




Memorandum

To: William N. Feidt
Executive Vice President/Chief Financial Officer

From: Stephen Lord 
Assistant Inspector General, Audits

Date: July 23, 2018

Subject: Engagement Memo— Audit of the Company's Management of Maintenance-of-Way Equipment (Project code 013-2018)

We are initiating an audit of the company's management of its maintenance-of-way equipment. Our objective is to assess the effectiveness of company policies, procedures, and controls to promote the efficient use of the equipment and to prevent and detect fraud, waste, and abuse. We may expand our scope or modify our objective during the course of the audit.

During the audit, we plan to interview company officials and analyze company documents, data, and controls related to inventorying, scheduling, distributing, and purchasing or leasing maintenance-of-way equipment. Our request for documents will be made as our work progresses. We also will work to minimize the impact of the audit 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/I 2.1.3, 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 <http://wiki.corp.nrpc/display/APIM20/2.0+Inspector+General>

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.

Todd Kowalski will be the audit manager for this engagement and reports to David P. Bixler, Senior Director – Audits. If you have any questions, please contact me at (202) 906-4600 (stephen.lord@amtrakoig.gov), Eileen Larence, Deputy Assistant Inspector General – Audits at (202) 906-4152 (eileen.larence@amtrakoig.gov), or David P. Bixler at (202) 906-4453 (david.bixler@amtrakoig.gov).

cc: Eleanor Acheson, Executive Vice President/General Counsel & Corporate Secretary
Stephen Gardner, Executive Vice President/Chief Commercial Officer
Scot Naparstek, Executive Vice President/Chief Operating Officer
DJ Stadtler, Executive Vice President/Chief Administration Officer
Gerhard Williams, Vice President/Chief Engineer
Bernard Reynolds, Vice President/Procurement and Logistics
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