



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

REPORT TO THE BOARD OF DIRECTORS

Recommendation to Amend the Airports Authority Statement of Functions

April 2015



Purpose

Pursuant to Resolution No. 01-20, the Board of Directors reserves the right to approve any change in the functions of Offices reporting to the President and Chief Executive Officer (CEO) or the Executive Vice President and Chief Operating Officer (COO).

The President and CEO requests an updated description of the responsibilities and reporting relationship for the Office of Audit, to align with changes proposed to the Office of Audit Charter.



Objective

The Risk Management Committee and Board of Directors approved an amended Office of Audit Charter, which incorporates administrative reporting to the President and Chief Executive Officer.

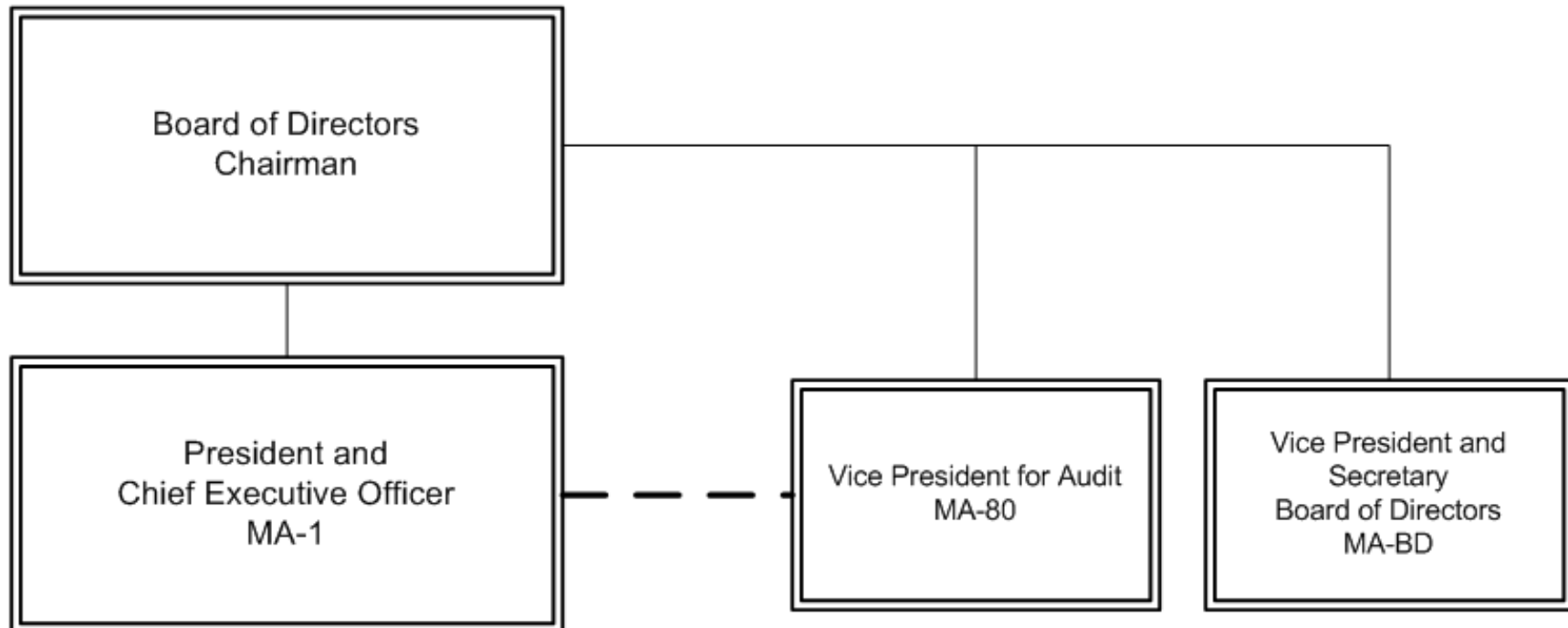
The proposed amendment to the Statement of Functions reflects the proposed revisions in the Office of Audit Charter, as follows:

- Responsible for the Airports Authority's audit activities;
- Assists the Airports Authority in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the Airports Authority's governance, risk management, and internal controls;
- Develops and implements a broad scope, risk-based audit plan with guidance from the Board's Risk Management Committee and input from senior management; and
- Evaluates controls and recommends improvements to senior management, the Risk Management Committee, and the Board of Directors.



