

July 30, 2010

In accordance with Board Resolution 2006-18, I am pleased to submit to the Board of Directors and stakeholders this Semiannual Report on the activities of the Office of Inspector General for the six (6) month period ending June 30, 2010. This report highlights our work for this period and reflects our strong commitment to assisting WMATA in improving its programs and operations.

I look forward to working with you in furthering OIG's mission and core values.

/s/

Helen Lew
Inspector General



**Washington Metropolitan Area Transit Authority
Inspector General's Semiannual Report to the
Board of Directors, No. 6
January 1, 2010—June 30, 2010**



TABLE OF CONTENTS

MESSAGE TO THE BOARD OF DIRECTORS

INTRODUCTION.....	3
AUDITS.....	3
Audit Resolution and Follow-up.....	3
Summary of Audit Reports Issued.....	3
Summary of Alternative Products Issued.....	6
Other Audit Products	7
INVESTIGATIONS.....	8
OTHER OIG ACCOMPLISHMENTS.....	8
Table 1: Recommendations Described in Previous SARS on Which Corrective Action Has Not Been Completed as of June 30, 2010.....	10
Table 2: OIG Audit Reports and Alternative Products on WMATA Programs and Activities (January 1, 2010 through June 30, 2010).....	11
Table 3: Other OIG Reports on WMATA Programs and Activities (January 1, 2010 through June 30, 2010)	15
Table 4: Investigative Activity Statistical Profile (January 1, 2010 through June 30, 2010).....	16

INSPECTOR GENERAL'S MESSAGE TO THE BOARD OF DIRECTORS

July 30, 2010

We are pleased to provide this Semiannual Report on the activities and accomplishments of the Washington Metropolitan Area Transit Authority (WMATA) Office of Inspector General (OIG), from January 1, 2010, through June 30, 2010. The audits, investigations, and other activities highlighted in this report illustrate our on-going commitment to promoting accountability, efficiency, and effectiveness in WMATA's programs and operations.

Over the last six months, OIG issued 57 audit products, including audit reports, alternative audit products, and audit waivers. We reviewed pricing information with a proposed value of \$60,992,313 and suggested \$7,405,014 in net audit adjustments. We also closed 8 investigations and processed 99 complaints.

During this reporting period, we found internal control issues regarding WMATA's oversight of its contractors (*Project Oversight over ERG Transit Systems, Inc. (ERG) and Northrop Grumman Information Technology, Inc. (NGIT)*, Contract Audit No. 10-120, March 10, 2010). We also found internal control issues regarding WMATA's management of its storeroom operations (*Review of Controls Over Storeroom Operations*, Internal Operations No. 10-002, March 24, 2010). In addition, at the end of this reporting period, our external auditors (Clifton Gunderson LLP) issued a Clearing House Function for Regional Fare Collection Agreed-Upon Procedures Report Year Ended June 30, 2009. This report identified control issues, such as the lack of a formal reconciliation, lack of consistency in application of terms of agreements between WMATA and eight regional partners, and errors in the billings tested.

I would like to thank the Board of Directors and the Interim General Manager for their continued support and look forward to working with them in furthering our mission and core values, as well as in promoting a safe and effective transit system.

/s/

Helen Lew
Inspector General

INTRODUCTION

The Office of Inspector General (OIG) has operated under Board of Directors Resolution 2006-18 since its inception in May 2007, and the WMATA Compact was amended to establish the office under statute. We are authorized 29 full-time positions for fiscal year 2010, and we had 26 positions filled as of June 30, 2010. Most of our positions are in OIG-Audit. One of our biggest challenges has been to keep up with the demand for attestation reviews requested by the Washington Metropolitan Area Transit Authority's (WMATA) management.

In our first Semiannual Report, which is posted on our office website, www.wmata.com,¹ we set out our Mission and Core Values and described the many areas of our staff's expertise and professional training. We continue to develop our staff, as well as provide training, some of which is required to meet requirements for complying with Government Auditing Standards.

A summary of our audits and investigations, as well as other accomplishments from January 1, 2010, through June 30, 2010, are provided in the following sections of this report.

AUDITS

During this reporting period we issued 57² audit products in the form of audit reports, alternative products, such as attestations and alert memoranda, and audit waivers.

Audit Resolution and Follow-Up

Board Resolution 2006-18 requires us to provide Semiannual Reports listing each report for which management has not completed corrective action. Table 1 shows recommendations described in the previous Semiannual Report (SARS) on which corrective action has not been completed as of June 30, 2010.

