

SEMIANNUAL REPORT

TO THE UNITED STATES CONGRESS

October 1, 2024 to March 31, 2025



OFFICE of INSPECTOR GENERAL
NATIONAL RAILROAD PASSENGER CORPORATION



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Kevin H. Winters | *Inspector General*

FROM THE INSPECTOR GENERAL

I am pleased to submit the Amtrak Office of Inspector General (OIG) Semiannual Report to the United States Congress for the six months ending March 31, 2025, which summarizes our independent and objective reviews and investigations related to Amtrak's programs and operations.

Foremost, we are encouraged that Amtrak's Board of Directors is now nearly fully staffed with seven recently confirmed members representing states serving the Northeast Corridor, state supported, and long-distance routes, as well as the disability community. Its newest members appear to bring a wealth of experience to help Amtrak manage the significant challenges it faces in modernizing its fleet and infrastructure, while simultaneously providing safe, efficient, and effective passenger rail service to passengers across its network. We look forward to working with them as they execute their oversight and fiduciary obligations.

During this reporting period, Amtrak (the company) continued its recovery from the massive adverse effects the pandemic had on its ridership, revenue, and operations. In fiscal year 2024, it reported record ridership and revenue by serving 32.8 million customers and generating \$2.5 billion in ticket revenue. Its operating losses, however, were also significant—approximately \$705 million—and the company has stated its goal is to break even on train operations in the coming years. We believe the success of this goal hinges, in part, on lowering its costs while increasing its ridership. Increasing ridership includes the challenges of transitioning out of its aging rolling stock fleet—while maintaining service—and acquiring, within a reasonable time, higher capacity trains and trainsets and then safely entering them into revenue service. Currently, Amtrak is simultaneously pursuing the following three rolling stock acquisitions: the Long Distance Fleet Replacement (LDFR); Airo, its effort to replace its Northeast Regional trains and trains on some state supported routes; and NextGen Acela, which is intended to replace its legacy Acela fleet on the Northeast Corridor.

In our LDFR audit issued this period, and in prior work, we noted the progress and challenges with all three programs. For example, the company has faced significant delays—four years—replacing its legacy Acela fleet with NextGen Acela. In the interim, Amtrak has had to remove several legacy Acela trainsets from service—for parts—to keep the Acela service operational. The company's ridership capacity has also been impacted by other issues recently, as corrosion identified on several Horizon railcars (built between 1989 and 1990) sidelined the fleet, requiring the company to use both Amfleet and Superliner assets to fill the gap. For our part, we will continue to review and monitor these multi-billion-dollar acquisitions and report, as necessary, on their progress.

Similarly, the company continues its expansive infrastructure work to upgrade and/or build new tunnels, bridges, rail systems, rail yards, and stations. Between Washington, D.C., and Boston alone, the company has approximately 30 projects in various stages from concept planning to major construction, which includes multi-billion-dollar projects like the Hudson Tunnel Project and the Frederick Douglass Tunnel program. As our previous work indicates, we believe the success of these projects depends on such factors as reliable funding, disciplined program and project management, effective relationships with program and project partners, and transparent fiscal responsibility.

To this end, we are conducting or have planned reviews of Amtrak's use and accounting of Infrastructure Investment and Jobs Act awarded funds; management of its National Facilities Program (upgrades to maintenance facilities across the country to prepare for new trainsets); the strategy, processes, and data the company uses to manage its state of good repair work; its effort to support the Hudson Tunnel Project; and its management of other significant construction projects like those for the East River Tunnel and Susquehanna River Bridge.

FROM THE INSPECTOR GENERAL

Our Office of Investigations continues to aggressively pursue fraud, waste, and abuse. For example, our investigative efforts during this reporting period led to federal bribery and false claims charges against the president of a contracting firm that supported work on Amtrak's 30th Street Station in Philadelphia. The contractor allegedly bribed an Amtrak project manager with more than \$326,000 worth of paid vacations, jewelry, cash, dinners, and other items of value in exchange for expensive contract modifications and internal information about the project. Three other employees of the contractor were previously charged in connection with the scheme, one of whom has pleaded guilty. In addition, the three employees have now been suspended from participating in federal procurement and non-procurement programs and activities.

