Transit Security grants, the Authority will be reimbursed for 100% of the allowable project costs as defined in the grant agreements. These grants provide for the acquisition of equipment and other enhancements to the transit system's security.

Failure to comply with these terms may jeopardize future funding and require the Authority to refund a portion of these grants to their funding agencies. In management's opinion, no events have occurred which would result in the termination of these grants or which would require the refund of a significant amount of funds received under these grants.

(4) Subrecipients

For the year ended June 30, 2015 the Authority provided approximately \$431,711 in federal awards to subrecipients of which approximately 85% was paid to the South Shore Tri Town Development Corporation.

The subrecipient payments are almost entirely in the Federal Transit – Capital Investment Grants Program, CFDA #20.500.



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Exhibit III

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Fiscal and Management Control Board
Massachusetts Bay Transportation Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Massachusetts Bay Transportation Authority (the Authority or MBTA), which comprise the statement of net position as of June 30, 2015, and the related statement of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 28, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2015-001 to be a material weakness.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Authority's Response to the Finding

The Authority's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose

KPMG LLP

April 28, 2016

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
 (A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

(1) **Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	<u> x </u>	yes	<u> </u> no
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u> </u>	yes	<u> x </u> none reported
Noncompliance material to the financial statements noted?	<u> </u>	yes	<u> x </u> no

Federal Awards

Internal control over major programs:			
• Material weakness(es) identified?	<u> </u>	yes	<u> x </u> no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	<u> x </u>	yes	<u> </u> none reported
Type of auditors' report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	<u> x </u>	yes	<u> </u> no

Identification of Major Programs

<u>Federal program or cluster</u>	<u>CFDA number</u>
Federal Transit Cluster:	
Federal Transit – State of Good Repair Grants Program	20.525
Federal Transit – Capital Investment Grants Program	20.500
Federal Transit – Formula Grants Program	20.507
Federal Transit – Transportation Investment Generating Economic Recovery (TIGER)	20.933
Federal Transit – Highway Planning and Construction	20.205
Department of Homeland Security – Rail and Transit Security Grant Program	97.075

Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000		
Auditee qualified as low-risk auditee?	<u> x </u>	yes	<u> </u> no

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
 (A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

(2) Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards*

Finding Number: 2015-001

MBTA Retirement Plans

The MBTA sponsors several retirement plans for its employees including six defined benefit plans and one defined contribution plan.

Two of the plans – the MBTA Deferred Compensation Plan and the MBTA Excess Benefit Annuity Plan - are unfunded defined benefit pension plans. Eligibility for participation in these plans is outlined in the plan documents for those participants considered part of the ‘executive’ payroll and in the Collective Bargaining Agreements of the employee unions (L453, TEA and STW). Eligibility in the plan is administered and monitored the Human Resources/Payroll Department of the MBTA. Both plans were last updated effective January 1, 2001. These plans and the related unfunded liabilities had been disclosed in the footnotes to the MBTA’s prior year financial statements.

During fiscal 2015, the Governmental Accounting Standards Board (GASB) required that the total unfunded liability for employer sponsored defined benefit retirement plans be recorded as a liability on the employer’s balance sheet rather than presenting it in the notes to the financial statements. The implementation of the new standard resulted in the recognition of pension liabilities for these plans of over \$80 million. Until the implementation of the new pension standards, MBTA management was concerned principally with the population that was retired and being paid benefits as these benefits were paid out of the MBTA’s operating budget on a pay as you go basis. The accrual of benefits for active employees and the related unfunded liabilities were not being effectively monitored or managed.

In determining the liability under the new pension standards, management of the MBTA had significant difficulties accumulating the records needed for the liability calculation including:

- Gathering the plan documents and amendments;
- Identifying the full population of employees eligible to participate in the plans; and
- Providing adequate documentation to support participant eligibility and benefit determinations.

