

Review of WMATA's Compliance with Infrastructure Investment and Jobs Act

November 6, 2023

OIG 23-003





Executive Summary

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On November 15th, 2021, President Joseph R. Biden Jr. signed the Infrastructure Investment and Jobs Act (IIJA) ¹ According to the American Public Transportation Association (APTA), the IIJA made historic investments in our nation's public transportation infrastructure meant to shape our future for decades. For FY2023, Washington Metropolitan Area Transit Authority (WMATA) was authorized \$847.2 million through federal formula grants and a Passenger Rail Investment and Improvement Act (PRIIA) grant.

WMATA's Office of Inspector General (OIG) was allocated \$5 million for each of the fiscal years 2022 through 2030 from the PRIIA grant, to be available until expended, plus another \$5 million annually in matching non-federal funds from WMATA. These funds are for the operations of the Office and oversight duties established by the WMATA Compact.

The Act provides funding for significant investments in bridges and rail, to help communities and the nation tackle climate change, advance equity, meet growing and evolving mobility demands, and create jobs. With the enactment of the IIJA, the public transportation industry was uniquely positioned to address these challenges head-on.

WMATA described the current capital budget as allowing "WMATA to invest in more frequent rail and bus service, and a better customer experience." The key areas emphasized in WMATA's current Capital Improvement Program (CIP) include Railcars and Railcar Facilities, Bus and Bus Facilities, Stations and Passenger Facilities, Operations and Business Support; Heavy Repair and Overhaul Facility; Bladensburg Bus Garage Facility; Northern Bus Garage Facility; and Metro Integrated Communications and Command Center.

IIJA Section 30019(d)(2)(E)(iii) requires WMATA OIG to issue a report, two years and five years after the enactment of the IIJA, that includes:

- An assessment of the effective use of funding to address major capital improvement projects;
- A discussion of compliance with strategic plan deadlines;

¹ Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021).

- An examination of compliance with reform requirements under the laws that authorized jurisdictional dedication funding, including identifying any challenges to compliance or implementation; and
- Recommendations to the Transit Authority to improve implementation.

Shortly after the Act's passage, OIG began preparing and executing our oversight and reporting duties. An internal working group was established to determine WMATA's compliance with the IIJA requirements in the following areas of jurisdictional dedicated funding: capital planning policies, transit asset management process, outcome performance measures, annual reporting, implementation of new technology to include cybersecurity, and continued integration of new wireless services and emergency networks.

The IIJA also required the Board, as a condition for WMATA to receive federal funds, to delegate to the Inspector General both contracting officer authority and HR authority "to select, appoint, and employ such officers and employees as may be necessary" for carrying out the duties of OIG. The Board has done so insofar as it has adopted several resolutions on the subject. However, as of this writing, WMATA management and staff have not made all the necessary policy or procedural changes for OIG to exercise procurement and HR independence in accordance with the IIJA, despite OIG's efforts to that end.

With the exception of reforms to OIG, in July 2023, OIG determined that WMATA complied with the IIJA requirements and reforms for the areas of jurisdictional dedicated funding, capital planning policies, transit asset management process, outcome performance measures, annual reporting, implementation of new technology to include cybersecurity, and continued integration of new wireless services and emergency networks. These are positive early steps, but it is too soon to assess the effective use of funding as WMATA is still implementing capital improvement projects. However, while OIG feels WMATA is prioritizing cybersecurity within its capital improvement program, in 2023, OIG published a report identifying many challenges WMATA faces with their IT and Cyber programs. OIG also found that WMATA could better align

with best practices in CIP investment prioritization during budget development and intake, and funding program definitions.

According to WMATA, there could be future constraints in capital funding for upcoming years due to expiring funding sources and a formal CIP program for investment prioritization may be necessary.



Table of Contents

Introduction	5
Background	5
Objective, Scope, and Methodology	10
Audit Results/Other Challenges, Conclusions and Recommendations.....	12
1.0 Jurisdictional Dedicated Funding Requirement	12
2.0 Implementation of Document Procedures for Capital Planning Process Background	18
3.0 Transit Asset Management Planning Process	19
4.0 Major Capital Projects Performance Measures Align with WMATA Strategic Goals.....	21
5.0 CIP Annual Reporting	23
6.0 Cyber Implementation of New Technology - Cybersecurity	24
7.0 Continued Integration of New Wireless Services and Emergency Communications Networks Background	28
8.0 OIG Independence.....	32
Recommendation Summary	43
Summary of Management’s Response	43
Appendices	44
Appendix A – IT Projects and Strategic Initiatives	44
Appendix B – WMATA’s FY23 Federal Formula and PRIIA Grant Funding Breakout by CIP	46
Appendix C – WMATA’s Jurisdictional Dedicated Funding Breakout by CIP	49
Appendix D – RSM US LLP’s FY2022 Dedicated Funding Report	55

Introduction

Background

Infrastructure Investment and Jobs Act (IIJA)

On November 15th, 2021, President Joseph R. Biden Jr. signed the Infrastructure Investment and Jobs Act (IIJA). According to the American Public Transportation Association (APTA), the IIJA made historic investments in our nation's public transportation infrastructure that will shape our future for decades. The IIJA provided more than \$108 billion for public transit. The infrastructure law allocated funding to over 350 distinct programs across more than a dozen federal departments and agencies. Over 60 percent of total funding for public transit flowed to "formula programs."²

According to APTA, these investments in public transportation were meant to help communities and the nation tackle climate change, advance equity, meet growing and evolving mobility demands, and create jobs. With the enactment of the IIJA, the public transportation industry was uniquely positioned to address these challenges head-on.

President Biden's Executive Order (EO)

President Biden issued an Executive Order on November 15th, 2021, implementing the IIJA.³ The law and the Executive Order emphasize that the IIJA will:

- Build out the first-ever national network of 500,000 electric vehicle (EV) charging stations and invest in the manufacturing of batteries and the critical minerals that power EVs
- Rebuild the nation's most economically significant bridges and 15,000 smaller bridges in communities across the country
- Make the largest investment in public transit in history and the largest investment in rail since Amtrak's creation
- Make our communities safer and our infrastructure more resilient to the impacts of climate change and other threats
- Upgrade the power grid to transmit more clean energy and withstand extreme weather
- Tackle legacy pollution and advance environmental justice

² According to "grants.gov", a formula grant is defined as allocations of federal funding to states, territories, or local units of government determined by distribution formulas in the authorizing legislation and regulations. To receive a formula grant, the entity must meet all the eligibility criteria for the program, which are pre-determined and not open to discretionary funding decisions. Formula grants typically fund activities of a continuing nature and may not be confined to a specific project. Common elements in formulas include population, proportion of population below the poverty line, and other demographic information.

³ E.O. 14052, "Implementation of the Infrastructure Investment and Jobs Act" (Nov. 15, 2021), Federal Register, Nov. 18, 2021, <https://www.federalregister.gov/documents/2021/11/18/2021-25286/implementation-of-the-infrastructure-investment-and-jobs-act>, as amended by E.O. 14082, "Implementation of the Energy and Infrastructure Provisions of the Inflation Reduction Act of 2022" (Sep. 12, 2022), Federal Register, Sep. 16, 2022, <https://www.federalregister.gov/documents/2022/09/16/2022-20210/implementation-of-the-energy-and-infrastructure-provisions-of-the-inflation-reduction-act-of-2022>.

WMATA's Capital Budget and Capital Program Lifecycle Process

The proposed FY2024 Capital Program budget was presented to the Metro Board of Directors on December 8, 2022, for consideration and was approved in April 2023, effective July 1, 2023. This approved budget contained a \$2.4 billion budget for FY2024, a \$14.4 billion six-year Capital Improvement Program (CIP) for FY2024-FY2029, and a \$26.8 billion ten-year CIP.

WMATA's Capital Program Lifecycle for the capital portion of WMATA's budget is broken out into eight (8) phases, which are as follows:

- **Needs Identification** – This phase of the process is where, annually, new investment needs and ongoing/existing needs are reviewed and validated with applicable Metro stakeholders including functions such as operations, maintenance, engineering, safety, and capital.
- **Capital Program Alignment & Development** – This is the phase where the framework for prioritization is established. Capital investment needs are evaluated based on impacts to key agency goals such as safety, security, and state of good repair/reliability.
- **Board Approved Budget Communication** – Following Budget and CIP approval from the Board, capital program guidance and information are shared with internal stakeholders and implementation offices through:
 - Six-Year CIP
 - 10-Year Plan
 - Approved Program of Projects (POP)
 - Capital Program Business Intelligence (BI) Dashboards
 - Implementation Plan Guidance
- **Implementation Planning** – In this phase, implementation plans are developed by documenting a project's scope, schedule, and total project cost. Examples of implementation plans include project charters, charter lists, and project statements. This creates a baseline for performance monitoring and capital project updates.
- **Execution-Design & Procurement** – If applicable, project designs and technical specifications are developed.
- **Procurement** – If applicable, procurements are executed.
- **Execution in Construction** – If applicable, construction is executed.
- **Reporting** – This is the phase where CIP progress reports are presented through board reports/presentations, quarterly financial reports, and quarterly update presentations.

IIJA's Authorization and FTA Apportionments to WMATA

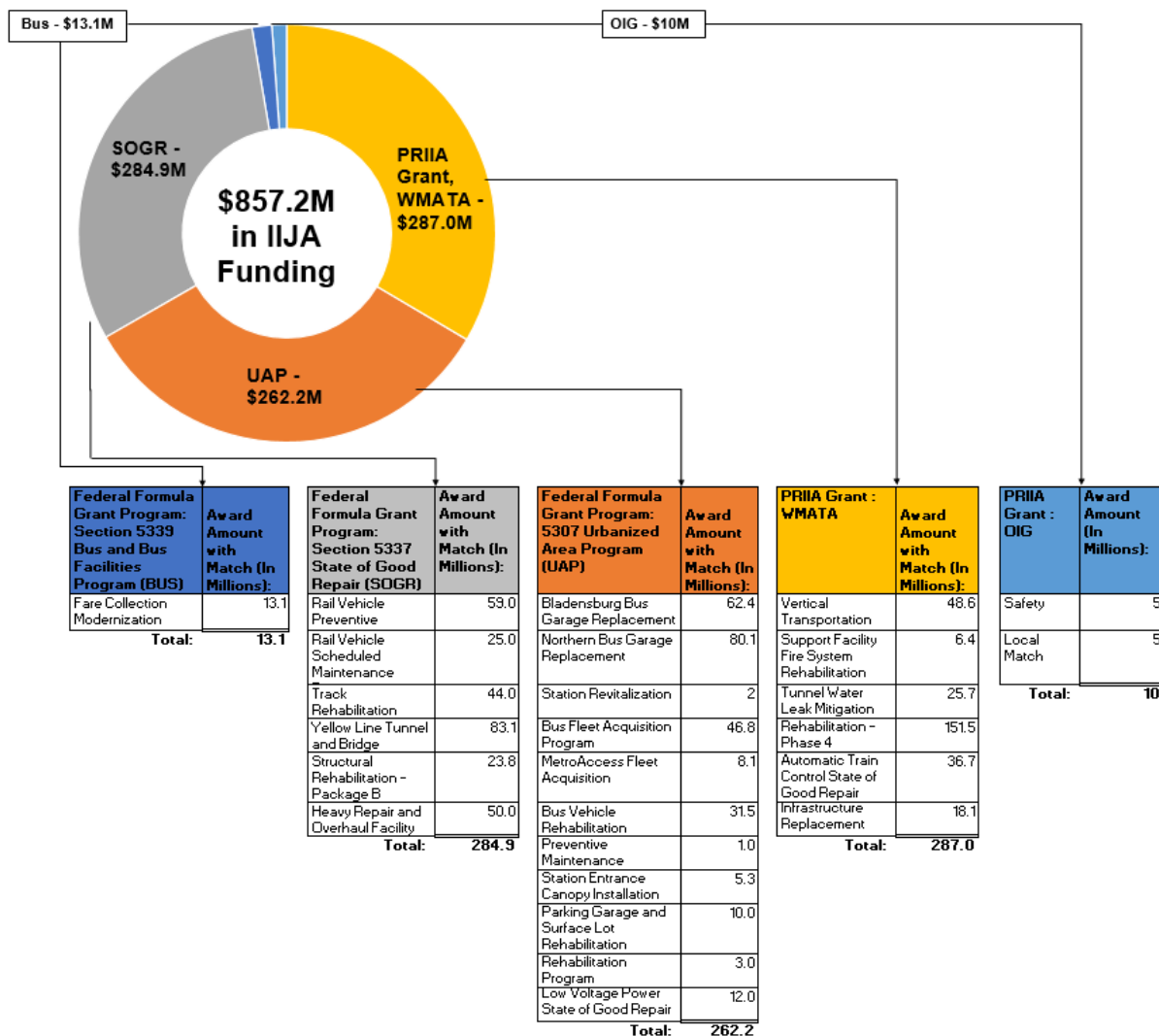
The IIJA reauthorized capital and preventative maintenance grants, which are the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) grants, in the aggregate amount of \$150 million dollars annually for federal fiscal years 2022 through 2030.

Through the Consolidated Appropriations Act of 2022 ("Appropriations Act"), it reauthorized and increased federal federal funding by 30 percent for the Urban Zone Areas.

Under the IIJA, WMATA's Office of Inspector General (OIG) was allocated \$5 million for each of the fiscal years 2022 through 2030 from the PRIIA grant, to be available until expended, plus another \$5 million annually in matching non-federal funds from WMATA. These funds are for the operations of the Office and oversight duties established by the WMATA Compact.

