

PRESENTED AND ADOPTED: September 26, 2024

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

2024-26

**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

Motioned by Mr. Smedberg, seconded by Dr. Hadden Loh

Ayes: 7- Ms. Worth, Mr. Smedberg, Mr. McAndrew, Ms. Kline, Dr. Hadden Loh, Mr. Letourneau and Ms. Martin-Proctor

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,



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

S T A F F N O T I C E



Date: September 11, 2024 Number: 2024-028

Subject: Guidelines for Submission of the Office of Inspector General's Budget for Approval by WMATA's Board of Directors

Distribution: All WMATA Employees

Recognizing the independence requirements of the WMATA Office of Inspector General (OIG), as delineated in Section 30019 of the Infrastructure Investment and Jobs Act of 2021 (IIJA) and WMATA Board Resolution 2023-04, WMATA staff and OIG shall adhere to the following guidelines identified below for submission of the yearly OIG Budget to the WMATA Board of Directors for its review and approval.

As outlined in the IIJA, each year the WMATA Inspector General shall transmit a budget estimate and request to the WMATA Board of Directors specifying the aggregate amount of funds requested for OIG operations during the following fiscal year. This Staff Notice describes how WMATA and OIG will work together to implement the yearly OIG budget requirements within the IIJA. This Staff Notice will also supersede any other WMATA guidance related to the OIG budget process.

This Staff Notice does not change or modify the oversight authority of the WMATA Board of Directors over OIG.

OIG Budget Process Guidelines

The following guidelines will apply to OIG budget activities:

1. The Inspector General shall have final authority over all OIG budget management decisions, including determination of proper expenses, budget estimates, allocations, and submissions, including final determination of the overall proposed yearly OIG budget submitted to WMATA's Board of Directors.
2. The OIG staff, in coordination with WMATA's Management and Budget staff, will follow WMATA's yearly budget process and meet its deadlines and submission requirements to achieve the requirements of that process.
3. To facilitate OIG's budget activities, the Chief Financial Officer (CFO) will designate a budget process subject matter expert familiar with this Staff Notice and the IIJA's OIG budget independence requirements, which will assist OIG through the budget process.
4. WMATA, on behalf of OIG, will continue to incorporate and submit OIG's

STAFF NOTICE



Date: March 14, 2024

Number: 2024-012

Subject: Guidelines for Procurement and Human Capital Activities of the Office of Inspector General

Distribution: All Staff in Procurement, Human Capital, and Audit & Compliance, and the Senior Management Team

Recognizing the unique independence requirements of the WMATA Office of Inspector General (OIG) as delineated in Section 30019 of the Infrastructure Investment and Jobs Act of 2021 (IIJA) and WMATA Board Resolution 2023-04, WMATA staff and OIG shall adhere to the following guidelines for OIG's Procurement and Human Capital activities. As set forth in the IIJA, the WMATA Inspector General will exercise decisional authority over the procurement and human capital activities of the OIG to ensure the continued independence of OIG operations, audits, evaluations, and investigations to the extent possible under the WMATA Compact and in accordance with applicable federal law or regulation and only as may be necessary to carrying out the duties of the OIG. This Staff Notice describes how WMATA and OIG will work together to implement the procurement and human capital reforms consistent with IIJA. The Inspector General shall be solely responsible for any of the OIG's procurement and human capital decisions for the OIG.

This Staff Notice does not supersede or take precedence over the oversight authority of the Inspector General by the WMATA Board of Directors.

OIG Procurement Guidelines

The following guidelines will apply to OIG's Procurement activities:

1. The Inspector General is the final approving authority for OIG-initiated procurements, including sole source procurements and ratifications.
2. OIG staff are responsible for generating and submitting in PeopleSoft CLM, or any successor system, a properly prepared procurement package, to include a fully documented requisition, independent cost estimate, scope of work/specifications, determination & findings, and including any applicable clearances and approvals required to initiate any procurements.
3. To facilitate OIG's procurement activities, the Chief Procurement Officer (CPRO) will assign to OIG a dedicated Contracting Officer (CO) who will support the OIG procurement activities consistent with this Staff Notice.
4. In consultation with the OIG, the CO or its representative will conduct OIG initiated solicitations consistent with the WMATA Office of Procurement and Materials Best Practices Manual (BPM).

Guidelines for Procurement and Human Capital Activities of the Office of
Inspector General
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5. Notwithstanding any language to the contrary in the BPM, OIG will retain decisional authority over the following:
 - a. OIG staff will select the Technical Evaluation Team (TET) members.
 - b. OIG will review the TET team's analysis and make final recommendations to the Inspector General.
 - c. OIG will perform any Cost/Price Analysis to ensure reasonable prices are paid for goods and services.
 - d. OIG's budget staff will approve all budget requests for procurements to be funded from OIG's budget.
6. The CO or its representative will include OIG in all communications throughout the procurement life cycle of OIG procurements.

OIG Human Capital Guidelines

The following guidelines will apply to OIG's Human Capital activities:

1. OIG staff will initiate and enter/input all human capital actions impacting OIG personnel through WMATA's human capital management system.
2. The Chief People Officer (CPO) will assign a human capital subject matter expert to assist OIG in furthering its human capital needs and helping to move OIG personnel actions through WMATA human capital systems. The CPO's representative will support OIG human capital activities consistent with this Staff Notice.
3. OIG staff, working with and through WMATA's Human Capital staff, will conduct human capital activities in accordance with WMATA's policies and procedures.
4. OIG staff will be responsible for initiating and completing, and the Inspector General will have sole decisional authority for, the following personnel actions:
 - a. Hiring, recruitment, and separation from employment
 - b. Job offers
 - c. Background checks and suitability assessments
 - d. Acting assignments, appointments, and promotions
 - e. Compensation, pay increases and awards
 - f. Training, professional development, and succession planning

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- g. Performance appraisals
 - h. Leave
 - i. Alternative work schedules, telework, and compensatory time
 - j. Job description and grades
 - k. Records management
- 5. OIG staff will be responsible for budget approval for all OIG human capital activities.
 - 6. The CPO or its representative will include OIG in all communications involving OIG personnel and human capital activities.
 - 7. OIG personnel and human capital activities shall comply with Title VII of the Civil Rights Act of 1964, as amended, and applicable regulations of the U.S. Equal Employment Opportunity Commission. To that end, the WMATA Office of Equal Employment Opportunity (OEEO) will continue to review and provide recommendations on OIG personnel and human capital activities.

Thank you for your attention to this matter.

Randy Clarke

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Randy Clarke
General Manager and Chief Executive Officer

**Kevin
Muhlendorf**

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Kevin B. Muhlendorf
Acting Inspector General

fiscal year budget estimates and justification narrative for WMATA Board of Directors approval as part of WMATA's overall proposed fiscal year budget.

5. WMATA will not make any changes to OIG's fiscal year budget estimates to be submitted to the WMATA Board of Directors without prior consultation and approval in writing from OIG.
6. The CFO or its representatives will include OIG in all OIG budget communications throughout the budget process.

Thank you for your attention to this matter.



Randy Clarke
General Manager and Chief Executive Officer

Michelle A. Zamarin
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Michelle A. Zamarin
Inspector General