These deficiencies appear to be the result of the complexity of the plan provisions, the lack of standard documentation, the absence of documented processes, policies and procedures over the eligibility determination and benefit calculation processes and the lack of document centralization. While the plan administration has improved in the past few years, the lack of attention given to the administration of the plans in prior years has created a situation where historical information necessary for eligibility and benefit determinations did not exist or was incomplete and/or inaccurate.

Additionally, the administration of eligibility, benefit calculations and application of plan provisions is almost entirely dependent on one person. There has been little done to automate the process, cross-train individuals, develop systems and implement controls to ensure the completeness and accuracy of the eligible populations and their benefit calculations/liabilities.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
 (A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Recommendation

We recommend that MBTA management undertake a project to improve the administration of these plans including updating the plan documents, documenting the operating policies and practices, providing adequate personnel resources to effectively execute those policies and procedures and cross training, as needed, to help ensure that established controls are implemented and not key person dependent. Without such changes, we believe the MBTA is exposed to the potential of material errors in the pension area occurring in future years.

Views of Responsible Officials and Corrective Actions

The Authority has taken multiple measures to address this weakness. All plan documents have been gathered in their current status with copies on file both within Human Resources and the Treasurer Controller's office for utilization of current transactional processing. The cross training of personnel resources has begun so as to ensure established controls are put in place and monitored on an ongoing basis. The administration of plan provisions (including eligibility determinations and benefit calculations) have been properly segregated whereby the individual performing eligibility determinations and benefit calculations will submit that information to another individual within the process for review and approval prior to benefit commencement.

The Authority implemented the prior steps while simultaneously drafting and issuing a Request for Proposal (RFP) for a third-party administrator to review, recommend and update all plan documentation. The selected administrator will manage all deferred compensation plans on a go forward basis in conjunction with the Authority's benefit administration group.

The Authority is currently evaluating proposals from potential third-party administrators. One central question is whether to separate the review and updating of these plans from the longer term plan management. Regardless of approach chosen, this process will rapidly lead to a significant simplification of plan management, and a corresponding reduction in the cost and internal workload required for managing these plans.

Implementation Date: December 31, 2016

(3) Findings and Questioned Costs Relating to Federal Awards

Finding Number:	2015-002
Federal Program:	Highway Planning & Construction (CFDA #20.205); Federal Transit Cluster (CFDA #20.500, 20.507, 20.525); TIGER Discretionary Grants (CFDA #20.933); Rail and Transit Security (CFDA #97.075)
Federal Agency:	U.S. Department of Transportation and Department of Homeland Security
Grant Award and Year:	Various

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Finding: PeopleSoft, Human Resources Management System & Timekeeping System General Information Technology Control Deficiencies were identified.

The Authority uses the PeopleSoft Human Capital Management System (HCMS) application in conjunction with the Timekeeping System (TKS) to support payroll operations. Control level deficiencies were identified in the areas of Segregation of Duties, Administrator Access, Access Termination and Network Access Reviews.

Criteria:

The A-102 Common Rule requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements.

Conditions:

Peoplesoft and TKS Change Management Segregation of Duties

The Authority's payroll related systems are supported by a small number of Information Technology (ITD) staff with extensive institutional knowledge of the PeopleSoft and TKS applications and Authority operations. Some ITD staff who are developers and provide software support also have the ability to move software changes into production. Change requests are generally logged in to ITD's ticketing system, and a separate, third person reviews and signs-off on each production change. The sign-off occurs in the ticketing system. Due to limited system functionality, the actual physical migrations are not captured or logged and consequently the independent 3rd party review cannot be considered to be complete.

Inadequate controls over the approval, management, and migration to production of changes of application code increases the risk that unauthorized and inappropriate changes may be made to key financial systems such as HCMS and TKS leading to unauthorized or inaccurate processing, and the misuse or misappropriation of assets.

HCMS & TKS Administrator Access

Our review indicated that three persons with application administrator level access to HCMS (from a total administrator population of six) were also ITD developer/support staff. Additionally, two ITD developer/support staff also had administrator level access to TKS.

