AMTRAK OFFICE *of* INSPECTOR GENERAL
NATIONAL RAILROAD PASSENGER CORPORATION

Major Programs:

Improved Planning for Maintenance Facility Upgrades Could Help the Company Better Meet Its Fleet Goals

OIG-A-2026-002| December 18, 2025

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Memorandum

To: Jennifer Mitchell
Executive Vice President, Strategy and Planning

Laura Mason
Executive Vice President, Capital Delivery

From: J.J. Marzullo
Assistant Inspector General, Audits

Date: December 18, 2025

Subject: *Major Programs: Improved Planning for Maintenance Facility Upgrades Could Help the Company Better Meet Its Fleet Goals* (OIG-A-2026-002)

Amtrak (the company) is in the process of acquiring three major fleets of trains—NextGen Acela, Airo, and Long Distance—at an estimated cost of at least $8 billion. To service and operate this new equipment, the company is upgrading some of its maintenance facilities at an estimated cost of $4 billion under what the company calls its "National Facilities program." Collectively, these facility upgrades represent a generational effort to transform the company's operations using funding from the Infrastructure Investment and Jobs Act (IIJA),[1] as well as a Railroad Rehabilitation and Improvement Financing loan, and the company's annual grants.

We previously reported on the company's efforts to manage its fleet acquisitions, each of which require facility modifications to operate and maintain.[2] Accordingly, our audit objective was to assess the company's management of the National Facilities program and to identify any risks to achieving its goals.[3] To complete our assessment, we interviewed company officials from the departments involved in facility planning and delivery, and we visited five facilities that it is actively upgrading. We also reviewed company documents, including the Internal Amtrak 2024-2040 Strategic Fleet Plan

[1] In 2021, the company received $22 billion from the IIJA to improve and upgrade its assets, including car and locomotive fleets and facilities (Pub. L. No. 117-58, 135 Stat. 429 (2021)).
[2] For prior Amtrak Office of Inspector General (OIG) reports on company fleets, see Appendix A.
[3] Throughout our report we refer to this body of work as the "National Facilities program" since the company uses this term in numerous documents we reviewed. Company officials, however, stated that they are managing the National Facilities program as a portfolio of projects.

(strategic fleet plan),[4] facility planning and implementation documents, program and project controls documents, and risk registers. For more information on our scope and methodology, see Appendix A.

SUMMARY OF RESULTS

The company has started upgrading its maintenance facilities to support its major fleet acquisitions, but challenges in planning and managing this effort have delayed its progress. As a result, some facilities will not be ready in time to service the company's new trains, which could hinder its ability to fully operate the new equipment at the intended service levels. Instead, the company may need to store some new trains intermittently, which could postpone the capture of additional revenue. Further facility delays—which remain a risk—would add to the existing delays in fully operating its new fleets. The following two factors have contributed to these circumstances:

- **Incomplete strategic planning**. The company's facility planning has lagged behind its fleet planning by about 15 years even though the two efforts are closely interconnected. Company officials told us they expect to complete a joint fleet/facilities strategic plan in late 2025. As of November 2025, however, this joint plan had not defined the scope of the work needed to guide the facility upgrades. With at least six years of work remaining, completing the development of a strategic plan that aligns the fleet and facility goals, timelines, and next steps would help the company make better informed decisions about its long-term facility needs and could help it mitigate further delays.

- **No management framework**. The company is separately managing dozens of facility projects rather than managing them as a single, coordinated effort, as called for by company and industry standards. This is occurring because the company has not developed an overarching management framework to implement its strategy. Such a framework should include standard components, such as plans for risk management, schedule management, and resource management. Without this type of overarching guidance, company efforts are fragmented, and it could be missing opportunities to more efficiently manage the approximately $4 billion body of work.

[4] Amtrak, *INTERNAL AMTRAK 2024-2040 STRATEGIC FLEET PLAN*, December 9, 2024.

To ensure that the company's fleet and facilities efforts align, we recommend that the company continue to develop a joint strategic fleet/facilities plan that defines company goals, timelines, and next steps. We also recommend that the company develop a management framework for its facility upgrades, including a risk management process. In commenting on a draft of this report, the company's Executive Vice President, Strategy and Planning, and Executive Vice President, Capital Delivery agreed with our recommendations and described actions the company plans to take to address them. For management's complete response, see Appendix B.

BACKGROUND

The National Facilities program. In 2023, the company established the Railyards and Facilities group under its Capital Delivery department to manage and coordinate the facility upgrades needed to support the three new fleet deliveries. In company documents, the company has commonly referred to its facilities work as the National Facilities program. Company officials, however, stated that they manage the facilities work as a portfolio of projects.

The NextGen Acela trainsets began service in August 2025, the Airo trainsets are scheduled to begin service in 2026, and the new long distance trains are scheduled to begin service in the early 2030s. The company's strategic fleet plan states that facility upgrades are essential to maintain the trains, reduce trip times, and increase service frequencies. For example, the new trainsets will require upgraded maintenance pits, high-level platforms, traction power systems, shop configurations, and other requirements. The company must reconfigure some facilities to support both legacy and new fleets during the transition from old to new equipment.

