



Executive Committee

Information Item III-A

November 16, 2023

FY2023 Financial Statement Audit and Single Audit

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☐ Action ☒ Information

Document
Number:
205649

Resolution:
☐ Yes ☒ No

Presentation Name:

FY2023 Financial Statement Audit & Single Audit

Project Manager:

Yamani Dole

Project Department:

OIG

Purpose/Key Highlights:

To respond to section 70(a) of the WMATA Compact that requires "The report of [the annual independent] audit shall be prepared in accordance with generally accepted auditing principles and shall be filed with the Chairman and other officers as the Board shall direct." This does not require Board or committee action.

The objective of a Financial Statement audit is to determine whether the audited entity's financial statements are free of material misstatement.

WMATA is also required to have an audit of the Federal Awards under the Office of Management and Budget (OMB) Uniform Guidance guidelines each fiscal year ended June 30th and shall be filed with the Chairman and other officers as the Board shall direct.

The objective of a Single Audit is to ensure a recipient of federal funds is in compliance with the federal program's requirements for how the money can be used.

OIG retained RSM US LLP (RSM) to conduct the annual audit of the Authority's Financial Statements and to conduct the Single Audit.

RSM issued unmodified opinions on the Authority's Financial Statements as of and for the years ended June 30, 2023, and 2022, and the Single Audit for the year ended June 30, 2023.

Interested Parties:

None

Background:

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 auditing principles, and shall be filed with the Chairman and other officers as the Board shall direct.

WMATA is also required to have an audit of the Federal Awards under the Office of Management and Budget (OMB) Uniform Guidance guidelines each fiscal year ended June 30th and shall be filed with the Chairman and other officers as the Board shall direct.

Discussion:

The Financial Statement audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Single Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Single Audit.

The work highlighted in these reports 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.

Funding Impact:

There is no impact on funding.

Previous Actions:

There were no previous actions

Next Steps:

N/A

Recommendation:

Information Only