Our investigative efforts have also brought accountability to a number of Amtrak employees who accepted cash kickbacks from providers as part of a health care fraud scheme. The providers used the employees' health insurance information to fraudulently bill Amtrak's health care plans for more than \$11 million. Of the 12 current and former employees who have been federally charged in the scheme, three have pleaded guilty to health care fraud-related charges and are pending sentencing. Three medical providers and a medical biller have also been charged in the scheme, all of whom have pleaded guilty with two of the providers already serving their sentences. To date, our investigation has also helped recover more than \$10 million to Amtrak, via restitution orders.

More recently, our investigators have also provided fraud awareness training to employees in Amtrak's procurement department, to include information on common fraud schemes, red flags, and case studies from our own investigations on health care fraud, conflicts of interest, and bribery and collusion cases. This outreach not only helps create understanding of the persistent risk of fraud, but it also encourages employees to report suspected fraud to our agents. Notably, we have seen positive changes within the company's own fraud training, to include information on when and

how to contact our OIG if an employee suspects fraud. In addition, the company regularly shares the results of our cases on its employee portal to emphasize the consequences of fraud, and it also updated its process for evaluating contract bidders based on our work in various conflict of interest investigations.

Over the next six months, we are committed to providing oversight on high-impact areas including but not limited to Amtrak's safety and security, major programs, procurement processes, and financial management. It continues to be my privilege to work with the dedicated professionals on our team who remain fully committed to our oversight mission. In that regard, we bade a fond farewell to Jim Morrison, our Assistant Inspector General for Audits for the past five years, who retired on September 27, 2024, capping a remarkable career in oversight, ranging from the Government Accountability Office to NASA OIG. We are grateful for his thoughtful leadership and contributions these past years and wish him all the best.

We also appreciate the continued interest in and support for our work by Congress, and trust that you will find this report informative.







OFFICE OF AUDITS

Safety and Security

Ongoing Work

Audit of Amtrak's Oversight and Operation of Positive Train Control (PTC). Our objective will be to evaluate the company's efforts to operate PTC, measure its performance, and assess safety risks.

Audit of Amtrak's Trespasser and Vehicle Strikes. Our objectives will be to assess the company's efforts to reduce the risk of trespasser and vehicle strikes and to identify challenges or opportunities for improvement.

Major Programs

Company Established a Management Framework for Long Distance Fleet Replacement Program but Can Improve Risk Management and Clarify Lines of Authority

(Report No. OIG-A-2025-001, December 13, 2024)

The company's long distance service consists of 15 routes that are 750 miles or longer, across 39 states. In December 2023, the company released a



Request for Proposal to replace its aging long distance equipment—some of which is more than 40 years old and is approaching the end of its service life—with a more reliable, efficient, and accessible fleet. Under the Long Distance Fleet Replacement program, it expects to replace its entire fleet in a four-phased approach. Our audit focused on phase 1—the purchase of bilevel railcars for 9 of its 15 long distance routes—which the company plans to complete in 2035, using up to \$7 billion in funding from the Infrastructure Investment and Jobs Act (IIJA). Our objective was to assess the company's management and oversight of the LDFR program and to identify any risks to its successful delivery.

We found that the company was in the process of identifying car builders for the first phase of the LDFR program and had established a management framework to execute the program once it selects a car builder. Early challenges in developing design requirements for the trainsets, however, had delayed the schedule, and the complexity of the program itself poses an innate risk of cost increases and additional delays.

EARLY CHALLENGES IN DEVELOPING DESIGN REQUIREMENTS FOR THE TRAINSETS, HOWEVER, HAD DELAYED THE SCHEDULE, AND THE COMPLEXITY OF THE PROGRAM ITSELF POSES AN INNATE RISK OF COST INCREASES AND ADDITIONAL DELAYS.