Major stakeholders. The following stakeholders have key responsibilities for planning and delivering facility upgrades:

- **The Strategy and Planning department** is responsible for coordinating fleet and facilities upgrades, aligning these efforts to broader company priorities—particularly during the early stages of the program—and making efficient use of available funds and resources.
- **The Capital Delivery department**—specifically, its Railyards and Facilities group—manages a matrixed team of Railyards and Facilities personnel, company personnel from other departments, and design and construction contractors to execute the day-to-day work on the facilities projects. This includes

overseeing procurement proposal requirements, contractor performance, and project execution. In addition, the group manages other projects within the yards, including corporate security projects, commissary projects, and storage tracks.

- **The Mechanical department**, the end user of the new facilities, is responsible for defining the facilities' operational requirements, including equipment servicing needs, inspection workflows, and the infrastructure needed to support maintenance activities for both old and new fleets.
- **The Federal Railroad Administration (FRA)** has federal oversight of the company, including its use of federal funds, and administers grants to support its operations and capital programs, including those used to construct the company's maintenance facilities.

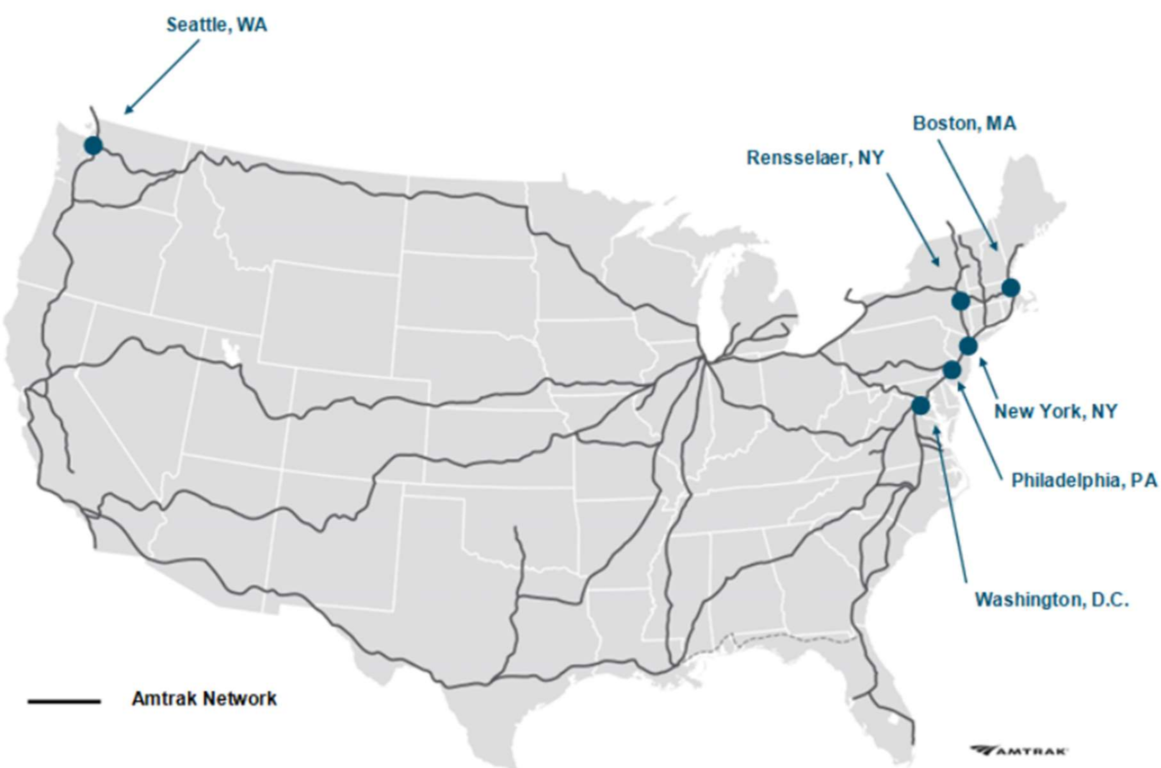
Types of facilities. The Railyards and Facilities group is managing the upgrade of two primary types of maintenance facilities:

- **Level 1 Maintenance and Inspection facilities.** These are the company's largest maintenance facilities, which it uses to perform ongoing maintenance activities such as periodic inspections, and other major mechanical activities that require the use of a crane. These facilities are usually located near major terminals throughout the network. The company initially plans to upgrade six of its Level 1 facilities.[5]
- **Level 2 Service and Cleaning facilities.** These are generally smaller facilities, which the company uses to prepare trains for passenger travel, typically for a return trip to a major terminal. Common activities at these facilities include refueling, emptying sanitary waste tanks, restocking paper goods and other consumables, and conducting daily federally mandated equipment inspections. The company has not determined the total number of Level 2 facilities needed to support its new fleets, but it will need to upgrade at least 15 for Airo.

[5] The Level 1 facilities include Washington, D.C.; Boston, Massachusetts; Philadelphia, Pennsylvania; Seattle, Washington; New York, New York; and Rensselaer, New York. All six Level 1 facilities support Airo, and four of these locations support NextGen Acela.

Figure 1 shows the locations of the six Level 1 facilities that the company initially plans to upgrade.

Figure 1. Level 1 Maintenance Facilities Initially Planned for Upgrade



Source: OIG review of company planning documents. Locations are approximate.

Table 1 shows the company's estimated costs and substantial completion dates for the Level 1 facilities that it initially plans to upgrade.