Proposed Structure

The proposed structure establishes a functional reporting relationship to the Risk Management Committee of the Board of Directors with an administrative (dotted-line) reporting relationship to the President and Chief Executive Officer.





Recommendation

The Human Resources Committee approved and recommends the Board approve the proposed amendment to the Statement of Functions.



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

STATEMENT OF FUNCTIONS

December 3, 1997

Amended December 6, 2000

Amended January 10, 2001

Amended July 11, 2001

Amended June 20, 2012

Amended March 20, 2013

Amended March 19, 2014

Amended May 21, 2014

Amended November 12, 2014

Amended April 15, 2015

INTRODUCTION

The Metropolitan Washington Airports Authority is governed by a seventeen-member Board of Directors. Executive direction and overall management of the Authority are provided by a Chief Executive Officer. A Chief Operating Officer is responsible to the Chief Executive Officer for the operations of the Authority.

CHIEF EXECUTIVE OFFICER

Plans and directs all of the programs and activities of the Authority, subject to policy direction and guidance provided by the Board of Directors. Focuses on the future and the development of long-term business strategies that will result in high quality and broad-based air service to the National Capital Region and the Executive of the Dulles Corridor Enterprise while retaining a strong financial posture. Supplies support services to the Authority's Board of Directors. Responsible for the activities of the following offices: General Counsel; Corporate Risk and Strategy; Revenue; Finance; Engineering; Information Technology; and Human Resources.

Corporate Risk and Strategy

Plans and facilitates strategic planning for the organization, including the formulation, development, implementation and evaluation of business Strategies. Identifies internal control weaknesses and assists management in developing and implementing corrective actions to realize strategic organizational objectives while ensuring that the assets of the Airports Authority are safeguarded and that an adequate internal control structure is in place to maintain compliance with the laws and regulations to which the organization is subject. Develops and implements Authority-wide performance standards and measurements, including capital investment strategies, and other cross-functional initiatives at the direction of the Chief Executive Officer.

CHIEF OPERATING OFFICER

Plans and directs the operations of the Authority including the support elements necessary to deliver high quality customer service. Coordinates and recommends Authority policies regarding airline operations including administration of the Authority's Airport Use Agreement and Premises Lease. Directs the Airports

Authority's corporate-wide property management program, ensuring that policies and procedures are cost effective and consistent with legal requirements. Responsible for airport management at Ronald Reagan Washington National and Washington Dulles International Airports and the activities of the Office of Public Safety. In the absence of the Chief Executive Officer, acts with the full authority of the Chief Executive Officer.

OFFICE OF BOARD OF DIRECTORS

Provides executive and administrative support services to the Authority's Board of Directors. The incumbent Vice President is available for annual election by the Board as Secretary, responsible for performing the functions outlined in the Bylaws, including serving as the custodian of all records and of the Seal of the Authority. Executive and administrative support provided to the Board includes review and analysis of Board papers and other documents; research and advice on matters of policy, as requested by the Board, Board Committee or Board Chairman; research and advice on matters of procedures, as requested by management and other staff; responses to Freedom of Information requests; and responsibility for arranging meeting agendas and attendance.

Responsible for maintaining the Board's records and governing documents, e.g., minutes, resolutions, Bylaws, delegations, freedom of information requests, ethics and conflict of interests statements. Provides other support services including: executing all arrangements pertaining to the scheduling and conduct of monthly Board and Committee Meetings; preparing and distributing annotated agendas, resolutions, Committee Reports and papers for all meetings; assisting with administrative matters regarding the nomination process for new Board members; conducting new Board member orientations; keeping Board members informed of industry events and conferences impacting their service and decisions made as a Board member; making arrangements for Board members traveling on Authority business, as well as certifying accuracy to process travel and business-related expenses in compliance with the various Authority policies; drafting letters and correspondence for Board members; facilitating all meeting requests with Board members; planning of all Board retreats; participating in litigation involving the Board; and supporting other Board needs, as required.

CHIEF REVENUE OFFICER

Plans and directs activities that generate revenue for the Airports Authority. Develops business development plans, design and implement processes to support revenue growth. Communicates the company vision and revenue strategy across all relevant functions and ensures that revenue goals are defined and met. Responsible for maximizing performance of the Airports Authority's portfolio of real estate assets. Formulates and implements long-term real estate asset management and strategy. Responsible for the business strategies relating to the Airports Authority's land and real estate development. Oversees the Airports Authority's planning and marketing efforts to help position the Airports Authority for increased revenue in both its Aviation and Dulles Corridor Enterprises. Responsible for driving integration and alignment between all revenue-related functions, including Planning and Revenue Development, Customer and Concessions Development; Communications and Government Relations; Air Service Planning and Development; and Real Estate.

