

Memorandum

To: Tracie Winbigler
Executive Vice President and Chief Financial Officer

From: Jim Morrison *JM*
Assistant Inspector General, Audits

Date: October 22, 2020

Subject: Engagement Memo— Audit of the Company’s Downsizing of its Management Workforce (Project Code 002-2021)

We are initiating an audit to assess the company’s strategy for downsizing its management workforce. Our objective will be to assess the effectiveness of the company’s efforts to ensure it has the skilled management workforce it needs to recover from and rebuild after the COVID-19 pandemic. We may modify our scope or objective during the audit.

Throughout our audit, we plan to interview company officials responsible for and affected by the downsizing effort, analyze company documents and data, and assess company policies. As we start this audit, please know that we are acutely aware of and sensitive to the impact that the COVID-19 pandemic has had on the company’s business operations and its employees. We will work to minimize disruptions to the company by conducting our outreach with the company as efficiently as possible and coordinating meetings with staff in advance. Given the current operating environment, we also leave it to your discretion to determine who you would like to participate in an entrance conference so as to minimize disruptions to the executive leadership team and expedite our information gathering and request for company interviews and documents.

We will perform our work 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.

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NATIONAL RAILROAD PASSENGER CORPORATION

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.

David Grossman will be the audit manager for this engagement and reports to Leila Kahn, Senior Director, Audits. If you have any questions, please contact me at James.Morrison@amtrakoig.gov; Eileen Larence, Deputy Assistant Inspector General, Audits, Eileen.Larence@amtrakoig.gov; or Leila Kahn, Senior Director, Leila.Kahn@amtrakoig.gov.

cc: Stephen J. Gardner, Senior Executive Vice President, Chief Operating and Commercial Officer
Eleanor D. Acheson, Executive Vice President, General Counsel & Corporate Secretary
Roger Harris, Executive Vice President, Chief Marketing and Revenue Officer
Scot Naparstek, Executive Vice President, Chief Operations Officer
Dennis Newman, Executive Vice President, Planning and Strategy
Steve Predmore, Executive Vice President and Chief Safety Officer
Qiana Spain, Executive Vice President and Chief Human Resources Officer
DJ Stadtler, Executive Vice President, Special Assistant
Christian Zacariassen, Executive Vice President and Chief Information Officer
Mark Richards, Senior Director, Risk Management and Controls
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