Given the program's significant size, any material cost or schedule increases could have cascading impacts on the company's ability to accomplish other major capital projects and maintain its existing long distance service. We identified the following shortcomings:

- **Complex requirements caused delays and pose additional risks.** The LDFR program is inherently complex, and the company's initial

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requirements, including premium designs and amenities, contributed to this complexity. Car builders provided feedback, however, about their ability to meet some of these requirements, causing the company to amend its requests which delayed the procurement by seven months. As the company moves to select a car builder, the more complexity it opts for in the acquisition, the greater its potential cost and schedule risk.

- **Capital Delivery department established a program framework, but it could improve risk management and clarify lines of authority.** Although the Capital Delivery department established a risk management plan, it had not developed contingency plans for the highest risks. In addition, the lines of authority on the program had been unclear from the outset, resulting in slow decision making that may be exacerbated by recent departures in program leadership. Addressing these components could help mitigate risks.



ALTHOUGH THE CAPITAL DELIVERY DEPARTMENT ESTABLISHED A RISK MANAGEMENT PLAN, IT HAD NOT DEVELOPED CONTINGENCY PLANS FOR THE HIGHEST RISKS.

We recommended that the company review and clarify the roles, responsibilities, and lines of authority for each stage of the program; fill program vacancies; and identify contingencies for its major risks. Management agreed with our recommendations and plans to implement all of them by December 2025. Because the company was in the process of amending its requirements for the trainsets, we did not make a recommendation in this area, but we noted that any future decisions that would add complexity to this program warrant thoughtful consideration and caution.

Ongoing Work

Audit of Amtrak's National Facilities Program. Our objectives will be to assess the company's management of the program and to identify any risks to achieving its goals.

Audit of Amtrak's Hudson Tunnel project. Our objective will be to assess Amtrak's efforts to support the project and oversee the company's interests as the project advances.

Asset Management

Ongoing Work

Audit of Amtrak's State of Good Repair Efforts. Our objective will be to assess the strategy, processes, and data the company uses to manage its state of good repair work.



its IPA, and in January 2025, the Board appointed the IPA the company selected. In accordance with relevant federal auditing guidance, we monitored the company's process for recompeting this contract. We found that the company followed its policies to ensure fair and open competition, that it procured the services of an independent and qualified IPA, and that the contract terms allow our office to continue to meet the statutory requirements to monitor the IPA's audit activities.

WE FOUND THAT THE COMPANY FOLLOWED ITS POLICIES TO ENSURE FAIR AND OPEN COMPETITION, THAT IT PROCURED THE SERVICES OF AN INDEPENDENT AND QUALIFIED IPA, AND THAT THE CONTRACT TERMS ALLOW OUR OFFICE TO CONTINUE TO MEET THE STATUTORY REQUIREMENTS TO MONITOR THE IPA'S AUDIT ACTIVITIES.

Governance

Ongoing Work

Audit of Amtrak's Management of Family and Medical Leave Act (FMLA) Process. Our objective will be to assess the extent to which the company is effectively managing FMLA leave.

Financial Management

Review of Amtrak's Procurement of Its Independent Public Accountant

(Report No. OIG-SP-2025-004, March 27, 2025)

As required by the Inspector General Act of 1978, as amended, we monitor the activities of the company's independent certified public accounting firm (IPA) to help ensure the quality of its audits of the company's financial statements and its compliance with applicable standards. The company recompeted the contract for

Quality Control Review of the Independent Audit of Amtrak's Consolidated Financial Statements for Fiscal Year Ended 2024

(Report No. OIG-A-2025-002, January 22, 2025)

The company contracted with the independent certified public accounting firm of Ernst & Young LLP to audit its consolidated financial statements as of September 30, 2024, and for the year then ended, and to provide a report on internal control over financial reporting and on compliance and other matters. Because the company receives federal funding, it must obtain an audit performed in accordance with generally accepted government auditing standards.

As required by the Inspector General Act of 1978, we monitored the audit activities of Ernst & Young to help ensure audit quality and compliance with auditing standards. Our review disclosed no instances in which Ernst & Young LLP did not comply, in all material respects, with generally accepted government auditing standards.

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Ongoing Work

Audit of Amtrak’s Administration of IIJA Funds. Our objective will be to assess the company’s efforts to comply with IIJA requirements, including how it uses, accounts for, and reports on awarded funds.

