



Amtrak effectively managing, accounting for CARES Act funds, but adjustments could strengthen stewardship

For Immediate Release

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WASHINGTON – Amtrak is effectively using, accounting for, and reporting on funding it received through the Coronavirus Aid, Relief, and Economic Security Act, according to a report released by Amtrak’s Office of Inspector General today.

The OIG identified two adjustments the Amtrak could make related to its cost reporting for state supported services and its coronavirus-related leave process that would help the company improve its controls. Amtrak addressed three other CARES Act-related risks identified in a [prior report](#) the OIG released in August 2020.

Amtrak received \$1.018 billion in grants through the CARES Act for its Northeast Corridor and National Network to “prevent, prepare for, and respond to” the pandemic. The Act placed few restrictions on how the company could use most of these funds, except for about \$239 million in funds set aside to offset costs that states owe to Amtrak for providing intercity passenger rail. According to the report, Amtrak spent about 87 percent of its CARES Act funds through October 2020.

During its audit, the OIG identified anomalies in service patterns that affected how Amtrak applied its billing formula for state-supported services. As a result, Amtrak underreported its use of the CARES Act funds set aside for state-supported costs by about \$686,000 out of a total of \$97 million. When OIG auditors brought this to Amtrak’s attention, the Finance department revised its reporting to more accurately reflect the remaining funds. Going forward, the OIG noted that Amtrak should consider proactively checking for such anomalies as agreements and service patterns may continue to change.

The OIG also found that Amtrak could more consistently apply its coronavirus paid leave policy. Currently, the company immediately approves coronavirus-related leave when requested, but it does not pay employees for their leave until supporting medical documentation is provided. An OIG review in October found that about 14 percent of employees received paid leave without first providing documentation, and the report notes that more consistent application of the leave policy could help reduce noncompliance.

More information is included in the full report which can be downloaded on the OIG’s website: <https://direc.to/fSe3>.

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