In 1986, Congress passed a law\(^1\) that authorized the transfer of the federally owned Washington Dulles International and Washington National Airports to the independent Metropolitan Washington Airports Authority (MWAA) under a long-term lease with the Department of Transportation (DOT). MWAA is governed by a 13-member Board\(^2\) and has broad management authority over the airports, access highways, and other related facilities. In 2006, MWAA also became the sponsor for the Dulles Corridor Metrorail Project, which will be built in part on DOT-owned land. Phase 1 of this high-profile commuter rail project has a $3 billion budget, of which $900 million is a DOT investment.\(^3\) Our office is currently completing an audit\(^4\) of the Federal oversight of Phase 1; however, recent decisions by the MWAA Board regarding the project have generated significant attention.

At the request of Representatives Frank R. Wolf and Tom Latham, we are initiating a review of MWAA’s management policies and processes. In their request, Congressmen Wolf and Latham stressed that the accountability and transparency of MWAA and its Board are important to ensure the success of the Dulles Corridor Metrorail Project. Accordingly, we plan to determine whether: (1) the policies and processes under which MWAA operates comply with the terms of the law and the

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\(^1\) P.L. 99-500 (1986). Previously, the airports were operated by the Federal Aviation Administration (FAA).

\(^2\) Board members are appointed either by the President of the United States, the Governors of Virginia and Maryland, or the Mayor of Washington, DC. They serve 6-year terms without compensation and establish MWAA policy.

\(^3\) This funding was provided through Federal Transit Administration (FTA) programs, and includes $77.3 million in American Recovery and Reinvestment Act funds.

lease between DOT and MWAA, and (2) MWAA’s policies and processes are sufficient to ensure accountability and transparency of its Board’s activities.

We plan to begin the audit the week of June 27, 2011, and will contact your audit liaison to schedule an entrance conference. If you have any questions, please contact me at x61959, or Jeffrey B. Guzzetti, Assistant Inspector General for Aviation and Special Program Audits, at x60500.

cc: Martin Gertel, M-1
    OST Chief of Staff
    FAA Chief of Staff
    FTA Executive Director
    Angela Dluger, FTA TBP-10
    Anthony Williams, FAA AAE-001