

WMATA OFFICE OF INSPECTOR GENERAL

SEMIANNUAL REPORT

NO. 35 | JULY 1 – DECEMBER 31, 2024



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Message from the Inspector General



Michelle A. Zamarin
Inspector General

On behalf of the WMATA Office of Inspector General (OIG), I am pleased to present the 35th Semiannual Report (SAR) to the Washington Metropolitan Area Transit Authority (WMATA) Board of Directors. This SAR covers significant activities and achievements for the six-month period from July 1, 2024, and December 31, 2024.

During the last six months of 2024, OIG Auditors, Special Agents, Evaluators, Data Scientists, Analysts, and Administrative Staff have been leading the charge to accomplish OIG's vital mission of enhancing the economy, efficiency, and effectiveness of WMATA's operations. They are also dedicated to fighting fraud, waste, abuse, crimes, and other significant misconduct. The exceptional results achieved by OIG would not be possible without the commitment of the staff, who uphold the highest standards of professionalism and quality in our investigations, evaluations, and audits.

This is the first semiannual report in which I have served as Inspector General for the entire reporting period. During this time, I have personally sought to build a more direct connection with not just WMATA's leadership team, but also with the staff who provide the region with safe and reliable public transit services. To that end, I met with various departments within WMATA to explain our purpose and work, and to emphasize our availability to all WMATA employees. As a result, we have seen a significant increase in reports from WMATA employees through our OIG Hotline. During this reporting period, we received 292 hotline complaints via email, phone, and the OIG website. These complaints led to several OIG investigations and referrals to WMATA for resolution. I would like to thank WMATA management, and particularly the General Manager, for supporting this outreach effort and promoting open communication between the OIG and WMATA employees. Management's support greatly enhances OIG's ability to combat waste, fraud, and abuse.

Our comprehensive audits and investigations during this period have touched on different areas throughout WMATA that are most vulnerable to waste, fraud, or abuse. I take immense pride in my team's diligent work and proactive approach to tackling these vulnerabilities. Their dedication and expertise have been instrumental in helping to safeguard the integrity of WMATA's finances and operations.

Notably, during this reporting period, the Office of Audits & Evaluations (OA) issued the Contract Modification Audit report. This OIG audit evaluated the internal controls surrounding contract modifications and the change order process at WMATA, specifically focusing on their effectiveness and efficiency. This effort arose from stakeholder concerns regarding procurement processes, particularly given the substantial total of approximately \$8 billion in active and closed contracts for fiscal years 2022 and 2023. The report uncovered significant issues that require attention and highlighted the need for better oversight and ongoing improvements in WMATA's contract modifications management practices. In addition to this audit, during the reporting period, OIG also issued its audit of WMATA's SmarTrip Regional Partner Comparative Billing

Statements for Fiscal Years Ended 2023 and 2022, the audit of WMATA's Financial Statements for Fiscal Years 2024 and 2023, and finally the audit of WMATA's Single Audit for Fiscal Year 2024.

The Office of Investigations (OI) faced an increased workload during this period due to the increase in complaints submitted to OIG. As a result, OI dedicated a significant amount of time to addressing these new matters. We anticipate that this work will lead to the identification of improvements that will enhance WMATA programs and operations and help detect and deter fraud, waste, and abuse. In addition to opening and investigating these new complaints, during this reporting period, two former WMATA employees and one former contractor were sentenced in Federal Court for a procurement scheme aimed at defrauding WMATA and the District of Columbia.

I would like to thank WMATA Management and its staff for implementing recommended corrective actions in a timely manner and for collaborating with OIG to achieve our shared goals. Finally, I would like to thank the Board of Directors for its continued support and the opportunity to lead this office and its dedicated staff in such critical work for WMATA and the region.

Michelle Zamarin

Michelle A. Zamarin
Inspector General

OVERVIEW OF OIG

BACKGROUND

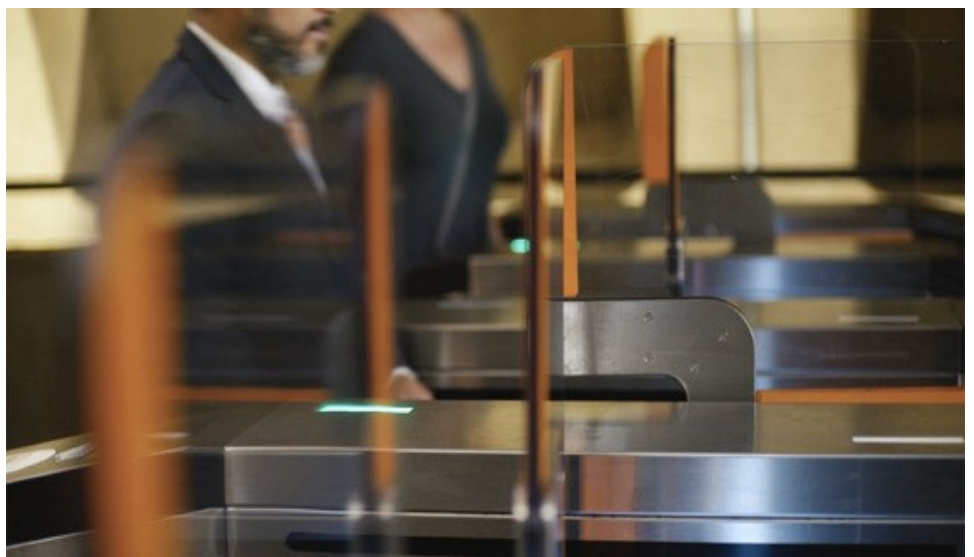
The WMATA Board of Directors (“Board”) established OIG on April 20, 2006, with Resolution 2006-18. On August 19, 2009, the WMATA Compact was amended to codify OIG by statute and to make the Inspector General an officer of WMATA. The Inspector General reports to the Board.

