



Memorandum

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

From: Stephen Lord 
Assistant Inspector General, Audits

Date: September 8, 2016

Subject: Engagement Memo—Management of Diesel Fuel (Project code 019-2016)

We are initiating an audit of the company's management and oversight of diesel fuel use. Our objective is to assess the efficiency and effectiveness of the company's purchasing, testing, and distribution of diesel fuel.

During the audit, we plan to evaluate the company's management controls and oversight of these activities, and review invoices and test results for fuel purchases from fiscal year 2014 through 2016. We will also conduct site visits to various refueling and storage locations and interview company and contractor officials. We will work to minimize disruptions to the company by coordinating meetings with staff in advance.

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 the following link:

<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.

Dorian Herring will be the audit manager for this engagement and will report to Michael Kennedy, Senior Director-Lead. If you have any questions, please contact me at

(202) 906-4600 (Stephen.Lord@amtrakoig.gov) or Michael Kennedy at (202) 906-4308 (Michael.Kennedy@amtrakoig.gov). Thank you for your cooperation.

cc: DJ Stadtler, Jr., Executive Vice President/Chief Operations Officer
William Herrmann, Vice President/Managing Deputy General Counsel
David A. Nichols, Vice President/Chief Transportation Officer
Bud Reynolds, Vice President/Chief Logistics Officer
Matthew Gagnon, Senior Director, Amtrak Controls