Authorized under IIJA, as of WMATA's FY2023, the U.S. Department of Transportation (DOT) – Federal Transit Administration (FTA) apportioned, through FTA grant awards, approximately \$857.2 million in Federal formula and PRIIA grants to WMATA and OIG (5 million), including local match. The total apportioned funding amount was allocated to 5 grant programs. Refer to Chart 1 - IIJA Funding by Grant Program and Capital Improvement Program:

Chart 1 – IIJA Funding by Grant Program and Capital Improvement Program



Note: For WMATA CIPs tied to cybersecurity projects, which included CIP8029 – Development and Evaluation (D&E) Information Technology Improvements, CIP0363 – Cybersecurity, CIP0357 - Cybersecurity Legacy Software Improvements, CIP0042 – Asset Management Software Improvements, CIP0269 – Asset Management Software, CIP0359 - Enterprise Technology Platforms State of Good Repair, and CIP0358 – Business Systems State of Good Repair. OIG determined that they were not federally funded, such as with IIJA-authorized or PRIIA grant funds and, therefore, were not part of Table 1 above. For the table summary of IT Projects and Strategic Initiatives that include the cybersecurity project CIPs, please refer to **Appendix A**. However, the IIJA did require an assessment of the status of WMATA cybersecurity projects, which is described in more detail below in section “**6.0 Cyber Implementation of New Technology – Cybersecurity**”.

For the breakout of the Federal Formula and PRIIA Grant funding at the CIP level, excluding OIG's PRIIA grant, which was an operating assistance grant, please refer to **Appendix B**.

For discretionary grant funding authorized by the IIJA, as of May 5, 2023, WMATA had applied for but had not yet received any grant award under these opportunities. WMATA had grant applications for these opportunities and anticipates receiving notification in the August through September 2023 timeframe.

WMATA Jurisdictional Dedicated Funding

In addition to PRIIA grant compliance, the IIJA required WMATA to comply with the jurisdictional dedicated funding agreements. In 2018, the Commonwealth of Virginia, the State of Maryland, and the District of Columbia authorized legislation to provide \$500 million (combined) in dedicated capital funding to Metro to restore its assets to a state of good repair and to improve the safety and reliability of the transit system. According to the Office of Capital Planning and Programming, the funding is available until FY2029.

For the breakout of the jurisdictional dedicated funding at the CIP level, please refer to **Appendix C**.

WMATA OIG Reporting Requirements

IIJA Section 30019(d)(2)(E)(iii) requires WMATA OIG, two years and five years after the enactment of the IIJA, to issue a report that includes:

- An assessment of the effective use of funding to address major capital improvement projects;
- A discussion of compliance with strategic plan deadlines;
- An examination of compliance with reform requirements under the laws that authorized jurisdictional dedication funding, including identifying any challenges to compliance or implementation; and
- Recommendations to the Transit Authority to improve implementation.

Additionally, Section 30019(g)(1)(A) requires the Comptroller General of the United States to report to specified congressional committees, not later than three years after enactment of the IIJA, on whether the required reforms to strengthen the independence of the WMATA OIG have been implemented. To provide its own perspective and to ensure the completeness of the present report, WMATA OIG assesses in this report the progress of these reforms to date.

Objective, Scope, and Methodology

Objective

The audit objectives for this review are as follows:

1. Determine whether WMATA has implemented reforms of jurisdictional dedicated funding through:
 - An assessment of the effective use of funding to address major Capital Improvement Projects
 - A discussion of compliance with strategic plan deadlines
 - Examination of compliance with reform requirements that identifies challenges to compliance
 - Recommendations to the Transit Authority to improve implementation
2. Determine if WMATA has implemented document procedures for the capital planning process.
3. Determine if WMATA has implemented a transit asset management planning process.
4. Determine if WMATA has implemented performance measures to assess the outcomes of major capital projects.
5. Determine if WMATA has submitted an annual report detailing the Capital Improvement Program of the Transit Agency.
6. Determine if WMATA prioritized the implementation of new technological systems that include robust cybersecurity protections.
7. Determine if WMATA prioritized continued integration of new wireless services and emergency communications networks and the extent to which mobility services partnerships were leveraged to improve the competitiveness of the core business.
8. Determine whether WMATA implemented the OIG independence measures required by the IIJA in regard to:
 - The OIG funding process
 - Contracting officer authority
 - HR Authority to select, appoint, and employ
 - Independent legal counsel
 - Public posting of reports containing recommendations
 - Submittal of semiannual reports to the Board for distribution within 30 days

Scope/Methodology

The scope of the audit was WMATA's capital budget process for FY2022 through FY2024.

To meet our audit objectives, the following was our methodology:

1. Performed research of the IIJA law, related regulations, implementation guidance, and related resources by reviewing: the IIJA law, the U.S. White House's "BUILD.gov", Code of Federal Regulation (CFR) guidance, WMATA board resolutions and meetings, existing WMATA policies, WMATA memorandums, WMATA capital budget documents, WMATA strategic plan documents, FTA award documents, WMATA jurisdictional dedicated funding agreements, Government Accountability Office (GAO) capital planning guidance, prior audits, news articles, and public transportation capital investment best practices guidance (Transit Cooperative Research Program Reports).
2. Performed walk-throughs, interviews, and follow-up discussions with WMATA personnel from the offices of Capital Planning and Programming, Capital Financial Management, Capital Financial Reporting, Capital Budget Management, Bus Maintenance, and Information Systems-Planning Performance and Improvement.
3. Reviewed and inspected documentation provided by the process owners for the budget development and capital program planning process, and for CIP tracking and payments.
4. Analyzed the discussions, the research documentation obtained, and the documentation provided by the WMATA process owners to determine compliance with the IIJA.

Audit Results/Other Challenges, Conclusions, and Recommendations

1.0 Jurisdictional Dedicated Funding Requirement

IIJA Section 30019(d)(2)(E)(iii) requires WMATA OIG, two years and five years after the enactment of the IIJA, to issue a report that includes:

- An assessment of the effective use of funding to address major capital improvement projects;
- A discussion of compliance with strategic plan deadlines;
- An examination of compliance with reform requirements under the laws that authorized jurisdictional dedication funding, including identifying any challenges to compliance or implementation; and
- Recommendations to the Transit Authority to improve implementation.

1.1 Effective Use of Funding

To determine whether WMATA effectively used dedicated funding for major capital improvement projects, OIG spoke with the Office of Capital Planning and Programming on their budget intake and development process, investment prioritization and programming, program accountability, and reporting process. Also, OIG referred to WMATA's capital program planning policy, policy/instruction (P/I) 5.17/0.

Investment Prioritization – Factors/Metrics

For prioritization of capital investment needs, the Office of Capital Planning and Programming stated it did not have a prioritization process in the form of “racking-and-stacking” from 1 to more than 300 CIPs. Instead, the Office of Capital Planning and Programming selected CIPs for funding based on the following factors:

- Potential execution risks or “interruption of service”
- WMATA mission and strategic goals in safety, reliability, and state of good repair (SGR) areas
- General Manager (GM) concerns, such as yellow line tunnel, fixing bridges, and zero-emission buses
- “Major capital projects,” which are defined by 49 CFR 633.5, and involve the construction, expansion, rehabilitation, or modernization of a fixed guideway that has a total project cost of \$300 million or more and received Federal funds of \$100 million or more
- Assets that engineers identified as needing to be replaced in 1-5 years
- Funding is somewhat known through meetings with Office of Capital Financial Management but is not the primary factor in selecting CIP projects. The projects are selected and then

provided to the Office of Capital Financial Management, whose role is to determine how projects will be funded.

For transportation investment prioritization, according to best practices, the following were factors and suggested criteria to be considered when prioritizing CIPs for funding based on how it will benefit WMATA's public transportation:

Criteria Type:	Description:
Service Coverage/Completeness:	Service Coverage/Completeness: Includes measures that capture and emphasize the comprehensiveness of public transportation services geographically or temporally, such as route miles or total system hours.
Eligibility for value capture financing:	Captures public transportation's unique ability to generate real estate value by increasing accessibility, which can also generate funding opportunities through a mechanism like tax increment financing.
Integration of transit services:	Measures a project's ability to integrate processes or services across public transit agencies in a state or region.
Productivity:	Highlights the potential for a project to increase operating efficiencies by, for example, increasing vehicle occupancy or reducing costs per passenger mile. APTA defines productivity as "the ratio of units of transportation output to units of input (consumed resource); for example, vehicle miles (vehicle kilometers) per operator hour, or passenger miles (passenger kilometers) per unit cost of operation" (APTA 2019a).
Quality of Service:	The measures can include indicators that assess the crowding levels of public transit vehicles, along with reliability metrics such as on-time performance (for transit only) or indices for travel-time reliability and planning time (for all modes).
Accessibility:	Measures such as access to jobs for disadvantaged populations or access for zero-car households capture the importance of public transportation for low-income individuals and for accessibility more broadly.
Congestion/Mobility:	Highlights public transit's ability to relieve congestion or help people avoid congestion through measures related to reducing person-hours of delay, reducing travel time between major activity

	centers, or increasing person throughput, often at the corridor level.
Cost-Effectiveness/System Preservation:	Performance measures that emphasize maintaining existing assets as a long-term cost savings mechanism tend to make transit more competitive. These measures could include a comparison of costs avoided to annualized costs of a project, breakeven year estimates, etc. For expansion projects, this approach means ensuring that costs incorporate full life cycle costs, not just up-front capital expenditures.
Economic Impacts:	Supports an understanding of transit's role in the economy through measures related to supporting economic development, such as economic productivity, output, or return on investment.
Environmental quality:	Measures related to avoiding or reducing impacts to natural and cultural resources may capture positive externalities of transit use (overlaps with public health and quality of life). These measures may address both localized environmental impacts and broader climate change-related goals of reducing greenhouse gas emissions.
Land-use Compatibility:	Favors projects that have increased potential for success because of compatible land use (existing or planned) in the vicinity of a proposed project and/or projects that support efficient land development patterns.
Public health and quality of life:	Measures related to air quality, livability, and support for active transportation/healthy lifestyles (including walking to transit) reflect the advantages of transit capital projects.
Regional integration and coordination:	Measures a project's cohesiveness with broader regional plans from partner agencies; reflects the interagency nature of some transit planning.
Social equity/Environmental justice:	Expansion of public transportation services has the potential to compensate for historic underinvestment in specific communities and to provide options to the mobility disadvantaged (whether due to income, location, race, ability, or the intersection of these).
Viability/feasibility:	Evaluate whether the amount allocated can fund a viable project or set of projects, thus maximizing the cost-effectiveness of transit capital investments.

Investment Prioritization - Funding Program Definitions

In practice, in WMATA's budget reporting documents, and in WMATA's CIP – "Safety Driver" Crosswalk worksheet, it was evident that WMATA divided funding by transit asset type and by type of transit capital projects. However, formalized definitions of the type of transit capital projects could not be provided. For example, definitions of projects that would fall under the categories of safety, reliability, and state of good repair could not be provided.

The choice of funding categorization scheme can greatly influence the structure of the prioritization. Also, program definitions to determine how projects are compared to one another are as important to the prioritization of funding as the selection of decision criteria within a given program category.

Quarterly CIP Tracking with Jurisdictional Dedicated Funding

Each of the Dedicated Funding agreements requires Metro to report quarterly on progress in the use of funding for capital investments. This Capital Improvement Progress report provides information consistent with the requirements of those agreements. Also included are capital budget adjustments if there was a change in scope, schedule, or cost.

Jurisdictional Dedicated Funding Payment Review Process

For accounts payable (A/P) payments funded through dedicated funding, there is a "pre-payment" review for dedicated funding compliance. Additionally, for payments over \$100,000, these payments have to go through an "eligibility" check. These payments have a Partial Payment Authorization (PPA) form to be completed, as an internal control, prior to A/P post payment process. The review consists of tasks such as examining the accuracy of dollar amounts and assessing labor requirements.

Conclusion

Based on speaking with the process owners and reviewing example document support of their process, OIG determined that WMATA complied with the IIJA requirement that funds are used for major capital projects tied to jurisdictional dedicated funding. These are positive early steps, but it is too soon to assess the effective use of funding as WMATA is still implementing capital improvement projects. Although WMATA operationally prioritizes capital funding according to its policy and has funding program categorizations, OIG provides two recommendations related to WMATA's exploration of investment prioritization factors/metrics and the alignment of funding program definitions according to best practices.

Recommendations

1. Evaluate WMATA's current investment prioritization process against industry best practices (e.g., National Academies of Sciences, Engineering, and Medicine. 2021. Prioritization of Public Transportation Investments: A Guide for Decision-Makers) to identify alignment opportunities and enhance decision-making.
2. Evaluate the relevance of a funding program definition in alignment with WMATA's current investment prioritization process, considering the best practices mentioned above.

1.2 Compliance with Strategic Plan Deadlines

To determine whether WMATA complied with strategic plan deadlines, OIG spoke with the Office of Capital Planning and Programming on their process of aligning capital planning with the WMATA strategic plan, reviewed the Office of Capital Planning and Programming's "FY2024-FY2033 Capital Planning Guidance – UPDATE" Memorandum (03/16/2023), and reviewed WMATA's 2023 strategic transformation plan, and WMATA CIP – "Safety Driver" Crosswalk worksheet. For the FY2024 budget year, OCPM stated their process was different for this budget year because of the transition to a new General Manager (GM) and WMATA's new 2023 strategic plan not being published until after the proposed budget was presented to the WMATA Board. According to OCPM's capital planning guidance memo, during the FY2024-FY2033 capital planning cycle, Metro embarked on a process to create a new strategic transformation plan. Prioritization of the Capital Program was deferred until the new strategic plan was released in the winter (February 2023). Select initiatives were included in the proposed budget if they:

1. Met a specific priority articulated by the GM or other senior executive team leaders.
2. Were for an asset that engineers identified as needing to be replaced in 1-5 years.

The WMATA CIP – "Safety Driver" Crosswalk worksheet depicted the relationship of WMATA CIPs to safety strategic goals, which was explicitly requested by the FTA for its review of WMATA's FY24 Passenger Rail Investment and Improvement Act of 2008 (PRIIA) grant application.

Conclusion

Based on speaking with the process owners, reviewing the Office of Capital Planning and Programming Memorandum, reviewing the 2023 WMATA strategic transformation plan, and WMATA CIP – "Safety Driver" Crosswalk, OIG determined that WMATA complied with strategic plan deadlines.