Monitoring the Work of Amtrak’s IPA Conducting the Fiscal Year 2024 Single Audit. The objective is to determine whether the IPA performed the Single Audit in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States and Office of Management and Budget, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200.

Monitoring the Work of the IPA Conducting the Fiscal Year 2025 Consolidated Financial Statement Audit. Our objective will be to determine whether the IPA performed the audit of the company’s Consolidated Financial Statements in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

Monitoring the Work of Amtrak’s IPA Conducting the Fiscal Year 2025 Single Audit. The objective will be to determine whether the IPA performed the Single Audit in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States and Office of Management and Budget, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200.

Technology

Results of Audit Assessing the Company’s Disaster Recovery Practices for Its Operational Technology Systems
(Report No. OIG-A-2025-003, January 31, 2025)

Amtrak uses operational technology systems to manage equipment that controls train operations,

such as communications and dispatching. Disruptions to these systems resulting from a disaster—whether caused by human or technical error, natural disasters, cybersecurity attacks, or physical attacks—could cause train delays and cancellations, revenue losses, and safety risks. Accordingly, our objective was to assess the company’s disaster recovery practices for its operational technology systems.

Our assessment resulted in three recommendations. In commenting on a draft of this report, company executives agreed with our recommendations and described ongoing and planned actions to address them.

Ongoing Work

Audit of Amtrak’s Cloud Computing Practices. Our objective will be to assess the extent to which the company has implemented effective governance processes and security controls for cloud computing.

Train Operations

Ongoing Work

Customer Service for Passengers with Disabilities. Our objective will be to assess company efforts to provide high-quality customer service to passengers with disabilities.

Procurement

Ongoing Work

Audit of Amtrak’s Procurement Process. Our objective will be to determine if the company has effective controls and processes to ensure fair and open competition during the pre-award phase.





OFFICE OF INVESTIGATIONS

Policy Violations and Employee Misconduct

Employee Fired for Allowing Un-ticketed Person to Place Package on Train

March 2025

A ticket/accounting representative based in Greensboro, North Carolina, was terminated from employment on March 27, 2025, following an administrative hearing. Our investigation found that the former employee violated company policy by allowing an unknown and un-ticketed individual to proceed to the train platform and put an unidentified package onto the train without knowing its contents. The package was subsequently found to contain illegal narcotics. The former employee is not eligible for rehire.

OUR INVESTIGATION FOUND THAT THE FORMER EMPLOYEE VIOLATED COMPANY POLICY BY ALLOWING AN UNKNOWN AND UN-TICKETED INDIVIDUAL TO PROCEED TO THE TRAIN PLATFORM AND PUT AN UNIDENTIFIED PACKAGE ONTO THE TRAIN WITHOUT KNOWING ITS CONTENTS. THE PACKAGE WAS SUBSEQUENTLY FOUND TO CONTAIN ILLEGAL NARCOTICS.

Conflict of Interest

March 2025

Two employees violated Amtrak policies by not disclosing a potential conflict of interest when they were assigned to a Technical Evaluation Committee for an infrastructure assessment program. While participating on the committee, both employees failed to disclose that a family member worked for one of the companies they were evaluating. One employee resigned and is not eligible for rehire, while the other received a final warning disciplinary letter.



Time and Attendance Abuse

March 2025

A carman based in Miami, Florida, resigned from his position on March 17, 2025, following an interview with our agents. Our investigation found that the former employee violated company policies by leaving work early so he could report to a second job. The former employee is not eligible for rehire. Previously, another employee identified in this investigation also resigned from his position. Our investigation found that the former employee was arrested and charged with first degree murder and was on a medical leave of absence while incarcerated.

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OUR INVESTIGATION FOUND THAT THE FORMER EMPLOYEE WAS ARRESTED AND CHARGED WITH FIRST DEGREE MURDER AND WAS ON A MEDICAL LEAVE OF ABSENCE WHILE INCARCERATED.