Customer and Concessions Development

Develops and manages a wide range of business and customer programs to support the Airports Authority's financial and Customer Development objectives. Directs Airports Authority programs in the areas of concession contracting, equal business opportunity and related business activities that support the Airports Authority.

Equal Opportunity Programs

Develops and implements policies and procedures that ensure equal opportunity in contracting programs. Maintains aggressive outreach to minorities and women to ensure equal opportunity in the Authority's contracting and purchasing activities. Maintains certification programs for firms eligible to participate in the Authority's special emphasis purchasing and contracting programs.

Concessions

Develops and implements policies and guidelines governing lease of Authority space. Authority concessions, and other commercial, revenue producing activities. Develops, negotiates, and administers concession contracts and Authority leases other than those required to provide parking and ground transportation services at the airports.

Communications and Government Relations

Initiates and administers Airports Authority communication programs with business and civic associations; community groups; interested citizens; the media; and Federal, state and local governmental organization on matters related to the operation of DCA and IAD. Provides centralized management of official Airports Authority communications including, but not limited to, community relations, media relations, and governmental affairs/legislative initiatives.

Noise Abatement

Directs aircraft noise abatement and noise-related environmental activities. Develops, implements, and manages the noise compatibility programs and provides expert advice on technical issues related to aircraft noise.

Governmental Affairs

Represents the Authority to federal, state, county, and other municipal officials and governmental organizations on matters related to the Authority's operations. Responsible for developing harmonious and effective working relationships with the core constituency of government officials and organizations that have the most direct impact on the Authority. This includes the local congressional and state delegations; the District of Columbia Mayor's office and City Council; congressional committees; Executive Branch agencies involved in matters related to Authority operations (FAA, EPA, National Park Service, federal inspection agencies, etc.); and elected officials and transportation agencies of states, counties, and municipalities. Broadly responsible for monitoring the official actions of the above noted constituency; communicating with them on Authority initiatives, plans, programs, and issues of mutual interest; and generally establishing and maintaining a visible presence with this constituency that will facilitate the type of positive communications and interactions that are in the long-term interest of the Authority.

Public Affairs

Is the primary source of Authority information for the news media and provides public affairs assistance to Authority staff. Establishes and

maintains communications with the media whenever one of the airports closes, the parking lots are full, or any other unusual situation existing at Authority facilities, including emergencies. Issues news releases and prepares and distributes the Authority employee newsletter. Arranges interviews with the Chief Executive Officer and other staff by the news media and is the Authority conduit for information flow to the news media.

Community Relations

Communicates with business and civic associations, educational institutions, community groups, and interested citizens on matters related to the operation of the Authority's two airports and their impacts on the local environs. Maintains a close relationship with the Metropolitan Washington Council of Governments on issues associated with the operation of the Authority's airports. Maintains a community outreach program designed to achieve community participation in appropriate areas of Authority decision making. Responsible for distribution of noise monitoring reports and other noise and operational information to interested individuals and community groups. Serves as the point of contact within the organization on subjects and issues related to the public and community perception of the Authority.

Air Service Planning and Development

Formulates and executes strategies and actions to maintain and improve the region's passenger and air cargo service including expanding existing use and bringing on new carriers at both Ronald Reagan Washington National Airport and Washington Dulles International Airport (IAD).

OFFICE OF GENERAL COUNSEL

Provides advice and a full range of legal services in areas that are essential to the formulation of Authority policies and legal positions. Serves as a key member of the team for negotiation of air carrier use and lease agreements. Provides advice on contract solicitations, contracts, leases and other formal agreements, and represents the Authority on contract disputes and claims. Drafts, negotiates, and reviews deeds, easements, and other documents in property transactions. Serves as

the primary point of contact with the Authority's bond counsel and with any other special counsel that may be employed by the Authority on an ad hoc basis. Drafts and interprets the Authority's regulations, Bylaws, and Code of Ethics. In conjunction with the staff at National Airport, enforces the nighttime noise regulations. Serves as liaison to attorneys for the Commonwealth of Virginia, for the District of Columbia, and for other jurisdictions. Represents the Authority in legal matters before administrative and judicial bodies.