While providing administrator access to payroll support staff may be thought to be an expedient to ensure timely payroll processing, the provision of these powerful application administrator privileges increases the risk of potential HR and time reporting misuse leading to time sheet and/or payroll fraud.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Active Directory (Network) and HCMS Access Termination

Our testing indicated that 18 terminated users (from a total population of 59 terminated users) did not have their access to Active Directory disabled. We also noted that of the 18 terminated employees, three still retained access to HCMS.

Failure to remove network and/or application access in a timely fashion from terminated employees increases the risk that unauthorized access may be made to systems and inappropriate actions undertaken.

HCMS, TKS and Network Access Reviews

Our inquiries indicated that while HCMS is supposed to receive an annual review by functional management to ensure that employees' access and privileges are appropriate. We could obtain no evidence that this review had been completed. We were also notified that TKS and the network currently do not undergo a periodic review to ensure that access and privileges are appropriate.

Functional management have a key role in ensuring that only authorized individuals have access to critical systems. The absence of a periodic review of user access by business management increases the risk that unauthorized users may gain or retain access to an important application, and that authorized users may also retain processing privileges that do not support a prudent separation-of-duties.

Cause:

The Authority ITD staffing is inadequate to support effective separation of duties. The limited size of the IT groups, the control limitations of the core systems and ITD's overall burden of support makes service delivery a higher priority than governance.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Effect:

The lack of controls has the potential for a significant impact on the administration of Federal funds as payroll charges to individual programs and grants is critical to properly supporting allowable grant expenditures.

Unauthorized and inappropriate changes or access to key financial systems such as HCMS and TKS may lead to unauthorized or inaccurate processing, and the misuse or misappropriation of assets.

Questioned Costs:

None

Recommendations:

Peoplesoft and TKS Change Management Segregation of Duties

We recommend that Authority's management:

- review staffing at ITD and takes steps to introduce an appropriate staffing model that better supports separation of duties.
- acquire and introduce a software solution that manages and logs the migration of all physical software changes to production there by providing a complete, unambiguous and unmodifiable log of all changes that can be reviewed for appropriateness by management.

Auditee Corrective Action Plan:

- (a) The Authority's IT Department has hired a release engineer who will be trained on all systems and will be responsible for deployment and change management associated with software releases. The IT Department will also request additional staff for production support.

Responsible Person: Gowshi Kanagalingam

Implementation Date: 4/30/2016

- (b) The feasibility of acquiring and implementing a software package to manage and log all system changes and modifications will also be explored.

Responsible Person: Gowshi Kanagalingam

Implementation Date: 6/30/2016

HCMS & TKS Administrator Access

We recommend that Authority's management consider assigning application administrator rights to ITD support staff on an as needed basis only. However, if the provision of permanent application administrator access to ITD support staff is deemed a necessary business requirement, then management should ensure

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

that effective supervisory oversight and monitoring is provided to ensure that only authorized activities are performed by ITD support staff.

Auditee Corrective Action Plan:

Until the hiring of additional IT resources are approved and obtained, developers will be given production access rights on an as needed basis.

Responsible Person: Gowshi Kanagalingam

Implementation Date: 4/30/2016

Active Directory (Network) and HCMS Access Termination

We recommend that Authority HR and ITD work cooperatively to ensure that:

- staff terminations are communicated to ITD in a timely fashion.
- periodic reviews of network and application access are conducted to ensure that terminated employees do not retain actionable access to Authority's systems.

Auditee Corrective Action Plan:

On a monthly basis, the Authority's HR Department is currently producing and forwarding to the IT Help Desk, a list of all terminated employees for whom access to all systems should be revoked. HR and IT will meet to insure this process is working properly and that all terminated employees system access rights are being revoked in a timely manner.

Responsible Person: Paul Andruszkiewicz/Gowshi Kanagalingam

Implementation Date: 3/1/2016

HCMS, TKS and Network Access Reviews

We recommend that:

- Authority HR personnel use reports provided by ITD to conduct periodic reviews of user access and access rights to the PeopleSoft HCMS and TKS applications and the network.
- Following each review, Authority HR should notify ITD of any necessary changes to employee access or access rights.