Outside Employment on Medical Leave

March 2025

A lead service attendant based in Los Angeles, California, resigned from her position on March 7, 2025, in lieu of an administrative hearing. Our investigation found that the former employee violated company policies by engaging in outside employment while on a medical leave of absence and continuing to receive Railroad Retirement Board (RRB) sickness and supplemental sickness benefits during that time, and by making false representations in support of her RRB and unemployment insurance claims. The former employee is not eligible for rehiring.

Time and Attendance Abuse

March 2025

A carman based in Miami, Florida, resigned from his position on March 2, 2025, while under investigation. Our investigation found that the former employee violated company policies by leaving work early so he could report to a second job as an airline mechanic at the Miami airport. The former employee is not eligible for rehiring.

THE FORMER EMPLOYEE VIOLATED COMPANY POLICIES BY ENGAGING IN OUTSIDE EMPLOYMENT WHILE ON A MEDICAL LEAVE OF ABSENCE AND CONTINUING TO RECEIVE RAILROAD RETIREMENT BOARD (RRB) SICKNESS AND SUPPLEMENTAL SICKNESS BENEFITS DURING THAT TIME, AND BY MAKING FALSE REPRESENTATIONS IN SUPPORT OF HER RRB AND UNEMPLOYMENT INSURANCE CLAIMS.



Conflict of Interest

February 2025

A senior management official based in Chicago, Illinois, was terminated from employment on February 21, 2025, as a result of our investigation. We found that the employee violated company policies by participating in the hiring process for a newly created position that resulted in the employee selecting a close friend for the position. The employee's participation in the hiring process, at a minimum, created the appearance of a conflict of interest. During the employee's interview with our agents, the employee acknowledged that these actions could create the appearance of a conflict of interest or bias.

THE EMPLOYEE VIOLATED COMPANY POLICIES BY PARTICIPATING IN THE HIRING PROCESS FOR A NEWLY CREATED POSITION THAT RESULTED IN THE EMPLOYEE SELECTING A CLOSE FRIEND FOR THE POSITION. THE EMPLOYEE'S PARTICIPATION IN THE HIRING PROCESS, AT A MINIMUM, CREATED THE APPEARANCE OF A CONFLICT OF INTEREST.

Second Job While Working Remotely

February 2025

An employee working remotely from Texas resigned during our investigation into allegations that since March 2023, she had been working full time for another company during the same hours. The secondary employer cooperated with our investigation, confirmed her employment, and subsequently terminated her. The former employee is not eligible for rehire.



Failure to Report Arrest; Using FMLA During Incarceration

January 2025

An electrical technician based in Washington, D.C., was arrested for driving more than 100 miles per hour while pursued by police and passing vehicles on the shoulder. He was charged with driving under the influence and other driving violations. He was held without bond on December 18, 2024, and remains incarcerated until his jury trial scheduled for March 17, 2025. While incarcerated, he applied for FMLA leave and failed to report his arrest to the company. He resigned on January 29, 2025, and is ineligible for rehire.

Unauthorized Discounts

January 2025

A customer service representative based in Tucson, Arizona, was terminated from employment on January 23, 2025, following an administrative hearing. Our investigation found that the employee violated company policies by providing discounts on two separate occasions to two individuals who did not appear to be entitled to the discounted train travel. The former employee is not eligible for rehire.



Computer Misuse

December 2024

A director based in New York City used his company-issued computer for personal business on company time. Those activities included visiting clothing, apparel, and design websites, excessively watching non-work-related YouTube videos, and visiting other personal-use websites. The employee was terminated on December 26, 2024, and is not eligible for rehire.

Failure to Report Domestic Violence Convictions

December 2024

A conductor based in Miami, Florida, was terminated from employment on December 13, 2024, following an administrative hearing. Our investigation found that the employee violated company policies by failing to report two domestic violence-related criminal convictions to the company within 72 hours after conviction, as company policy requires. The employee also violated company policy by being dishonest with our agents during his interview.

THE EMPLOYEE VIOLATED COMPANY POLICIES BY FAILING TO REPORT TWO DOMESTIC VIOLENCE-RELATED CRIMINAL CONVICTIONS TO THE COMPANY WITHIN 72 HOURS AFTER CONVICTION, AS COMPANY POLICY REQUIRES. THE EMPLOYEE ALSO VIOLATED COMPANY POLICY BY BEING DISHONEST WITH OUR AGENTS DURING HIS INTERVIEW.

