

GAO Highlights

Highlights of [GAO-18-643](#), a report to congressional requesters

Why GAO Did This Study

WMATA transports more than 1 million rail and bus passengers each weekday in the nation's capital and surrounding areas. However, recent safety incidents and declines in ridership and revenues have focused public attention on how WMATA manages its workforce and associated costs.

GAO was asked to review WMATA's workforce management. This report examines, among other things, (1) how WMATA's workforce costs have changed from fiscal years 2006 through 2017 and factors contributing to those changes, and (2) how WMATA has designed and implemented its employee performance management systems. GAO reviewed WMATA's annual financial statements and budgets from fiscal years 2006 through 2017, and compared WMATA's workforce cost and performance management efforts to leading practices and internal control and actuarial principles. GAO also reviewed a non-generalizable sample of employee performance evaluations selected to include occupations with the highest number of evaluations.

What GAO Recommends

GAO is making five recommendations to WMATA, including that it develop a comprehensive assessment of risks posed by its pension plans, comprehensive policies and procedures for its employee performance management systems, and controls to ensure supervisors complete required performance evaluations, among other actions.

WMATA agreed with four recommendations and neither agreed nor disagreed with the fifth.

View [GAO-18-643](#). For more information, contact Mark Goldstein at (202) 512-2834 or GoldsteinM@gao.gov or Frank Todisco at (202) 512-2700 or TodiscoF@gao.gov.

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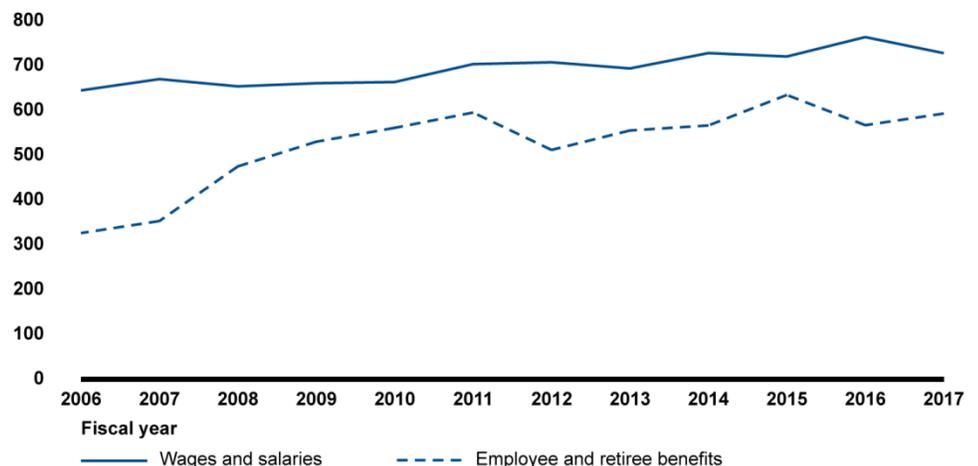
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Assessing Fiscal Risks and Improving Workforce Management Would Help Achieve Strategic Goals

What GAO Found

The Washington Metropolitan Area Transit Authority's (WMATA) workforce costs—including wages, salaries, and benefits for employees and retirees—increased on average by about 3 percent annually from fiscal years 2006 through 2017. This increase was largely driven by the cost of employee and retiree benefits. Specifically, the amount WMATA was required to contribute to its pension plans increased by an annual average of about 19 percent during this period. Due to their relative size, proportion of retirees compared to active members, and investment decisions, these pension plans pose significant risk to WMATA's financial operations, yet WMATA has not fully assessed the risks. Without comprehensive information on the risks facing its pension plans, WMATA may not be prepared for economic scenarios that could increase its required contributions to an extent that might jeopardize its ability to provide some transit service.

Workforce Costs for the Washington Metropolitan Area Transit Authority, Fiscal Years 2006 through 2017, in Inflation-Adjusted Fiscal Year 2017 Dollars
Dollars (in millions)



Source: GAO analysis of WMATA comprehensive annual financial reports. | GAO-18-643

WMATA has implemented two employee performance management systems that cover all employees, but these systems lack some key elements of an effectively designed and implemented performance management system. For example, WMATA's performance management systems are not designed to make meaningful distinctions in performance, a key element of an effective system. This design is due in part to WMATA's lack of comprehensive policies and procedures for its performance management systems. In addition, WMATA lacks sufficient controls to ensure that supervisors complete required performance evaluations accurately and on-time. For example, in 10 of 50 performance evaluations we reviewed, we found scoring errors where employees were assigned a performance rating inconsistent with the supporting review. Without comprehensive policies and procedures or sufficient controls over its performance management systems, WMATA lacks tools and information to move employees toward achieving WMATA's strategic goals.