1.3 Compliance with Reform Requirements Under Dedicated Funding Laws

To determine whether WMATA complied with reform requirements under the laws that authorized jurisdictional dedication funding, including identifying any challenges to compliance or implementation, WMATA's Office of Accounting (ACCT) contracted with an independent accounting firm, RSM US LLP ("RSM"), to check for these requirements during their annual review of WMATA's jurisdictional dedicated funding. RSM issued an opinion on management's assertions that WMATA complied with the requirements included in the Agreements in all material respects. Also, WMATA tracked the status of specific deliverables required by each of the jurisdictional dedicated agreements and related legislations, which was presented in the "FY2022 Funding Requirements Deliverable Tracker" as an attachment in RSM's report. And, RSM's report contained an attachment of the CIPs tied to jurisdictional dedicated funding, including what was budgeted and expended at the project level.

Conclusion

Based on reviewing RSM's most recent dedicated funding report, OIG determined that WMATA complied with reform requirements under the laws that authorized jurisdictional dedication funding, including identifying any challenges to compliance or implementation. For the full Independent Accountant's Report and issued opinion on compliance, please see **Appendix D**.

1.4 Recommendations to the Transit Authority to Improve Implementation

Based on the previous sections at 1.1, 1.2, and 1.3, OIG determined that WMATA complied with the IIJA requirements for jurisdictional dedicated funding but made two recommendations where WMATA could consider aligning to best practices for capital planning listed in section 1.1.

Conclusion

This section is in compliance. For recommendations, please refer to section 1.1.

2.0 Implementation of Document Procedures for Capital Planning Process

According to the IIJA Section 30019(e)(1)(A), WMATA must certify that it has:

- Documented policies and procedures for the capital planning process that include:
 - A process that aligns projects to the strategic goals of the Transit Authority; and
 - A process to develop total project costs and alternatives for all major capital projects (as defined in section 633.5 of title 49, Code of Federal Regulation (or successor regulations)).

2.1 Capital Planning process that aligns projects to Strategic Goals

To determine whether WMATA complied with the requirement to have documented policies and procedures for the capital planning process, including a process that aligns projects to the strategic goals of the Transit Authority, OIG reviewed the WMATA Capital Program Planning Policy, Policy/Instruction 5.17 and found that within the policy WMATA had a process to align capital investments needs to WMATA's strategy and goals (safety, reliability, and fiscal responsibility), and objectives.

Conclusion

Based on reviewing WMATA's Capital Program Planning Policy, OIG determined that WMATA was in compliance.

2.2 Capital Planning Total Project Costs

To determine whether WMATA complied with the requirement to have a capital program planning policy with a process to develop total project costs and alternatives for all major capital projects, OIG reviewed FTA Cost Estimation Best Practices⁴, the WMATA Capital Program Planning Policy, Policy/Instruction 5.17, and the Total Project Cost Manual that expanded upon WMATA's Capital Program Planning Policy, and standardized procedures for Program Offices to prepare and submit total project costs for CIPs.

Conclusion

Based on reviewing and comparing FTA's Cost Estimation Best Practices, WMATA's Capital Program Planning Policy, and Total Project Cost Manual- specifically focusing on the general plan format and cost methodologies- OIG determined that WMATA was in compliance.

⁴ Federal Transit Authority (FTA) Cost Estimation Best Practices include: 1) GAO's Cost Estimating and Assessment Guide, 2) Managing Capital Costs of Major Federally Funded Public Transportation Projects, Transit Cooperative Research Program (TCRP) Report; and 3) Federal Railroad Administration (FRA) Capital Cost Estimating Guidance.

3.0 Transit Asset Management Planning Process

IIJA Section 30019(e)(1)(B) requires WMATA to certify that it has:

- A transit asset management planning process that includes:
 - Asset inventory and condition assessment procedures; and
 - Procedures to develop a data set of track, guideway, and infrastructure systems, including tunnels, bridges, and communications assets, that complies with the transit asset management regulations of the Secretary of Transportation under part 625 of title 49, Code of Federal Regulations (or successor regulations).

3.1 Process for Asset Inventory and Condition Assessment Procedures

To determine whether WMATA has a transit asset management process that includes asset inventory and condition assessment procedures, OIG reviewed WMATA's Transit Asset Management Plan and the Transit Asset Conditions Assessment Strategy Summary. WMATA Transit Asset Management Plan summarizes Metro's asset inventory and the methodology by which the inventory is maintained. This section also presents a snapshot of asset conditions and targets for state of good repair measures. The Transit Asset Conditions Assessment Strategy Summary builds on WMATA Transit Asset Management Plan and allows WMATA to implement measures, standards, and protocols for assembling and using information on asset conditions to improve asset management decision-making.

Conclusion

After reviewing WMATA's Transit Asset Management Plan and Transit Asset Condition Assessment Strategy Summary, OIG determined that WMATA was in compliance.

3.2 Procedures for Data Set Development

To determine whether WMATA complied with the requirement to develop a data set of track, guideway, and infrastructure systems, including tunnels, bridges, and communications assets, that conforms to the transit asset management regulations, OIG reviewed WMATA's Transit Asset Management Plan, and Transit Asset Management Asset Data Recordation Standards and Procedures. The Transit Asset Management Asset Data Recordation Standards and Procedures established the data standards for asset records created in various applications in WMATA's asset management system, Maximo, identified asset data attributes for various asset types, and identified responsibilities and methods for identifying non-conformances and applying corrective actions.

Conclusion

After reviewing WMATA's Transit Asset Management Plan and Transit Asset Management Asset Data Recordation Standards and Procedures, OIG determined that WMATA was in compliance.

4.0 Major Capital Projects Performance Measures Align with WMATA Strategic Goals

IIJA Section 30019(e)(1)(C) requires WMATA to certify that it has performance measures, aligned with WMATA strategic goals, to assess the effectiveness and outcomes of major capital projects.

To determine whether WMATA has performance measures for the effectiveness and outcomes of major capital projects, OIG reviewed the Office of Capital Planning and Programming's "Pilot Program Summary" for the Capital Investment Performance Outcome Measurement Program.

In Spring 2022, Metro began developing and piloting a program to communicate the impact and value of capital investments to the region and stakeholders. This initiative established the Capital Investment Performance Outcome Measurement Program (Program), which builds on combined information from the Capital Improvement Program, the Performance Data and Research office's reporting, and other Metro performance sources. These performance management efforts align with Metro's Strategic Transformation Plan goals.

This Program helps drive decision-making in the planning and prioritization of future investments and determines the impact of an investment on advancing Metro's goals. Metro uses this information to strategically align identified needs to decide which initiatives best support Metro's goals. Metro measures impact based on published quantitative performance indicators and qualitative assessments for applicable capital investments in the annual Capital Plan. The pilot program summary contains a summary of strategic goals and its related capital investment performance outcome measures. For the summary, please see Figure 1 below which summarizes the performance outcome measure cross-walked against the 24 capital investments assessed in the pilot program:

Figure 1 – Pilot Investments assessed in alignment with Metro’s strategic goal:

Capital Plan Category & Investment Name	 Safety	 Security	 Reliability/ SGR	 Customer Experience	 Employee Experience	 Community / Equity	 Energy Efficiency	 Operational Capacity/ Efficiency	 Financial Stewardship
Major Capital Investments									
Railcars & Railcar Facilities									
Railcar Acquisition and Testing - 8000 Series Base (Option 1), Railcar Repair and Maintenance Facility	✓		✓	✓			✓	✓	
Rail Systems									
Automatic Train Control Room Renewal, Fiber Optic Cable Installation, Radio Infrastructure Replacement and Band Relocation, Traction Power State of Good Repair (Contract 1)	✓	✓	✓	✓	✓		✓	✓	
Bus, Bus Facilities & Paratransit									
Bus Garage Replacements – Bladensburg & Northern	✓		✓	✓	✓	✓	✓		✓
Stations & Passenger Facilities									
Elevator & Escalator Rehabilitation, Escalator Replacement (ongoing), Stations Platform Rehabilitation Program – Phase 4	✓	✓	✓	✓		✓	✓		
Track & Structures Rehabilitation									
Aerial Structure Rehabilitation A, Tunnel Water Leak Mitigation (Pilot2), Yellow Line Tunnel and Bridge Rehabilitation	✓		✓	✓				✓	✓
Business & Operations Support									
Office Consolidations– DC, Maryland & Virginia	✓		✓		✓	✓	✓		✓
Completed Capital Investments									
Bus, Bus Facilities, and Paratransit									
Bus Fleet Acquisition Program			✓				✓	✓	
Stations and Passenger Facilities									
Escalator Replacement, Stations Platform Rehabilitation Program Phases 1, 2, & 3	✓	✓	✓	✓			✓		✓
Business & Operations Support									
MetroTime Timecard Integration and Analysis		✓			✓			✓	✓

Conclusion

Based on reviewing the Office of Capital Planning and Programming’s “Pilot Program Summary”, OIG determined that WMATA was generally in compliance with this requirement. Due to the requirement being performed for 24 CIPs and not all WMATA CIPs authority-wide, OIG concluded that WMATA had a new process in place and was working towards having a fully established process for all WMATA’s CIPs from the lessons learned for the 24 CIP pilot program.

5.0 CIP Annual Reporting

As a condition of receiving amounts under section 602(b) of the Passenger Rail Investment and Improvement Act of 2008 (division B of Public Law 110–432; 122 Stat. 4968) (as added by subsection (c)), IIJA Section 30019(e)(2) requires the Transit Authority to submit an annual report detailing the Capital Improvement Program of the Transit Agency approved by the Board and compliance with the transit asset management regulations of the Secretary of Transportation under part 625 of title 49, Code of Federal Regulations (or successor regulations), to— (A) each covered recipient⁵; and (B) any other recipient that the Board determines appropriate.

To determine whether WMATA complied with annual reporting, OIG reviewed WMATA’s National Transit Database (NTD) Report and the Quarter 4/Year End report on its Board-Approved Capital Improvement Program to Jurisdictional Partners.

Conclusion

After reviewing WMATA’s reports to recipients, OIG determined that WMATA was in compliance.

⁵ The IIJA lists a number of congressional committees, state bodies and regional authorities as recipients of various reports required by the act.

6.0 Cyber Implementation of New Technology – Cybersecurity

IIJA section 30019(f)(1) provides:

(f) SENSE OF CONGRESS.—It is the sense of Congress that the Transit Authority should—

- (1) Continue to prioritize the implementation of new technological systems that include robust cybersecurity protections.

OIG interprets this section to mean that WMATA should continually and progressively strategize and plan the identification and implementation of new technological solutions. Such solutions should also include technology that will contribute to building and maintaining a robust cybersecurity program.

Cybersecurity Protections

WMATA is the foremost transportation provider in the Washington D.C. metropolitan area and is classified as critical infrastructure. According to WMATA, it has committed to providing its customers with world-class, safe, efficient, and reliable transportation services. To accomplish its goals, WMATA employs various technological solutions and innovations. WMATA faces a myriad of cybersecurity threats and risks to those resources. These threats and risks are posed by various actors, such as: employees, contractors, cyber terrorists/criminals, and state-sponsored entities. These actors have varying motivations, such as financial gain, service interruption, property destruction, and public safety endangerment.

OIG rated WMATA's cybersecurity risk in the top five of all risks faced by WMATA. To improve its cybersecurity posture, WMATA identified a goal of implementing the Cybersecurity Framework (CSF)⁶. Managers and staff in Digital Modernization (DM) recognize the many challenges and hurdles they face to fully implement the CSF.

To plan for the accomplishment of WMATA's IT strategic goals, WMATA developed *Metro-IT Strategic Plan, FY 2019 to 2024, Version 3.0, July 2018*, (the Plan). The Plan includes strategic

⁶ In recognition of the critical nature of transportation and to protect the nations' critical infrastructure, the President and regulatory agencies issued guidance for the transportation sector. In February 2013, the President issued Executive Order 13636, Improving Critical Infrastructure Cybersecurity (Order). The Order required Department of Homeland Security (DHS) and National Institute of Standards and Technology (NIST) develop a framework to protect the nations critical resources. In response, DHS developed a cybersecurity framework (CSF) for improving critical infrastructure cybersecurity.

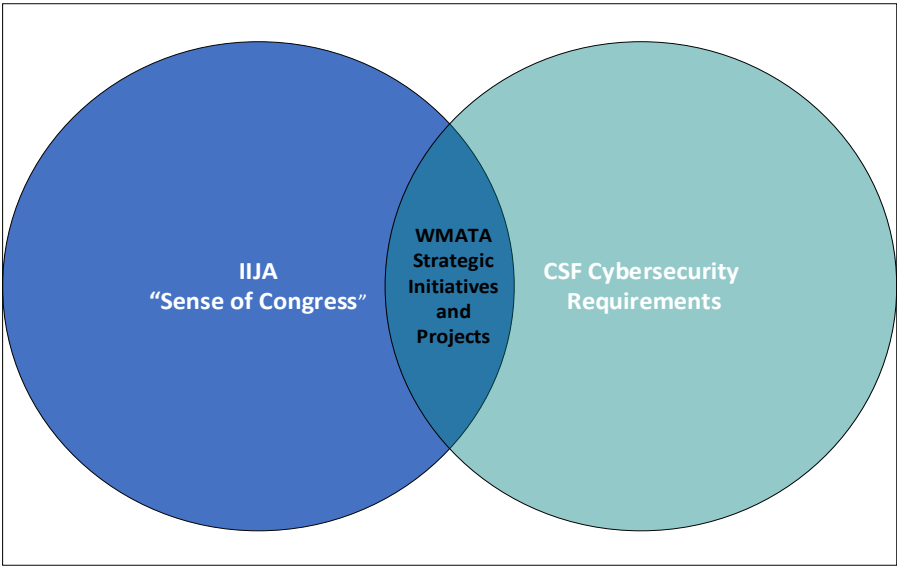
On May 11, 2017, the President mandated that Federal agencies use the NIST Cybersecurity Framework to manage their cybersecurity risks by issuing Executive Order 13800, "Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure."

