

METROPOLITAN AREA PLANNING COUNCIL

REPORTS ON FEDERAL AWARD PROGRAMS

YEAR ENDED JUNE 30, 2019

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TABLE OF CONTENTS

	Page
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>Governmental Auditing Standards</i>	1
Report on compliance for each major federal program; report on internal control over compliance; and report on the schedule of expenditures of federal awards required by the Uniform Guidance.....	3
Schedule of Expenditures of Federal Awards	5
Notes to Schedule of Expenditures of Federal Award Programs	6
Schedule of Findings and Questioned Costs	7



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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

Independent Auditor's Report

To the Executive Committee
Metropolitan Area Planning Council

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 business-type activities and each major fund of the Metropolitan Area Planning Council, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Metropolitan Area Planning Council's basic financial statements, and have issued our report thereon dated February 25, 2020.

Internal Control Over Financial Reporting

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

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the MAPC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statements 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*.

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 entity's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Powers + Juliani, LLC

February 25, 2020



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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Executive Committee
Metropolitan Area Planning Council

Report on Compliance for Each Major Federal Program

We have audited the Metropolitan Area Planning Council's compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on each of the Metropolitan Area Planning Council's major federal programs for the year ended June 30, 2019. The Metropolitan Area Planning Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Metropolitan Area Planning Council'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance 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 Metropolitan Area Planning Council'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 Metropolitan Area Planning Council's compliance.

Opinion on Each Major Federal Program

In our opinion, the Metropolitan Area Planning Council's 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, 2019.

Report on Internal Control Over Compliance

Management of the Metropolitan Area Planning Council 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 Metropolitan Area Planning Council's internal control over compliance with requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in or the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 Metropolitan Area Planning Council'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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and each major fund of the Metropolitan Area Planning Council, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Metropolitan Area Planning Council's basic financial statements. We issued our report thereon dated February 25, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic 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 basic 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 basic financial statements as a whole.



February 25, 2020

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Amount Passed Through to Sub-Recipients	Expenditures
HIGHWAY PLANNING AND CONSTRUCTION CLUSTER				
U.S. DEPARTMENT OF TRANSPORTATION				
<u>Passed through State Highway Department</u>				
Highway Planning and Construction.....	20.205	INTF00X02017H0096909	\$ -	\$ 22,452
Highway Planning and Construction.....	20.205	INTF00X02017H0098920	-	42,561
Highway Planning and Construction.....	20.205	2018MAPCCTPSXXXXXXXXX	-	34,029
Highway Planning and Construction.....	20.205	INTF00X02018H0103437	-	54,805
Highway Planning and Construction.....	20.205	MA-80-X010	-	13,693
Highway Planning and Construction.....	20.205	MA-80-011-00	-	85,559
Highway Planning and Construction.....	20.205	MA-80-X013	-	98,019
Highway Planning and Construction.....	20.205	INTF00X02017H0100160	-	42,052
Highway Planning and Construction.....	20.205	X19SPR1A14	-	408,736
Highway Planning and Construction.....	20.205	INTF00X02018H0101725	-	844,744
Highway Planning and Construction.....	20.205	MA-80-X013	-	1,886,658
Highway Planning and Construction.....	20.205	INTF00X02018H0102694	-	741,363
Highway Planning and Construction.....	20.205	MA-80-X012	-	481,279
Highway Planning and Construction.....	20.205	PL-003-S-120-000	-	164,122
Highway Planning and Construction.....	20.205	INTF00X02019H0105577	-	498,968
Highway Planning and Construction.....	20.205	PL-003-S-120-000	-	97,398
Highway Planning and Construction.....	20.205	MA-80-X013	-	185,924
TOTAL U.S. DEPARTMENT OF TRANSPORTATION.....			-	5,702,362
OTHER PROGRAMS:				
U.S. DEPARTMENT OF COMMERCE				
<u>Direct Program:</u>				
Economic Development Administration.....	11.303	ED16PHI3020059	-	70,000
NOAA Mission-Related Education Awards.....	11.008	NA17SEC80001	-	16,533
TOTAL U.S. DEPARTMENT OF COMMERCE.....			-	86,533
PASS-THROUGH PROGRAMS:				
U.S. DEPARTMENT OF ENERGY				
<u>Passed through National Association of Regional Councils</u>				
Conservation Research and Development.....	81.086	DOE-EE0007462	-	12,853
U.S. DEPARTMENT OF HOMELAND SECURITY:				
<u>Passed through the Massachusetts Executive Office of Public Safety and Security:</u>				
Homeland Security Grant Program.....	97.067	EMW-2018-SS-00029	-	14,829
Homeland Security Grant Program.....	97.067	DHS-16-GPD-067-00-01	-	1,751,838
Homeland Security Grant Program.....	97.067	DHS-17-GPD-067-00-01	-	1,613,749
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY.....			-	3,380,416
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<u>Passed through the State Health Department</u>				
Environmental Health.....	93.113	5R01-ES026980-02	-	34,069
<u>Passed through the Massachusetts Department of Public Health</u>				
Public Health Emergency Preparedness (PHEP).....	93.069	INTF6208PP1W19034233	436,569	689,146
National Bioterrorism Hospital Preparedness Program (HPP).....	93.889	INTF6208PP1W19034233	70,473	306,473
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES...			507,042	1,029,688
TOTAL.....			\$ 507,042	\$ 10,211,852

See notes to schedule of expenditures of federal awards

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Metropolitan Area Planning Council under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Metropolitan Area Planning Council.

Note 2 - Significant Accounting Policies

The accounting and reporting policies of the Metropolitan Area Planning Council are set forth below:

- (a) Basis of Accounting - The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. Accordingly, grant revenues are recognized when earned and expenditures when incurred. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (b) The MAPC has elected not to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance.

A. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Metropolitan Area Planning Council.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the Metropolitan Area Planning Council were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the Metropolitan Area Planning Council expresses an unmodified opinion.
6. There were no audit findings relative to the major federal award programs for the Metropolitan Area Planning Council.
7. The programs tested as major grants are the Homeland Security Grant Program, Public Health Emergency Preparedness, and the National Bioterrorism Hospital Preparedness Program.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. The Metropolitan Area Planning Council was not determined to be a low-risk auditee.

B. Findings - Financial Statements Audit

None

C. Findings and Questioned Costs - Major Federal Award Program Audit

None

D. Prior Year Audit Findings and Questioned Costs

None