



## **VIOLATION OF AMTRAK ETHICS POLICY**

**November 29, 2016**

**CASE OIG-I-2017-502**

We initiated an investigation into allegations that five Amtrak employees working in the Mechanical and Systems Safety Departments violated Amtrak's Ethics Policy by improperly accepting gifts from a vendor doing business with the company, including accepting all-expenses-paid trips to attend the vendor's annual trade show and convention. During this timeframe, the employees were also directly involved in procuring products from this vendor.

Our investigation revealed that, for two years, the vendor paid the employees' airfare, hotel, and meal expenses. The vendor also paid the employees' hotel and meal expenses for a third year. Further, all five of the Amtrak employees failed to disclose these gifts on their respective Certificates of Compliance. As a result, three of the employees were suspended for 30 days, one opted to retire in lieu of termination, and one was issued a letter of reprimand.

Mitigating these violations, however, was the role local management played in approving these trips. Notably, they failed to recognize that the vendors' offer directly implicated the company's ethics policy. The company responded that of the other four managers identified in our investigation, two have since retired, one only had indirect knowledge of the trips; and the other had just joined the company. Nevertheless, the company counseled the remaining managers regarding the relevant ethics policy requirements.