MISSION STATEMENT

OIG’s mission depends on our talented staff who are dedicated to OIG’s independent and objective work.

Under the WMATA Compact, OIG is “an independent and objective unit of [WMATA] that conducts and supervises audits, program evaluations, and investigations relating to [WMATA] activities; promotes economy, efficiency, and effectiveness in [WMATA] activities; detects and prevents fraud and abuse in [WMATA] activities; and keeps the Board fully and currently informed about deficiencies in [WMATA] activities as well as the necessity for and progress of corrective action.” We keep the Board fully informed and keep the General Manager and Chief Executive Officer (GM/CEO) apprised of our work to assist in achieving the highest levels of program and operational performance at WMATA.

*Promoting
economy,
efficiency, and
effectiveness
in WMATA
activities*



OUR CORE VALUES

Excellence

We are committed to excellence in our people, our processes, our products, our impact, and our mission performance.

- We value a proactive, educated, and highly trained workforce that reflects independence, initiative, and mutual respect.
- We value operating within an objective code of standards yet remain open to innovation.
- We support WMATA's mission to provide safe, equitable, reliable, and cost-effective public transit.

Accountability

We insist on high standards of professional conduct from OIG employees at all levels and compliance with professional standards to ensure the Board and Management can rely on our products.

- We have confidence that our work is accurate and that our results hold up to professional scrutiny.
- We encourage an environment of risk-free communication and promote an open, honest, and respectful exchange of ideas and information.

Integrity

We strive to maintain the highest level of trust and integrity in all of our activities, and the approach we take in accomplishing our mission must be fair, balanced, and credible.

- The personal and professional qualities of our employees include honesty, respect for others, and freedom from bias.
- We value and protect our access to information, recognizing that reputations, public confidence, and lives can be affected by our actions.

OUR VISION

We inspire excellence in our people by encouraging their training, advancement, and professional educational development. Through our support, they deliver high-quality independent oversight of WMATA's programs and operations. We are dedicated to working in a collaborative environment with key stakeholders to foster, promote, and maintain the integrity of WMATA's revenue, expenses, assets, and its employees.

OIG comprises two offices – the Office of Investigations (OI) and the Office of Audits & Evaluations (OA).

OFFICE OF INVESTIGATIONS

Office of Investigations (OI) staff has extensive law enforcement experience at the local, state, and federal levels conducting fraud, financial, administrative, misconduct, and myriad other criminal investigations. In addition, OI includes staff who are experts in data analytics and computer forensic investigations. Many OI staff are certified through the Association of Certified Fraud Examiners and/or the Association of Inspectors General. There are currently 21 employees in OI.

Investigations

OI conducts criminal, civil, and administrative investigations relating to WMATA activities, programs, and operations. OI is responsible for investigating complaints from Congress, the partner jurisdictions, the WMATA Board, internal WMATA sources, outside governmental agencies, and the public. OI is also responsible for investigating whistleblower retaliation complaints and assists the Metro Transit Police Department with internal affairs investigations of senior command staff. OI pursues proactive investigations through the recruitment of confidential informants and mining financial information to detect evidence of wrongdoing. Investigations can lead to criminal prosecution, civil penalties, disciplinary or other administrative action, or any combination thereof. OI also provides regular training to various WMATA departments.

Cyber & Forensics

The Cyber & Forensics Unit manages OIG's information technology, cybercrimes, and forensics programs. Its primary function is to provide expert digital forensic support and coordination for OI investigations, and the unit also supports the Office of Audits and Evaluations (OA) with some audits and evaluations. The unit leverages state-of-the-art technologies and innovative methodologies to support OIG operations. Its members also serve as subject matter experts and hold professional certifications in areas such as digital forensic analysis and network administration.

Data Analytics

The Data Analytics Unit manages the intake of OIG hotline complaints and determines the appropriate handling of those matters. Generally, hotline complaints are the initial source of information that leads to investigations, audits, or evaluations. Complaints outside the purview of OIG are referred to WMATA Management or external agencies, as appropriate. The Data Analytics Unit also supports OIG's mission by employing data analytics and technology to uncover fraud and misconduct in WMATA programs and activities that might otherwise go undetected.

OFFICE OF AUDITS & EVALUATIONS

The Office of Audits & Evaluations (OA) comprises three divisions: financial and contract audits, performance audits (including information technology and administrative audits), and evaluations. There are currently 21 employees in OA.