OFFICE OF AUDIT

Responsible for the Authority's audit activities. Assists the Authority in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the Authority's governance, risk management, and internal controls. With guidance from the Board's Risk Management Committee and input from senior management, develops and implements a broad scope, risk-based audit plan. Evaluates controls and recommends improvements to senior management, the Risk Management Committee, and the Board of Directors.

FINANCE OFFICE

Executes the Authority's annual and long-term budget activities, accounting, financing strategies, payroll, commercial banking relationships, cash and debt management, investment activities and procurement.

Controller

Formulates, presents, and reviews the Authority's accounting activities. Directs the revenue billing and collection, disbursements and travel activities, and internal and external financial reporting. Implements accounting policies and procedures to ensure an adequate system of internal control and compliance with generally accepted accounting principles.

Treasury

Conducts investment market research and invests Authority bond and operating funds to maintain cash flow for construction and operating requirements. Manages portfolios of a variety of investment instruments for the Authority's operating fund and each bond fund. Ensures Authority compliance with Bond Covenants, Internal Revenue Service regulations, and

Federal Aviation Administration requirements.

Budget

Formulates, presents, and reviews the Authority's annual budget and multi-year plan. Prepares detailed instructions to guide Authority personnel in developing budget year estimates and multi-year planning data.

Financial Strategy and Debt

Facilitates financial system improvements to support enhanced internal controls and business processes. Provides financial analysis in support of strategic financial planning and forecasting. Administers the Airports Authority's debt management program.

Procurement and Contracts

Directs activities for the purchasing or contracting of equipment and services including design and construction of facilities. Activities include issuing solicitations, evaluating offers, conducting negotiations, awarding, administering and close out of contracts.

OFFICE OF ENGINEERING

Formulates and manages the Authority's major facilities development activities including major repair and rehabilitation. Manages the Authority's building code compliance, environmental engineering, and federal construction grant programs.

Planning

Develops and maintains the Authority's airport master plans and recommends engineering criteria for all Authority development. Ensures conformance of construction plans and specifications to the airport master plans. Serves as Authority contact point for federal and state grants.

Design

Establishes Authority design standards and policies through maintenance and update of the Facility Design Manual. Responsible for the selection of design firms and the management, review, and approval of all facility designs. Provides architectural and engineering expertise for all designs performed for the Authority.

Construction

Responsible for construction management of major facility development. Develops and implements specific policies, objectives, procedures, and guidelines to ensure effective and timely management of major Authority construction projects. Provides technical advisors to the Authority contracting officers and Legal Counsel in construction claims and disputes management.

Building Codes/Environmental

Establishes policies and practices to ensure that all design and construction work is in full compliance with the Virginia Uniform Statewide Building Code. Provides comprehensive environmental expertise to ensure Authority compliance with local, state, and federal environmental regulations.

Dulles Corridor Metrorail Project

Oversees the design and construction of the Dulles Corridor Metrorail Project. Responsible for the day-to-day management of the Project Office, Design-Build contracts, the Final Design scope of work, the baseline schedule, the design and construction budget, and all other associated Project management tasks. Serves as the point of contact for the Federal Transit Administration (FTA), Washington Metropolitan Area Transit Authority (WMATA), and other local government partners.

OFFICE OF HUMAN RESOURCES AND ADMINISTRATIVE SERVICES

Develops and manages programs, systems, and services that attract, hire, retain and support a qualified talented and diverse workforce. Provides processes to develop managers, supervisors and employees to optimize their performance. Facilitates performance management compensation systems to achieve individual, department and corporation goals. Implements policies and provide guidance to ensure application of sound management practices consistent with applicable laws and

regulations. Develops and implements policies and procedures that ensure equal opportunity in employment programs. Manages Affirmative Action Programs, dispute resolution programs and equal employment opportunity complaint processing.

Equal Employment Opportunity (EEO)

Promotes a working environment where all employees are treated with dignity and respect, regardless of their race, color, national origin, sex, religion, age, sexual orientation or disability. Advises management on EEO issues and provides training to staff. Manages the Airports Authority's informal EEO Resolution program and serves as a liaison between the Airports Authority and the Equal Employment Opportunity Commission (EEOC) on formal complaints.

