



Executive Committee

Information Item III-A

April 10, 2025

Audit of WMATA's Data Center Cost Optimization



Board Document

OVERVIEW			
PRESENTATION NAME	Audit of WMATA’s Data Center Cost Optimization	DOCUMENT NO.	300030
ACTION OR INFORMATION	Information		
STRATEGIC TRANSFORMATION PLAN GOAL	Sustainability;		
RESOLUTION	No		
EXECUTIVE OWNER			
EXECUTIVE TEAM OWNER	Zamarin, Michelle A.;		
ORGANIZATION	Inspector General		
DOCUMENT INITIATOR	Laura K. Mandeville		
OTHER INFORMATION			
COMMITTEE	Executive Committee/Inspector General	COMMITTEE DATE	4/10/2025
PURPOSE/KEY HIGHLIGHTS	<p>The audit objective was to determine whether WMATA has implemented reasonable data center cost reduction initiatives or strategies. OIG found deficiencies in WMATA’s data center cost management and operational practices. These deficiencies could result in unplanned costs to WMATA and hinder cost optimization and operational efficiency. Specifically, OIG found:</p> <ul style="list-style-type: none">• Digital Modernization (DM) did not conduct necessary comprehensive cost and technology assessments before designating Equinix as the new permanent primary data center.• WMATA invested approximately \$44.8 million to build a new data center at Eisenhower that is significantly underutilized.• DM has not implemented a risk management process for its data center operations.• DM does not have a data center strategy that addresses cost		



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	<p>optimization and operational efficiency.</p> <ul style="list-style-type: none">• DM did not effectively manage its data center asset inventory.• DM does not monitor key data center metrics.
DISCUSSION	<p>OIG identified 19 recommendations for WMATA's DM department to optimize cost savings across WMATA's data centers. WMATA management concurred with all the findings and recommendations and initiated corrective measures. The OIG considers management's comments responsive to the recommendations, and the actions taken or planned should correct the deficiencies identified in the report.</p> <p>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.</p>
INTERESTED PARTIES	None
RECOMMENDATION/NEXT STEPS	The Audit of WMATA's Data Center Cost Optimization will be posted on WMATA OIG's public website.
FUNDING IMPACT	No impact on funding