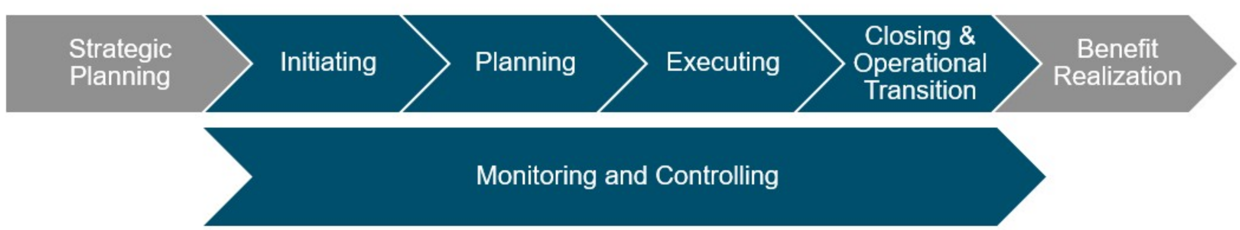
Table 1. Status of Initial Level 1 Facility Upgrades

Level 1 Maintenance and Inspection Facility[a]	Status	Life-of-Project Cost ($millions)[b]	Substantial Completion[c]
Seattle, Washington	In construction	295	January 2027
Philadelphia, Pennsylvania	In construction	463	May 2027
Boston, Massachusetts	In construction	583	February 2029
Washington, D.C.	In construction	705	August 2030
New York, New York	Just awarded contract	1,250	October 2030
Rensselaer, New York	In planning	206	March 2031

Source: OIG analysis of company documents
Notes:
[a] This largely includes facility modifications for Airo trainsets but also includes other modifications at three of these facilities—Washington, D.C.; Boston, Massachusetts; and New York City.
[b] Life-of-project cost includes the cost of the contract(s) to complete the work and contingency funds. This does not include all projects at each facility, such as annual grant-funded work at a given location. The life-of-project costs for New York, New York include crew base upgrades in Sunnyside Yard.
[c] Some projects have multiple substantial completion dates for different phases of construction. The dates shown reflect the latest substantial completion date for each project.

Management framework. Company and industry standards lay out the specific early planning activities that are necessary to prepare for managing the complex and concurrent projects and activities of major programs or portfolios. Company standards[6] require projects and programs to follow a standard lifecycle, which begins with strategic planning, as Figure 2 shows.

Figure 2. Company Project Lifecycle



Source: Amtrak, *Project Management Procedure Manual,* October 2018

For multiple projects with a common objective, company and industry standards state that strategic planning should inform a management framework to monitor and control

[6] Amtrak, *Enterprise Project Management Standards*, May 2024.

projects that fall under the program or portfolio umbrella.[7] The management framework allows personnel to manage related projects in a coordinated manner and gain efficiencies and other benefits that may not be apparent from managing them individually.[8] A management framework should include the following:

- A **management plan** details the individual projects and activities, as well as the processes that personnel will use to perform those activities. This might include how they will develop, monitor, and control the schedule, as well as how, when, and to whom they will disseminate information. Other parts of the plan should establish how personnel intend to manage costs, resources, stakeholder relationships, and risks.
- Other **management tools** help monitor and control program or portfolio activities. For example, an integrated schedule is a management tool to help keep large or complex projects on track, assign resources appropriately, and manage risk. Other examples of management tools include cost estimates, a program or portfolio charter, and a risk register.

In addition to a management plan, company standards advise building individual, project-level plans to control the work activities specific to individual projects. A management framework helps companies rise above the day-to-day demands of individual projects to strategically manage the entire program or portfolio.

EARLY PLANNING MISSTEPS FOR FACILITIES COULD RESULT IN DELAYED ROLL-OUT OF SOME NEW TRAINSETS

The company developed a strategy to guide its purchase of new trains—its strategic fleet plan—but has been late in developing a similar strategy for its maintenance facilities. As a result, some facilities will not be ready in time to maintain the new trains, which could delay some from entering service and, according to company officials,

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[7] Amtrak, *Enterprise Project Management Standards,* May 2024; Amtrak, *Project Management Procedure Manual,* October 2018; Project Management Institute, *The Standard for Program Management Fifth Edition,* 2024; Project Management Institute, *The Standard for Portfolio Management, Fourth Edition,* 2017.
[8] Industry standards make distinctions between programs and portfolios but provide similar guidance for both. For example, both standards suggest that entities should develop management plans to manage related work. See Project Management Institute, *The Standard for Program Management Fifth Edition,* 2024; and Project Management Institute, *The Standard for Portfolio Management, Fourth Edition,* 2017.

potentially impact revenue. Further facility delays—which are a risk—would exacerbate this schedule misalignment.

Strategic Plan Incomplete for Facilities Upgrades

The company's facility planning has significantly lagged behind its fleet planning. As early as 2010, the company began considering how to replace its aging high-speed Acela and regional fleets and first developed a strategic fleet plan.[9] The company, however, did not start facility planning to address those new fleets until after it signed contracts in 2016 for NextGen Acela and 2021 for Airo, and those facility efforts targeted individual sites without the benefit of an overarching facilities plan.