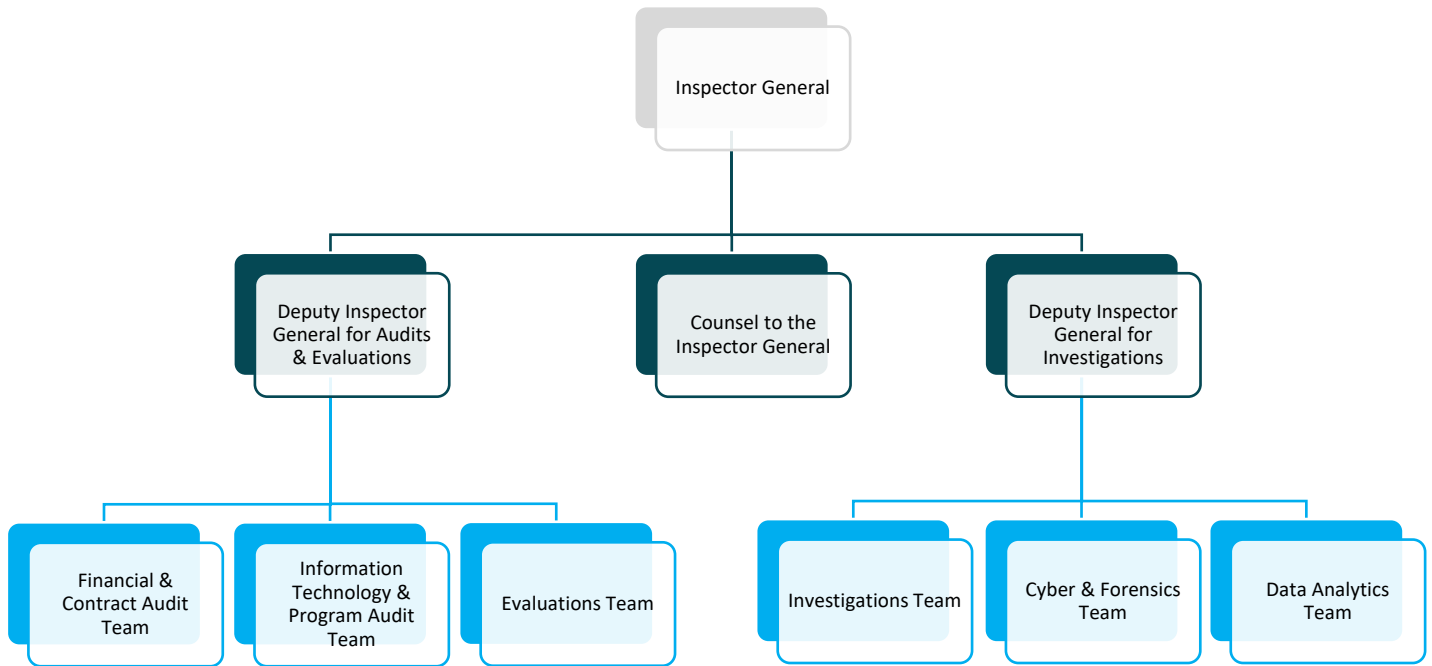
OA provides independent assessments of WMATA programs and operations that help reduce waste, abuse, fraud, and mismanagement, and also promote the economy, efficiency, and effectiveness of WMATA operations. OA also oversees WMATA's financial audit work conducted by an outside public accounting firm on behalf of OIG. Our staff comprises auditors and evaluators with educational backgrounds and degrees in accounting, finance, and information systems. Most staff have professional certifications as accountants, internal auditors, fraud examiners, and information systems auditors.

In September 2025, OIG will issue its Annual Plan that summarizes the audits and evaluations planned for the coming fiscal year. Before issuing its Annual Plan, OIG seeks input from the Board of Directors, the GM/CEO, and his senior executive leadership team as part of the planning phase. Unanticipated high-priority issues may arise

that also generate audits, reviews, and/or evaluations not listed in the Annual Plan. Timeliness, relevance, and impact drive our work, ensuring its success and fostering positive change at WMATA.

The chart below identifies the leadership structure for OIG. This structure enables OIG to be more efficient in our work.

OIG ORGANIZATIONAL CHART



INVESTIGATIONS



1 CRIMINAL MATTER



1 MANAGEMENT ALERT



2 INVESTIGATIVE REFERRALS



5 DEBARMENT REFERRALS

BACKGROUND

During this reporting period, OI conducted both criminal and administrative investigations involving allegations of wrongdoing. OIG Special Agents and Investigators work closely with federal, state, and local law enforcement agencies and prosecutors to pursue criminal charges when appropriate. During this reporting period, OI also issued numerous subpoenas related to ongoing investigations. To ensure the confidentiality and integrity of sensitive information, only a summary of the variety of complaints and investigations conducted is provided in this report.

CRIMINAL MATTERS

Multiple Guilty Pleas for Contract Steering and Bribery Scheme

An OIG joint investigation uncovered a fraudulent scheme whereby a WMATA IT Manager, in collusion with a former WMATA procurement official, misused their official positions to steer lucrative WMATA and District of Columbia government contracts to the owner of a private company in exchange for things of value. The scheme, which occurred between 2018 and 2023, ultimately defrauded WMATA and the District of Columbia of approximately \$2 million. All three co-conspirators pled guilty in U.S. District Court to federal conspiracy charges and were sentenced to prison terms ranging from 4-18 months with court-ordered restitution in the amount of \$150,000. This investigation was conducted jointly with OIG, the Federal Bureau of Investigation, the District of Columbia Office of the Inspector General, and the U.S. Attorney's Office for the District of Columbia.

MANAGEMENT ALERTS

Ongoing Concerns Over Contractor Onboarding and Offboarding Procedures

OIG issued a Management Alert to highlight ongoing deficiencies with WMATA's contractor onboarding and offboarding procedures. It was discovered the WMATA network access credentials for certain contractors had not been properly terminated by WMATA at the end of

the contract, in one instance for two full years. This contributed to an instance where a contractor used the WMATA network access credentials and physical contractor identification badge of a predecessor for approximately one year after the predecessor's involvement on the WMATA contract ended. Once the issues were discovered, WMATA Management terminated both contractors' network access credentials.