WMATA's *Cybersecurity Strategy, Fiscal Years 2020-2022*, provides two of WMATA's goals are to implement the CSF and Structure the Chief Information Security Officer organization to achieve CSF objectives. Further, WMATA provided notice to TSA of its intent to comply with the CSF.

According to the CSF, "[t]he Framework provides a common organizing structure for multiple approaches to cybersecurity by assembling standards, guidelines, and practices that are working effectively today. . . . it references globally recognized standards for cybersecurity..."

initiatives and the associated planned or initiated projects to accomplish each initiative. Many of the planned or initiated projects converge with the CSF and are consistent with the “sense of Congress” expressed in the IIJA (refer to Diagram 1).

Diagram 1 – WMATA Strategic Initiatives Convergence with IIJA



WMATA IT and IIJA Cybersecurity Convergence

The Plan includes seven key strategic initiatives that will contribute to enhancing or building a robust cybersecurity program. Specifically, six of those key initiatives contain multiple projects that, when and if implemented, either contribute or are integral to accomplishing each initiative and correspondingly improving WMATA’s cybersecurity posture (refer to Table 1). Table 1 shows the Key IT Strategic Initiatives, individual goals/projects, and the associated planned implementation time frames (yellow highlighted areas). Also, Table 1 shows the Cybersecurity Framework, requirement areas (blue highlighted areas).⁷ The green highlighted areas in Table 1 indicate areas of convergence between IIJA and CSF requirements.

⁷ CSF - NIST CSF helps organizations of all sizes better understand, manage, and reduce their cybersecurity risk and protect their networks and data. The NIST CSF is based on existing standards, guidelines, and practices in cybersecurity risk management.

Table 1 – WMATA IT Strategic Initiatives

	Near Term 1 Year	Short Term 2-4 Years	5-6 Years Long Term	CSF Requirement	Status
IT Infrastructure Enhancement	Enhance existing Data Center	Establish Modern Data Center	Service Organization Control Certification	Recovery	Begun-span 6 years
IT Solution Stack Refresh	ERP Refresh: PeopleSoft Maximo and others	ERP Refresh - Governance	Cloud Capabilities	Identify - Governance	Begun-span 6 years
Enterprise Asset Management Program	Remediate FTA SMI and other CAPs	Institutionalize Asset Program	Data Governance	Identify - Asset Management, Protect Data Security, Identify-Business Environment	
Enterprise Data Management Program	Discovery and Assessment	Establish vocabulary and standards	Implement Master Data Management	Protect - Data Security	
Enterprise Decision Support	Decision capability needs	Institutionalize EDSS tool	Cognitive decisions	Identify - Risk Assessment	
Enterprise Operational Efficiency	Lines of Business: Rail, Bus, Police, Access	Optimize business processes	Enhance Return on Investment	Identify - Governance	

WMATA's Cybersecurity Challenges

During the preparation of this report, WMATA appointed its first Chief Digital Officer (CDO), who is responsible for leading, transforming, and perpetually modernizing WMATA's information technology infrastructure. Prior to the appointment, WMATA lost several key IT executive leaders. This situation severely impaired the stability and direction of WMATA's IT Department (currently referred to as Digital Modernization), and, consequently, cybersecurity operations. The hiring of the new CDO hopefully sets a new tone for future improvement and support. Even so, WMATA's IT environment and operational landscape pose several key challenges that must be addressed for WMATA to continuously improve its cybersecurity posture. One of the major challenges facing Digital Modernization (DM) is the IT organizational structure. Despite the progress made by DM and Operational Technology, there are still gaps and lapses in DM's management and oversight, including:

- Governance and framework adoption and implementation,
- Developing and instituting cloud utilization strategies,

- Implementing an enterprise-wide IT asset management system,
- Upgrading rail and track infrastructure to allow communication with newer digital and electronic technology,
- Bridging organizational silos,
- Mitigating years of neglect and maintenance of systems,
- Resource allocation, i.e., human capital staffing challenges, and
- Fully implementing an IT risk management program.

All these challenges pose significant risks and threats to WMATA's cybersecurity posture. Addressing these challenges will require a proactive and comprehensive approach by management, as well as adequate resources. The CDO and many of the IT managers OIG spoke with are aware of these challenges and have already begun implementing corrective strategies and infrastructure improvements. In May 2023, OIG published a report identifying many challenges WMATA faces with their IT and Cyber programs. OIG will continue to monitor and report on WMATA's efforts to improve its cybersecurity posture.

Conclusion

DM has begun some of the projects and others have longer planned implementation time frames. In addition to projects outlined in the Plan, WMATA has embarked on short-term solutions and projects that will also contribute to building a robust cybersecurity program, such as: (1) implementing an Enterprise Access Identity Management system, (2) leveraging cyber security operation outsourcing, (3) implementing CSF based governance criteria, (4) implementing strategies to bridge the IT management gap between IT and OT, and (5) implementing risk management solutions and architectures.

When implemented, the strategic initiative and short-term solutions will enhance WMATA's cybersecurity posture. The strategic initiatives, associated project implementations, and shorter-term solutions demonstrate WMATA's commitment to proactively plan for the continual improvement and enhancement of WMATA's IT environment, including its cybersecurity program.

Based on the foregoing, OIG determined that WMATA was generally in compliance with the sense of Congress on the need to prioritize the implementation of new technological systems that include robust cybersecurity protections. These are positive steps, but given the multitude of cybersecurity challenges, OIG will continue to monitor the progress of WMATA's cybersecurity posture.

7.0 Continued Integration of New Wireless Services and Emergency Communications Networks

IIJA section 30019(f)(2) provides:

(f) SENSE OF CONGRESS.— It is the sense of Congress that the Transit Authority should—

- (2) prioritize continued integration of new wireless services and emergency communications networks, while also leveraging partnerships with mobility services to improve the competitiveness of the core business.

Background

Prior internal and external reviews have identified problems with the reliability, reach, or management of WMATA's various communications systems, for example:

- WMATA's public safety radio system hampered first responders during the 2015 smoke incident at L'Enfant that left one person dead.
- The Metro Transit Police encountered radio communication problems in 2020 when passengers were forced to evacuate a stranded train because of power problems.
- During a March 2021 train evacuation near the Rhode Island Avenue station, radio communications were inconsistent, and the audio quality was so poor that transmissions were unclear.

Program Status and Challenges

Wireless Services

The wireless services work started in 2008 and was completed in January 2021. The wireless services (cellular) portion of the radio & cellular infrastructure replacement project was to bring WMATA into compliance with the conditions outlined in Title VI of the Rail Safety Improvement Act passed by Congress in 2008. Title VI required WMATA to install a neutral host cellular network throughout WMATA's underground rail system. In 2015, following the contractor's bankruptcy, WMATA decided to self-perform the remaining work to comply with Title VI and install the cable infrastructure needed for the radio system that the neutral host project would have provided. The work was programmed into the overall scope of work under the radio infrastructure project.

Emergency Communications Networks

The emergency communications networks project began in March 2015 and is expected to be completed in CY 2026. This project replaces Metro's outdated internal communication and public safety radio systems, as the Federal Communications Commission (FCC) requires. This includes the public safety radio system, the Metro area radio system, and cellular services throughout the system allowing customers to utilize cellular service while underground. These upgrades will resolve WMATA's communication issues and provide employees, first responders, and ridership with the ability to communicate and call for help when needed. This project is not specifically tracked in the strategic plan because the strategic plan(s) are at a higher level than tracking the progress of a particular project. However, this project aligns with and supports safety, security, and reliability/state of good repair objectives. The emergency communication project is included in the published Proposed FY2024 – FY2029 Capital Improvement Program & 10-Year Plan, and a description of the major outcomes expected from this project are as follows:

- Provide reliable public service communications for emergency personnel and first responders
- Improve cellular communications to provide voice calls and communications text notifications for emergency alerts to/from the Metro Transit Police Department and surrounding jurisdictional agencies
- Improve the customer riding experience so Metrorail is a more attractive commuting option
- Provide below ground cellular coverage throughout the underground portions of Metrorail
- Improve operations for employee communications with the Railcar Operations Control Center and management
- Improve employee response time to maintenance calls

Leveraging Partnerships with Mobility Services

WMATA has entered a long-term contract with the wireless carriers to provide “neutral host” access to the underground portions of the system. WMATA receives revenues from this contract in addition to the carrier team having financed a portion of the infrastructure that now supports the WMATA Radio project.

Challenges

There are multiple challenges associated with this project. For example, WMATA has: (1) had delays in installing the fiber optic cable throughout the rail system, (2) had contract performance issues, and (3) relied on the use of radio equipment which was manufactured around the early 2000's, until the new systems can be constructed.

Oversight

Federal Transit Agency (FTA)

This project is considered a Major Capital Project by FTA and is therefore reviewed quarterly by the Project Management Oversight Consultant (PMOC) hired by FTA. In addition to being federally funded, the CIPs tied to this project also use dedicated funding and may be reviewed by the jurisdictional partners who provide that funding. As such, this project is included in Quarterly Capital Improvement Program Progress Reports submitted to the jurisdictions.

Table 2 - Funding and Budget

CIP REFERENCE	DESCRIPTION	PROJECT COST SUMMARY	FY23 CURRENT BUDGET
CIP0136	Radio Infrastructure Replacement	\$436 million	\$33.5 million
CIP0136 99	EX Reclass	-	\$1.6 million

*CIP136 – Radio Infrastructure Replacement project cost summary and the current budget is comprised of multiple funding sources, which includes WMATA PRIIA grant funding

Washington Metropolitan Safety Commission

A metro rail safety report, entitled *Audit of Communications Systems*, was issued in September 2022. Some of the issues reported were as follows:

- Closing repair tickets without addressing issues
- Signs of recurring water, dirt and dust intrusion in communication rooms that house equipment
- Metro lacks a comprehensive plan to maintain employees that are needed for its communication system and job descriptions are dated

Metropolitan Washington Council of Governments (MWCOC)

Some of the work performed under CIP0136 is responsive to MWCOC recommendations, which MWCOC is tracking to closure.

Conclusion

WMATA is complying with the “sense of Congress” to prioritize continued integration of new wireless services and emergency communications networks, while also leveraging partnerships with mobility services to improve the competitiveness of the core business. The wireless services project was completed in 2021. The Emergency Communications Networks project is ongoing and expected to be completed in CY 2026. Regarding mobility services partnerships, WMATA

has entered a long-term contract with the wireless carriers to provide “neutral host” access to the underground portions of the system.

Based on the above conclusion, OIG determined that WMATA was in compliance. OIG will continue monitoring the prioritization of new wireless services and emergency communications networks’ integration, and WMATA’s ability to leverage partnerships with mobility services to improve the competitiveness of the core business.

8.0 OIG Independence

WMATA occupies a unique place among U.S. transit systems. It operates under and near some of the country's most sensitive facilities and locations. It is responsible for providing multistate transit service to virtually all federal agencies and activities throughout the National Capital Region as well as to state and local governments in Maryland, Virginia, and the District of Columbia.

Before the COVID-19 pandemic, WMATA carried a significant portion of the federal workforce to and from work every working day and is beginning to do so again as federal workers return to the office. WMATA receives substantial federal funding for operating and capital costs and is itself a major component in the critical infrastructure of the Nation's Capital. It also receives appropriated funds from Maryland, Virginia, and the District of Columbia.

WMATA is an interstate compact agency, formed in 1967 by an agreement among the Commonwealth of Virginia, the State of Maryland, and the District of Columbia as signatories to the WMATA Compact. Congress consented to the Compact (by legislation in 1966) consistent with the U.S. Constitution (Article I, Section 10), which prohibits agreements among States without the consent of Congress. The Compact makes WMATA a government agency and instrumentality of each signatory (Virginia, Maryland, and DC).

WMATA's multi-jurisdictional character, with multiple funding sources from the national, state level, and DC, also creates unique challenges and opportunities for OIG's mission. OIG's role as an objective and independent oversight unit is at least as diverse and complex as any federal office of inspector general.

Legal Foundations of OIG Independence

OIG derives its authority from three primary sources: statutory law, resolutions by the Board of Directors as the governing body of WMATA, and administrative rules called "policy instructions" issued by WMATA management from time to time.

Of these, statutory law is the most authoritative and durable since resolutions and policy instructions must be consistent with applicable statutes (not the other way around), and since statutes may only be amended or repealed by the legislature with executive concurrence as applicable. The Board may amend or repeal its own resolutions at its discretion, subject only to applicable law. Management may do likewise with its policy instructions. Resolutions and policy instructions do not have the force of statutory law.

1. The WMATA Compact

The Compact is WMATA's foundational statute. Originally the Compact did not provide for an inspector general. WMATA's first inspector general was appointed in 2007 as the result of a resolution adopted by the WMATA Board in 2006 (Resolution 2006-18) creating an inspector general and an office of inspector general. The resolution is still in effect, except for an amendment to the Inspector General's term of office (discussed below).

Three years later, in 2009, Virginia, Maryland, and the District of Columbia amended the Compact, with the consent of Congress, by establishing an inspector general as an officer of WMATA and as head of the office of inspector general. This amendment was in response to a requirement that Congress included in the Rail Safety Improvement Act of 2008, prohibiting WMATA from receiving any funds authorized by the act until the Compact was amended to create an office of inspector general.

The Compact is codified in the laws of Maryland, Virginia, and the District of Columbia, and in the public laws of the United States.⁸ Therefore, the WMATA OIG has had statutory status since 2009.

As the statutory underpinning for OIG independence, the Compact is quite general. The OIG provisions are found in Section 9(d), which states in full:

The inspector general shall report to the Board and head the Office of the Inspector General, an independent and objective unit of the Authority that conducts and supervises audits, program evaluations, and investigations relating to Authority activities; promotes economy, efficiency, and effectiveness in Authority activities; detects and prevents fraud and abuse in Authority activities; and keeps the Board fully and currently informed about deficiencies in Authority activities as well as the necessity for and progress of corrective action.

