



OIG provides Amtrak insights on using data analytics to help detect contract and procurement fraud risks

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WASHINGTON – Amtrak’s Office of Inspector General released a report today providing insights for Amtrak on ways organizations can collect and analyze contract and procurement data to monitor for and detect fraud risks.

According to the report, historic levels of federal funding from the Infrastructure Investment and Jobs Act provides significant opportunities for improving rail infrastructure, but also provides criminals with a lucrative target for fraud. The report notes, for example, that from 2017 through September 2023, the OIG has investigated 110 fraud-related cases that impacted Amtrak and helped recover \$269 million in restitution, forfeitures, and other recoveries. During the same period, it issued 25 audit reports identifying weak controls that would-be criminals could exploit.

This is the second fraud report the OIG has issued in the past 12 months. The previous report identified four high-risk fraud areas the company faces: contracts and procurements, health care, employee wrongdoing, and cybercrime. That report included examples of how such fraud manifests, and potential fraud mitigations for Amtrak’s consideration. This most recent report drills deeper into ways organizations can detect and mitigate contract and procurement fraud schemes using data analytics.

The report notes that leading fraud risk management practices emphasize the importance of collecting and analyzing contract and procurement data from the bidding and award phases through project and contract delivery. Industry research and the OIG’s own observations suggest key components that organizations can implement to aid in fraud detection, including centralizing procurement data, collecting key procurement data elements necessary in detecting fraud, and actively analyzing data to identify suspicious activity. The report also lists examples of procurement data elements—such as bid history and vendor information—that organizations can collect to help detect contract and procurement fraud schemes.

More information is included in the full report which can be downloaded on the OIG’s website: <https://direc.to/k1jH>.

Reports of fraud, waste, or abuse; criminal or unethical acts affecting Amtrak’s property or operations; or mismanagement in Amtrak programs or operations can be made 24 hours a day via the Amtrak OIG Hotline at 1-800-468-5469 or online at <https://direc.to/hPAu>.

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