OIG also learned nine custodians from the same company had operated in WMATA facilities for up to seven months without the required contractor identification badges. Once discovered, WMATA Management restricted the custodians' facility access until their contractor identification badges had been properly processed through WMATA's badging office.

INVESTIGATIVE REFERRALS

Investigative Referrals are issued in circumstances where allegations relating to fraud, waste, abuse, or misconduct may be within OIG's investigative purview but are better suited for WMATA Management officials to address administratively at their discretion.

OIG issued two Investigative Referrals to Management during this reporting period, one of which resulted in Management's termination of an employee.

DEBARMENT REFERRALS

During this reporting period, OIG referred two companies and three individuals to the WMATA Procurement Office for suspension and debarment consideration. The WMATA Procurement Office's determinations on those referrals are still pending at the time of this report.

HOTLINE ACTIVITY

The OIG Hotline receives information from WMATA employees, customers, vendors, and the public. It is an important avenue for reporting criminal and other misconduct. OI staff review the Hotline information received to evaluate the need for OIG investigative action, referral to an outside agency, or referral to an internal WMATA office for appropriate review and action.

Tables 1 through 3 below provide an overview of the number of complaints received, dispositions, sources of complaints, and whistleblower activity throughout this reporting period.

Table 1: Hotline Complaints Received ¹

Total Complaints Received	292
Investigations Initiated from Complaints	15
Hotline Complaints Under Review	25
Referred to Management or Other Entity	140
Closed - No OIG Action	112

¹As of December 31, 2024.

Table 2: Hotline Complaints by Source

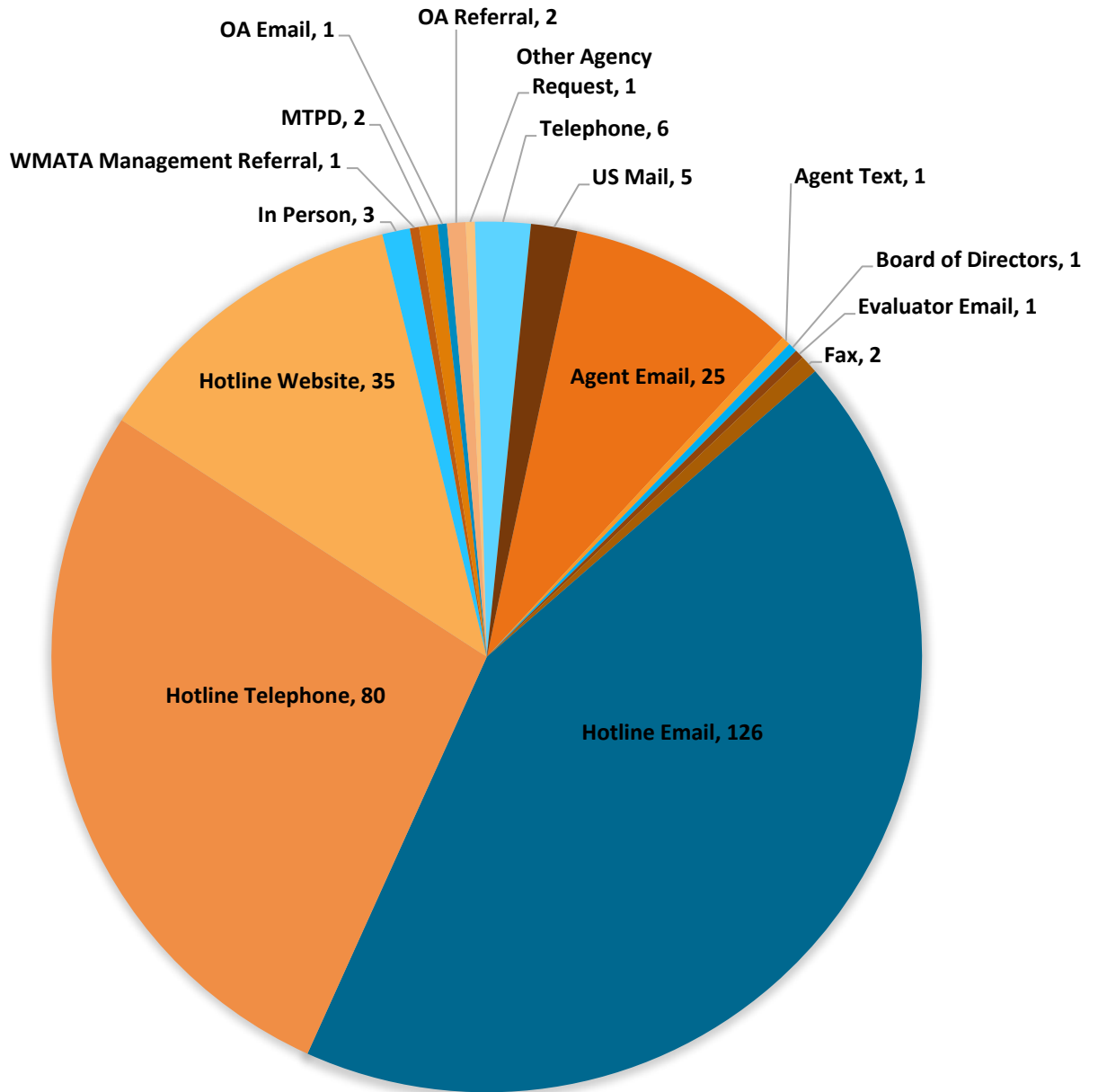
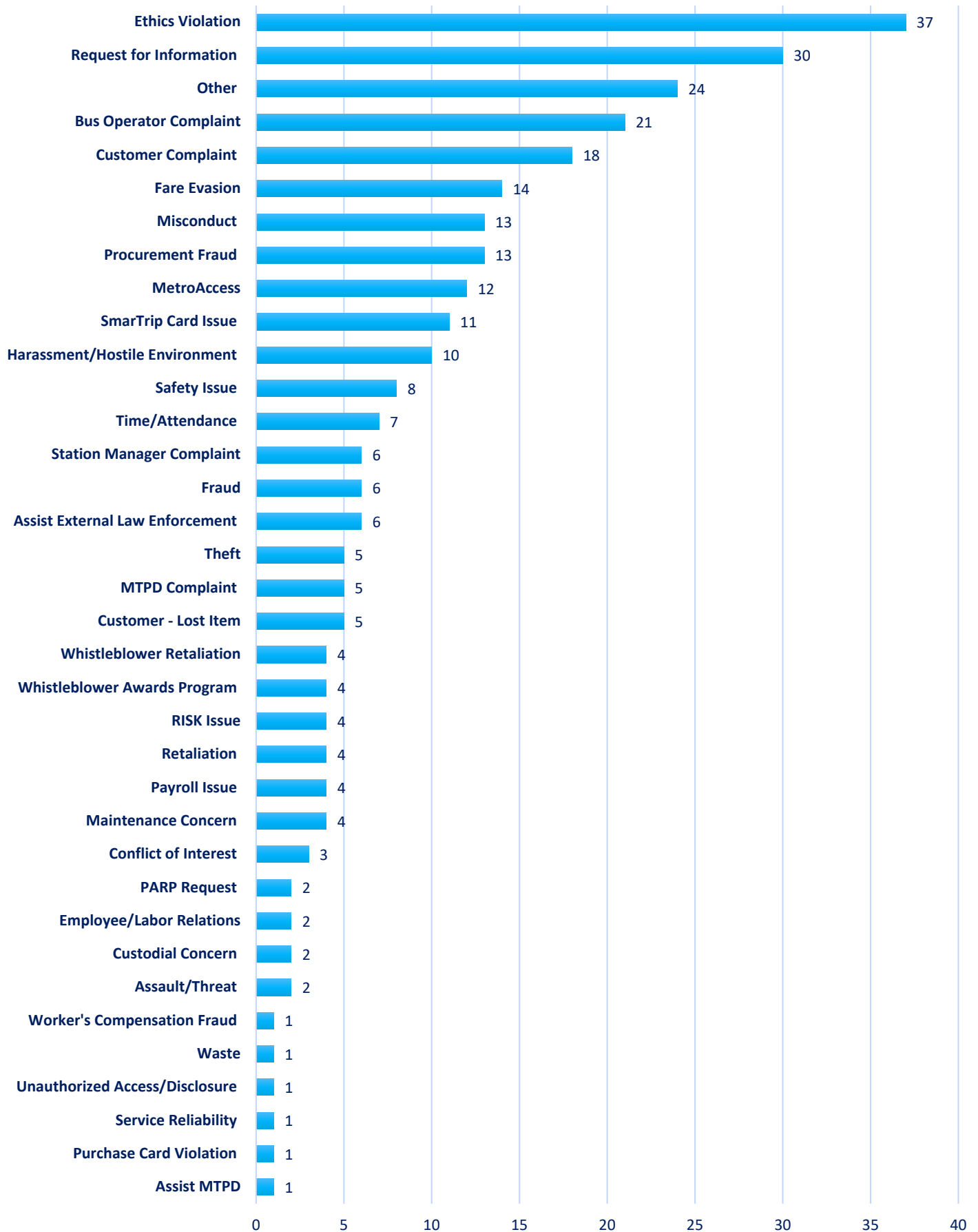