Section 9(a) of the Compact designates the Inspector General as one of several officers of WMATA. Like all other officers, the IG "shall be appointed and may be removed by the Board, shall serve at the pleasure of the Board and shall perform such duties and functions as the Board shall specify." Under the same section, the Board decides whether the IG is full- or part-time and sets the IG's compensation, which may be on a salary or fee basis.

⁸ D.C. Code § 9-1107.1; Md. Code Ann. Transp. §10-204; Va. Code Ann. § 33.2-3100; approved by Congress, Pub. L. No. 111-62, 123 Stat. 1998 (Aug. 19, 2009).

2. Board Resolution 2006-18 (April 20, 2006)

This resolution directs that OIG shall:

- Have access to all WMATA records.
- Have the full cooperation of staff when necessary for performing OIG functions and responsibilities.
- Have the authority to subpoena witnesses, papers, records, and documents.
- Enjoy the greatest possible independence and freedom from interference, consistent with the WMATA Compact, including initiating, carrying out, and completing any audit or investigation and issuing any subpoena in the course of an audit or investigation.
- Follow generally accepted audit practices for all audits.
- Supervise the Authority's annual independent audit of financial accounts and perform a quality assurance review of the audit.
- Make periodic reports to the Board and to designated federal, state, and local officials of the jurisdictions in which WMATA operates, with the annual report also being available to the public.

The resolution also provides that “the Board of Directors shall establish the qualifications for and shall recruit, appoint and set the compensation of the Inspector General without regard to political affiliation and solely on the basis of integrity and demonstrated management and analytic ability and a thorough appreciation of the aims of auditing, program evaluation, criminal and civil investigations, the need for adherence to legal requirements and the special nature of working in the public sector.”

The resolution directs that “the Inspector General and General Manager shall maintain open lines of communication, including direct and prompt access to each other when necessary for the performance of the functions and responsibilities of the Office of Inspector General.” The resolution also provides that the Board and the General Manager may request the Inspector General to perform investigations and audits, “consistent with the independence of the Inspector General.”

The resolution originally provided that the Inspector General would serve a term of five years, with reappointment by the Board for no more than two additional terms or a total of 15 years. On November 3, 2022, the Board adopted Resolution 2022-35, which eliminated that provision and directed 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.”

Resolution 2006-18 directs that all OIG personnel are subject to existing WMATA personnel policies and procedures. It also states that, “for the purpose of adhering to WMATA personnel policies and procedures the Office of Inspector General shall have departmental status.”

In one of its “whereas” clauses the resolution observes that “WMATA, its customers, its funding partners, signatories, and oversight agencies would all benefit if WMATA had an Office of Inspector General modeled on the federal Offices of Inspector General to enhance the Authority's goals of accountability and transparency.”

3. Recent Board Resolutions Enhancing OIG Independence

In a significant move to strengthen OIG independence, Congress passed, and the President signed into law the Infrastructure Investment and Jobs Act of 2021 (IIJA) on November 15, 2021. As a condition of funding for WMATA, Section 30019(c) of the law required the WMATA Board to adopt specific reforms to the IG’s authorities. On December 9, 2021, the Board passed Resolution 2021-46 adopting these reforms and directing WMATA staff to implement them.

The reforms include:

- Greater independence in the annual budget process, by directing OIG to send its annual budget request directly to the Board for review and approval (avoiding the previous practice of allowing WMATA management to adjust the OIG budget).
- Improved procurement authority, by requiring WMATA to delegate contracting officer authority to the IG.
- Greater independence in selecting and appointing OIG officers and employees, by delegating to the IG the authority to select, appoint, and employ personnel as necessary for carrying out the duties of OIG.
- Assurance that the IG obtains legal advice from a counsel reporting directly to the IG.

- Specified reporting requirements, and measures to assure the public dissemination of OIG reports, in particular –
 - Any OIG report containing a recommendation for corrective action must be posted to the OIG website not later than three days after the report is submitted in final form to the Board (subject to the IG’s redactions of privileged or other protected information).
 - OIG must submit semiannual reports to the Board, which in turn must be transmitted by the Board to the specified recipients including the Congress and the signatories to the WMATA Compact (Virginia, Maryland, and the District of Columbia).
 - Not later than three years after the enactment of the Act, the U.S. Government Accountability Office must report to Congress on whether the reforms to strengthen OIG independence have been carried out.

In connection with publicly posting OIG reports, the reforms vest in the IG the authority to determine what, if anything, should be redacted from the public versions such as personal or privileged information or information that would pose a security risk to WMATA systems. This is a departure from the Board’s prior practice of requiring OIG and WMATA’s Office of General Counsel to agree on any redactions before reports were presented to the Board. In practice, OIG still invites the Office of General Counsel to suggest redactions, however, the Inspector General decides whether WMATA’s suggested redactions are appropriate or not. The new posting requirement is also a departure from the Board’s prior practice of requiring a formal “acceptance” by the Board of an OIG report before it could be publicly posted.

Regarding procurement independence, the reforms direct the IG to exercise procurement authority in accordance with the Compact’s requirement for full and open competition. At the same time, the IG and WMATA management are directed to work to give the IG approving authority for exceptions to WMATA procurement policies and procedures, but only as necessary to carry out the duties of OIG. Similarly, the reforms on hiring independence require the IG to exercise those authorities in accordance with WMATA’s personnel policies and procedures, while also giving the IG approving authority for exceptions to policies that impact OIG independence, subject to Board approval.

With respect to obtaining legal advice from an independent counsel, the reforms prohibit the IG counsel from providing legal advice on behalf of WMATA, issuing a legal opinion on behalf of WMATA, or waiving any WMATA privilege or protection from disclosure.

In connection with the Counsel to the Inspector General, based on OIG's May 2023 Organizational chart and WMATA's June 11, 2019, Public Testimony Transcript – News Release, OIG announced the appointment of a Counsel to the Inspector General who commenced work on August 5, 2019. The Counsel reports directly to the Inspector General.

Regarding the annual budget process, OIG transmitted budgets to the Board on March 10, 2022, and April 14, 2023, both of which were approved for FY2023 and FY2024. The submissions and resolutions were documented in the March 10, 2022, and April 14, 2023, Board Resolutions, specifically in Action Items III-A.

As directed by the IIJA, the IG worked with WMATA staff on measures to implement the required reforms. On December 16, 2022, the IG submitted a memorandum to the Board describing proposed changes to procurement and human resource processes and procedures to strengthen OIG independence consistent with the IIJA, along with a draft amendment to Policy/Instruction 13.4/3, The Office of the Inspector General, implementing the changes. On January 26, 2023, the Board approved Resolution 2023-04, adopting the measures set out in the IG's memo and the amendments to the policy instruction.

Since the enactment of the IIJA, OIG has posted audit reports, evaluation reports, management alerts, management assistance reports, and responses to congressional and Board correspondence, all of which had recommendations, on the OIG website in the reports section.

Table 3 – Posted OIG Reports with Recommendations

#	Report Type	Title	Report #	Date Issued
1	Audit Reports	Audit of WMATA's Money Train Operations	OIG 23-008	6/22/2023
2		Audit of WMATA's Procurement Pre-Award Cycle Time	OIG 23-007	6/8/2023
3		Audit of WMATA's Defined Benefit Pension Plans	OIG 23-01	7/28/2022
4		Audit of WMATA's Health and Welfare Plan Management	OIG 22-06	6/23/2022
5		Audit of WMATA's Controls and Accountability of Fuel for Non-Revenue Vehicles	OIG 22-02	1/27/2022

#	Report Type	Title	Report #	Date Issued
6	Evaluation Reports	Review of WMATA's Non-Revenue Vehicle Program	OIG 23-003	1/26/2023
8		Management Assistance Report - WMATA Crane Purchase	MAR-23-0001	11/17/2022
10		Management Assistance Report - Pension Plan Overpayments	MAR-22-0001	3/24/2022
11	Management Alerts and Management Assistance Reports	Management Assistance Report-OIG: Concerns Over Critical Cybersecurity Vulnerabilities That Remain Unresolved	MAR-23-0003	5/17/2023
12	Congressional and Board Correspondence	OIG Response to Congressional Inquiry - Communication between the Washington Metropolitan Area Transit Authority (WMATA) and the Washington Metropolitan Safety Commission (WMSC)	OIG-23-002	10/19/2022

Since the enactment of the IIJA, WMATA OIG has posted the following semiannual reports on the OIG website in the Reports section. These reports were presented to the Board.

Table 4 – Posted OIG Semiannual Reports

#	Report Type	Title	Report #	Date Issued
1	Semiannual Report	Inspector General's Semiannual Report to Board of Directors	No. 29	3/24/2022
2		Inspector General's Semiannual Report to Board of Directors	No. 30	9/22/2022
3		Inspector General's Semiannual Report to Board of Directors	No. 31	3/9/2023

4. WMATA Policy Instructions

As noted, policy instructions are administrative rules issued by WMATA management. They are subject to periodic management review and may be amended, replaced, or revoked at any time.

They are not subject to any public review or comment and thus are not equivalent to federal regulations, which generally must undergo a public rule-making process under the Administrative Procedure Act.

Policy instructions are binding on WMATA employees and sometimes contractors. As a rule, a designated WMATA department or office is responsible for administering and enforcing each policy instruction. Violations of policy instructions may result in disciplinary action, up to and including termination.

The principal policy instruction on OIG authorities is Policy/Instruction 13.4/4, *The Office of the Inspector General*, approved by the WMATA Board in Resolution 2023-04 on January 26, 2023, as discussed above. This policy instruction is the most recent in a series of earlier versions.⁹

Policy/Instruction 13.4/4 is a relatively comprehensive statement of OIG authorities and responsibilities. Despite its potentially impermanent nature, it does flesh out many of the generalities and gaps in the Compact and Board resolutions. It applies by its terms to all WMATA officials, employees, consultants, and contractors. The policy instruction requires WMATA contracting officials to incorporate its terms into WMATA contracts with outside contractors.

Among the more significant provisions of Policy/Instruction 13.4/4 are:

- Elaboration of OIG's multiple responsibilities (e.g., conduct audits, evaluations and investigations, promote economy and efficiency, prevent and detect fraud and abuse, and keep the Board fully and currently informed).
- Affirmation of OIG independence from management.
- Confirmation of the duty to cooperate with OIG, and the prospect of disciplinary action up to and including termination for failure to do so.
- Affirmation that OIG's investigative authority broadly encompasses federal, state, and local crimes relating to WMATA activities, as well as conduct by those inside WMATA and those outside WMATA relating to WMATA programs and operations.
- Confirmation that in an OIG investigation, OIG is responsible for coordinating with law enforcement or other agencies outside WMATA.

⁹ Policy/Instruction 13.4/4 replaced Policy/Instruction 13.4/3, referenced above.

- Provisions for OIG to obtain both voluntary and compelled statements from WMATA employees.
- Confirmation that any privilege attaching to WMATA information sought by OIG is generally not a basis for withholding it from OIG, and that the privilege continues to attach to the information in OIG's hands.
- Prohibition against reprisal against personnel who provide information to OIG.
- Provisions for protecting the identity of those providing information, unless the IG determines disclosure is unavoidable during the course of an investigation.
- Authorization for the IG to make exceptions to WMATA's People, Culture and Inclusion policies and procedures for hiring, compensation, leave, training, promotion, alternative work schedules, telework, and compensatory time.
- A grant of WMATA contracting authority to the IG as necessary to carry out the duties of OIG.

Current State of OIG Independence

Regarding particular areas of OIG operations, the picture is mixed.

On one hand, OIG enjoys full independence when conducting audits, evaluations, and investigations. To date, OIG has had access as needed to any and all documents and information. OIG also has had access to WMATA staff as necessary.

Prior to the passing of the IIJA, OIG's budget was increased to approximately 10 million dollars. In August 2019, prior to the passing of the IIJA, OIG hired a Counsel to the Inspector General after receiving the Board's approval. These measures are a positive step forward that has strengthened OIG's independence.

On the other hand, there are some areas, almost two years after the law was passed, where WMATA has yet to comply with the OIG independence reforms required by IIJA. Despite OIG's attempts to work with WMATA management to ensure compliance, OIG has not achieved the human resource (HR) and procurement authorities required by the IIJA as a condition of federal

funding. As of the date of this report, WMATA management still needs to comply with the OIG reform provisions of Section 30019(c), requiring that WMATA:

(B) delegates to the Inspector General, to the extent possible under the Compact and in accordance with each applicable Federal law or regulation, contracting officer authority, subject to the requirement that the Inspector General exercise that authority—

(i) in accordance with Section 73 of Article XVI of the Compact, after working with the Transit Authority to amend procurement policies and procedures to give the Inspector General approving authority for exceptions to those policies and procedures; and

(ii) only as is necessary to carry out the duties of the Office of Inspector General;

(C) delegates to the Inspector General, to the extent possible under the Compact and in accordance with each applicable Federal law or regulation—

(i) the authority to select, appoint, and employ such officers and employees as may be necessary for carrying out the duties of the Office of Inspector General, subject to the requirement that the Inspector General exercise that authority in accordance with—

(I) subsections (g) and (h) of Section 12 of Article V of the Compact; and

(II) personnel policies and procedures of the Transit Authority; and

(ii) approving authority, subject to the approval of the Board, for exceptions to policies that impact the independence of the Office of Inspector General, but those exceptions may not include the use of employee benefits and pension plans other than the employee benefits and pension plans of the Transit Authority.

To date, the procurement policies and procedures have not been amended as required. Similarly, WMATA management has not delegated to the IG “the authority to select, appoint, and employ such officers and employees as may be necessary for carrying out the duties of the Office of Inspector General.” This situation persists despite the Board’s express direction to the WMATA

staff, in Resolution 2021-46, “to implement the reforms to the Office of Inspector General set forth in Section 30019(c) of the Infrastructure Investment and Jobs Act of 2021.”