Auditee Corrective Action Plan:

The Authority's HR Department currently requests and receives from the IT Department quarterly reports to review user access and access rights to the HCMS, TKS and Network systems. However, improvements are needed in this reporting to streamline and improve the user review process. Once the reporting process is

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

updated, the IT Department will be notified to make any changes deemed necessary to employee access or access rights. The IT Department will update these access changes within one week of receipt.

Responsible Person: Paul Andruszkiewicz/Gowshi Kanagalingam

Implementation Date: 3/1/2016

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Finding Number: 2015-003

Federal Program: Highway Planning and Construction (CFDA #20.205)
TIGER Discretionary Grants (CFDA #20.933)

Federal Agency: U.S. Department of Transportation

Grant Award and Year: S13005 (2013) and MA-79-0001-00 (2013)

Finding: Payroll expenditures were supported by appropriate time and attendance and adjustment records but were not certified to be accurate by the employee's supervisor. A Payroll Adjustment Request was not reviewed and approved by supervisory staff prior to payment.

Criteria:

To be allowable under Federal awards, costs must be supported by appropriate documentation, such as approved purchase orders, receiving reports, vendor invoices, canceled checks, and time and attendance records, and correctly charged as to account, amount, and period.

Per OMB Circular A-87, Attachment A, *C. Basic Guidelines*, compensation of employees for the time devoted and identified specifically to the performance of those awards are allowable direct costs; and to be allowable under Federal awards, costs must be adequately documented and approved.

Condition:

A detailed "work order" system is utilized which identifies costs at the lowest level of detail for capital projects. Each work order is assigned to a specific funding source (either Federal or local), and this work is referenced on individual timecards of staff charging capital programs.

Highway Planning and Construction:

In order to adjust an employee's time charged in the electronic Time Keeping System (TKS), a Payroll Adjustment Request form must be completed and submitted to the Payroll Department for processing. The request details the reason, hours, rate, amount and date applicable to the adjustment, and must be approved by the employee's supervisor prior to processing and payment.

One of the payroll expenditures selected for testing included overtime hours worked but not recorded on the employee's timecard for the pay period. A Payroll Adjustment Request form was prepared to record the missing overtime hours, but it was authorized by the same person who prepared it. It was not authorized by a supervisor. The charge was processed by the Payroll Department without the signature of a supervisor prior to payment.

TIGER Discretionary Grants:

In order to charge time in the electronic Time Keeping System (TKS), an employee must manually enter in the work order number and the number of hours worked on the associated work order. For three of the payroll

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

expenditures selected for testing, the supervisor electronically approved his own time charges at the area level and there was no independent supervisory approval of his time in TKS, at either the timecard or the area level.

We obtained manually approved timecards for the three payroll expenditures which showed the employee and his supervisor had signed off on the time charges to the work order for the dates indicated. There was no date on the time cards indicating when they had been signed.

Even with the manually approved time cards, the possibility exists that time charges processed in the TKS system could be different from those on the manually approved time cards. In addition, it is a weakness in the segregation of duties control that TKS allows area supervisors to be the sole approvers of their own time charges when time charges are approved only at the area level.

Cause:

Authority policies were not followed with respect to the approval of employee timecards, charges and Payroll Adjustment Requests prior to payment.

Effect:

There is an increased risk of unallowable activities being charged to the program.

Questioned Costs:

\$714.72 – Highway Planning and Construction

\$6,113.57 - TIGER

Recommendation:

The Authority should ensure that the requestor and approver of the Payroll Adjustment Requests are appropriately segregated and that the review is approved by a supervisor prior to payment.

The Authority should also ensure that employee timecards and charges are independently reviewed and approved electronically by a supervisor prior to payment.