Summary of Audit Reports Issued

We issued three audit reports during this reporting period. These reports are listed in Table 2 and are summarized below.

- **Internal Controls: Review of Excess Bus Revenue** – (Internal Operations No. 10-001, issued January 27, 2010). We conducted an audit of WMATA's contract with Garda CL Atlantic, Inc. (Garda) for excess bus revenue processing services.

¹ Click on the icon button "About Metro," click on "Inspector General" and then click on "semiannual report".

² This number includes the agreed-upon procedures report that was prepared by the external auditors regarding the clearing house function for regional fare collection for the year ending June 30, 2009. OIG performed oversight and monitoring procedures to ensure completion of the requested deliverable.

The objectives of our audit were to determine: (1) whether the contractor performed work in accordance with contract terms and provisions and (2) assess the adequacy of WMATA's Office of Treasurer (TRES) internal controls over Garda for collecting, handling, and accounting for excess bus revenue.

We found that Garda generally met the contract terms and provisions. Garda collected, processed, and deposited \$3,245,534.65 in excess bus revenue during the months of October and November 2009. However, we found that the contractor did not deposit excess bus revenue within 24 hours and weigh the bags of currency at TRES and upon arrival at the Garda processing facility, as required in the contract. After we brought this to TRES' and Garda's attention, they orally agreed to modify procedures such that WMATA would get credit for the declared value and use of the funds within 24 hours. In addition, we found that while TRES has adequate internal controls over Garda for collecting, handling, and accounting for excess bus revenue, it did not issue change order modifications to the contract to incorporate oral agreements or deviations from the contractor's scope of work. We recommended that WMATA do so.

In the Deputy General Manager for Administration/Chief Financial Officer's January 19, 2010, response to a draft of this report, she concurred with our findings and recommendation.

o ***Agreed-Upon Procedures Report***

To fulfill the requirements of the Operations Funding Agreements between WMATA and the eight participating agencies—Alexandria Transit Company (DASH); Arlington County, VA; the City of Fairfax, VA; Fairfax County, VA; Loudoun County, VA; Montgomery County, MD; the Potomac and Rappahannock Transportation Commission; and Prince George's County, MD—we contracted Clifton Gunderson LLP to perform agreed-upon procedures of WMATA's clearing house function for regional fare collection as of and for the year ended June 30, 2009. The external auditors issued an Agreed Upon Procedures Report, which was dated May 20, 2010, identifying the following issues:

1. There were no reconciliations prepared to reconcile amounts billed quarterly to participating agencies to the actual costs under the Agreements.
2. There was no preliminary budget prepared or mid-year budget reviews performed of costs incurred.
3. The amounts billed were not adjusted or reconciled consistently.
4. There was no documented basis for overhead rates applied on quarterly billings, and rates were inconsistently applied.

5. There were multiple control deficiencies—lack of segregation of duties, no documentation of review and approvals, no determination of the validity of source data, and lack of retention of supporting documentation.
6. There were multiple discrepancies on billings tested, including ridership data, Regional Software Maintenance Agreement fees, paid-to-date amounts, use of budget versus actual amounts, and the assessment of late charges.
7. There was no documentation of the basis for process, procedures, and decisions related to the clearing house function that deviated from the Agreements.

OIG will monitor and track Management's Corrective Action Plan to address these issues.

- **Review of Controls Over Storeroom Operations** — (Internal Operations No. 10-002, issued March 24, 2010). The objectives of the audit were to (1) determine the size and rate of growth of WMATA's inventory; (2) assess the effectiveness of WMATA's inventory management systems, including the accuracy of accounting for its inventory; (3) assess the effectiveness of the methodology used for setting and re-setting order points; (4) assess whether WMATA follows its policies and procedures for maintaining and using bench stock inventory; and (5) assess the effectiveness of WMATA's strategies for identifying and accounting for slow-moving inventory.

We found that WMATA's inventory grew by 25.3 percent between FY 2006 and FY 2009. We also found internal control issues, including WMATA did not: (1) accurately report its inventory at the Forward Supply Points, (2) ensure that daily counts of inventory in the storerooms are performed accurately, and (3) properly safeguard inventory at the Congress Heights Forward Supply Points. Our discussions with planners and users did not reveal any problems with WMATA's methodology for setting and resetting order points; this methodology appears to be effective as long as Bus Services and Transit Infrastructure and Engineering Services communicate their needs to the Office of Procurement and Materials. We noted that WMATA has no policies and procedures regarding bench stock inventory, and until recently, WMATA did not consistently identify and dispose of obsolete inventory in accordance with its Surplus Property Program. WMATA also has not defined and identified excess inventory for disposal. Lastly, we have concerns about controls over access to Storeroom 450, and the lack of segregation of duties in processing and receiving obsolete and excess inventory.

