



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: November 16, 2015

Subject: Engagement Memo—Construction and Specialized Equipment and Vehicles (Project Code 002-2016)

This is to advise you that we are opening a new project code, 002-2016, to resume audit work related to the company's management of its construction and specialized equipment and vehicles. Our audit objective is to evaluate the adequacy of the company's management and oversight of its construction and specialized equipment and vehicles. We began this work under project code 004-2015, but subsequently closed that project code with the issuance of our October 16, 2015 management advisory report on vehicle fleet management.¹

To accomplish our work, we will review the company's policies, procedures, and practices for managing its fleet of construction and specialized equipment and compare them against fleet and equipment management practices in the private and public sectors. We will work to minimize disruptions to the company by coordinating interviews and site visits with staff in advance.

We will perform our audit work in accordance with Generally Accepted Government Auditing Standards. Our interactions with the company will be consistent with the company's Policy and Instruction Manual, Procedure 2.1.3, which sets forth the relationship between the OIG and the corporation. In particular, section 7.0 establishes

¹ *Asset Management: Observations on Vehicle Fleet Management*, OIG-MAR-2016-001, October 16, 2015.

protocols for coordination between company officials and our office of audits and evaluations. See https://www.amtrakoig.gov/sites/default/files/reports/ig-amtrak_relat_policy_01-2012.pdf

We held an entrance conference with company officials on January 9, 2015 under our prior project code. We are not requesting a new entrance conference, but are available to schedule one upon request. If you have any additional questions regarding this work during the project, please contact me at (202) 906-4600 (david.warren@amtrakoig.gov) or Leila Kahn, Senior Director, at (202) 906-4325 (leila.kahn@amtrakoig.gov).

cc: Eleanor D. Acheson, Executive Vice President/Chief Legal Officer,
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