Misusing Military Leave

November 2024

A carman journeyman based in Sanford, Florida, resigned on November 22, 2024, prior to the completion of his administrative hearing. Our investigation found that the former employee violated company policies by misusing military leave on 38 different occasions. Our investigation found that the former employee submitted little or no documentation to support his use of military leave, and we identified only four instances when he did provide documentation.

Misuse of Rail Pass

October 2024

A customer service representative based in Oakland, California, resigned on October 10, 2024, prior to her administrative hearing. Our investigation found that the former employee violated company policies by allowing individuals who were not entitled to pass travel privileges to travel on her pass. During her interview, the former employee admitted to her actions.

Unauthorized Use of Official Logo

October 2024

An engineer based in Raleigh, North Carolina, received a written reprimand and a 40-day suspension without pay on October 7, 2024. Our investigation found that

the employee violated company policies by using the company's trademarked logo and a picture of one of its locomotives on the website for his personal business.

Pandemic Relief Fraud, Settlements

Employee Sentenced for Pandemic Relief Fraud *March 2025*

A train attendant based in Chicago, Illinois, was sentenced on March 12, 2025, in U.S. District Court, Northern District of Indiana, to two years of probation, and was ordered to pay \$65,832 in restitution. Our investigation found that the employee provided fraudulent documents and made false representations to obtain two Paycheck Protection Program (PPP) loans totaling \$40,832, to which he was not entitled. Our investigation also found that the employee provided fraudulent information to the Illinois Housing Development Authority and was awarded a \$25,000 grant based upon his false representations. The employee pleaded guilty on May 14, 2024, to mail fraud.

THE EMPLOYEE PROVIDED FRAUDULENT DOCUMENTS AND MADE FALSE REPRESENTATIONS TO OBTAIN TWO PAYCHECK PROTECTION PROGRAM LOANS TOTALING \$40,832, TO WHICH HE WAS NOT ENTITLED. OUR INVESTIGATION ALSO FOUND THAT THE EMPLOYEE PROVIDED FRAUDULENT INFORMATION TO THE ILLINOIS HOUSING DEVELOPMENT AUTHORITY AND WAS AWARDED A \$25,000 GRANT BASED UPON HIS FALSE REPRESENTATIONS.

Employee Sentenced for Pandemic Relief Fraud *January 2025*

A train director based in Chicago, Illinois, pleaded guilty on January 27, 2025, in Marion Superior Court, Indiana, to felony theft. The same day, the employee was sentenced to a 545-day suspended sentence and 545 days of probation. The employee was ordered to take an anti-theft class and pay restitution in the amount of \$8,978 to the Indiana Department of Workforce Development. Our investigation found that



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the employee fraudulently applied for and received pandemic unemployment related funds to which she was not entitled.

Civil Settlement

December 2024

A customer service representative based in Miami, Florida, signed a civil settlement agreement on December 21, 2024, with the U.S. Attorney's Office, Southern District of Florida. The employee agreed to pay \$48,000 in restitution and penalties related to the fraudulent receipt of two pandemic related loans. The employee applied for and received an Economic Injury Disaster Loan (EIDL) in the amount of \$30,500 and a PPP loan in the amount of \$12,522.50. The loan applications contained false statements and information to qualify for the loans. As a result, the employee received pandemic relief funds to which he was not entitled.

Civil Settlement

December 2024

A customer service representative based in West Palm Beach, Florida, signed a civil settlement agreement on December 6, 2024, with the U.S. Attorney's Office, Southern District of Florida. The employee agreed to pay \$32,481 in restitution and a penalty of \$1,500 related to the fraudulent receipt of an EIDL in the amount of \$42,900. Our investigation found that the employee applied for an EIDL for economic losses resulting from the pandemic related to self-employment or businesses he allegedly owned. We found that the employee submitted an application containing false statements and information to qualify for the loan. As a result, the employee received an EIDL in the amount of \$42,900 to which he was not entitled.