Shortly after IIJA was passed, OIG attempted to coordinate with the appropriate WMATA management on the required HR and procurement reforms. On December 16, 2022, OIG wrote a memorandum (memo) to the Board of Directors referenced as “OIG Independence Measures.” The memo identified what was required under the IIJA for OIG to obtain independence. As a result of the OIG memo, WMATA’s OIG policy was revised to include language on OIG’s HR and procurement independence. In addition, on January 26, 2023, the Board of Directors passed Resolution 2023-04, entitled “Implementing Reforms to Office of Inspector General” and approving the memo and the amendment to WMATA’s policy on OIG. The Board Resolution stated, in part:

The Board recognizes the importance of a strong and independent OIG, and the Board wishes to adopt the memorandum and policy changes proposed by the Inspector General consistent with Section 30019(c) of the Infrastructure Act;

NOW, THEREFORE, be it

RESOLVED, that the Board of Directors adopts and directs staff to implement (a) the measures set forth in the Inspector General’s memorandum of December 16, 2022, ... and (b) the amendments to Policy/Instruction 13.4/3....”

Since the resolution was adopted, OIG has been working to implement those requirements. However, as of this writing, WMATA management and staff have not made all the necessary changes in their procedures for OIG to exercise procurement and HR independence, despite OIG’s efforts to that end. To date, OIG has not achieved independence as it relates to HR and procurement.¹⁰

¹⁰ For example, OIG still cannot execute procurement actions on its own but must depend on WMATA management staff to approve and take the steps required. Likewise, OIG cannot on its own select, appoint, and employ personnel to work in OIG. OIG must depend on WMATA management staff to take such steps as posting a job opening, conducting and approving a background check, approving a starting salary, and issuing an offer letter.

Recommendation Summary

OIG recommends the GM/CEO implement the following recommendations to address the conclusion identified above and to strengthen the program and operations:

1. Evaluate WMATA's current investment prioritization process against industry best practices (e.g., National Academies of Sciences, Engineering, and Medicine. 2021. Prioritization of Public Transportation Investments: A Guide for Decision-Makers) to identify alignment opportunities and enhance decision-making.
2. Evaluate the relevance of a funding program definition in alignment with WMATA's current investment prioritization process, considering the best practices mentioned above.
3. Amend WMATA's human capital and procurement policies and procedures to reflect IIJA's reforms to establish a strong and independent Office of Inspector General.

OIG will coordinate with management through the Corrective Action Plan (CAP) process to track and verify the actions Management has taken.

CIGIE Statement

We conducted this review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards of Inspection and Evaluation*.

IT Projects and Strategic Initiatives

#	Project	Source	CIP Project Name (If applicable)	CIP NO. (If applicable)	Funding Source (Capital, Grant, Operational, Other)
1	Enterprise Access Identity Management system	DM Mgt.	D & E IT Improvements	CIP8029	System Performance/ Dedicated
2	Cybersecurity operation outsourcing and support	DM Mgt.	Cyber Security	CIP0363	System Performance
3	Implementation of CSF based governance criteria	DM Mgt.			
4	Implementation of strategies to bridge the IT management gap between IT and OT	DM Mgt.			
5	Implementation of risk management solutions and architectures	DM Mgt.			
6	Microsoft Modernization & Transformation – addresses the numerous findings from the Microsoft DART assessment	DM Mgt. - Waugh			
7	Cyber Fusion Center Modernization – retool cyber ops program, re-evaluate our tech stack and build out better response plans and play book for future incidents	DM Mgt. - Waugh	Cybersecurity Legacy Software Improvements	CIP0357	Dedicated Funding

#	Project	Source	CIP Project Name (If applicable)	CIP NO. (If applicable)	Funding Source (Capital, Grant, Operational, Other)
8	IT Infrastructure Enhancement	Strategic Plan			
9	IT Solution Stack Refresh	Strategic Plan			
10	Enterprise Asset Mgt. Pgm.	Strategic Plan	<ul style="list-style-type: none"> • Asset Management Software Improvements • Asset Management Software 	CIP0042 CIP0269	<ul style="list-style-type: none"> • System Performance • Dedicated Funding
11	Enterprise Data Mgt. Pgm.	Strategic Plan	<ul style="list-style-type: none"> • Enterprise Tech. Platforms SOGR • Business Systems SOGR 	CIP0359 CIP0358	<ul style="list-style-type: none"> • System Performance • Dedicated Funding
12	Enterprise Decision Support	Strategic Plan			
13	Enterprise Operational Intelligence	Strategic Plan			

Appendix B

WMATA's FY23 Federal Formula and PRIIA Grant Funding Breakout by CIP (Excluding OIG's PRIIA grant)

#	WMATA Capital Improvement Program (CIP)	WMATA CIP Description	Federal Award Identification Number (FAIN)	FAIN Description	Award Amount
1	CIP0255	Fare Collection Modernization	DC-2022-008-00	FY2022 Section 5339 Bus Farebox Replacements	\$ 13,101,202
2	CIP0142	Rail Vehicle Preventive Maintenance	DC-2022-012-00	FY2022 Section 5337 Railcar Preventive Maintenance	\$ 59,000,000
3	CIP0063	Rail Vehicle Scheduled Maintenance Program	DC-2022-012-00	FY2022 Section 5337 Railcar Scheduled Maintenance Program	\$ 25,000,000
4	CIP0024	Track Rehabilitation Program	DC-2022-012-00	FY2022 Section 5337 Track Preventive Maintenance Program	\$ 44,000,000
5	CIP0349	Yellow Line Tunnel and Bridge Rehabilitation	DC-2022-016-00	FY2022 Section 5337 Rehabilitation of Yellow Line Bridge and Tunnel	\$ 83,088,835
6	CIP0370	Structural Rehabilitation - Package B	DC-2022-016-00	FY2022 Section 5337 Rehabilitation of Bridge Structures	\$ 23,809,351
7	CIP0225	Heavy Repair and Overhaul Facility	DC-2022-016-00	FY2022 Section 5337 Construction of Heavy Repair Overhaul Facility	\$ 49,991,649
8	CIP0311	Bladensburg Bus Garage Replacement	DC-2022-014-00	FY 2022 Section 5307 Bladensburg Bus Garage	\$ 62,440,000
9	CIP0315	Northern Bus Garage Replacement	DC-2022-014-00	FY 2022 Section 5307	\$ 80,102,000

#	WMATA Capital Improvement Program (CIP)	WMATA CIP Description	Federal Award Identification Number (FAIN)	FAIN Description	Award Amount
				Northern Bus Garage	
10	CIP0372	Station Revitalization	DC-2022-014-00	FY 2022 Section 5307 Rail Station Revitalization Program	\$ 2,000,000
11	CIP0006	Bus Fleet Acquisition Program	DC-2022-015-00	FY 2022 Section 5307 Bus Replacements	\$ 46,800,000
12	CIP0015	MetroAccess Fleet Acquisition	DC-2022-015-00	FY 2022 Section 5307 Van Replacements	\$ 8,100,000
13	CIP0005	Bus Vehicle Rehabilitation Program	DC-2022-015-00	FY 2022 Section 5307 Bus Rehabilitation	\$ 31,500,000
14	CIP0143	Bus Vehicle Preventive Maintenance	DC-2022-015-00	FY 2022 Section 5307 Bus Preventative Maintenance	\$ 1,000,000
15	CIP0088	Station Entrance Canopy Installation	DC-2022-017-00	FY 2022 Section 5307 Station Entrance Canopies and Stairways	\$ 5,300,000
16	CIP0152	Parking Garage and Surface Lot Rehabilitation	DC-2022-017-00	FY 2022 Section 5307 Rehabilitation of Parking Facilities	\$ 10,000,401
17	CIP0151	Rail Station Cooling Rehabilitation Program	DC-2022-017-00	FY 2022 Section 5307 Rail Station Cooling	\$ 3,000,000
18	CIP0252	Low Voltage Power State of Good Repair	DC-2022-017-00	FY 2022 Section 5307 AC Power and Switches	\$ 12,000,000
19	- CIP0072 - CIP0073 - CIP0185	- Elevator Rehabilitation Program - Escalator Rehabilitation Program - Escalator Replacement	DC-2022-018-00	Vertical Transportation	\$ 48,600,000

#	WMATA Capital Improvement Program (CIP)	WMATA CIP Description	Federal Award Identification Number (FAIN)	FAIN Description	Award Amount
20	CIP0150	Support Facility Fire System Rehabilitation	DC-2022-018-00	Support Facility Fire System Rehabilitation	\$ 6,400,000
21	CIP0262	Tunnel Water Leak Mitigation	DC-2022-018-00	Tunnel Water Leak Mitigation	\$ 25,680,000
22	CIP0310	Station Platform Rehabilitation - Phase 4	DC-2022-018-00	Platform Rehab (Phase 4)	\$ 151,520,000
23	CIP0251	Automatic Train Control State of Good Repair	DC-2022-018-00	Automatic Train Control	\$ 36,700,000
24	CIP0136	Radio Infrastructure Replacement	DC-2022-018-00	Radio Infrastructure	\$ 18,100,000
				Grand Total (Not Including OIG Grant):	\$ 847,233,438
				OIG PRIIA Grant Amount:	\$ 10,000,000
				Total IIJA Funding by Grant Program and Capital Improvement Program:	\$ 857,233,438

WMATA's Jurisdictional Dedicated Funding Breakout by CIP

Table 12. Capital Project and Program Financials (Dollars in Thousands)

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
Railcar Acquisition						
CIP0059	8000-Series Railcars	\$ 30,996	\$ 32,522	\$ (1,526)	\$ 6,103	\$ 24,893
CIP0256	7000-Series Railcars	\$ 54,371	\$ 54,729	\$ (358)	\$ 55,228	\$ (857)
CRB0019_19	Silver Line Phase 1 Railcars	\$ 2,175	\$ -	\$ 2,175	\$ -	\$ 2,175
CRB0020_01	Silver Line Phase 2 Railcars	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Railcar Acquisition	\$ 87,542	\$ 87,252	\$ 290	\$ 61,332	\$ 26,210
Railcar Maintenance Facilities						
CIP0204	Railcar Rooftop Access Platform	\$ 2,573	\$ 4,340	\$ (1,767)	\$ 4,577	\$ (2,004)
CIP0225	Heavy Repair and Overhaul Facility	\$ 75,300	\$ 20,079	\$ 55,221	\$ 20,800	\$ 54,500
CIP0279	Railyard Shop Equipment Replacement	\$ 900	\$ 144	\$ 756	\$ 156	\$ 744
CIP0283	Major Railcar Maintenance Equipment State of Good Repair	\$ 3,259	\$ 6,453	\$ (3,194)	\$ 6,298	\$ (3,039)
CIP0284	Railyard Facility and Site Rehabilitation	\$ 2,140	\$ 574	\$ 1,566	\$ 536	\$ 1,604
CIP8004	Future Railcar Maintenance/Overhaul	\$ -	\$ -	\$ -	\$ -	\$ -
CIP8005	D&E Rail Yard Improvements	\$ -	\$ (164)	\$ 164	\$ (201)	\$ 201

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
	Subtotal Railcar Maintenance Facilities	\$ 84,172	\$ 31,427	\$ 52,745	\$ 32,166	\$ 52,006
	Railcar Maintenance					
CIP0063	Rail Vehicle Rehabilitation Program	\$ 64,765	\$ 81,894	\$ (17,129)	\$ 82,442	\$ (17,678)
CIP0067	Rail Vehicle Safety & Reliability Improvements	\$ 3,050	\$ 1,966	\$ 1,084	\$ 1,651	\$ 1,399
CIP0142	Rail Vehicle Preventive Maintenance	\$ 59,000	\$ 58,095	\$ 905	\$ 58,095	\$ 905
	Subtotal Railcar Maintenance	\$ 126,815	\$ 141,954	\$ (15,140)	\$ 142,187	\$ 15,373
	Subtotal Railcars & Railcar Facilities	\$ 298,529	\$ 260,632	\$ 37,896	\$ 235,685	\$ 62,843
	Propulsion					
CIP0076	Rail System Power Upgrades	\$ 25,700	\$ 35,355	\$ (9,655)	\$ 34,671	\$ (8,971)
CIP0253	Traction Power State of Good Repair	\$ 46,254	\$ 42,335	\$ 3,919	\$ 49,399	\$ (3,144)
CIP0286	Power Generator Replacement	\$ 725	\$ 100	\$ 625	\$ 275	\$ 450
CIP8007	D&E Electrical Improvements	\$ 964	\$ 130	\$ 834	\$ 365	\$ 599
	Subtotal Propulsion	\$ 73,643	\$ 77,921	\$ (4,277)	\$ 84,710	\$ (11,066)
	Signals & Communications					
CIP0133	Train Detection and Warning System	\$ 85	\$ 3,757	\$ (3,672)	\$ 3,949	\$ (3,864)
CIP0135	Train Control Signal					
CIP0136	Radio Infrastructure Replacement	\$ 47,802	\$ 45,573	\$ 2,228	\$ 44,866	\$ 2,935
CIP0139	Safety Audit Recommendations	\$ 6,780	\$ 1,602	\$ 5,178	\$ 1,549	\$ 5,231
CIP0251	Automatic Train Control State of Good Repair	\$ 57,160	\$ 33,943	\$ 23,217	\$ 34,062	\$ 23,098
CIP0257	Emergency Trip Station (ETS) Rehabilitation	\$ 3,500	\$ 130	\$ 3,370	\$ 89	\$ 3,411
CIP0332	Fiber Optic Cable Installation	\$ 23,837	\$ 16,581	\$ 7,256	\$ 25,906	\$ (2,069)
CIP8009	Development & Evaluation (D&E) Automatic Train Control & Communications Improvements	\$ -	\$ 38	\$ (38)	\$ 38	\$ (38)
	Subtotal Signals & Communications	\$ 139,164	\$ 101,623	\$ 37,540	\$ 10,443	\$ 28,720
	Subtotal Rail Systems	\$ 212,807	\$ 179,544	\$ 33,263	\$ 195,153	\$ 17,654
	Fixed Rail					
CIP0024	Track Rehabilitation Program	\$ 77,288	\$ 75,220	\$ 2,068	\$ 76,165	\$ 1,124
CIP0025	Roadway Equipment and Vehicle Program	\$ 12,578	\$ 6,321	\$ 6,257	\$ 6,367	\$ 6,211
CIP0065	Track Geometry Vehicle	\$ -	\$ 626	\$ (626)	\$ 626	\$ (626)
CIP0246	General Engineering	\$ 11,105	\$ 13,797	\$ (2,692)	\$ 16,513	\$ (5,408)
CIP0247	Emergency Construction and Emerging Needs Program	\$ 64,709	\$ 4,333	\$ 60,376	\$ 4,753	\$ 59,956
CIP0261	Rail Tunnel Lighting Replacement	\$ 3,900	\$ 3,680	\$ 220	\$ 3,721	\$ 179
CIP8011	D&E Fixed Rail Improvements	\$ 3,000	\$ 558	\$ 2,442	\$ 539	\$ 2,461
	Subtotal Fixed Rail	\$ 172,580	\$ 104,535	\$ 68,045	\$ 108,683	\$ 63,897
	Structures					
CIP0022	Track Structural Rehabilitation	\$ -	\$ 24	\$ (24)	\$ 29	\$ (29)
CIP0026	Station/Tunnel Leak Mitigation	\$ -	\$ (1)	\$ 1	\$ (1)	\$ 1
CIP0262	Tunnel Water Leak Mitigation	\$ 8,000	\$ 2,930	\$ 5,070	\$ 4,784	\$ 3,216
CIP0291	Tunnel Ventilation Improvements	\$ 2,400	\$ 435	\$ 1,965	\$ 353	\$ 2,047
CIP0294	Bridge Rehabilitation Program	\$ 3,500	\$ 2,979	\$ 521	\$ 1,126	\$ 2,374
CIP0348	Structural Rehabilitation - Package 1	\$ 87,700	\$ 50,952	\$ 36,748	\$ 51,025	\$ 36,675
CIP0349	Yellow Line Tunnel and Bridge Rehabilitation	\$ 35,349	\$ 14,841	\$ 20,507	\$ 25,412	\$ 9,937
CIP0356	Tunnel Ventilation Improvements - Red Line Pilot	\$ 29,600	\$ 19,687	\$ 9,913	\$ 19,481	\$ 10,119
CIP0370	Structural Rehabilitation - Package B	\$ 2,000	\$ 228	\$ 1,772	\$ 264	\$ 1,736
CIP8013	D&E Track Structures Improvements	\$ 2,350	\$ 1,964	\$ 386	\$ 2,113	\$ 237

