



Memorandum

To: Tracie Winbigler
Executive Vice President and Chief Financial Officer

From: Jim Morrison *JM*
Assistant Inspector General, Audits

Date: January 29, 2021

Subject: Engagement Memo—Payment Requests (Project Code 006-2021)

We are initiating a review of the company's payment request practices. As you know, payment requests can help expedite small purchases by reducing the administrative burden but pose risks because they do not go through the standard procurement process. Our objective is to assess the company's controls to ensure that employees comply with payment request policies and are getting the best value for these purchases. We plan to analyze payment requests for fiscal year 2019 but may modify our scope or objective during the review. Throughout our review, we plan to interview company officials who use, manage, and monitor payment requests; analyze relevant documents and data; and assess related policies and procedures.

As we start this review, please know that we are acutely aware of and sensitive to the impact that the coronavirus has had on us all, particularly the company's business operations and its employees. We will work to minimize disruptions to the company by coordinating meetings with staff in advance. Given the current operating environment, we also leave it to your discretion to determine who you would like to participate in an entrance conference so as to minimize disruptions to the executive leadership team and expedite our information gathering and request for company interviews and documents. Throughout the course of our review, we will keep you advised of the status of our work and any material changes in our objective, should they occur.

We will conduct our outreach with the company as efficiently as possible.

Our interactions with the company will be consistent with P/I 2.1.3, which sets forth the relationship between our office and the company. In particular, section 7.0 of the policy discusses coordination between company officials and our Office of Audits.

We request that your office arrange an entrance conference for us with the appropriate company officials at the earliest possible date. We will keep you advised of the status of our work and any material changes in our objective, should they occur.

David Yoder will be the Audit Manager for this engagement and reports to Katherine Moore, Senior Director, Lead, Financial Audits. If you have any questions, please contact me at james.morrison@amtrakoig.gov; Eileen Larence, Deputy Assistant Inspector General, Audits, at eileen.larence@amtrakoig.gov; or Katherine Moore at katherine.moore@amtrakoig.gov.

cc: Stephen J. Gardner, President

Eleanor D. Acheson, Executive Vice President, General Counsel & Corporate Secretary

Roger Harris, Executive Vice President, Chief Marketing and Revenue Officer

Scot Naparstek, Executive Vice President, Chief Operations Officer

Dennis Newman, Executive Vice President, Planning & Strategy

Steve Predmore, Executive Vice President and Chief Safety Officer

Qiana Spain, Executive Vice President and Chief Human Resource Officer

Christian Zacariassen, Executive Vice President and Chief Information Officer

Mark Vierling, Vice President, Procurement and Logistics

Mark Richards, Senior Director, Risk Management and Controls