



OIG finds weaknesses in Amtrak's procurement card program

For Immediate Release

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WASHINGTON – Amtrak's procurement card program faces weaknesses in program oversight and training, an OIG report released Oct. 2 found.

Procurement cards are similar to corporate credit cards and are used to expedite certain lower-cost business-related purchases. Currently, about 650 employees across Amtrak use these cards. While the report notes that the company's policies and practices for controlling its use of procurement cards appear to be generally effective, auditors identified performance gaps and weaknesses that exist in key areas.

For example, among the 87,000 transactions reviewed by the OIG, more than 13 percent were potentially noncompliant with company policy due to possible split purchases that could circumvent single purchase spending limits, purchase of goods or services that may have been available at a lower price, and payment of as much as \$81,000 in sales tax even though the company is exempt. Additionally, some cardholders may not have competitively bid purchases when required.

The OIG also identified weaknesses in company oversight of the procurement card program, card holder training, and supervisor training.

OIG auditors found that program administrators did not systematically monitor card transactions, especially high-risk purchases; and did not analyze transactions of card holders with higher spending limits. Additionally, supervisors, who are responsible for reviewing completed transactions and verifying receipts, were not regularly doing so which increased risks for procurement card misuse.

To address the report's findings, the OIG recommended Amtrak ensure that program administrators monitor transactions -- particularly those in high-risk categories -- for policy noncompliance and potential misuse, require card holders and supervisors to take training on their responsibilities, and update company policy to reflect these new requirements.

The company agreed with the OIG's recommendations.

More details are available in the full report, located on the OIG's website:

<http://go.usa.gov/xVsX4>.

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