

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

Action
 Information

MEAD Number:
99922

Resolution:
 Yes No

PURPOSE

Initiate action for the procurement of external audit and management-type audit services for the period beginning May 1, 2008. The base contract is for three years with provision for two one-year options.

DESCRIPTION

Resolution #83-3, approved January 6, 1983, established the policy that the contracting of external audit services is the direct responsibility of the Board of Directors, and that the External Auditor will be selected by the Board. Resolution #2006-18, approved April 20, 2006, established responsibility for the supervision of WMATA's annual independent audit of financial accounts by the Office of Inspector General.

An annual independent audit of the financial accounts of WMATA is required under the Compact, OMB Circular A-133, FTA Circular 9030.1 and FTA NTD Reporting Manual. Additional services are established in Resolution #83-3. The present contract expires May 31, 2008; therefore, a new solicitation is necessary.

The Contract provides for the services of a public accounting firm to conduct independent annual audits of WMATA's financial records, accounts and statements for Fiscal Years 2008-2010. It also provides for two one-year options. In addition, the contract makes available services of a management-type nature to include examining, analyzing and making recommendations about activities, functions, procedures and practices as the Board may choose to authorize.

FUNDING IMPACT

Budget: Operating Budget, Fiscal Years 2009-2010
Office: Office of Inspector General
Account: Professional and Technical Services – Accounting
and Audit Consultants

Budget Information:	FY09
Budget Amount:	\$780,000
This Action:	760,000
Prior Obligations:	0
Subtotal:	<u>760,000</u>
Remaining Budget:	\$ 20,000

Remarks: This is a multi-year contract for contract years May 1, 2008 through May 31, 2011 with provision for two one-year options. Funding in the amount of \$760,000 will be made available from the FY2009 Budget for the Office of Inspector General. Work performed under this contract is subject to Board approval of the FY 2009 budget. No payments will be made to the Contractor until July 2008. Subsequent years are subject to availability of funds.

RECOMMENDATION

That the Board of Directors approves the Office of Inspector General's request to issue a Request for Proposal (RFP) to major accounting firms to conduct the financial statement and Single Audit Act audits.