The company's December 2024 version of its strategic fleet plan described the scope and goals of the company's fleet efforts. For example, this plan identified the company's existing equipment inventory and future needs, and established priorities for how to deploy its new equipment into revenue service. Notably, it also described the importance of planning for the maintenance facilities needed to support the strategic fleet plan. Nevertheless, more than 15 years after initiating efforts to strategically plan for fleet—and approximately two years after consolidating its facility efforts under the National Facilities program—the company has not fully established a strategic plan to guide its facility efforts.

In a December 2024 presentation to the company, FRA expressed similar concerns. At that time, FRA instructed the company to adopt stronger, holistic planning processes for its maintenance facilities to avoid repeating past mistakes and recommended that the company document its facility program goals. In part, to address this, the company developed draft planning documents, but these documents were missing key elements called for by company and industry standards.[10] For example, they did not include a full inventory of facility projects, a timeline to complete them, and a methodology to prioritize them so the company knows which maintenance facilities to complete first.

Strategy and Planning officials told us they had not completed the facility strategy because of funding uncertainties, which impacted their ability to finalize the company's approach to replacing its long distance fleet. In August 2025, however, Strategy and

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[9] The Airo program is an equipment acquisition program to replace the intercity regional and state-supported fleet.
[10] Amtrak, *Project Management Procedure Manual*, October 2018; *Internal Control—Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO)*, May 2013.

Planning department officials provided us with a draft strategic plan that incorporates both fleet and related maintenance facility needs. In the document, the company states that it has more planning to do and outlines additional steps it intends to take. For example, the company intends to establish three working groups to address ongoing fleet, facilities, and funding needs. In November 2025, the Strategy and Planning department told us they received executive and Board of Directors approval for its Strategic Fleet and Facilities Plan. This is a positive step, but the company still has not finalized the next steps, such as defining the scope of the work tied to the three workstreams listed in the new plan.

Without a strategic plan that includes a complete inventory of maintenance facility projects, a timeline with milestones for updating the plan, and a method for evaluating potential trade-offs if circumstances change, the company is limited in its ability to make informed decisions about its long-term facility needs.[11] A senior Capital Delivery official agreed, telling us it would have been preferable to develop the company's fleet and facilities plans in tandem, likening the current process to "building a house without ensuring the garage fits the vehicles." Given that at least six years of facilities work remain, the company has an opportunity now to develop and implement a strategic plan to guide its efforts and reduce risks.

The Absence of a Strategic Plan Contributed to Misalignment Between Fleet and Facility Schedules

Because of the cumulative effects of inadequate planning, including starting its facilities planning late, the scheduled completion dates for some facilities are after the scheduled delivery dates for the company's NextGen Acela and Airo fleets, which will likely have an impact on train operations.[12] Other early planning missteps have further delayed individual facilities. For example, as we previously reported, the company did not assign design staff to the Airo maintenance facilities—four of which are also needed for

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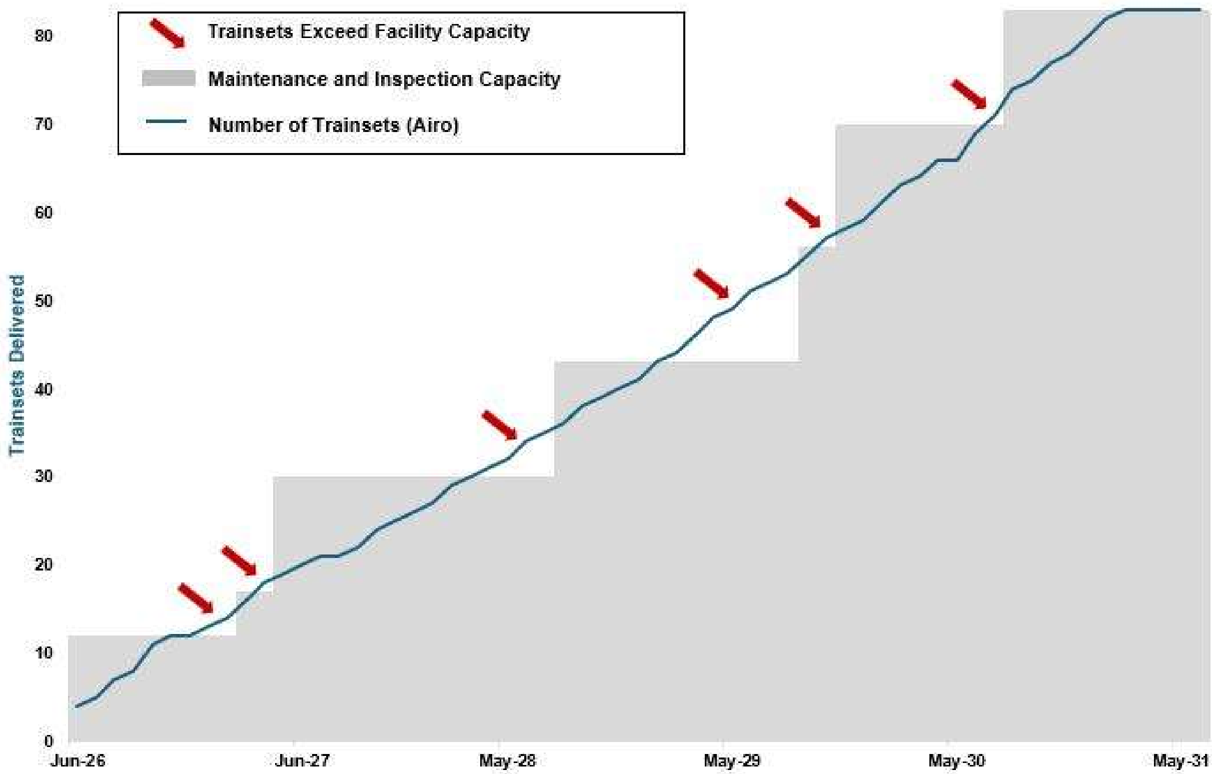
[11] In May 2025, in response to evolving priorities and funding availability, the company shifted its focus from expanding service to improving existing performance. As part of that effort—and to reduce costs and streamline delivery of some new trains—the company simplified the designs for its long distance fleet acquisition and reduced the scope of related facility upgrades. Although some individual facility projects changed to align with this new direction, the planning issues we identified remain.
[12] The company is in the process of choosing vendors to replace its aging long distance fleets, but it has not completed a strategy to address facility needs for those trains.

