AMTRAK
NATIONAL RAILROAD
PASSENGER CORPORATION

Office of Inspector General

Memorandum

To: Gerald Sokol, Jr.,
Executive Vice President/Chief Financial Officer

From: David R. Warren, Assistant Inspector General, Audits

Date: April 14, 2015

Subject: Engagement Memo—Assessing the Efficiency and Effectiveness of Management Processes for the Operations Foundation Program (Project code 010-2015)

We are initiating an audit of the Operations Foundation Program from our Annual Audit Plan. The Operations department manages this multi-year program and estimates that it will cost about $427 million. The program office estimates that it will spend about $47 million on the program in fiscal year 2015. The objective of this audit will be to review the program's cost estimate, implementation plan, progress, and oversight processes.

During the audit, we plan to interview company officials, and analyze documents and data associated with the program. Our initial interviews will be with Operations, Information Technology, and Finance department officials. Our 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 our office and the company. In particular, section 7.0 of the policy discusses coordination between company officials and our office of audits. To view this policy, see the following link:
http://wiki.corp.nrpc/display/APIM20/2.0+Inspector+General

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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 objective, should they occur.

Alex Best will be the audit manager for this engagement and reports to Vipul Doshi, Senior Director-Lead. If you have questions, please contact me at (202)-906-4742 or Vipul Doshi at (202)-906-4619.

cc: DJ Stadtler, Jr., Executive Vice President/Chief Operations Officer
Jason Molfetas, Executive Vice President/Chief Information Officer
Matthew Hardison, Executive Vice President/Chief Marketing and Sales Officer
William Herrmann, Vice President and Managing Deputy General Counsel
Matthew Gagnon, Senior Director, Amtrak Controls
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