Review and approval compliance should be improved within the Payroll Department with a training to reinforce control procedures.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Auditee Corrective Action Plan:

- (a) The “Payroll Adjustment Request” form that was prepared and not authorized by a supervisor occurred during a period when the Payroll Department was short staffed due to a series of severe winter storms. The payroll managers will reinforce with staff, that weekly and biweekly timekeeping procedures are being followed to prevent this issue from recurring.
- (b) The Authority’s electronic timekeeping system is supported by manual timecards which are signed by appropriate supervisors and/or department heads. All timecards represent specific weekly pay periods and it can reasonably be assumed that the approving sign-off is for the pay period indicated on the timecard. Because of the auditors’ concern, the feasibility of having the Department heads electronically approve all supervisory timecards will be explored.

Responsible Individual(s): Pattie St. Denis, Senior Manager of Payroll

Implementation Date: December 1, 2015

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Finding Number: 2015-004

Federal Program: Highway Planning & Construction (CFDA #20.205);
Federal Transit Cluster (CFDA #20.500, 20.507, 20.525);
TIGER Discretionary Grants (CFDA #20.933);
Rail and Transit Security (CFDA #97.075)

Federal Agency: U.S. Department of Transportation and Department of
Homeland Security

Grant Award and Year: Various

Finding: Reporting errors and segregation of duties issues noted with Disadvantaged Business Enterprise (DBE) Uniform Report.

Criteria:

Proper internal controls over the reporting process require that amounts reported are supported by detail records and that preparation of reports and certification and approval of reported amounts are performed by different responsible officials. According to Appendix B to 49 CFR Part 26—Uniform Report of DBE Awards or Commitments and Payments Form, the DBE Uniform Report is required to be filed semi-annually, as of September 30 and March 31 each year with a due date of December 1 and June 1, respectively.

Condition:

Data pulled by the Authority from FMIS (Financials & Materials Information System) was pulled incorrectly. The data population did not match purchase orders correctly with the proper Business Units. When the data was aggregated by Business Unit (Federal-F and ARRA-Z), the wrong purchase orders were reported on. Multiple amounts included in the DBE Uniform report for the period October 1, 2014 to March 31, 2015 did not tie to supporting documentation, as noted below. The report was prepared, authorized and submitted by the same person, the Assistant Director for Government Compliance, an instance of inadequate segregation of duties.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
 (A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

**DBE Uniform Report compared to Total of FMIS (Financials & Materials Information System) &
 CMS (Capital Management System) Component Reports**
Period 10/1/14-3/31/15

Report Reference	Amount per DBE Uniform Report	Total from FMIS & CMS component reports	Difference
Box 8.A.	255,436,024.00	25,543,042.00	229,892,982.00
Box 10.I.	1.60%		
Box 18.F.	24.60%	61%	-0.364
Box 19.A.	188	197	(9)
Box 21.A	191	200	(9)
Box 19.B.	56,353,224.00	56,346,434.00	6,790.00
Box 21.B	56,360,014.00	56,353,224.00	6,790.00
Box 19.C.	9,031,359.00	9,039,666.00	(8,307.00)
Box 19.D.	7,548,904.00	7,554,177.00	(5,273.00)
Box 20.D.	6,790.00	1,517.00	5,273.00
Box 8.A. FMIS		1,455,112.00	(1,455,112.00)

Cause:

The Authority's process used in prior years to summarize financial data relating to DBE activity using Federal funds was not functioning for the reporting period October 1, 2014 to March 31, 2015. In prior years, outside IT consultants assisted the Authority with extracting data from FMIS and CMS to the PRISM system to produce support for the DBE report. The outside IT support was not available for the reporting cycle selected, which appears to have made compiling the information for this reporting cycle more complex and time-consuming for Authority staff.

In addition, the Authority's policy requiring reports to be prepared and authorized by different officials was not followed. The report was prepared, authorized and submitted by the same person, the Assistant Director for Government Compliance.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Effect:

There is an increased risk of inaccurate reporting to the Federal government concerning compliance with grant requirements for utilization of DBE contractors and subcontractors.

Questioned Costs:

None

Recommendation:

The Authority should ensure that DBE reports are supported by detailed documentation, as well as, prepared and authorized by an official that did not complete the report.