NextGen Acela service—until nearly a year after it began initial planning.[13] Later the company identified design flaws that necessitated pausing work on 21 Airo facilities to gather better requirements from stakeholders, which delayed construction by 10 to 13 months. These delays compounded the existing misalignment between NextGen Acela and Airo fleet deployment and maintenance facilities delivery.

If the current schedule holds, company officials told us—and company documents show—they can operate the first 24 of 28 NextGen Acela trainsets and the first 12 of 83 Airo trainsets without additional maintenance facility capacities. After that point, however, they may not be able to fully operate the new trainsets until completing additional facilities modifications. For example, under current schedule projections, the number of new Airo trainsets may exceed the company's maintenance capacity intermittently over the first four years of revenue service, as Figure 3 shows.

[13] *Train Operations: Company Has Improved Management of Intercity Trainset Acquisition and Can Improve Stakeholder Engagement on Major Capital Programs* (OIG-A-2023-005), December 22, 2022.

Figure 3. Misaligned Airo Fleet and Facilities Schedules



Source: OIG analysis of company documents

If the company cannot find other ways or locations to maintain its new equipment, that equipment may need to sit idle intermittently. Company officials said this would delay the company from capturing the additional revenue it anticipates from its new trainsets. For example, we previously reported that delays in deploying the NextGen Acela trainsets likely resulted in millions of dollars of foregone revenue.[14]

Earlier facility planning, including the development of a strategic plan, could have helped the company identify its schedule misalignments sooner—such as when it signed the latest equipment contracts—and begin mitigating those delays. At least six years of facilities work remain; therefore, developing its plan now could still help

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[14] *Train Operations: Acela 21 Program Continues to Face Significant Risk of Delays, Warranting More Contingency Planning* (OIG-A-2020-004), January 21, 2020.

prevent additional delays by establishing clear milestones to guide and complete this work.

COMPANY HAS NOT ESTABLISHED A MANAGEMENT FRAMEWORK FOR ITS FACILITIES EFFORTS

The company may be missing opportunities to execute its approximately $4 billion facilities work more efficiently because it has not established a framework to manage the work collectively—as a program or portfolio—as called for by company and industry standards.

Facility Efforts Do Not Have Key Elements of Effective Program or Portfolio Management

In 2023, the company established the National Facilities program under the Railyards and Facilities group, but as of July 2025—approximately two years later—it was still separately managing the dozens of facility projects that fall under it. This is because the company has not developed a management plan to collectively oversee its facilities projects. This is contrary to company and industry standards, which suggest managing related projects together, as a coordinated effort.[15] As a result, the company could be missing opportunities to efficiently manage its facility modifications in the following three areas:

Managing risk. The company does not have a risk management plan with a process and tools to manage risks across the facilities work. Instead, project-level teams developed individual, site-specific risk registers. Similar risks, however, can and have occurred at multiple sites. For example, the risk registers for three Level 1 facilities identified similar risks, including site access constraints and unknown underground conditions. Project teams addressed these issues independently without identifying whether the same issues appear across multiple projects or elevating shared risks for program- or portfolio-level evaluation and resource allocation. Although project directors at the five Level 1 facilities told us they discuss common risks informally, they lack a program- or portfolio-level process to track and manage them. In October 2025, the company hired a Senior Risk Manager to help manage risk in the Railyards and Facilities group. This addition to the team is a positive step; however, our prior work

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[15] Amtrak, *Enterprise Project Management Standards*, May 2024; Project Management Institute, *The Standard for Program Management Fifth Edition,* 2024; Project Management Institute, *The Standard for Portfolio Management, Fourth Edition,* 2017.

has shown that without a risk management process, the likelihood increases that the company will realize risks that could significantly increase costs, delay the schedule, and impact its ability to deliver a program successfully.[16] A program- or portfolio-level risk management process, including a centralized risk register would have helped teams identify similar challenges earlier and potentially manage—or preemptively mitigate—delays.