Table 3: Hotline Complaints by Category



AUDITS & EVALUATIONS



\$16.3 MILLION
IDENTIFIED IN
MONETARY BENEFITS



4 AUDIT REPORTS



18 CONTRACT AUDITS



3 BUY AMERICA
AUDITS

BACKGROUND

OA's work focuses on areas of concern such as IT security, financial management, contracts, human capital, administrative issues, and high-risk programs that impact the safe operation of the transit system. During this reporting period, OA issued four audit reports and 21 procurement contract audit reports. OA's audit and evaluation work identified \$16.3 million in monetary benefits during this reporting period.

As of December 31, 2024, an additional six performance audits, one financial audit, 21 procurement and contract audits, and two evaluations were in progress.

AUDIT SUMMARIES

Audit of WMATA's SmarTrip Regional Partner Comparative Billing Statements for Fiscal Years Ended 2023 & 2022

WMATA has a funding agreement with ten local jurisdictions (the Participating Jurisdictions) to provide a seamless regional system for transit fare collections for both the service areas of the Authority and the Maryland Transportation Administration using smart card technology (SmarTrip). WMATA and the Participating Jurisdictions have agreed to fund their share of the operating expenses of the SmarTrip system. The agreement defines the regionally shared operating expenses, allocation methods, and funding requirements.

Each year, WMATA is required to prepare SmarTrip Regional Partner Comparative Billing Statements to provide an allocation of the actual operating expenses incurred for the Regional SmarTrip Program for each of the Participating Jurisdictions for the current and prior fiscal years ended June 30. The actual operating expenses incurred and the allocation to each Participating Jurisdiction are audited at the end of each fiscal year.