Employee Resources and Personnel Management

Manages programs and procedures that facilitate identification, attraction, employment, and retention of a high quality diverse work force. Develops and manages programs to ensure diversity of the work force. Provides assistance to employees and applicants who inquire about employment, promotion, and career growth opportunities. Manages programs to orient recently hired employees to the Authority and promote long-term employee retention.

Benefits and Retirement

Develops and manages benefit programs that motivate and retain highly qualified employees. Provides for the accurate and confidential handling and maintenance of employee records. Provides counseling and assistance to current and former employees regarding benefit, and retirement programs.

Organization Development

Provides guidance and assistance to work groups to enhance employee acceptance of change within and across work groups. Facilitates training and other interventions to improve work group efficiency and effectiveness. Serves as the focal point for the adoption of a performance management culture. Directs management retreats and seminars to reinforce and improve supervisor and managerial skills.

Compensation

Develops and manages competitive compensation systems to attract and retain a high quality work force. Conducts research, special projects or surveys to remain aware of developments or trends in human resource management. Develops, evaluates and recommends compensation programs.

Labor and Employee Relations

Negotiates agreements between the Authority and certified bargaining units consistent with the Labor Code. Manages compliance of work groups with labor-management agreements. Provides supervisors guidance and advice regarding discipline administration. Administers programs and services to provide assistance with personal problems that affect work performance.

Risk Management

Develops and manages the Authority's safety and health program. Directs activities which focus on accidental, regulatory, and legal losses or potential losses that could affect the Authority's resources or physical assets. Identifies, analyzes, and coordinates risk control, risk financing, and safety programs to protect the Authority.

Support Services

Manages a wide variety of administrative support services including management of motorized personal property assets, administration of the records management program, readiness of the Corporate Office Building motor pool, provision of COB front desk reception functions, oversight of a variety of contracts for goods and services, provision of copying and print production services and mail distribution.

OFFICE OF TECHNOLOGY

Develops, operates, and maintains automated information systems, telecommunication, and wireless and radio systems to support Authority operations.

Enterprise Architecture

Initiates modernization projects aimed at standardizing technologies and applications across Airports, governing technology investments across MWA, consolidating/ converging technologies and building state-of-the-art cyber security. As part of this modernization effort this department works directly with business leaders to design and implement enterprise solutions to a business challenge. This role will work closely with the cross functional competency leaders to ensure an optimal end to end solution to meet business needs and drive value. The team focuses on designing and demonstrating the value of the end-to-end solutions.

Cyber Security

Establishes, implements, monitors and enforces information security standards and policies Airports Authority-wide. Responsible for the creation and maintenance of Airports Authority-wide information security strategies and overseeing the execution of plans. Responsible for the creation and maintenance of information security policy, leads on-going Airports Authority-wide security risk assessment and status reporting efforts, and is responsible for the creation and roll-out of security awareness and training programs. In addition, the team is responsible for review and direction of business system continuity and disaster recovery plans as well as information security audit and regulatory compliance.

Technology Operations

Plans, designs, and coordinates all operational activities for the Office of Technology. Provides direction and support related to all technology solutions specific to the Airports Authority's mission critical 24x7x365 operations. Provides support to data centers, databases, networks, radio and wireless, network and telecommunication infrastructure and operations. Works directly with the other business teams to identify, recommend, implement, and maintain appropriate technology solutions for all aspects of the organization.

Application Development

Leads the direction and operation of the Airports Authority technology Business technology applications including Enterprise Resource Planning (ERP). Oversees the analysis, design, development, configuration/implementation and support of all Applications that support

the Airport's Authority business processes. Works with Business Stakeholders of various departments to lead the application delivery process by way of the following responsibilities: solution architecture, configuration and custom development, implementation, management and support of various operational applications. Responsibilities include: deliverables associated with the development, configuration, unit testing, implementation, enhancement and maintenance of the Airport Authority's systems and applications during their lifecycle.

Business Innovation

Directs the introduction of projects in all facets of web, mobile, social, digital content, customer relationship management (CRM), business intelligence and software development. Develops, expands, and meets the interactive and digital needs of the Airports Authority's employees, passengers and tenant base, as well as the Dulles Toll Road users to lead and influence the digital revenue generation growth. Develops business intelligence solutions to mine and analyze data. Designs and supports the implementation of the Enterprise Cloud Transformation Strategy across the enterprise and establishes a framework for delivering technology services in support of the Airports Authority's enterprise architecture.