In the Deputy General Manager for Administration/Chief Financial Officer's March 22, 2010, response to a draft of this report, she concurred with our findings. She also submitted a Corrective Action Plan with milestone dates to address the 4 findings, 8 recommendations, and 2 other matters of concern.

Summary of Alternative Products Issued

From January 1, 2010, through June 30, 2010, we issued 39 attestation reports.

Our attestation engagements are performed at the request of the Office of Procurement and Materials (PRMT) and are conducted within the context of their stated scope and objective(s). The attestations can cover a broad range of financial and non-financial subjects, and they can be part of a financial audit or performance audit. They include the examination, review, or performance of agreed-upon procedures on a subject matter or an assertion about a subject matter and the reporting on the results. Because these reports involve contractor proprietary information, the reports are not posted on the OIG website and are not publicly distributed. A compilation of our attestation reports/certifications work appears in Table 2.

Some key types of attestation reports issued by OIG include pre-negotiation, billing rate, Buy America, pre-award and American Recovery and Reinvestment Act reviews. These are described more fully below along with the number of such reports issued this reporting period.

- **Pre-negotiation Attestation Reports** (11 reports). This type of report generally relates to a review and analysis of a contractor's proposal to determine if the pricing information is current, accurate, and complete and ties back to the contractor's accounting systems. During this reporting period, we reviewed pricing information with a proposed value of \$60,992,313 and suggested \$7,405,014 in net audit adjustments.
- **Billing Rate Attestation Reports** (7 reports). In these type of reports, we review the billing rates submitted by contractors and subcontractors to PRMT for approval. The primary objective of this review is to verify the basis of the billing rates and the support for the cost elements (base wage rates and overheads) included in the contractor's proposal and to ensure that the pricing information is current, accurate, and complete. The results of our review are sent to PRMT for use in the negotiation process.
- **Buy America Attestation Reports** (2 reports). The Federal Transit Administration (FTA) requires a pre-award and post-delivery certification that the manufacture of the rolling stock-stock vehicles (rail, bus, and MetroAccess) is in compliance with the FTA Buy America Act regulations. The pre-award audit is conducted prior to the contract award and the notice-to-proceed. The post-delivery audit is conducted prior to delivery of the rolling stock vehicle. At the end of the reviews, certifications are issued stating whether the manufacturer is in compliance with the FTA Buy America regulations.

- **Pre-award Attestation Reports** (15 reports). Prior to the final determination of a contract award, the contracting officer sends financial data (Income Statements, Balance Sheets, Retained Earnings Statements, Source and Application of Funds and related notes), submitted by the prospective contractor to the OIG for evaluation. We conduct an agreed-upon procedure review to determine if the contractor has adequate financial resources (going concern) and whether the contractor meets the applicable standards for a responsible prospective contractor.
- **American Recovery and Reinvestment Act Attestation Reports** (1 Report) At the request of PRMT, we agreed to review WMATA's Job Creation Reporting under the Recovery and Reinvestment Act of 2009 (ARRA). The ARRA Capital Program was established by WMATA's Board of Directors for the purpose of funding specific projects identified by management for the purpose of (1) preserving and creating jobs and promoting economic recovery, (2) assisting those affected negatively by the recession, and (3) investing in transportation infrastructure that will provide long term economic benefits. The objectives of our review were to determine whether this project is (1) preserving and creating jobs and (2) meeting the reporting of job data under the ARRA requirements.
- **Other Attestation Reports** (3 reports). We also performed other attestation services as requested by PRMT management, including Advisory Memoranda on contract issues and attestation reviews of contractor claims.

Other Audit Products

During this reporting period, we issued one Alert Memorandum (see Table 3). These reports pertain to matters that are either outside the objectives of an on-going audit or are identified while engaged in work not related to an on-going assignment and require immediate management action.

We also issued 14 waivers in response to requests from contracting officers to waive audits of cost and pricing information when this information is available and considered adequate. When the pre-negotiation audit is waived, the contract files are documented to support the reasons for the waiver and the contracting officer notifies the IG, in writing, that he/she requests a waiver of the requirement for a pre-negotiation attestation. We review the supporting documentation to determine whether to grant the waiver or not.