The objective of this audit was to express an opinion on WMATA’s SmarTrip Regional Partner Comparative Billing Statements for FYs 2023 and 2022. OIG retained RSM US, LLP (RSM) to conduct this annual audit.

Audit Results: WMATA received an unmodified opinion on the report.

Audit of WMATA’s Financial Statements for FYs 2024 & 2023

The WMATA Compact, Section 70, states that an audit shall be made of the financial accounts of WMATA, shall be prepared in accordance with generally accepted accounting principles, and shall be filed with the Chair and other officers as the Board shall direct. The Board, through the adoption of Board Resolution 2006-18, established OIG’s responsibility for the supervision of WMATA’s annual independent audit of financial statements. The objective of this audit was to:

- Express opinions on the WMATA’s financial statements;
- Review compliance with applicable laws and regulations;
- Review the controls in WMATA’s computer systems that are significant to the financial statements; and
- Assess WMATA’s compliance with the Office of Management and Budget’s Uniform Guidance.

Audit Results: The external auditor conducted the audit, and OIG performed oversight and monitoring procedures to ensure the completion of the audit deliverables. In November 2024, the Audit of WMATA’s Financial Statements for the fiscal years ending June 30, 2024, and June 30, 2023, was issued. WMATA received an unmodified “clean” opinion on the report.

WMATA’s Single Audit for FY 2024

The Single Audit Act, as amended, requires an independent external auditor to audit WMATA’s federal awards annually in accordance with applicable standards.

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

Audit Results:

- Internal Controls over Financial Reporting: Unmodified opinion
- Internal Controls over Compliance: No deficiencies found
- Compliance and other matters: No deficiencies found

Audit of WMATA’s Contract Modifications Process

The Procurement Best Practices Manual (BPM) serves as a comprehensive guide to WMATA’s procurement process for staff and others involved. The BPM describes general procurement procedures that govern the solicitation, award, and administration of all WMATA contracts and purchases for supplies, services, equipment, and construction. The BPM also describes the procedures to follow when a contract must be amended.

The audit objective was to determine the effectiveness and efficiency of the internal controls for contract modifications and change order process at WMATA.

Audit Results: There are opportunities to enhance the overall effectiveness and efficiency of WMATA’s internal controls related to contract modifications and change orders. Moreover, OIG identified areas where current controls were not fully effective or efficient, highlighting significant room for improvement. For this audit OIG selected for review a sample size of 11 contracts. The modifications for 8 of the 11 contracts generally met the scope and terms of the contract. However, for 3 of the 11 contracts reviewed, OIG found insufficient evidence that purchase orders and task orders, totaling \$114,569,642, were always administered in accordance with the scope or in accordance with the cost and pricing terms of the master contracts. In addition to problems uncovered with WMATA’s electronic system of records, the audit also found that all 11 contracts lacked at least some of the documentation required to be maintained.

Specifically, OIG’s audit found that:

- Purchase orders and task orders examined did not meet the scope and terms of the contracts.
- The electronic system of records does not provide a complete view of the contract modifications and lacks application input controls for recording changes, funding limits, and purchase orders.
- The absence of required contract documentation limits oversight and accountability.

OIG also identified 51 purchase orders for the IT equipment contract, totaling \$10,631,567, that were out of scope and, therefore, were questioned costs.¹

AUDITS IN PROGRESS

Audit of WMATA’s Travel Expenses

Travel expenses are the ordinary and necessary costs associated with traveling for the purpose of conducting business-related activities. According to WMATA policies, expenses consist of reimbursable meals, lodging, mileage, transportation, parking, and miscellaneous expenses related to official WMATA business travel. Official travel means travel in connection with the performance of the traveler’s duties to serve and benefit the interests of WMATA.

The objective of the audit is to determine whether internal controls for WMATA’s travel expense program are effective and efficient - specifically to:

- Determine whether employee travel expense reimbursements comply with WMATA and federal travel program policies and procedures; and
- Examine the processes for pre-approval and expense reimbursements.

Audit of WMATA’s Data Center Cost Optimization

Data center cost optimization involves identifying and implementing strategies to reduce expenses while maintaining or improving the efficiency and performance of the data center. The Office of Infrastructure & Operations manages the data center infrastructure. It is responsible for designing, building, maintaining, and

¹ “Questioned costs” is defined as a cost that is unnecessary, unreasonable, or unsupported.

monitoring a robust, state-of-the-art IT infrastructure, enabling Metro to deliver safe, reliable, and efficient transit services. With MetroMoves, a new data center is being built to replace the Jackson Graham Building (JGB) data center, and the other facility is being upgraded. Additionally, an Equinix data center is being leased to replace JGB.

The objective of the audit is to determine whether WMATA has implemented appropriate data center cost reduction initiatives or strategies.

Audit of WMATA's Cloud Computing Strategy

Cloud computing provides on-demand access to a shared pool of computing resources. The adoption of cloud computing has become mainstream by large enterprises because it provides benefits such as: (1) potential cost savings, (2) improved delivery, (3) ease of scalability and procurement efficiencies, as well as (4) operational efficiencies and security. WMATA has a limited presence in the cloud computing environment.

The objective of the audit is to assess the strategy and plan for migrating applications to the cloud.

Audit of WMATA's Data Privacy Practices

Data privacy and the use of personal information are issues of increasing concern for many organizations as a result of digital transformation and global regulations. Data privacy is a crucial aspect of business continuity. It is also one of an organization's greatest risks and potentially one of its biggest liabilities if mishandled.