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP8014	Future Track and Structures Improvements	\$ -	\$ 31	\$ (31)	\$ 41	\$ (41)
	Subtotal Structures	\$ 170,899	\$ 94,071	\$ 76,828	\$ 104,627	\$ 66,272
	Subtotal Track & Structures Rehabilitation	\$ 343,479	\$ 198,606	\$ 144,873	\$ 213,310	\$ 130,169
Platforms and Structures						
CIP0035	Bicycle and Pedestrian Facility Rehabilitation	\$ 3,340	\$ 425	\$ 2,915	\$ 388	\$ 2,952
CIP0087	Station and Facility Restoration Program	\$ 14,367	\$ 12,053	\$ 2,313	\$ 12,150	\$ 2,217
CIP0088	Station Entrance Canopy Installation	\$ 4,156	\$ 6,550	\$ (2,394)	\$ 7,222	\$ (3,066)
CIP0152	Parking Garage and Surface Lot Rehabilitation	\$ 21,710	\$ 12,773	\$ 8,937	\$ 12,978	\$ 8,732
CIP0218	Metrorail Station Improvements	\$ -	\$ 118	\$ (118)	\$ 22	\$ (22)
CIP0243	L'Enfant Station Improvements	\$ -	\$ 4	\$ (4)	\$ -	\$ -
CIP0271	Metrorail Station Emergency Gates Replacement	\$ 150	\$ 220	\$ (70)	\$ 238	\$ (88)
CIP0274	Grosvenor Parking Garage Joint Development	\$ -	\$ 1,554	\$ (1,554)	\$ 1,521	\$ (1,521)
CIP0297	Union Station Improvements	\$ 7,300	\$ 629	\$ 6,671	\$ 497	\$ 6,803
CIP0302	Huntington Station Parking Garage Replacement	\$ 1,260	\$ 445	\$ 815	\$ 400	\$ 860
CIP0305	Rail Passenger Facility State of Good Repair Program	\$ -	\$ 73	\$ (73)	\$ 73	\$ (73)
CIP0306	Stations Platform Rehabilitation - Phase 1	\$ -	\$ 387	\$ (387)	\$ 175	\$ (175)
CIP0307	Station Platform Rehabilitation - Phase 2	\$ 3,100	\$ 1,266	\$ 1,834	\$ (223)	\$ 3,323
CIP0308	Station Platform Rehabilitation - Phase 3	\$ 144,800	\$ 169,010	\$ (24,210)	\$ 131,052	\$ 13,748
CIP0309	Huntington Station Additional Entrance	\$ -	\$ 3	\$ (3)	\$ 3	\$ (3)
CIP0310	Station Platform Rehabilitation - Phase 4	\$ 220,300	\$ 136,611	\$ 83,689	\$ 154,519	\$ 65,781
CIP0345	Shady Grove Stairway	\$ -	\$ 431	\$ (431)	\$ 518	\$ (518)
CIP0352	Rail Station Platform Canopy Rehabilitation Program	\$ 2,350	\$ 1,700	\$ 650	\$ 1,916	\$ 434
CIP0374	Solar Power Improvements	\$ 4,640	\$ 2,058	\$ 2,582	\$ 2,155	\$ 2,485
CIP8015	D&E Rail Station Improvements	\$ 700	\$ 850	\$ (150)	\$ 845	\$ (145)
CRB0013	Potomac Yard Station Construction	\$ 149,500	\$ 111,329	\$ 38,171	\$ 95,896	\$ 53,604
CRB0019	Silver Line Phase 1	\$ -	\$ -	\$ -	\$ -	\$ -
CRB0020	Silver Line Phase 2 Construction Support	\$ 10,776	\$ 21,387	\$ (10,611)	\$ 19,544	\$ (8,768)
CRB0127	Purple Line Construction Support	\$ 4,068	\$ 3,745	\$ 323	\$ 3,673	\$ 395
CRB0133	Capacity Impro - Union Station	\$ -	\$ 38	\$ (38)	\$ 39	\$ (39)
CRB0136	McLean Station - New Entrance	\$ 200	\$ 17	\$ 183	\$ 17	\$ 183
	Subtotal Platforms & Structures	\$ 592,717	\$ 483,678	\$ 109,039	\$ 445,618	\$ 147,099
Vertical Transportation						
CIP0072	Elevator Rehabilitation Program	\$ 9,000	\$ 3,531	\$ 5,469	\$ 3,235	\$ 5,765
CIP0073	Escalator Rehabilitation Program	\$ 19,644	\$ 19,732	\$ (88)	\$ 18,734	\$ 909
CIP0132	Escalator and Elevator Overhaul Program	\$ 6,630	\$ 7,032	\$ (402)	\$ 7,064	\$ (434)
CIP0185	Escalator Replacement	\$ 26,360	\$ 38,375	\$ (12,015)	\$ 38,327	\$ (11,967)
	Subtotal Vertical Transportation	\$ 61,634	\$ 68,669	\$ (7,035)	\$ 67,360	\$ (5,726)
Station Systems						
CIP0074	Parking Access and Collection Equipment Maintenance	\$ -	\$ 28	\$ (28)	\$ 23	\$ (23)
CIP0145	Facility Security Monitoring Equipment Program	\$ 7,565	\$ 11,181	\$ (3,616)	\$ 11,488	\$ (3,923)
CIP0151	Rail Station Cooling Rehabilitation Program	\$ 10,234	\$ 3,939	\$ 6,295	\$ 3,941	\$ 6,293

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP0219	Rail Station Lighting Improvements	\$ 26,055	\$ 3,671	\$ 22,384	\$ 3,094	\$ 22,961
CIP0241	Flood Resiliency Infrastructure Upgrades	\$ 688	\$ 941	\$ (253)	\$ 1,061	\$ (373)
CIP0242	Rail System Drainage Rehabilitation Program	\$ 15,100	\$ 7,476	\$ 7,624	\$ 8,443	\$ 6,657
CIP0252	Low Voltage Power State of Good Repair	\$ 35,979	\$ 30,398	\$ 5,581	\$ 30,703	\$ 5,275
CIP0255	Fare Collection Modernization	\$ 56,855	\$ 75,279	\$ (18,424)	\$ 74,725	\$ (17,870)
CIP0258	Station And Tunnel Fire Alarm Rehabilitation	\$ 7,118	\$ 1,904	\$ 5,214	\$ 1,824	\$ 5,294
CIP0272	Digital Display and Wayfinding Improvements	\$ 6,854	\$ 3,493	\$ 3,361	\$ 2,071	\$ 4,783
CIP0276	Art in Transit and Station Commercialization Program	\$ 710	\$ 325	\$ 385	\$ 327	\$ 383
CIP0341	Rail System Standpipe Replacement Program	\$ 8,100	\$ 9,369	\$ (1,269)	\$ 9,025	\$ (925)
CIP0372	Station Revitalization	\$ -	\$ -	\$ -	\$ -	\$ -
CIP8019	D&E Revenue Facility Improvement	\$ 9,500	\$ 579	\$ 8,921	\$ 579	\$ 8,921
	Subtotal Station Systems	\$ 184,758	\$ 148,584	\$ 36,174	\$ 147,304	\$ 37,454
	Subtotal Stations and Passenger Facilities	\$ 839,109	\$ 700,932	\$ 138,177	\$ 660,282	\$ 178,827
Bus & Paratransit Acquisition						
CIP0006	Bus Fleet Acquisition Program	\$ 65,000	\$ 66,471	\$ (1,471)	\$ 64,997	\$ 3
CIP0015	MetroAccess Fleet Acquisition	\$ 16,008	\$ 3,131	\$ 12,877	\$ 1,384	\$ 14,625
CIP0355	Zero Emission Bus Acquisition and Evaluation	\$ 4,500	\$ 1,792	\$ 2,708	\$ 1,974	\$ 2,526
CIP8021	D&E Bus & Paratransit Improvements	\$ 250	\$ 97	\$ 153	\$ 24	\$ 226
	Subtotal Bus & Paratransit Acquisition	\$ 85,758	\$ 71,492	\$ 14,267	\$ 68,379	\$ 17,380
Bus Maintenance Facilities						
CIP0084	Southern Avenue Bus Garage Replacement	\$ -	\$ 2	\$ (2)	\$ 2	\$ (2)
CIP0086	Shepherd Parkway Bus Facility	\$ -	\$ 27	\$ (27)	\$ 27	\$ (27)
CIP0311	Bladensburg Bus Garage Replacement	\$ 58,700	\$ 24,195	\$ 34,505	\$ 31,189	\$ 27,511
CIP0312	Four Mile Run Bus Garage Rehabilitation	\$ 4,500	\$ 4	\$ 4,496	\$ 4	\$ 4,496
CIP0315	Northern Bus Garage Replacement	\$ 17,020	\$ 22,428	\$ (5,408)	\$ 18,292	\$ (1,272)
CIP0319	Bus Maintenance Facility State of Good Repair Program	\$ 750	\$ 642	\$ 108	\$ 642	\$ 108
CIP8025	D&E Bus Maintenance Facility Improvements	\$ -	\$ -	\$ -	\$ 27	\$ (27)
CIP8026	Future Bus Maintenance Facilities	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000
	Subtotal Bus Maintenance Facilities	\$ 81,970	\$ 47,299	\$ 34,671	\$ 50,182	\$ 31,788
Bus Maintenance/Overhaul						
CIP0002	Bus Onboard Location Equipment and Software Program	\$ 4,000	\$ -	\$ 4,000	\$ -	\$ 4,000
CIP0004	Bus Maintenance Equipment Replacement Program	\$ 2,500	\$ 802	\$ 1,698	\$ 853	\$ 1,647
CIP0005	Bus Vehicle Rehabilitation Program	\$ 66,398	\$ 53,245	\$ 13,153	\$ 53,050	\$ 13,348
CIP0007	Bus Closed Circuit Television Replacement Program	\$ 9,000	\$ 677	\$ 8,323	\$ 677	\$ 8,323
CIP0143	Bus Vehicle Preventive Maintenance	\$ 1,000	\$ 1,002	\$ (2)	\$ 1,002	\$ (2)
	Subtotal Bus Maintenance/Overhaul	\$ 82,898	\$ 55,726	\$ 27,172	\$ 55,583	\$ 27,315
Bus Passenger Facilities/Systems						
CIP0220	Bus Planning Studies Program	\$ 1,600	\$ 979	\$ 621	\$ 839	\$ 761
CIP0221	Bus Customer Facility Improvements	\$ 11,649	\$ 5,421	\$ 6,228	\$ 4,816	\$ 6,833
CIP0254	Bus Priority Program Development	\$ 2,247	\$ 1,966	\$ 281	\$ 1,912	\$ 335

