



Memorandum

To: Gerald Sokol, Jr.,
Chief Financial Officer

From: 
David R. Warren
Assistant Inspector General, Audits

Date: April 4, 2014

Subject: Engagement Memo – Review of New Jersey High-Speed Rail
Improvement Program (Project No. 009-2014)

The Office of Inspector General is initiating an audit of the New Jersey High-Speed Rail Improvement project to upgrade 23 miles of right-of-way between Trenton and New Brunswick, NJ. The objective of this audit is to assess the adequacy of the Engineering department's project oversight of (1) contractual services focusing on the areas of cost, schedule, performance, and contract administration, and (2) services performed by Engineering department personnel.

During this audit, we plan to interview company personnel, particularly from the Procurement, Engineering, and Finance departments, analyze documents associated with the project, and review contract and invoice files. Requests for documents will be made as our work progresses. We will work to minimize the impact by coordinating interviews and observations with staff in advance.

Our work will be performed in accordance with Generally Accepted Government Auditing Standards. Our interactions with the company will be consistent with P/I2.1.3 which sets forth the relationship between the OIG and the company. In particular, section 7.0 of the policy discusses coordination between Amtrak officials and the OIG on audits and evaluations. P/I2.1.3 can be found at <http://wiki.corp.nrpc/download/attachments/3586/OIG=Relationship+Policy+111101.pdf?version=1>

We request that your office arrange an entrance conference for us with the appropriate company officials at the earliest possible date. We will keep you advised of the status of our work and any material changes in our audit objectives.

Todd Kowalski will be the Audit Manager for this project and will report to Matt Simber, Senior Director, Audits. If you have any questions, please contact me (202-906-4742 or by email at David.Warren@amtrakoig.gov) or Matt Simber (215-349-1077 or by email at Matt.Simber@amtrakoig.gov).

cc: DJ Stadtler, Vice President Operations
Stephen Gardner, Vice President, Northeast Corridor Infrastructure and
Investment Development
William Herrmann, Managing Deputy General Counsel
Bruce Pohlot, Chief Engineer
Paul Vilter, Acting Chief Logistics Officer
Matthew Gagnon, Senior Director, Business Process and Management Control
Melantha Paige, Senior Audit Liaison