



Executive Committee

Information Item III-A

October 11, 2018

Acceptance of Inspector General's Report

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202027

Resolution:
☐ Yes ☒ No

TITLE:

Acceptance of OIG Report

PRESENTATION SUMMARY:

Audit report submitted to the Executive Committee for acceptance.

PURPOSE:

The Executive Committee's acceptance of OIG report entitled:

- Audit of WMATA's Blanket Purchase Agreements (BPAs)

DESCRIPTION:

Key Highlights:

Audit of WMATA's Blanket Purchase Agreements (BPAs)

Situation: WMATA risks overspending for repetitive supplies and services

- BPA administration needs improvement
- Missing and incomplete BPA documentation
- Lack of BPA planning, monitoring and close-out

Impact:

- \$1.8 million of \$1.9 million sampled contained internal control issues
- 31 of 45 purchase orders in sample were older than one year or not closed-out

- \$730,000 in funds in sample could have been used for other WMATA needs
- \$3.7 million funds put to better use when projected to all BPAs

Management's Solution:

- Management agreed with the findings and has initiated actions to correct the noted deficiencies

Background and History:

When the Executive Committee determines there is no conflict remaining between the IG's findings and recommendations and management's response, it will accept the reports as final, and the reports and corrective action plans shall be deemed approved. Acceptance of the final reports constitute the Board's authorization to post the reports on the WMATA website provided the IG has conferred with the General Counsel and confirmed that any private or confidential information has been redacted in accordance with applicable law and WMATA policy.

Discussion:

The work highlighted in this report demonstrates OIG's commitment to promoting accountability, efficiency, and effectiveness in WMATA's programs and operations and keeping the Board of Directors fully and currently informed about deficiencies in WMATA's activities, as well as the necessity for and progress of corrective actions.

There were no conflicts between the IG's findings and recommendations listed in this report and management's response. The IG has conferred with the General Counsel and confirmed that any private or confidential information has been removed/redacted in accordance with applicable law and WMATA policy.

FUNDING IMPACT:

There is no impact on funding.

TIMELINE:

Anticipated actions after presentation: Executive Committee's acceptance of OIG's report.

RECOMMENDATION:

Executive Committee accept OIG's report.