Managing schedule. The company does not have a schedule management plan with a fully integrated master schedule to manage its facility work. Instead, it has a high-level project milestone tracker, but this tool does not contain all the elements, or the level of detail, that company and industry standards suggest.[17] For example, it does not include schedules for any digital technology upgrades at the maintenance facilities—a critical gap given that the company's new trainsets will generate significant amounts of data that the company must analyze for maintenance and other operational purposes. Without a full master schedule, the company has limited ability to identify dependencies between projects and communicate critical timeline information across its facilities upgrade efforts. Our prior work has similarly found that without a complete integrated master schedule, the company may not identify program dependencies to ensure that all activities are completed on time.[18]

Managing personnel resources. The company does not have a resource management plan for its facilities work, which limits leadership's visibility into any company- or program-level workforce challenges that might affect schedules and costs on individual projects. Our prior work has found that if the company does not have clear personnel requirements or plans to fill them, it can result in overtasked officials with multiple, competing responsibilities.[19] In May 2025, the company reported that it reduced its management workforce, further elevating the need for coordinated planning and efficient resource allocation.

In the absence of a management framework that includes these components, Capital Delivery officials described the Railyards and Facilities group's management and

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[16] *Governance: Company Needs a Comprehensive Framework to Successfully Manage its Commitments to the Gateway Program* (OIG-A-2022-006), February 4, 2022.
[17] Amtrak, *Enterprise Project Management Standards,* May 2024; Project Management Institute, *The Standard for Program Management Fifth Edition,* 2024.
[18] *Train Operations: The Acela Express 2021 Program Faces Oversight Weaknesses and Schedule Risks* (OIG-A-2018-002), November 16, 2017.
[19] OIG-A-2022-006.

oversight efforts as fragmented and decentralized. For example, a company official told us that field operators and technical reviewers have been making decisions on individual projects without coordinating with one another. This has resulted in variances in mechanical equipment at different sites (such as different sized air compressors), and variances in workflow layout (such as different platform heights at multiple sites). It is unclear what, if any, impact these variances will have on Mechanical operations, but company officials told us that some of these elements should be standardized across facilities.

Moreover, multiple project-level officials told us they remain uncertain about the National Facilities program's overarching direction and objectives. For example, a project director overseeing a facility improvement said they believed that the National Facilities program is a group, but they were not sure whether they were part of it. Another project director at a site scheduled for upgrade said that although they had heard of the National Facilities program, they could not describe its purpose.

Despite the lack of program-level coordination, project-level officials generally developed the necessary management documents for the five Level 1 facility projects we reviewed.[20] These efforts reflect good practices at the project level, but if the company does not manage its facility projects collectively as a program or portfolio, it may not fully realize the efficiencies it would otherwise.

CONCLUSIONS

The company has started upgrading its maintenance facilities to support its major fleet acquisitions but has experienced challenges in planning and managing this effort, which has delayed its progress. Developing and implementing a strategic plan for maintenance facilities would help the company make better-informed decisions about its long-term facility needs. In addition, fully implementing a management framework for the company's facility upgrades—including all elements in the company's standards, such as a program- or portfolio-level risk management process—would help the company gain efficiencies and other benefits not apparent from managing these projects individually.

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[20] Ivy City Yard, Washington, D.C.; Penn Coach Yard, Philadelphia, Pennsylvania; Seattle King Street Yard, Seattle, Washington; Southampton Yard, Boston, Massachusetts; and Sunnyside Yard, New York, New York.

RECOMMENDATIONS

To address the issues we identified, we recommend that the Executive Vice President, Strategy and Planning, take the following action:

1. Continue to develop and implement a joint strategic fleet/facilities plan. The plan should define company goals, timelines, and next steps to ensure that the company's fleet and facilities efforts align. The plan should also include an inventory of existing facilities and a method to continuously assess which modifications are critical to support future operations and reprioritize, as needed.

In addition, we recommend that the Executive Vice President, Capital Delivery, take the following action:

2. Develop and implement a management framework for its facility upgrades, including a management plan with the requisite components outlined in company and industry standards. This should include a risk management process and tools, such as a risk register.

MANAGEMENT COMMENTS AND OIG ANALYSIS

In commenting on a draft of this report, the company's Executive Vice President, Strategy and Planning, and Executive Vice President, Capital Delivery agreed with our recommendations and identified actions the company plans to take to address them, which we have summarized below:

- **Recommendation 1:** Management agreed with our recommendation to continue to develop and implement a joint strategic fleet/facilities plan. Management stated that the company finalized the fiscal year 2026 Strategic Fleet and Facilities Plan in November 2025 and that this plan addresses the topics noted in our recommendation. Management also stated that the company initiated development of three documents that lay out more detailed strategies for addressing fleet acquisition, facility development, and funding and financing of fleet and facilities projects. The target completion date is June 30, 2026.

- **Recommendation 2:** Management agreed with our recommendation to develop and implement a management framework for its facility upgrades, including a management plan with the requisite components outlined in company and industry standards. Management stated that the company will develop and implement a management framework, including a management plan with a risk management process and associated tools, such as a risk register. The target completion date is March 31, 2026.

For management's complete response, see Appendix B. Management also provided technical comments that we have incorporated in this report as appropriate.

APPENDIX A

Objective, Scope, and Methodology

This report provides the results of our audit of the company's National Facilities program. Our objective was to assess the company's management of the program and to identify any risks to achieving its goals. Our scope included a review of how the company plans to manage the overall body of work, including how it designed and structured its management framework. We conducted our work from December 2024 through December 2025 in Seattle, Washington; Boston, Massachusetts; New York, New York; Philadelphia, Pennsylvania; and Washington, D.C.