Program Support

Serves as the Office's centralized team to oversee Project Management, Quality Assurance and Governances, Technology Service/Help Desk, Contract administration, budgets and Technology Administration.

RONALD REAGAN WASHINGTON NATIONAL AIRPORT

Provide a range of operational, facility maintenance, minor construction engineering, and administrative activities to accomplish air commerce for the National Capital Region.

Airport Operations

Provide 24-hour management and control of Authority facilities to ensure the safe, efficient, secure, and continuous operational use of Authority runways, taxiways, terminal buildings and other areas, and ramp control.

Develop and implement Authority security, certification, and safety programs in accordance with Federal Aviation Regulations.

Engineering and Maintenance

Provide oversight, management, and quality control for Authority maintenance projects and tenant-financed construction projects. Execute preventive maintenance and repair programs related to terminals and associated service buildings, hangars, landing field, roadways, grounds, and plant facilities. Responsible for operation and maintenance of Authority facilities and equipment for provision and distribution of electrical energy, water, heat, and air conditioning. Provide management, operation, and maintenance support for automotive, construction material, and weight handling equipment. Responsible for Authority snow removal operations.

Airport Administration

Provide warehousing of supplies and materiel in support of airport operations. Implement airport personal property, lost and found, and budget administration programs in accordance with overall Authority policies. Manage on-airport air carrier and air cargo activities including gates, ticket counters, baggage areas, and other in-terminal space arrangements. Coordinate necessary changes to the Authority's Airport Use Agreement and Premises Lease with the Business Administration Office. Manage contracts that provide to travelers parking and ground transportation services. The "Washington Flyer" system contracts are managed at Dulles.

WASHINGTON DULLES INTERNATIONAL AIRPORT

Provide a range of operational, facility maintenance, minor construction engineering, and administrative activities to accomplish air commerce for the National Capital Region.

Airport Operations

Provide 24-hour management and control of Authority facilities to ensure the safe, efficient, secure, and continuous operational use of Authority runways, taxiways, terminal buildings and other areas, and ramp control and mobile lounge operations at Dulles. Develop and implement Authority security, certification, and safety programs in accordance with Federal

Aviation Regulations.

Engineering and Maintenance

Provide oversight, management, and quality control for Authority maintenance projects and tenant-financed construction projects. Execute preventive maintenance and repair programs related to terminals and associated service buildings, hangars, landing field, roadways, grounds, and plant facilities. Responsible for operation and maintenance of Authority facilities and equipment for provision and distribution of electrical energy, water, heat, and air conditioning. Provide management, operation, and maintenance support for automotive, construction material, and weight handling equipment. Responsible for Authority snow removal operations.

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Dulles Toll Road

Manage, operate, and develop the Dulles Toll Road (DTR) facility. Ensure that the DTR's revenue collection equipment and roadway management systems are operated and maintained in accordance with all appropriate regulations and protocols. Manage and safeguard all financial transactions and toll receipts. Monitor the revenue collection system, and satisfactorily reconcile all identified discrepancies. Implement and manage emergency plans for the roadway.

OFFICE OF PUBLIC SAFETY

Ensures the safety and security of the users of Washington Dulles International and Ronald Reagan Washington National Airports. Manages the activities of the Authority's Police and Fire Departments. Maintains emergency mutual aid support with surrounding communities. Operates physical and personnel security programs and, at National Airport, river search and rescue activities.

Police Department

Provides full service law enforcement and related services within Authority property boundaries, and the Dulles Toll Road enforcing the laws of the Commonwealth of Virginia, FAA Civil Aviation Security Regulations, and Authority Regulations. Conducts criminal investigations, controls vehicular and pedestrian traffic, conducts employment background reviews, specialized and tactical police operations, and administers routine and specialized training programs for Authority police. Provides community and customer services to tenants, concessionaires, employees, and the traveling public.

Fire Department

Provides fire protection, prevention, and suppression programs for Authority facilities. Directs operations of fire, crash, search and rescue, and related emergency equipment for structural and aircraft emergencies. Provides emergency first aid, advanced life support systems, and public education programs. Administers training programs for firefighting, emergency medical, and the airports' community.

Public Safety Administration

Implements personal property, directives management, office support, and budget administration programs in support of public safety operations in accordance with overall Authority policies. Coordinates purchasing activities to obtain supplies and material to support public safety programs.