



The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

ONE ASHBURTON PLACE, ROOM 1819
BOSTON, MASSACHUSETTS 02108

A. JOSEPH DeNUCCI
AUDITOR

TEL. (617) 727-6200

2010-0906-3A

September 30, 2010

Mary Ann Mulhall, Director
Merit Rating Board
25 Newport Avenue Extension
Quincy, MA 02171

Dear Ms. Mulhall:

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, we have conducted an audit of certain activities of the Merit Rating Board (MRB) for the period July 1, 2008 through April 30, 2010. The objectives of our audit were to review and analyze controls over receipts and expenditures, determine whether the MRB was disseminating motor vehicle operator information in compliance with its enabling statute, and determine whether the MRB's expenses were for legitimate purposes and were borne by insurance companies conducting motor vehicle insurance business within the Commonwealth.

Our audit was conducted in accordance with generally accepted government auditing standards for performance audits issued by the Comptroller General of the United States and included such audit procedures and tests as we considered necessary to meet these standards. To achieve our objectives, we held discussions with MRB personnel; reviewed policies, procedures, internal controls, and other pertinent documentation; and reviewed all applicable laws, rules, and regulations. In addition, we reviewed the MRB's responsibilities associated with the dissemination of motor vehicle operator information to determine whether it was meeting

the data security requirements outlined in Chapter 93H, Section 2, of the General Laws and the federal Driver Privacy Protection Act. Our review of the above-mentioned areas disclosed no material weaknesses.

Based on the results of our audit, we have concluded that for the period July 1, 2008 through April 30, 2010, the MRB's financial transactions were accurately processed and recorded, the MRB's program costs were properly assessed and reimbursed, and the MRB was disseminating data in a secure manner consistent with its enabling statute.

Sincerely,

A handwritten signature in black ink, reading "A. Joseph DeNucci". The signature is written in a cursive, flowing style with a large initial "A" and "D".

A. JOSEPH DeNUCCI
Auditor of the Commonwealth