The audit will assess WMATA's compliance with applicable data protection laws, regulations, and privacy standards.

Audit of WMATA's Underground Storage Tanks

The Office of Environmental Management oversees Metro's environmental management programs and compliance with applicable federal, state, and local environmental laws and regulations. WMATA currently has 20 facilities with underground storage tanks (USTs) that contain either diesel or unleaded gasoline. USTs are used to store hazardous substances or petroleum and are regulated by the U.S. Environmental Protection Agency. The average life expectancy of USTs is around 30 years. Aging USTs can become hazardous to the environment due to corrosion and possible leaks that could contaminate groundwater, which is the source of drinking water for many Americans. OIG will assess WMATA's Underground Storage Tanks replacement program and practices to ensure that effective internal controls are in place to mitigate environmental risks, including leaks, overfills, and corrosion.

The objective of the audit is to determine the effectiveness of managing the program for underground storage tanks.

Audit of WMATA's Accounts Payable Payments for Outside Party and Miscellaneous Vendors

WMATA's accounts payable team is responsible for ensuring that payments to vendors, third parties, jurisdictions, and employee reimbursements are processed timely, accurately, efficiently, and in compliance with policies and regulations.

The objective of the audit is to determine the effectiveness and efficiency of internal controls over WMATA's accounts payable process and payments.

Audit of WMATA's SmarTrip Regional Partner Comparative Billing Statements Fiscal Years Ended 2024 & 2023

WMATA has a funding agreement with ten local jurisdictions (the Participating Jurisdictions) to provide a seamless regional system for transit fare collections for both the service areas for WMATA and the Maryland Transportation Administration using smart card technology. WMATA and the Participating Jurisdictions have agreed to fund their share of the operating expenses of the SmarTrip system. The agreement defines the regionally shared operating expenses, allocation methods, and funding requirements.

Each year, WMATA is required to prepare SmarTrip Regional Partner Comparative Billing Statements to provide an allocation of the actual operating expenses incurred for the Regional SmarTrip Program for each of the Participating Jurisdictions for the current and prior fiscal years ended June 30. The actual operating expenses incurred and the allocation to each Participating Jurisdiction are audited at the end of each fiscal year.

The objective of this audit is to express an opinion on WMATA's SmarTrip Regional Partner Comparative Billing Statements for FYs 2024 and 2023.

PROCUREMENT AND CONTRACT AUDITS

OIG issued 18 contract audits and three Buy America Act audits that identified at least \$5.6 million in potential monetary benefits. Contract audits are performed within their stated scope and objective(s) as agreed with management. They can cover a broad range of financial and non-financial subjects, which assist WMATA's procurement department in its contract negotiation process. These audits may uncover fraud, waste, abuse, or other procurement-related issues. Because these reports generally involve contractor proprietary information, the reports are not posted on OIG's website and are not publicly distributed. The types of reviews and methodology are as follows:

- **Pre-Negotiation** - Assess a contractor's proposal (e.g., labor rates, indirect rates, materials, etc.) to determine whether the pricing information is current, accurate, complete, and ties back to the contractor's accounting systems and supporting documentation.
- **Billing Rates** - Assess the basis of the billing rates and support for the cost elements (base wage rates and overheads) included in a contractor's proposal to ensure that the pricing information is current, accurate, and complete.
- **Pre-Award** - Assess financial data provided by a prospective contractor to determine whether the contractor has adequate financial resources and meets the applicable standards for a responsible prospective contractor.
- **Buy America** - Assess the pre-award and post-delivery certification of rolling stock vehicle compliance with the Federal Transit Administration's Buy America Act regulations by reviewing supplier certifications, invoices, and final assembly costs.

From July 1, 2024, through December 31, 2024, OIG issued 21 contract audits.

Table 4: Contract and Buy America Audit Reports

Report Number	Report Title	Date Issued	Potential Monetary Benefits
CAR 25-001	Independent Review of Pre-Award, Contract No. CRBIR244107/SRW, Underground Storage Tank Replacement	07/09/2024	N/A
CAR 25-002	Independent Review of Pre-Award, Contract No. FBMNT233247-BTK, Low Floor Heavy-Duty Transit Hybrid and Electric Bus	07/18/2024	N/A
CAR 25-003	Post-Delivery Buy America Audit, Contract No. CBMNT222089NF, 40ft Battery Electric Buses	08/09/2024	N/A
CAR 25-004	Independent Review of Price Proposal, Contract No. CACCS244125-RWJ, MetroAccess Performance Assessment Support Solicitation	08/23/2024	\$5,688,041.56
CAR 25-005	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant (GEC) Services Program	09/04/2024	TBD
CAR 25-006	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant Services - PMCM	09/13/2024	TBD
CAR 25-007	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant (GEC) Services Program	09/26/2024	TBD
CAR 25-008	Pre-Award Buy America Audit, Contract No. FBMNT233247-BTK, Low Floor Heavy-Duty Transit Hybrid and Electric Bus	10/03/2024	N/A
CAR 25-009	Independent Review of Pre-Award, Contract No. FPLAN244229, Architect and Engineering General Planning Services	10/17/2024	N/A
CAR 25-010	Independent Review of Pre-Award, Contract No. FPLAN244229, Architect and Engineering General Planning Services	11/05/2024	N/A
CAR 25-011	Independent Review of Pre-Award, Contract No. FATOC233440, Bethesda South Mezzanine	11/18/2024	N/A
CAR 25-012	Pre-Award Buy America Audit, Contract No. FBMNT233247-BTK, Low Floor Heavy-Duty Transit Hybrid and Electric Bus	11/22/2024	N/A
CAR 25-013	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant (GEC) Services Program	12/05/2024	TBD
CAR 25-014	Independent Review of Pre-Award, Contract No. FPLAN244229, Architect and Engineering (A/E) General Planning Services	12/10/2024	N/A
CAR 25-015	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant (GEC) Services Program	12/11/2024	TDB
CAR 25-016	Independent Review of Pre-Award, Contract No. FPLAN244229, Architect and Engineering (A/E) General Planning Services	12/17/2024	N/A
CAR 25-017	Independent Review of Pre-Award, Contract No. FPLAN244229, Architect and Engineering (A/E) General Planning Services	12/17/2024	N/A
CAR 25-018	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant (GEC) Services Program	12/17/2024	TBD