INVESTIGATIONS

During this reporting period, we received a total of 126 complaints through the OIG Hotline, in writing, and in person. We processed 99 matters that included both complaints requiring investigative attention that did not result in an investigation and those referred directly to other complaint resolution processes. We opened 20 investigations and closed 8 investigations (a summary is provided in Table 4).

Investigations also issued a Management Alert Report (MAR) entitled *Inadequate Oversight of Contract Employees Having Access to WMATA Facilities*, dated February 9, 2010. The MAR raised concerns about the oversight and tracking of contractors who have access to WMATA facilities to perform required work, both from a security and contract-monitoring viewpoint. OIG recommended that contractor employees' access be better controlled through the use of electronic badges. In addition, we recommended that management improve tracking and documentation of contract employees working on time-and-materials and similar contracts where the contractor is paid based upon the hours worked.

In response to the MAR, the Chief Procurement Officer issued a directive that contract employees working on time and material/labor hour service contracts are required to sign in and out on attendance logs, and managers are required to certify the contract employees' hours represented. In addition, the Metro Transit Police Department advised that they are procuring updated access control management software for contractors to be installed by September 30, 2010.

OTHER OIG ACCOMPLISHMENTS

Other OIG accomplishments during this reporting period include:

- Inspector General Lew participated in a panel discussion on “Program Integrity—Detecting Waste, Fraud, and Abuse” before the 2010 Association for Federal Information Resources Management (AFFIRM) CFO-CIO Summit on June 23, 2010, at the Capital Hilton Hotel in Washington, D.C.
- Leon Langford, Audit Supervisor, conducted an internal controls training course for MetroAccess Services personnel on June 23, 2010.
- Tilahun Befikadu, Senior Auditor, successfully passed all three parts of the certification examination and was awarded the Certified Government Financial Manager credential by the Association of Government Accountants on May 11, 2010.

- Roland Wong, IT Specialist, completed the EnCase Certified Examiner Program and was awarded a Computer Forensic Examiner Professional Certification on April 20, 2010.
- From January 2010 to June 2010, OIG management continued to participate in weekly New Employee Orientation training to acquaint recently hired employees of the role and mission of the OIG and to provide them with contact information.

Table 1: Recommendations Described in Previous SARs on Which Corrective Action Has Not Been Completed as of June 30, 2010

Report Number	Report Title (Prior Semiannual Report [SAR] Number and Page)	Date Issued	Total Monetary Findings	Number of Recommendations		Latest Target Date (Per WMATA Corrective Action Plan)
				Open	Complete	
Internal Operations Audits						
IO 08-005	Review of Trapeze the Bus Rail Scheduling and Dispatch System (SAR 2, page 3)	03/25/08		1	4	March 2011*
IO 09-004	Internal Control Review of Fare Media Sales (SAR 3, page 3)	12/30/08		1	10	June 2011*
Contract Performance Audits						
CA 08-053	Review of Issues and Concerns on Cubic Contract (SAR 2, page 4)	12/19/08		1	1	Nov. 2010
CA 09-037	Audit of Martek Global Services (SAR 5, page 5)	10/02/09		1	4	July 2011
Information Technology Audits						
IT 10-002	Review of Access Controls of Major Financial and Information Systems	10/14/ 09		9	0	Sept. 2010*
IT 10-001	Review of People Soft Remediation (SAR 5, page 4)	10/ 21/09		1	6	July 2011*
External Audits						
	Single Audit Report Year ended June 30, 2007 (With Independent Auditor's Report Thereon) (SAR 1, page 4)	09/28/07		2	3	June 2012
	Single Audit Report Year ended June 30, 2008 (With Independent Auditor's Report Thereon) (SAR 4, page 2)	12/22/08		7	5	June 2011
	Single Audit Report Year ended June 30, 2009 (With Independent Auditor's Report Thereon) (SAR 5, page 3)	10/22/09		7	4	July 2011
* Expected completion date changed from previous report.						