Auditee Corrective Action Plan:

The aggregation of data for the report has been automated. The entire Federal Transit Authority (FTA) Semi-Annual Report due on December 1, 2015 will be generated automatically. The Assistant Director will do the initial review. The Deputy Director for Civil Rights will review and the Assistant Secretary will sign off giving the approval to load the report into TEAM. There will be an approval sign-off for audit review.

For the next reporting period – December 1, 2015, the report will be automatically generated. The Collaborative Group created a Dashboard for DBE FTA Reporting. All backup documentation is captured in the Dashboard to support the report.

Responsible Individual(s): Wanda Hubbard, Asst. Director for Government Compliance

Implementation Date: December 1, 2015

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Finding Number: 2015-005
Federal Program: Highway Planning and Construction (CFDA #20.205)
Federal Agency: U.S. Department of Transportation, passed through MassDOT
Grant Award and Year: MA-15-0012 (2013)

Finding: Procurement checklists were completed but did not include prepared and reviewed signatures. Buy America, and Disadvantaged Business Enterprise (DBE) affidavits were not obtained.

Criteria:

To be procured under Federal awards, contractors must sign affidavits attesting to Buy America, and DBE, in accordance with 49 CFR part 661, 49 CFR section 26.49(d), and 49 CFR part 37-38. These affidavits are to be obtained prior to acceptance of a contractor and maintained in procurement files.

Per the Department of Transit Cross Cutting Section of the Compliance Supplement, awards under Highway Planning & Construction Program must obtain a Buy America and DBE certificate.

‘Pre-Advertisement Documents’ and ‘Pre-Award Documents’ checklists are prepared by the buyer and reviewed by a supervisor to ensure the completeness of the contract file.

Condition:

The Authority’s Procurement Office utilized a new method of procurement, Construction Management (CM) at Risk, for contract W92CN01 relating to Salem Improvements and Parking Garage. Affidavits signed by the Contractor were missing from the Contract file to support the Buy America and DBE requirements as stated by the CFR standards referenced above.

Checklists within the Contract file were filled out and maintained but did not have a supervisor’s signature indicating that a review occurred.

Cause:

The Authority’s policies were not followed with respect to the approval of Procurement/Contract file Checklist prior to payment.

Authority policies were not followed with respect to obtaining compliance certifications.

Effect:

Procurement files are missing important certifications to ensure Authority compliance with the Compliance Supplement and CFR 49.661 and 49.37 through 38.

Without supervisory review of the Contract file, checklist items could be missing, and noncompliance could occur.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
(A Component Unit of the Massachusetts Department of Transportation)

Schedule of Findings and Questioned Costs

Year ended June 30, 2015

Questioned Costs:

None

Recommendation:

The Authority should ensure that the supervisor approves all Contract file checklists to ensure contract files contain all appropriate and required documentation.

The Authority should also include required affidavits and certifications on the checklist to help ensure all compliance requirements are met and obtained from contractors.

Auditee Corrective Action Plan:

1. **Supervisor Approval of Contract Checklists** – The Authority acknowledges that the Salem Garage Project procurement checklist lacked an initial from the area supervisor. Prior to this finding, the Authority had already reinforced that the procurement file checklist be verified and initialed by the procurement supervisor.

Contract Administration staff and supervisors implemented this requirement and verify the procurement documentation with initials.

2. **Buy America Certification** – The Authority acknowledges the absence of the Buy America certification on this contract. This omission was an anomaly. Authority employed an alternative delivery method of CM at Risk for the Salem Garage project. Because this was the first time the Authority employed this method of procurement, we used the DCAM (Department of Capital Asset Management) procurement documents as a template. Typically the Authority procurement checklist includes the Buy America certification. The Authority consistently undergoes audit without any findings in this area.

The Authority's Salem Garage contract documents do include the Buy America contract language, and the Authority confirmed that the contractor complied with all Buy America provisions.

Responsible Individual(s): Sean McDonnell, Manager of Construction Procurement

Margaret Hinkle, Director of Contract Administration

Implementation Date: Complete