

**WMATA Board of Directors
2015 Performance Self-Evaluation Project
January 2016**

In 2015, the WMATA Board of Directors (Board) faced a difficult year as it continued to oversee financial management issues outlined in 2014 while responding to issues raised as a result of January's tragic smoke/fire incident, attempting to hire a new General Manager/Chief Executive Officer and integrating many new Board members. These events had a direct impact on the effectiveness of the Board over the last year. In addition, these same issues caused a necessary shifting of priorities that resulted in limited achievement of goals outlined in our 2014 Board report. Even with last year's difficulties, the Board remained and remains committed to safety oversight, improving customer service, better oversight of financial systems and creating a high performance transit organization. In addition, the Board will continue to integrate its work within the new framework created by the role established for the Department of Transportation's Federal Transit Administration (FTA).

The Board's Self-Evaluation notes clearly there is very difficult work ahead.

Highlights of the Self-Evaluation

- **Board Processes:** Board processes must improve, especially meeting focus, meeting efficiency and communication flow during and between meetings.
- **Board Roles:** Board roles must be re-articulated and, if needed, clarified.
 - Distinctions between roles of permanent and alternate directors must be clear.
 - The Board's committee structure and work must be efficient and aligned with Board priorities.
 - Communication and work plans must align with WMATA's GM/CEO.
- **Board Governance:** The Board's decision making and governance processes must be sharpened. The Board must ensure an appropriate focus on priorities, teamwork, and consideration of individual member views without losing focus on effective and timely leadership; outcomes and clear accountability.

Overall, the Board is composed of individuals with a multitude of experience and perspectives and is poised and committed to tackle the challenges and opportunities in 2016. The new GM/CEO has brought energy and a renewed focus on improving the organization. The combination should help create a safe, reliable transit service for our customers.

Key Board Accomplishments of 2015

While the 2015 Self-Evaluation noted significant room for improvement, the Board delivered on a number of key items that both stabilized critical problems arising in 2014 and 2015 and set the stage for reenergized leadership in 2016.

1. Hired New GM/CEO. The Board recruited and hired a new General Manager/Chief Executive Officer who has shown great leadership and focus in his first months on the job.
2. Re-examination of Board Structure. The Board recognized the need to look anew and more deeply at the basic structure and fundamentals of the organization. As part of that recognition and in anticipation of the hiring of a new GM/CEO, the Board led the effort to bring on resources/teams to perform a quick and deep analysis of the issues, formulate a set of priorities for the agency and provide help pulling together an effective, aggressive action plan for reform. Those teams have been hard at work under the leadership and direction of both the Board and the GM/CEO. The Board is determined to oversee the implementation of appropriate reforms.
3. Avoided an unscheduled fare increase and service reductions. The Board, through jurisdictional cooperation, avoided an unscheduled fare increase and service reductions as a way to close the budget deficit.

Board Leadership of Critical Issues

In addition to providing the framework for major structural and operational improvements in 2016, the Board was able to help lead the agency's response to critical issues of the last couple of years including the following:

- Improved oversight of CAP to ensure proper focus and timely completion of safety-related items
- Completion of 2014 and 2015 financial audits
- Ensuring immediate financial sustainability while balancing customer and jurisdiction concerns (e.g., GM/CEO's proposed FY2017 budget included no fare increases or service reductions)

Current and Ongoing Challenges for the Board

In the coming year, the Board must continue to both respond to urgent agency issues and look toward the future. In past planning efforts, the Board has relied on an updated strategic plan as the tool to establish a work plan for the Board. It is critical that the Board revisit strategic planning assumptions and action plans to ensure good alignment. Consequently, the Board must ensure its own governance structure and processes are up to the tasks of analysis, adjustment and oversight. The Board must accomplish this work with the new General

Manager to ensure plans, resources and operations are best aligned to ensure success over the coming year.

At the same time, the Board has specific, immediate fiduciary and legal responsibilities. The revelations regarding the financial and project management reporting deficiencies were serious. The Board has improved oversight. However, to remain attentive to this oversight requires constant vigilance by the Board in all aspects of its work.

Increased level of scrutiny and jurisdictional funding concerns placed the organization under pressure to maintain the service levels to our customers. The advancement on the Momentum 2025 Strategic Plan was stalled as other priorities took the forefront. As with previous years, the main concern continues to be securing a dedicated funding source to consistently meet the needs of the organizations.

The Board understands clearly the tasks at hand. Over the coming year, the Board looks forward to both meeting current challenges and creating new opportunities to help WMATA thrive.