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP0266	Historic Bus Loop and Facility Rehabilitation	\$ 3,331	\$ 3,269	\$ 62	\$ 3,039	\$ 292
CIP0275	New Carrollton Garage and Bus Bays	\$ 27,000	\$ 6,139	\$ 20,861	\$ 5,866	\$ 21,134
CIP0322	Bus Passenger Fac./Systems Future Major Projects	\$ 400	\$ 290	\$ 110	\$ 290	\$ 110
CIP0326	Real-time Bus and Rail Data Feed Development	\$ 160	\$ 258	\$ (98)	\$ 172	\$ (12)
CRB0012	King Street Station Bus Loop	\$ -	\$ 7	\$ (7)	\$ 6	\$ (6)
	Subtotal Bus Passenger Facilities/Systems	\$ 46,387	\$ 18,330	\$ 28,057	\$ 16,940	\$ 29,447
	Subtotal Bus, Bus Facilities, & Paratransit	\$ 297,014	\$ 192,847	\$ 104,167	\$ 191,085	\$ 105,929
Information Technology						
CIP0042	Asset Management Software Improvements	\$ 1,000	\$ 203	\$ 797	\$ 163	\$ 837
CIP0043	Bus Scheduling and Operations Software Improvements	\$ 2,000	\$ 322	\$ 1,678	\$ 318	\$ 1,682
CIP0049	Technology Improvements for Administrative Functions	\$ -	\$ 105	\$ (105)	\$ 40	\$ (40)
CIP0052	Network and Communications	\$ -	\$ 155	\$ (155)	\$ 13	\$ (13)
CIP0053	Network Operations Center NOC	\$ -	\$ 4	\$ (4)	\$ 4	\$ (4)
CIP0054	Customer Electronic Communications & Outreach	\$ -	\$ 318	\$ (318)	\$ 158	\$ (158)
CIP0056	Rail Service Management Software Improvements	\$ 9,594	\$ 4,532	\$ 5,062	\$ 4,353	\$ 5,241
CIP0259	Employee Timekeeping System	\$ 2,833	\$ 3,156	\$ (323)	\$ 2,437	\$ 396
CIP0269	Asset Management Software	\$ 2,369	\$ 1,715	\$ 654	\$ 1,933	\$ 436
CIP0330	Information Technology Data Center	\$ 36,800	\$ 45,249	\$ (8,449)	\$ 54,541	\$ (17,741)
CIP0331	Enterprise Resource Planning Software Replacement	\$ 6,308	\$ 939	\$ 5,370	\$ 832	\$ 5,476
CIP0342	Information Technology Hardware State of Good Repair	\$ 23,561	\$ 17,584	\$ 5,977	\$ 12,975	\$ 10,586
CIP0343	Information Technology Software State of Good Repair	\$ 33,925	\$ 21,328	\$ 12,597	\$ 19,073	\$ 14,852
CIP0344	IT Program Management Support	\$ 1,800	\$ 827	\$ 973	\$ 735	\$ 1,065
CIP0354	Enterprise Resource Planning Software Upgrade	\$ 3,917	\$ 298	\$ 3,619	\$ 298	\$ 3,619
CIP0357	Cybersecurity Legacy Software Improvement	\$ 500	\$ 5,854	\$ (5,354)	\$ 5,863	\$ (5,363)
CIP0358	Business Systems State of Good Repair	\$ -	\$ 3,252	\$ (3,252)	\$ 4,336	\$ (4,336)
CIP0359	Enterprise Technology Platforms State of Good Repair	\$ -	\$ 1,136	\$ (1,136)	\$ 1,515	\$ (1,515)
CIP0360	Transit Systems State of Good Repair	\$ -	\$ 3,738	\$ (3,738)	\$ 4,595	\$ (4,595)
CIP8029	D&E Information Technology Improvements	\$ 16,955	\$ 6,586	\$ 10,369	\$ 6,702	\$ 10,253
CIP8030	Future Information Technology Projects	\$ 324	\$ -	\$ 324	\$ -	\$ 324
	Subtotal Information Technology	\$ 141,886	\$ 117,299	\$ 24,587	\$ 120,883	\$ 21,003
Metro Transit Police Department (MTPD)						
CIP0102	Police District III Substation	\$ 350	\$ 753	\$ (403)	\$ 772	\$ (422)
CIP0106	Special Operations Division Facility	\$ -	\$ 1	\$ (1)	\$ 1	\$ (1)
CIP0127	Transit Police Support Equipment	\$ 500	\$ 344	\$ 156	\$ 499	\$ 1
CIP8031	D&E Metro Transit Police Improvements	\$ 250	\$ -	\$ 250	\$ -	\$ 250
CIP8032	Future Metro Transit Police Projects	\$ -	\$ 2	\$ (2)	\$ 2	\$ (2)
	Subtotal MTPD	\$ 1,100	\$ 1,100	\$ -	\$ 1,274	\$ (174)
Support Equipment & Services						
CIP0009	Service Vehicle Acquisition Program	\$ 12,400	\$ 6,724	\$ 5,676	\$ 3,851	\$ 8,549
CIP0010	Environmental Compliance Program	\$ 2,919	\$ 2,701	\$ 218	\$ 2,783	\$ 136

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP0029	Warehouse Vertical Store Unit	\$ 75	\$ -	\$ 75	\$ -	\$ 75
CIP0030	Currency Processing Machines	\$ 150	\$ 135	\$ 15	\$ 135	\$ 15
CIP0033	Revenue Facility Equipment Replacement	\$ 410	\$ -	\$ 410	\$ -	\$ 410
CIP0034	Revenue Collection Facility Rehabilitation	\$ 2,080	\$ 94	\$ 1,986	\$ 477	\$ 1,603
CIP0036	Procurement Program Support	\$ 1,940	\$ 5,713	\$ (3,773)	\$ 5,929	\$ (3,989)
CIP0039	System Planning and Development	\$ 3,837	\$ 2,872	\$ 965	\$ 2,851	\$ 986
CIP0099	Joint Development Program Support	\$ 2,080	\$ 1,247	\$ 833	\$ 1,735	\$ 345
CIP0101	Internal Compliance Capital Management Support	\$ 1,000	\$ 718	\$ 282	\$ 558	\$ 442
CIP0131	Capital Program Financing Support	\$ 1,900	\$ 593	\$ 1,307	\$ 593	\$ 1,307
CIP0150	Non-Revenue Facility Fire System Rehabilitation	\$ 500	\$ 1,410	\$ (910)	\$ 1,424	\$ (924)
CIP0170	Facility Roof Rehabilitation and Replacement	\$ 15,426	\$ 8,832	\$ 6,594	\$ 9,387	\$ 6,039
CIP0197	Support Facility Improvements	\$ 2,465	\$ 608	\$ 1,857	\$ 990	\$ 1,475
CIP0212	Sustainability/Resiliency Program	\$ 3,000	\$ 1,987	\$ 1,013	\$ 1,949	\$ 1,051
CIP0213	Capital Program Development Support	\$ 19,025	\$ 25,491	\$ (6,466)	\$ 26,884	\$ (7,859)
CIP0231	Good Luck Road Facility	\$ 862	\$ 2,726	\$ (1,864)	\$ 3,054	\$ (2,192)
CIP0270	Capital Delivery Program Support	\$ 35,408	\$ 30,014	\$ 5,394	\$ 33,630	\$ 1,778
CIP0273	Support Facility Rehabilitation	\$ 4,910	\$ 5,042	\$ (132)	\$ 5,405	\$ (495)
CIP0277	Supply Chain Modernization	\$ 500	\$ 319	\$ 181	\$ 319	\$ 181
CIP0324	Capital Program Financial Support	\$ 3,355	\$ 161	\$ 3,194	\$ 161	\$ 3,194
CIP0335	Office Consolidation - District of Columbia	\$ 87,291	\$ 65,881	\$ 21,410	\$ 63,291	\$ 24,000
CIP0336	Facility Energy Management Upgrades	\$ 190	\$ 164	\$ 26	\$ 164	\$ 26
CIP0337	Office Consolidation - Virginia	\$ 145,533	\$ 106,619	\$ 38,914	\$ 117,411	\$ 28,122
CIP0338	Office Consolidation - Maryland	\$ 92,780	\$ 126,790	\$ (34,010)	\$ 135,295	\$ (42,515)
CIP0347	Accounting Capital Program Support	\$ -	\$ 1,263	\$ (1,263)	\$ 1,263	\$ (1,263)
CIP0373	Interim Operations Control Centers	\$ 12,000	\$ 6,125	\$ 5,875	\$ 6,365	\$ 5,635
CIP8033	D&E Support Equipment Improvements	\$ 1,647	\$ 247	\$ 1,400	\$ 47	\$ 1,600
CIP8034	Future Support Equipment Projects	\$ 250	\$ -	\$ 250	\$ -	\$ 250
CRB0005	Planning Support for the District of Columbia	\$ 1,000	\$ 988	\$ 12	\$ 1,179	\$ (179)
CRB0009	Planning Support for Maryland Jurisdictions	\$ 1,000	\$ 905	\$ 95	\$ 1,214	\$ (214)
CRB0018	Planning Support for Virginia Jurisdictions	\$ 1,000	\$ 599	\$ 401	\$ 725	\$ 275
SCOV19-06	COVID-19 IT: Equip & Services	\$ -	\$ 193	\$ (193)	\$ 83	\$ (83)
	Subtotal Support Equipment & Services	\$ 456,933	\$ 407,163	\$ 49,770	\$ 429,154	\$ 27,779
	Subtotal Business & Operations Support	\$ 599,919	\$ 525,562	\$ 74,357	\$ 551,311	\$ 48,608
	Grand Total	\$ 2,590,857	\$ 2,058,123	\$ 532,733	\$ 2,046,826	\$ 544,030

RSM US LLP's FY2022 Dedicated Funding Report

FY2022 Dedicated Funding Report

RSM US LLP

Independent Accountant's Report

Mr. Paul Smedberg, Executive Committee Chair
 Mr. Rene Febles, Inspector General
 Mrs. Yetunde Olumide, Chief Financial Officer
 Washington Metropolitan Area Transit Authority

We have examined management of the Washington Metropolitan Area Transit Authority's (the Authority) assertions that the Authority complied with the specified requirements in the Dedicated Capital Funding Agreements (Agreements) between the Authority and the Commonwealth of Virginia, District of Columbia, and State of Maryland, as listed in the accompanying Appendix A, during the period from July 1, 2021 to June 30, 2022. The Authority's management is responsible for its assertions. Our responsibility is to express an opinion about management's assertions about the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions about compliance with the specified requirements are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertions are fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertions that the Authority complied with the specified requirements included in the Agreements, as listed in Appendix A, are fairly stated, in all material respects.

RSM US LLP

Washington, D.C.
 April 28, 2023

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Washington Metropolitan Area Transit Authority

Page 9

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Appendix A

Maryland

We are providing this assertion in connection with the Dedicated Capital Funding Agreement (Agreement) between Washington Metropolitan Area transit Authority (WMATA) and the State of Maryland, acting by and through the Maryland Department of Transportation dated September 26, 2019, and the Capital Improvement Program (CIP) as adopted by WMATA.

- a. In accordance with Section 4A of the Agreement, expenses funded by the Agreement for the period from July 1, 2021 through June 30, 2022, were expended on items identified in the approved CIP.
- b. As it relates to Section 4F of the Agreement, WMATA has accurately presented costs expended under the Agreement for the period from July 1, 2021 through June 30, 2022, in the FY2022 Annual Reconciliation Report.
- c. In accordance with Section 6A of the Agreement, WMATA has maintained financial records that are consistent with Generally Accepted Accounting Principles (GAAP) and are in sufficient detail to determine the character and timing of expense transactions authorized by the Agreement.

District of Columbia

We are providing this assertion in connection with the grant agreement between the Washington Metropolitan Area Transit Authority (WMATA) and the District of Columbia entitled "WMATA Dedicated Funding Agreement" (Dedicated Funding Grant), and the Capital Improvement Program (CIP) as adopted by WMATA, included as Attachment 1 to the Dedicated Funding Grant.

- a. In accordance with Section 4 of the Dedicated Funding Grant, expenses funded with the Dedicated Funding Grant for the period from July 1, 2021 through June 30, 2022, were not used for System Expansion projects or to fund WMATA's operating expenses but instead used for:
 - a. State of Good Repair Capital Projects and consistent with the current, approved CIP and Capital Budget; or
 - b. Debt service on WMATA borrowings for the State of Good Repair Capital Projects and were consistent with the approved CIP.
- b. As it relates to Section 6(b) of the Dedicated Funding Grant, unexpended carryover amounts reported in the FY2022 Annual Reconciliation Report were accurately calculated.
- c. In accordance with Section 10(a) of the Dedicated Funding Grant, WMATA has maintained financial records in sufficient detail to determine the character and timing of fund items and of expense transactions authorized by the Dedicated Funding Grant.
- d. In accordance with Section 10(a) of the dedicated Funding Grant, the indirect/overhead audit report accurately presented the indirect cost amounts charged to each capital project during the fiscal year and the aggregate amount by which the operating subsidy was reduced.
- e. In accordance with Section 11(a) of the Dedicated Funding Grant, unexpended funds were invested and interest earnings were used on eligible Capital expenditures only.

Commonwealth of Virginia

We are providing this assertion in connection with the Capital Fund Agreement (Agreement) between the Washington Metropolitan Area Transit Authority (WMATA) and the Commonwealth of Virginia (the Commonwealth) acting by and through the Virginia Department of Rail and Public Transportation dated May 1, 2019, and the Capital Improvement Program (CIP) as adopted by WMATA.

- a. In accordance with Section 5A of the Agreement, expenses funded by the Agreement for the period from July 1, 2021 through June 30, 2022, were for projects identified in the approved CIP.
- b. In accordance with Section 5B of the Agreement, expenses made from the restricted fund for the period from July 1, 2021 through June 30, 2022, were not spent for debt service on bonds or other indebtedness of WMATA.
- c. As it relates to Section 5E of the Agreement, WMATA has accurately presented costs expended and rolled forward in the restricted and unrestricted funds account under the Agreement for the period from July 1, 2021 through June 30, 2022, in the 4th Quarter Report.
- d. In accordance with Section 5F of the Agreement, all deposits made by the Commonwealth to WMATA for the period from July 1, 2021 through June 30, 2022, were included in interest-bearing accounts until expended.
- e. In accordance with Section 6A of the Agreement, WMATA has maintained financial records that are consistent with Generally Accepted Accounting Principles (GAAP) and are in sufficient detail to determine the character and timing of fund items and of contract obligation and expense transactions authorized by the Agreement.

To Report Fraud, Waste, or Abuse:

Please Contact:

Email: hotline@wmataoig.gov

Website: wmataoig.gov/hotline-form/

Telephone: 1-888-234-2374

Facsimile: 1-800-867-0649

Address: WMATA
Office of Inspector General
Hotline Program
500 L'Enfant Plaza SW, Suite 800
Washington D.C., 20024