Table 2: OIG Audit Reports and Alternative Products on WMATA Programs and Activities January 1, 2010, through June 30, 2010

Report Number	Report Title	Date Issued	Questioned Costs*	Unsupported Costs	No. of Recommendations
AUDIT REPORTS					
<u>Internal Operations</u>					
IO 10-001	Internal Controls: Review of Excess Bus Revenue	01/27/10			2
IO 10-002	Review of Controls Over Storeroom Operations	03/24/10			8
<u>External Audits</u>					
	Clearing House Function for Regional Fare Collection Agreed-Upon Procedures Report Year Ended June 30, 2009	06/10/10			
<u>Contract Attestations</u>					
<u>Pre-Negotiation Attestation Reports</u>					
CAA 10-010	Pre-Negotiation Review of MA 006, Work Authorization 6G3041	02/24/10			
CAA 10-011	Review of Sub-contractor's Proposal, Contract FN8041 Providing Design, Fabrication, Installation, Testing and Commissioning of Eight (8) New Rail Vehicle Lift Systems	03/05/10			
CAA 10-012	Review of Contractor's Proposal Contract FN8041, Providing Design, Fabrication, Installation, Testing and Commissioning of Eight (8) New Rail Vehicle Lift Systems	03/23/10			
CAA 10-013	Review of Contractor's Proposal Contract FI5583, Comprehensive Radio Communications System Segment 18 Remediation	04/02/10			
CAA 10-014	Review of Contractor's Sole Source Proposal, Contract FI5583, Comprehensive Radio Communications System	04/06/10			
CAA 10-015	Review of Contractor's Proposal, Contract FI5583, Comprehensive Radio Communications System for Deletion of Refurbishment of Rail Panels	04/06/10			
CAA 10-016	Review of Contractor's Proposal, Contract CQ10051, for Oversight and Maintenance of PROTECT System	04/15/10			

Semiannual Report to the Board of Directors: No. 6

Report Number	Report Title	Date Issued	Questioned Costs*	Unsupported Costs	No. of Recommendations
CAA 10-017	Review of Contractor's Proposal, Contract YR9188/BB, To Provide Bus Transmission Spare Parts	04/28/10			
CAA 10-018	Review of Contractor's Proposal, Contract FH6318, 5000 Series Rapid Transit Railcars Open Commercial Issues, Spare Parts and Warranty Cost	04/30/10			
CAA 10-020	Pre-Negotiation Review of Change Order WM264, Contract FK0154, For the Installation of Chevrons on the 2K & 3K Railcars	06/16/10			
CAM 10-025	Review of Contractor's Proposal, Contract FI5583, Modification No. 24, Part 1 Through Part 1G, System Support and Maintenance of Comprehensive Radio Communications System Equipment	04/06/10			
<u>Billing Rate Attestation Reports</u>					
CAM 10-014	Review of Sub-contractor's Proposed Rate, Contract CO5102, FY 2010, Vehicle Engineering Program	01/12/10			
CAM 10-015	Review of Contractor's Proposed Rates, Contract CO5102, FY 2010, Vehicle Engineering Consultant Services	01/12/10			
CAM 10-018	Review of Sub-contractor's Proposed Rates, Contract SF 5070, FY 2010, Task No. 10-SMRT- 1, 2, and 3, On Call A/E Support Services, SmarTrip® Fare Collection Support	01/28/10			
CAM 10-026	Review of Contractor's Proposed Rates, Contract FO5140, Modification 014 Information Technology Renewal Program	04/01/10			
CAM 10-027	Review of Contractor's Proposed Rates, Contract CO5108 MetroAccess Services	04/06/10			
CAM 10-028	Review of Sub-contractor's Proposed Rates, Contract CO5102, Vehicle Engineering Program	04/16/10			
CAM 10-035	Review of Sub-contractor's Proposed Rates, Contract CO5102, Vehicle Engineering Program	06/24/10			

