



Memorandum

To: Gerald Sokol, Jr.
Chief Financial Officer



From: David R. Warren
Assistant Inspector General, Audits

Date: July 17, 2015

Subject: Engagement Memo—Audit of Efforts to Implement Positive Train Control
(Project code 016-2015)

This is to advise you that we have closed project code 001-2015 with the issuance of our June 19, 2015 interim report¹ on the company's progress implementing its FRA-approved Positive Train Control (PTC) implementation plan. We are continuing our audit work on PTC under project code 016-2015. Our audit objective is to assess the company's progress addressing the challenges we noted in our interim report.

During the audit we plan to interview company officials from the Engineering, Mechanical, Transportation, Finance, and Law departments, and the office of Procurement. We plan to obtain documents and information from them related to implementing the company's PTC plan. We will work to minimize any impact on these officials by coordinating interviews and observations with staff in advance.

Our work will be performed in accordance with generally accepted government auditing standards pursuant to our statutory responsibilities under the Inspector General Act of 1978, as amended. 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 on audits. To view this policy, see <http://wiki.corp.nrpc/display/APIM20/2.0+Inspector+General>

¹ *Safety and Security: Progress Made Implementing Positive Train Control, but Significant Challenges Remain* (Audit Report OIG-A-2015-013, June 19, 2015)

We have been working closely with the company over the past several months and are not requesting an entrance conference. However, if you desire, we would be glad to meet. Otherwise we will continue to directly contact key officials in the departments mentioned above. We plan to issue our final report in the October/November 2015 timeframe. We will keep you advised of the status of our work and any material changes in our objective.

Jason Venner will be the Senior Director and Larry Chisley will be the Audit Manager for the audit. If you have any questions, please contact me at (202) 906-4742 (David.Warren@Amtrakoig.gov) or Jason Venner at (202) 906-4405 (Jason.Venner@Amtrakoig.gov).

cc: DJ Stadtler, Jr., Executive Vice President/Chief Operations Officer
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