Report Number	Report Title	Date Issued	Potential Monetary Benefits
CAR 25-019	Independent Review of Proposed Rates, Contract No. CCIMO23002, General Architectural and Engineering Consultant (GEC) Services Program	12/18/2024	TBD
CAR 25-020	Independent Review of Proposed Indirect Rates, Contract No. FRBIR222347, Tagging Relay and SCADA System Upgrade	12/18/2024	N/A
CAR 25-021	Independent Review of Proposed Rates, Contract No. FPLAN244229, General Architectural and Engineering Consultant (GEC) Services Program	12/19/2024	TDB

EVALUATIONS IN PROGRESS

Evaluation of Controls Over Bus Operator Program Licensing Requirements

When operating WMATA vehicles, employees must comply with all jurisdictional motor vehicle laws, rules, and regulations. The safety of our customers and the public may be at risk when WMATA employees do not have valid driver’s licenses while operating revenue vehicles. The objective of this evaluation is to determine the effectiveness of controls over bus operator program licensing requirements.

Evaluation of Alternate Inventory

Supply Chain Management ensures WMATA employees have the materials and parts they need by providing quality inventory management services and warehousing solutions to support WMATA’s mission. However, several departments maintain parts and materials outside the control environment of Supply Chain Management. The objective of this evaluation is to determine the processes and controls to manage, safeguard, and account for parts and materials outside the purview of WMATA’s Supply Chain Management.

CORRECTIVE ACTIONS ON RECOMMENDATIONS

OIG tracks and documents the status of audit recommendations and WMATA corrective action plans. Positive change results from the process in which management acts to improve operations based on the recommendations in the published audit report. Management actions are monitored until final action is taken on all recommendations. Listed below are outstanding OIG recommendations. In every case, management’s ongoing actions will correct the deficiency identified during the audit.

Table 5: Recommendations Described in Previous Semiannual Reports for Which Corrective Action Has Not Been Completed as of December 31, 2024

Report Number	Report Title	Date Issued	Open	Final Action Completed	Total Recommendations	Latest Target Date for Completion
MAR-19-0003	Cybersecurity Vulnerabilities - 7000 Series Railcars	02/22/2019	1	3	4	12/31/2027
OIG 19-10	Audit of WMATA’s End-of-Service Life Operating System Software	05/01/2019	3	3	6	12/15/2025
OIG 19-11	Audit of WMATA’s Software Asset Management Program	06/19/2019	1	0	1	12/15/2025

IE-19-0001	Evaluation of WMATA's Inventory Practices	01/06/2020	1	4	5	06/30/2025
OIG 22-01	Review of WMATA's Mission Critical Legacy Systems	08/24/2021	3	0	3	12/31/2025
MAR-22-0001	Pension Plan Overpayments	10/28/2021	1	5	6	06/30/2027
OIG 22-02	Audit of WMATA's Controls and Accountability of Fuel or Non-Revenue Vehicles	01/27/2022	4	7	11	02/15/2025
MA-22-0003	Audit of WMATA Cybersecurity Program – Critical Cybersecurity Vulnerabilities	05/17/2022	4	2	6	TBD
OIG 22-06	Audit of WMATA's Health and Welfare Plan Management	06/23/2022	8	1	9	12/31/2024
OIG-23-01	Audit of WMATA's Defined Benefit Pension Plan	07/28/2022	6	0	6	12/31/2024
MAR-23-003	OIG Concerns Over Critical Cybersecurity Vulnerabilities That Remain Unresolved	02/17/2023	4	10	14	03/31/2025
OIG 23-007	Audit of WMATA's Procurement Pre-Award Cycle Time	06/08/2023	1	9	10	07/31/2025
OIG 23-008	Audit of WMATA's Money Train Operations	06/22/2023	1	11	12	TBD
OIG 24-001	Review of WMATA's 7000-Series Rail Car Cannibalization for Spare Parts	09/28/2023	2	3	5	02/15/2025
OIG 24-03	Review of WMATA's Compliance with the Infrastructure Investment and Jobs Act	11/06/2023	2	1	3	TBD
OIG 24-07	Evaluation of WMATA's Background Screening Process for Employees of Contractors	02/08/2024	3	2	5	01/31/2025
OIG 24-09	Audit of WMATA's Software Licensing Management	06/13/2024	5	0	5	12/31/2025
OIG 25-02	Audit of WMATA's Contract Modifications Process	11/21/2024	6	0	6	10/31/2025

Report Fraud, Waste, or Abuse at WMATA

EMAIL: hotline@wmataoig.gov

PHONE: 1-888-234-2374

FAX: 1-800-867-0649

WEBSITE: www.wmataoig.gov

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