



Date: March 5, 2025

Memorandum To: Kevin H. Winters, Inspector General
Amtrak OIG

Subject | External Peer Review Report

We have reviewed the system of quality control for the audit organization of the National Railroad Passenger Corporation (Amtrak) Office of Inspector General (OIG) in effect for the year ended September 30, 2024. A system of quality control encompasses Amtrak OIG's organizational structure, and the policies adopted, and procedures established to provide it with reasonable assurance of conforming in all material respects with *Government Auditing Standards*¹ and applicable legal and regulatory requirements. The elements of quality control are described in *Government Auditing Standards*.

In our opinion, the system of quality control for the audit organization of Amtrak OIG in effect for the year ended September 30, 2024, has been suitably designed and complied with to provide Amtrak OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects.

Audit organizations can receive a rating of *pass*, *pass with deficiencies*, or *fail*. Amtrak OIG has received an External Peer Review rating of *pass*.

In addition to reviewing its system of quality control to ensure adherence with *Government Auditing Standards*, we applied certain limited procedures in accordance with guidance established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) related to Amtrak OIG's monitoring of engagements conducted in accordance with generally accepted government auditing standards (GAGAS engagements) by Independent Public Accountants (IPA) under contract where the IPA served as the auditor. It should be noted that the monitoring of a GAGAS engagement performed by an IPA is not an audit and, therefore, is not subject to the requirements of *Government Auditing Standards*. The purpose of our limited procedures was to determine whether Amtrak OIG had controls to ensure IPAs performed contracted work in accordance with professional standards. However, our objective was not to express an opinion; accordingly, we do not express an opinion on Amtrak OIG's monitoring of work performed by IPAs.

Basis of Opinion

Our review was conducted in accordance with *Government Auditing Standards* and the *CIGIE Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General*.²

During our review, we interviewed Amtrak OIG personnel and obtained an understanding of the nature of the Amtrak OIG audit organization, and the design of Amtrak OIG's system of quality

¹ 2018 Revision, July 2018

² 2020 CIGIE Audit Peer Review Guide, March 2020

control sufficient to assess the risks implicit in its audit function. Based on our assessments, we selected GAGAS engagements and administrative files to test for conformity with professional standards and compliance with Amtrak OIG's system of quality control. The GAGAS engagements selected represented a reasonable cross-section of Amtrak OIG's audit organization, with an emphasis on higher-risk engagements.

In performing our review, we obtained an understanding of the system of quality control for the Amtrak OIG audit organization. In addition, we tested compliance with Amtrak OIG's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of Amtrak OIG's policies and procedures on selected GAGAS engagements. Our review was based on selected tests; therefore, it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it.

Prior to concluding the peer review, we reassessed the adequacy of the scope of the peer review procedures and met with Amtrak OIG management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion. The Enclosure to this report identifies the engagements we reviewed.

Responsibilities and Limitations

Amtrak OIG is responsible for establishing and maintaining a system of quality control designed to provide Amtrak OIG with reasonable assurance that the organization and its personnel comply in all material respects with professional standards and applicable legal and regulatory requirements. Our responsibility is to express an opinion on the design of the system of quality control and Amtrak OIG's compliance based on our review.

There are inherent limitations in the effectiveness of any system of quality control; therefore, noncompliance with the system of quality control may occur and may not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

/s/
Jennifer L. Fain
Inspector General

Enclosure

cc:
J.J. Marzullo, Assistant Inspector General for Audits, Amtrak OIG
Whitney Miller, Chief of Staff, Amtrak OIG

ENCLOSURE: Scope and Methodology

We tested compliance with Amtrak OIG audit organization's system of quality control to the extent we considered appropriate. These tests included a review of 3 of 8 engagement reports conducted in accordance with generally accepted government auditing standards (GAGAS engagement) issued from October 1, 2022, through September 30, 2024. We also reviewed the internal quality control reviews performed by Amtrak OIG.

In addition, we reviewed Amtrak OIG's monitoring of GAGAS engagements performed by IPAs where the IPA served as the auditor from October 1, 2022, through September 30, 2024. During the period, Amtrak OIG contracted for the audit of its agency's fiscal year 2023 financial statements. Amtrak OIG also contracted for other GAGAS engagements that were performed in accordance with *Government Auditing Standards*.

The Federal Deposit Insurance Corporation (FDIC) OIG completed the peer review remotely and did not conduct onsite visits. The FDIC OIG selected the following three engagements for review:

1. Project 013-2022, Major Programs: *Amtrak Is Establishing a Structure for Managing the Frederick Douglass Tunnel Program, but Better Planning Would Improve Oversight and Reduce Risks* (Report No. OIG-A-2024-010, dated September 27, 2024) [**Performance Audit**].
2. Project 013-2022, Asset Management: *Company Has Opportunities to More Effectively Manage and Safeguard Maintenance-of-Equipment Inventory* (Report No. OIG-A-2024-004, dated February 22, 2024) [**Performance Audit**].
3. Project 007-2023, Financial Management: *Quality Control Review of The Independent Audit of Amtrak's Consolidated Financial Statements for Fiscal Year Ended 2023* (Report No. OIG-A-2024-003, dated January 5, 2024) [**IPA Monitoring**].