

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

Document
Number:
210848

Resolution:
☒ Yes ☐ No

Presentation Name:

Implementing Reforms to the Office of Inspector General

Project Manager:

Jennifer Ellison

Project Department:

Office of the Board Corporate Secretary

Purpose/Key Highlights:

Through the Infrastructure Investment and Jobs Act (IIJA), Congress re-emphasized the importance of a strong and independent Inspector General and required the Board to adopt certain reforms to the Office of Inspector General (OIG) as a condition of funding to WMATA.

In addition to previous Board actions, in this action the Board will adopt and direct staff to implement the measures set forth in Staff Notice 2014-12, dated March 24, 2024 and 2024-28, dated September 11, 2024, and amendments to Policy/Instruction (P/I) 13.4/4 implementing improved processes.

Interested Parties:

There are no Interested Parties in this action to amend WMATA policy.

Background:

In Resolution 2006-18, the Board of Directors established the Office of Inspector General (OIG) to conduct and supervise audits, program evaluations and investigations relating to Authority activities; promote efficiency, economy and effectiveness in Authority actions; and keep the Board of Directors fully informed of deficiencies in Authority activities, as well as the necessity for and progress of corrective actions. The Inspector General is an officer of the Authority, who reports to the Board and leads the OIG.

In 2021, Congress passed the Infrastructure Investment and Jobs Act (IIJA), that

recognized the importance of a strong and independent Inspector General and required the Board to adopt certain reforms to the OIG as a condition of funding for WMATA.

Subsequently, the Board adopted Resolutions 2021-46 and 2023-04, implementing the reforms to the OIG as set forth in Section 30019(c) of the IIJA, including the Inspector General's memorandum of December 16, 2022, describing procurement and human resource reforms for the OIG and amendments to Policy/Instruction (P/I) 13.4/3 *The Office of Inspector General*.

Discussion:

The Inspector General has submitted two Staff Notices to the Board, signed by the Inspector General and the General Manager/Chief Executive Officer, that will improve the procurement and human capital processes. These are:

- Staff Notice 2014-12 - *Guidelines for Procurement and Human Capital Activities, Office of the Inspector General*, dated March 14, 2024; and
- Staff Notice 2024-28 - *Guidelines for the Submission of the Office of Inspector General's Budget for Approval by WMATA's Board of Directors*, dated September 11, 2024.

The Inspector General has also submitted revisions to P/I 13.4/4, *The Office of Inspector General*, implementing improved processes that will strengthen the OIG.

Additionally, the Board wishes to revise the terms of appointment for the Inspector General to ensure that the OIG has sufficient continuity to conduct its work. The current terms of appointment are for an initial three-year term, with automatic one-year extensions. The proposed action would change the term of an IG's reappointment from a one-year term to a three-year term.

Funding Impact:

There is no funding impact associated with these reforms to WMATA policies.

Previous Actions:

April 2006 - Board establishes the Office of Inspector General pursuant to Resolution 2006-18

December 2021 - In Resolution 2021-46, the Board adopts and directs staff to implement the reforms to the OIG set forth in Section 30019(c) of the IIJA

November 2022 - In Resolution 2022-35, the Board amends the term of the Inspector General to a three-year appointment with automatic, successive one-year extensions

January 2023 - In Resolution 2023-04, the Board adopts the memorandum and

policy changes proposed by the IG consistent with Section 30019(c) of the IIJA.

Next Steps:

Implement additional reforms to the OIG as needed or required by statute/policy.

Recommendation:

Approval to: implement reforms to the OIG and amend the term of appointment for the Inspector General.

SUBJECT: AMENDMENT OF INSPECTOR GENERAL TERM AND IMPLEMENTING REFORMS TO THE OFFICE OF INSPECTOR GENERAL

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

WHEREAS, Pursuant to Resolution 2006-18, the Board of Directors established the Office of Inspector General to conduct and supervise audits, program evaluations and investigations relating to Authority activities; promote economy, efficiency, and effectiveness in Authority activities; and keep the Board of Directors fully and currently informed of deficiencies in Authority activities, as well as the necessity for, and progress of, corrective action; and

WHEREAS, The Inspector General is an Officer of the Authority, who reports to the Board of Directors and leads the Office of Inspector General; and

WHEREAS, Resolution 2022-35 provides that the Inspector General shall serve a term of three years, with automatic extensions for successive one-year terms unless within 60 days of the end of any term the Board notifies the Inspector General that his/her term will not be extended, unless terminated sooner; and

WHEREAS, To ensure that the Office of Inspector General has sufficient continuity to conduct its work, the Board desires to amend the Inspector General's term to three years and any reappointments shall be for three-year terms; and

WHEREAS, In Section 30019(c) of the Infrastructure Investment and Jobs Act of 2021 ("Infrastructure Act"), Congress recognized the importance of a strong and independent Office of Inspector General and required the Board to adopt certain reforms to the Office of Inspector General as a condition of funding for WMATA; and

WHEREAS, In Resolution 2021-46 and Resolution 2023-04, the Board adopted the reforms to the Office of Inspector General set forth in Section 30019(c) of the Infrastructure Act, including the Inspector General's memorandum of December 16, 2022, describing procurement and human resource reforms for the Office of Inspector General and amendments to Policy/Instruction 13.4/3, *The Office of Inspector General*, implementing those reforms; and

WHEREAS, The Inspector General has submitted to the Board two staff notices signed by the Inspector General and the General Manager and Chief Executive Officer that will improve the procurement and human capital processes (March 14, 2024, Staff Notice 2024-012, Guidelines for Procurement and Human Capital Activities of the Office of Inspector General, Attachment A), and the annual budget process (September 11, 2024, Staff Notice 2024-028, Guidelines for Submission of the Office of Inspector General's Budget for Approval by WMATA's Board of Directors, Attachment B) for the Office of Inspector General, and amendments to Policy/Instruction 13.4/4, *The Office of Inspector General*, implementing the improved processes (substantially in the form as shown in Attachment C), all of which will strengthen the Office of Inspector General;

NOW, THEREFORE, be it

RESOLVED, That the Board of Directors deletes in its entirety the second *RESOLVED* clause in Resolution 2022-35; and

RESOLVED, The Inspector General shall serve a term of three years and any reappointments shall be for three-year terms; and

RESOLVED, That the Board of Directors rescinds in its entirety Resolution 2023-04; and

RESOLVED, That the Board of Directors adopts, and directs staff to implement (a) the measures set forth in the March 24, 2024, Staff Notice 2024-012 (Attachment A) and the September 11, 2024, Staff Notice 2024-028 (Attachment B), and (b) the amendments to Policy/Instruction 13.4/4, *The Office of Inspector General*, implementing the improved processes (substantially in the form as shown in Attachment C); and

RESOLVED, That the March 24, 2024, Staff Notice 2024-012 and the September 11, 2024, Staff Notice 2024-028 shall supersede any other WMATA guidance or policy related to Office of Inspector General operations that is inconsistent with these Staff Notices; and be it finally

RESOLVED, That as this Resolution deals solely with internal management action, it shall be effective immediately.

Reviewed as to form and legal sufficiency,

/s/
Patricia Y. Lee
Executive Vice President, Chief Legal Officer
and General Counsel

WMATA File Structure No.:
2.1 Board of Directors
2.6 Executive Appointment and Compensation