Arrests, Indictments for Pandemic Relief Fraud

October 2024

Vanessa M. Williams, 35, of Corona, and Denise Mata, 34, of Moreno Valley, were arrested October 24, 2024, on a 23-count federal grand jury indictment alleging



they and two men defrauded a pandemic relief program of more than \$3 million by helping others fraudulently obtain pandemic-related business loans in exchange for a cut of the illicit proceeds. They were later arraigned in U.S. District Court in Riverside, California. From March 2021 to August 2021, the defendants submitted and caused to be submitted fraudulent Paycheck Protection Program loans for themselves, family members, close associates, and individuals they recruited. Amtrak OIG agents led the investigation as part of the Pandemic Response Accountability Committee Task Force, along with Homeland Security Investigations.

FROM MARCH 2021 TO AUGUST 2021, THE DEFENDANTS SUBMITTED AND CAUSED TO BE SUBMITTED FRAUDULENT PAYCHECK PROTECTION PROGRAM LOANS FOR THEMSELVES, FAMILY MEMBERS, CLOSE ASSOCIATES, AND INDIVIDUALS THEY RECRUITED. AMTRAK OIG AGENTS LED THE INVESTIGATION AS PART OF THE PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE TASK FORCE, ALONG WITH HOMELAND SECURITY INVESTIGATIONS.



Health Care Fraud

Patient Broker Sentenced, Another Pleads Guilty *January 2025*

Kevin Leonard, a Tennessee resident, was sentenced on January 31, 2025, in U.S. District Court, Southern District of California, for health care fraud. Leonard was sentenced to five years of probation and ordered to forfeit \$234,000. Leonard was a patient broker who unlawfully brokered patients to clinical treatment facilities owned and operated by Paragon Recovery LLC. In exchange, Leonard and others received kickback payments. The scheme resulted in the inflated fraudulent billing of insurance providers, including Amtrak's.

In addition, Casimiro Bojorquez, a California resident, pleaded guilty on January 14, 2025, to conspiracy related to the health care fraud scheme. Our investigation found that Bojorquez and others conspired to solicit, offer, and receive illegal remunerations for referrals to clinical treatment facilities owned and operated by Paragon Recovery. Amtrak's insurance providers were billed approximately \$1,152,000 by facilities owned and operated by Paragon Recovery over the course of the scheme.

Employees Plead Guilty in \$11 million Scheme *February 2025*

Employees Rodolfo Rivera, 41, of Clayton, Delaware, and Anthony Saloka, 44, of Elizabeth, New Jersey, separately pleaded guilty in Newark federal court to conspiracy to commit health care fraud. Rivera and Saloka were given thousands of dollars in cash kickbacks for allowing health care providers to fraudulently bill Amtrak's health care plan for services that were never provided and that were not medically necessary. Three health care providers and a medical biller have also pleaded guilty for their part in the \$11 million scheme, two of whom have been sentenced. In addition, a former Amtrak employee, Devon Burt of Blue Bell, Pennsylvania, pleaded guilty in June 2023 to charges of conspiracy to commit health care fraud and

conspiracy to communicate extortionate threats. Burt and a co-conspirator, Hallum Gelzer, of East Orange, New Jersey, worked with health care providers to recruit Amtrak employees to participate in the scheme. Gelzer pleaded guilty to the same charges as Burt in June 2023.

EMPLOYEES RODOLFO RIVERA, 41, OF CLAYTON, DELAWARE, AND ANTHONY SALOKA, 44, OF ELIZABETH, NEW JERSEY, SEPARATELY PLEADED GUILTY IN NEWARK FEDERAL COURT TO CONSPIRACY TO COMMIT HEALTH CARE FRAUD. RIVERA AND SALOKA WERE GIVEN THOUSANDS OF DOLLARS IN CASH KICKBACKS FOR ALLOWING HEALTH CARE PROVIDERS TO FRAUDULENTLY BILL AMTRAK'S HEALTH CARE PLAN FOR SERVICES THAT WERE NEVER PROVIDED AND THAT WERE NOT MEDICALLY NECESSARY.