To assess the company's strategic planning efforts for its maintenance facilities, we reviewed key documents, including the Internal Amtrak 2024-2040 Strategic Fleet Plan and facility planning documents. We interviewed company officials from a number of departments: Strategy and Planning, Service Delivery and Operations, Capital Delivery, and Finance. We also reviewed FRA's assessment of the company's maintenance facilities delivery opportunities, and we interviewed a cognizant FRA official to obtain their perspectives on the company's facilities planning.

To assess the company's management of its maintenance facility upgrades, we reviewed National Facilities program documents—including status reports—and the extent to which it established management controls, and we interviewed key management officials. We also reviewed and compared the company's actions to manage these efforts against its Enterprise Project Management Standards, Capital Delivery Procedures, and commonly accepted standards for program and portfolio management and internal controls, including the Project Management Institute's Standard for Program Management, the Project Management Institute's Standards for Portfolio Management, and the Internal Control – Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission. In addition, we selected the five Level 1 facilities that the company is actively upgrading, and we assessed the extent to which these five Level 1 maintenance facilities, which we visited, had the required project level documents that are called for in the company's Enterprise Project Management Standards and Procedures.

To assess the company's efforts to manage risk, we reviewed company documents, project risk registers, and presentations related to the facilities and trainset deliveries, and we interviewed key management officials. In addition, we interviewed executives from the Capital Delivery department; officials from the teams managing fleet programs; and officials from the Service Delivery and Operations, Strategy and Planning, and Finance departments.

We conducted this performance audit in accordance with generally accepted governmental auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Internal Controls

We reviewed internal controls for overseeing and managing the National Facilities program. Specifically, we assessed the internal control components and underlying principles and determined that all five internal control areas were significant to our audit objective:

- **Control environment.** Management should establish an organization structure, assign responsibility, and delegate authority to achieve the entity's objectives.

- **Risk assessment.** Management should define objectives clearly to enable the identification of risks and define risk tolerances. Management should identify, analyze, and respond to risks related to achieving the defined objectives. Management should identify, analyze, and respond to significant changes that could impact the internal control system.

- **Control activities.** Management should design control activities to achieve objectives and respond to risks, such as training requirements, segregation of duties, and approvals.

- **Information and communication.** Management should use quality information to achieve the entity’s objectives. Management should internally communicate the necessary quality information to achieve the entity’s objectives.

- **Monitoring activities.** Management should establish and operate activities to monitor the internal control system and evaluate the results.

We developed audit work to ensure that we assessed each of those controls. This included assessing the extent to which the company established an organizational structure, implemented controls for program management, developed risk management documentation, and communicated information with internal stakeholders, including through a strategic plan. We have noted in this report the internal control deficiencies our audit work identified. Because our review was limited to these internal control components and underlying principles, we may not have identified all of the internal control deficiencies that may have existed at the time of the audit.

Computer-processed Data

The company uses SAP—an integrated enterprise reporting package that interfaces with other company systems. The company also uses a project management system—Enterprise Project and Portfolio Management. To gather financial information about the company's overall expenditures and estimates for its maintenance facilities, we used the SAP Business Planning and Consolidation module and Enterprise Project and Portfolio Management. Our queries generally agreed with available company documentation and, based on this, we determined that the data were reliable for the purposes of our audit.

Prior Reports

In conducting our analysis, we reviewed and used information from the following OIG reports:

- *Train Operations: The Company Can Improve the Quality of Customer Service to Passengers with Disabilities* (OIG-A-2025-009), July 11, 2025
- *Major Programs: Company Established a Management Framework for Long Distance Fleet Replacement Program but Can Improve Risk Management and Clarify Lines of Authority* (OIG-A-2025-001), December 13, 2024
- *Major Programs: Amtrak Is Establishing a Structure for Managing the Frederick Douglass Tunnel Program, but Better Planning Would Improve Oversight and Reduce Risks* (OIG-A-2024-010), September 27, 2024
- *Major Programs: Company Improved Management of New Acela Program, but Additional Delays and Cost Increases are Likely* (OIG-A-2023-013), September 29, 2023

- *Train Operations: Company Has Improved Management of Intercity Trainset Acquisition and Can Improve Stakeholder Engagement on Major Capital Programs* (OIG-A-2023-005), December 22, 2022
- *Governance: Business Case for Company's New Unified Operations Program Needs to be Updated* (OIG-A-2022-009), May 11, 2022
- *Governance: Company Needs a Comprehensive Framework to Successfully Manage its Commitments to the Gateway Program* (OIG-A-2022-006), February 4, 2022
- *Governance: Early Planning and Oversight Deficiencies Led to Initial Program Failures and Continued Risks to the Moynihan Train Hall Program* (OIG-A-2020-014), August 17, 2020
- *Observations on Risks to the Acela 21 Information Technology Program Element* (OIG-MAR-2020-009), April 22, 2020
- *Train Operations: Acela 21 Program Continues to Face Significant Risk of Delays, Warranting More Contingency Planning* (OIG-A-2020-004), January 21, 2020
- *Train Operations: The Acela Express 2021 Program Faces Oversight Weaknesses and Schedule Risks* (OIG-A-2018-002), November 16, 2017
- *Asset Management: Additional Actions Can Help Reduce Significant Risks Associated with Long-Distance Passenger Car Procurement* (OIG-A-2016-003), February 1, 2016
- *Acquisition and Procurement: Gateway Program Projects Have Certain Cost and Schedule Risks* (OIG-A-2015-002), December 19, 2014
- *Asset Management: Amtrak Followed Sound Practices in Developing a Preliminary Business Case for Procuring Next-Generation High-Speed Trainsets and Could Enhance its Final Case with Further Analysis* (OIG-E-2014-007), May 29, 2014
- *Acquisition and Procurement: Gateway Program's Concrete Casing Project Progressing Well; Cost Increases Will Likely Exceed Project Budget* (OIG-A-2014-004), February 11, 2014
- *Asset Management: Amtrak is Preparing to Operate and Maintain New Locomotives, but Several Risks to Fully Achieving Intended Benefits Exist* (OIG-E-2013-021), September 27, 2013