Semiannual Report to the Board of Directors: No. 6

Report Number	Report Title	Date Issued	Questioned Costs*	Unsupported Costs	No. of Recommendations
<u>Buy America Attestation Report</u>					
CAM 10-016	Post-Delivery Buy America Certification Audit Contract ES9147/SR 80 MetroAccess Raised Roof Vans	01/26/10			
CAM 10-029	Pre-Award Buy America Certification Audit, Contract RC 7000/RAM, Three Hundred Sixty-Four 7000 Series Rapid Transit Railcars	05/03/10			
<u>Pre-Award Attestation Reports</u>					
CAM 10-017	Evaluation of Pre-Award Financial Data, Contract CQ9224 SmarTrip® Regional Customer Service Center	01/27/10			
CAM 10-019	Evaluation of Pre-Award Financial Data, Contract CQ9224 SmarTrip® Regional Customer Service Center	01/28/10			
CAM 10-021	Evaluation of Pre-Award Financial Data, RFQ YS10114 Collector Shoe Fuses	02/25/10			
CAM 10-022	Evaluation of Pre-Award Financial Data, Contract CQ9224 SmarTrip® Regional Customer Service Center	02/19/10			
CAM 10-024	Evaluation of Pre-Award Financial Data, RFP RC 7000/RAM, 7000 Series Rapid Transit Railcars	03/10/10			
CAM 10-030	Evaluation of Pre-Award Financial Data, Contract No. CQ8107 The Metro Channel	05/06/10			
CAM 10-031	Evaluation of Pre-Award Financial Data, Contract No. GP9163 Cheverly Abutment Structure Rehabilitation	05/11/10			
CAM 10-033	Evaluation of Pre-Award Financial Data, Contract No. RFP RE9210/JWW	02/17/10			
CAM 10-034	Evaluation of Pre-Award Financial Data, Contract No. FQ8133 Replacement of Southeastern Bus Garage Design/Build	06/16/10			
CAM 10-036	Evaluation of Pre-Award Financial Data, Contract No. FQ10063/KPN On Call ATC/Trackwork Engineering Consultant Service	06/28/10			

Semiannual Report to the Board of Directors: No. 6

Report Number	Report Title	Date Issued	Questioned Costs*	Unsupported Costs	No. of Recommendations
CAM 10-037	Evaluation of Pre-Award Financial Data, Contract No. FQ10064/KPN On Call Automatic Fare Collection Engineering Consultant Services	06/28/10			
CAM 10-038	Evaluation of Pre-Award Financial Data, Contract No. FQ10062/KPN On Call Communications Engineering Consulting Services	06/28/10			
CAM 10-039	Evaluation of Pre-Award Financial Data, Contract No. CQ10194 Bus Operations Command Center At Carmen Turner, Hyattsville, MD	06/29/10			
CAM 10-040	Evaluation of Pre-Award Financial Data, Contract No.FQ10060 On Call A&E Consultant Services	06/29/10			
CAM 10-141	Evaluation of Pre-Award Financial Data, Contract No.FQ10065 On Call Planning Support Consulting Services	06/30/10			
<u>American Recovery and Reinvestment Act Attestation Reports</u>					
CAA 10-021	Review of Job Creation Reporting Under the American Recovery and Reinvestment Act Of 2009, Contract ES9144, For Professional Services for Document Management Architecture	06/17/10			

Report Number	Report Title	Date Issued	Questioned Costs*	Unsupported Costs	No. of Recommendations
<u>Other Attestation Reports</u>					
CAA 10-019	Financial Settlement Review of Additional and Supplemental Labor for the Period July 1, 2006 Through December 31, 2009, Contract CO5034	05/13/ 10			
CAM 10-023	Financial Settlement Review of Contract 3Z6254 General Engineering Consultant Services, FY-03	03/09/10			
CAM 10-032	Advisory Memorandum, Contract 3Z800B, Development Related Ridership Study	05/20/10			
<p>* For purposes of this schedule, questioned costs include other recommended recoveries.</p> <p>Notes: Description of Alternative Products</p> <p>Attestation reports convey the results of attestation engagements performed within the context of their stated scope and objective(s). Attestation engagements can cover a broad range of financial or non-financial subjects and can be part of a financial audit or performance audit. They include examination, review or performance of agreed-upon procedures on a subject matter or an assertion about a subject matter and reporting results. Pre-award audit services are provided by OIG in response to requests by WMATA's contracting or program office staffs. These normally include making an assessment of an offeror's accounting system and financial capability to perform the contract.</p>					

**Table 3: Other OIG Reports on WMATA Programs and Activities
January 1, 2010, through June 30, 2010**

Report Number	Report Title	Date Issued
<u>Contract Audit – Alert Memorandum</u>		
CAM 10-120	Alert Memorandum – Project Oversight over ERG Transit Systems, Inc. (ERG) and Northrop Grumman Information Technology, Inc. (NGIT)	03/10/10

**Table 4: Investigative Activity Statistical Profile
January 1, 2010, through June 30, 2010**

Statistic		No.
Complaints Received		126
Complaints Closed and Referred ³		99
Investigations Opened		20
Investigations Closed		8
Matters Pending at end of Reporting Period (Investigations and Complaints)		24

³ Includes both complaints requiring investigative attention that did not result in an investigation and those referred directly to other complaint resolution processes.