

Washington Metropolitan Area Transit Authority  
**Board Action/Information Summary**

☒ Action ☐ Information

MEAD Number:  
201786

Resolution:  
☒ Yes ☐ No

**TITLE:**

FY2016 External Audit Deliverables

**PRESENTATION SUMMARY:**

RSM US LLP submitted FY2016 external audit reports & related materials for acceptance.

**PURPOSE:**

To request acceptance by the Audits & Investigations Committee and receipt by the Board of the FY2016 External Audit Deliverables submitted by RSM US LLP.

**DESCRIPTION:**

**Key Highlights:**

- An audit of Metro's financial statements was conducted by RSM US LLP for the period of July 1, 2015, through June 30, 2016.
  - RSM US LLP issued an Unmodified Opinion.
- A Single Audit was conducted by RSM US LLP for the period of July 1, 2015, through June 30, 2016.
  - RSM US LLP issued an Unmodified Opinion.

**Background and History:**

The WMATA Compact, Section 70, states that an audit shall be made of the financial accounts of the Authority, shall be prepared in accordance with generally accepted accounting principles, and shall be filed with the Chairman and other officers as the Board shall direct.

**Discussion:**

This action item supports Metro's strategic goal to ensure financial stability and invest in our people and assets by having RSM US LLP conduct an audit of Metro's financial statements in accordance with Government Auditing Standards for the period of July 1, 2015, through June 30, 2016. WMATA received an Unmodified Opinion. Also, RSM US LLP conducted a Single Audit in compliance with the types of compliance requirements described in the OMB 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, 2016. WMATA received an Unmodified Opinion and complied in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program for the year ended June 30, 2016. There were two material weaknesses, three significant deficiencies, and one finding which relates to both a significant deficiency and an identified matter of non-compliance.

RSM US LLP submitted the following Fiscal Year 2016 External Audit reports for acceptance by the Audits & Investigations Committee and receipt by the Board:

- Independent Auditor's Report on the Basic Financial Statements
- Single Audit Report
- 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
- Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

#### **FUNDING IMPACT:**

No impact on funding.	
Project Manager:	Joseph Wilson III
Project Department/Office:	Office of Inspector General

#### **TIMELINE:**

<b>Previous Actions</b>	<p>December 2015</p> <ul style="list-style-type: none"> <li>• Board acceptance of the FY2015 Financial Statement Audit Deliverables</li> </ul>
<b>Anticipated actions after presentation</b>	<p>October 2016</p> <ul style="list-style-type: none"> <li>• Committee acceptance of FY2016 Financial Statement Audit Deliverables</li> <li>• Board vote on the receipt of FY2016 External Audit Deliverables</li> </ul>

#### **RECOMMENDATION:**

The Audits & Investigations Committee accepts the FY2016 External Audit Deliverables submitted by RSM US LLP followed by receipt of the FY2016 External Audit Deliverables by the Board.

**PRESENTED AND ADOPTED: October 27, 2016**

**SUBJECT: RECEIPT OF FISCAL YEAR 2016 EXTERNAL AUDIT DELIVERABLES**

**2016-44**

RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, RSM US LLP, has submitted the Fiscal Year 2016 external audit reports and related materials for acceptance and has presented them to the Board of Directors; and


WHEREAS, The Audit & Investigations Committee has accepted these reports and related materials; now, therefore be it

*RESOLVED*, That the Board of Directors receives the following:

- Independent Auditor's Report on the Basic Financial Statements
- Single Audit Reports
  - 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.
  - Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance; and be it finally

*RESOLVED*, That this Resolution shall be effective 30 days after adoption in accordance with § 8(b) of the WMATA Compact.

Reviewed as to form and legal sufficiency,

  
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Patricia Y. Lee  
General Counsel

WMATA File Structure No:  
13.3.4 Audits of WMATA by Non-Governmental Entities

**Motioned by Mr. Corcoran, seconded by Mrs. Harley**  
**Ayes: 8 – Mr. Evans, Ms. Harley, Mr. Corcoran, Mr. Costa, Mr. Price, Mr. Goldman, Mrs. Hudgins and Mr. Lauby**