APPENDIX B

Management Comments

NATIONAL RAILROAD PASSENGER CORPORATION

AMTRAK

Memo

Date:	December 12, 2025	From:	Laura Mason, EVP Capital Delivery Jennifer Mitchell, EVP Strategy & Planning Jennifer Mitchell
To:	John Marzullo, Assistant Inspector General, Audits	Department(s):	Capital Delivery and Strategy & Planning
		cc	Roger Harris, President Kuvesh Ayer, VP CPO & SCO Costin Corneanu, EVP CFO Eliot Hamlisch, EVP Marketing & CCO William Herrmann, EVP Chief Legal and Human Resources Officer (CLHRO) Steven Predmore, EVP CSO Gerhard Williams, EVP Service & Delivery Ops Tracie Winbigler, EVP Chief Transformation Officer Christian Zacariassen, EVP CIO

Subject: Management Response to ***Major Programs:*** *Improved Planning for the National Facilities Program Could Help the Company Better Meet Its Fleet Goals* (Draft Audit Report for Project No. 003-2025).

This memorandum provides Amtrak's response to the draft audit report titled, "Improved Planning for the National Facilities Program Could Help the Company Better Meet Its Fleet Goals". Management agrees with all the noted OIG recommendations below and appreciates the opportunity to provide a response.

To address the issues noted in the audit report, the OIG recommends that the Executive Vice President, Strategy and Planning, take the following action:

Recommendation #1:

Continue to develop and implement a joint strategic fleet/facilities plan. The plan should define company goals, timelines, and next steps to ensure that the company's fleet and facilities efforts align. The plan should also include an inventory of existing facilities and a method to continuously assess which modifications are critical to support future operations and reprioritize, as needed.

NATIONAL RAILROAD PASSENGER CORPORATION

Management Response/Action Plan:

Amtrak concurs with the recommendation. Amtrak's Strategy and Planning Department has worked with internal stakeholders and Subject Matter Experts to develop a FY26 Strategic Fleet and Facilities Plan, which provides a clear picture of Amtrak's current assets and a vision of our future needs by the year 2040, and identifies the gap between the two. The plan addresses the same topics as noted in this recommendation, and presents an action-oriented, timeline-driven, accounting of the decisions Amtrak needs to address to ensure that gap is filled. The draft plan was reviewed by key stakeholders, including the Amtrak Board of Directors, staff from the Federal Railroad Administration, staff from the Office of the Inspector General, and state partners through SAIPRC. Based on these reviews, Amtrak finalized the FY26 plan in November 2025. Based on the Strategic Fleet and Facilities Plan, Amtrak has initiated the development of three documents that lay out more detailed strategies for addressing fleet acquisition, facility development, and funding and financing of fleet and facilities projects. Taken together, the overall plan and the associated future strategy documents will fully address this recommendation.

Responsible Amtrak Official(s): Jennifer Mitchell, EVP Strategy and Planning
Nicole Bucich, VP Planning and State Partnerships

Target Completion Date: June 30, 2026 (completion of strategy documents)

In addition, the OIG recommends that the Executive Vice President, Capital Delivery, take the following action:

Recommendation #2:

Develop and implement a management framework for its facility upgrades, including a management plan with the requisite components outlined in company and industry standards. This should include a risk management process and tools, such as a risk register.

Management Response/*Action Plan:*

Amtrak concurs with the recommendation. The Major Projects Railyards & Facilities team, in collaboration with the Project Delivery Fleet & Facilities team, will develop and implement a management framework for facility upgrades, which will include a management plan with the requisite components outlining company and industry standards. The management plan will include a risk management process and associated tools, such as a risk register.

Responsible Amtrak Official(s): Michelle Tortolani, VP Project Delivery Fleet & Facilities
Martita Mullen, AVP MP Railyards & Facilities

Target Completion Date: March 31, 2026

APPENDIX C

Abbreviations

FRA	Federal Railroad Administration
IIJA	Infrastructure Investment and Jobs Act
strategic fleet plan	Internal Amtrak 2024-2040 Strategic Fleet Plan
OIG	Amtrak Office of Inspector General
the company	Amtrak

APPENDIX D

OIG Team Members

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OIG MISSION AND CONTACT INFORMATION

Mission

The Amtrak OIG's mission is to provide independent, objective oversight of Amtrak's programs and operations through audits and investigations focused on recommending improvements to Amtrak's economy, efficiency, and effectiveness; preventing and detecting fraud, waste, and abuse; and providing Congress, Amtrak management, and Amtrak's Board of Directors with timely information about problems and deficiencies relating to Amtrak's programs and operations.

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