MINUTES
Meeting of the Massachusetts Department of Transportation Finance & Audit Committee

July 15, 2026 AT 9:30 A.M.

10 Park Plaza, 2nd Floor Board Room, Suite 2890
Boston, MA 02116

Public participation and comment was available via written communication, voice message and in-person public comment.

This meeting was broadcast live online.

MASSDOT BOARD MEMBERS PARTICIPATING:	Chairman Richard Dimino, Director Timothy King
MASSDOT BOARD MEMBER ABSENT:	Director Eric Batista
OTHERS PARTICIPATING:	Chief Financial Officer David Pottier, MBTA Senior Director of Capital Finance and Administration Adam Zeller, Director of Audit Operations Jim Logan, Deputy Transit Administrator Tom Schiavone
OTHERS PRESENT:	Counsel, Corporate Governance Noah Potash

Chairman Dimino called to order the meeting of the Finance & Audit

Committee at 9:30 a.m. Noah Potash called the roll of the members

participating, being a quorum of the Committee:

Chair Dimino	**Present**
Director King	**Present**

Public Comment

Andrew Vernon submitted a comment regarding the RMV's classification of his driver's license status and requested that the Committee audit the Registry's data management and exchange.

Chair Dimino requested that Mr. Vernon's comment be forwarded to Board members.

Minutes

The Chair asked for a motion to approve the minutes of the June 10, 2026, Capital Programs Committee Meeting.

On motion duly made and seconded, it was by roll call:

VOTED: To approve the minutes of the Finance & Audit Committee Meeting held on June 10, 2026.

Chair Dimino	**Yes**
Director King	**Yes**

Chief Financial Officer David Pottier presented Item #2, the FY27 Budget Update, announcing that the state budget had been signed without major

changes. He said that the changes included an additional $87,000 for local projects and a $5,000,000 reduction in MBTA funding.

Director King thanked Mr. Pottier and his team. Chair Dimino noted that the final numbers reflected the Committee's discussion from June and that the budget had the full support of the Committee. He discussed the trend of increasing support for transportation and noted the improvements.

Mr. Pottier introduced MBTA Senior Director of Capital Finance and Administration Adam Zeller to present Item #3, the FY26 ETF Supplemental Transfer to MBTA, which Mr. Pottier described as the routine approval of the transfer of Fair Share Funding. Mr. Zeller explained that the transfers would include $450 million to support the MBTA Deficiency Fund, $20 million to support the Income-Eligible Reduced Fares program, and $60 million to support improvements to the MBTA's physical infrastructure.

Director King asked whether the funds were earmarked in the budget and Mr. Pottier confirmed that they were. Chair Dimino thanked MBTA staff for providing information on how the funds would be used and said that he was pleased to see that the funds would be used to bolster transportation.

On motion duly made and seconded, it was by roll call:

VOTED: To recommend approval of MBTA Fair Share Transfer as presented:

VOTED:
To authorize the Secretary, or his designee, to approve and execute an Agreement with the Massachusetts Bay Transportation Authority (MBTA) to transfer $450,000,000.00 to the MBTA in order to replenish the MBTA's Deficiency Fund.

FURTHER VOTED:
That the Secretary, or his designee, is hereby authorized to execute any necessary or ancillary documents to effectuate the transfer of $450,000,000.00 to the MBTA in accordance with the terms of the Agreement.

Chair Dimino	**Yes**
Director King	**Yes**

On motion duly made and seconded, it was by roll call:

VOTED: To recommend approval of MBTA Fair Share Transfer as presented:

VOTED:
To authorize the Secretary, or his designee, to approve and execute an Agreement with the Massachusetts Bay Transportation Authority (MBTA) to transfer $20,000,000.00 to the MBTA for the implementation of the MBTA's Income-Eligible Reduced Fare Program.

FURTHER VOTED:
That the Secretary, or his designee, is hereby authorized to execute any necessary or ancillary documents to effectuate the transfer of $20,000,000.00 to the MBTA in accordance with the

terms of the Agreement.

Chair Dimino	**Yes**
Director King	**Yes**

On motion duly made and seconded, it was by roll call:

VOTED: To recommend approval of MBTA Fair Share Transfer as presented:

VOTED:
To authorize the Secretary, or his designee, to approve and execute an Agreement with the Massachusetts Bay Transportation Authority (MBTA) to transfer $60,000,000.00 to the MBTA for improvements to the MBTA's physical infrastructure.

FURTHER VOTED:
That the Secretary, or his designee, is hereby authorized to execute any necessary or ancillary documents to effectuate the transfer of $60,000,000.00 to the MBTA in accordance with the terms of the Agreement.

Chair Dimino	**Yes**
Director King	**Yes**

Director of Audit Operations Jim Logan began the presentation for Item # 4, the FY24 Audit of RTAs, noting that the four audited RTAs were Nantucket, Berkshire, Cape Ann, and Montachusett. He explained that the audits tested the adequacy of internal controls and included site visits. Mr. Logan said that no critical or major findings were identified and that improvements were

noted across the RTAs in security, financial reporting, and IT disaster recovery. He reviewed minor issues, including issues with open check book reporting, a corrected contract reporting issue with CATA, and several issues at NRTA, including a lack of disaster recovery planning, lack of a formal credit card policy, inaccurate asset recording, and outdated accounting policies. Mr. Logan noted that most of NRTA's issues had been addressed and that NRTA is both the smallest RTA and had its long-time administrator retire recently. He concluded that the Audit Officer believed that internal and operational controls are adequate and in place and noted that an audit of Brockton Area Transit was delayed due to an FTA audit.

Chair Dimino said he appreciated the work and the understanding of the process.

Deputy Transit Administrator Tom Schiavone discussed the unique relationship of the Rail & Transit Division to the RTAs and characterized the audits as technical assistance. He listed the many different organizations that regularly audit the RTAs,

Chair Dimino discussed how the audits provide technical assistance and context for accountability.

Director King stressed the importance of new policies and strengthening existing policies. He discussed the degree of IT support that MassDOT can provide for RTAs with Mr. Logan. Mr. Schiavone noted that while MassDOT can provide some assistance, it cannot mandate adoption of MassDOT policies. Director King recommended collaboration for cost savings. Mr. Logan noted that RTAs meet monthly and talk regularly and Mr. Schiavone noted that the RTAs met the previous day and also have an RTA Council. Chair Dimino discussed how internal operational and audit activities strengthen the agency and said that the program should be considered a high priority. He requested a briefing on the BAT audit once completed.

The Chair then asked for a motion to adjourn.

On a motion duly made and seconded, it was by roll call:

VOTED: To adjourn at 10:18 a.m.

Chair Dimino	**Yes**
Director King	**Yes**