Other Settlements, Resolutions, or Crimes

Contractor Owner Charged for Bribery; Contractor Employee Sentenced

March 2025; February 2025

Mark Snedden, 69, of Munster, Indiana, was charged March 27, 2025, with conspiracy to commit federal program bribery and making and presenting a false claim after he allegedly conspired with Lee Maniatis, Khaled Dallo, and Donald Seefeldt—vice presidents with Snedden's company—to bribe an Amtrak project manager with approximately \$323,686 worth of paid vacations, jewelry, cash, dinners, entertainment, transportation, and other items of value. In exchange, the former project manager approved over \$52 million in additional change orders and contract modifications and provided the contractor with internal information about the project. Maniatis, Dallo, and Seefeldt were previously charged for their alleged participation in the scheme, and Seefeldt pleaded guilty to conspiracy to commit federal program bribery February 12, 2025. Maniatis, Dallo, and Seefeldt have been suspended by the Federal Railroad Administration from participating in all federally funded procurement and non-procurement programs and activities. As a result of the scheme, Amtrak was overbilled by more than \$2 million for completion of the repair and restoration work.

MARK SNEDDEN, 69, OF MUNSTER, INDIANA, WAS CHARGED MARCH 27, 2025, WITH CONSPIRACY TO COMMIT FEDERAL PROGRAM BRIBERY AND MAKING AND PRESENTING A FALSE CLAIM AFTER HE ALLEGEDLY CONSPIRED WITH LEE MANIATIS, KHALED DALLO, AND DONALD SEEFELDT—VICE PRESIDENTS WITH SNEDDEN'S COMPANY—TO BRIBE AN AMTRAK PROJECT MANAGER.

Two Sentenced for Credit Card Fraud

January 2025, November 2024

Ernesto Ruiz and Eric Cardenas, both of Orlando, Florida, were sentenced January 29, 2025 and November 14, 2024, respectively, for fraudulent use of a credit card. Ruiz was sentenced to one day incarceration and ordered to pay a special assessment of \$618, and Cardenas was sentenced to four days of incarceration and was assessed a fine of \$473. Our investigation found that Ruiz and Cardenas were part of a sophisticated credit card fraud ring operating throughout central Florida. They used fraudulently obtained credit cards, including an Amtrak Wright Express Corporation card, to purchase fuel.

woman on an Amtrak train from Albany to Syracuse, New York, on April 26, 2024. During our interview with the employee, he admitted to his actions. He is ineligible for rehire.

OUR INVESTIGATION FOUND THAT THE EMPLOYEE VIOLATED COMPANY POLICY BY SEXUALLY HARASSING A WOMAN ON AN AMTRAK TRAIN FROM ALBANY TO SYRACUSE, NEW YORK, ON APRIL 26, 2024. DURING OUR INTERVIEW WITH THE EMPLOYEE, HE ADMITTED TO HIS ACTIONS.

Train Attendant Fired for Sexually Harassing Customer

January 2025

A train attendant based in New York City was terminated on January 16, 2025, after his administrative hearing. Our investigation found that the employee violated company policy by sexually harassing a

Former Passenger Engineer Sentenced for Sexual Assault

November 2024

Akheem Currie, a former passenger engineer who worked aboard Maryland Area Rail Commuter trains, was sentenced for second degree assault and fourth





degree sex offense in Maryland Circuit Court for Baltimore City on November 21, 2024. On June 27, 2024, a jury for the Circuit Court found Currie guilty of Assault in the Second Degree and Sex Offense in the Fourth Degree. Currie allowed a female passenger to board a train without a ticket and subsequently assaulted her by inappropriately touching and kissing her. Currie received a five-year sentence (suspended, all but time served), and was placed on three years of probation. Additionally, he must submit to a mental health evaluation and treatment and register as a sex offender for 15 years. Currie was terminated October 31, 2024, after his administrative hearing and is not eligible for rehire.

CURRIE ALLOWED A FEMALE PASSENGER TO BOARD A TRAIN WITHOUT A TICKET AND SUBSEQUENTLY ASSAULTED HER BY INAPPROPRIATELY TOUCHING AND KISSING HER. CURRIE RECEIVED A FIVE-YEAR SENTENCE (SUSPENDED, ALL BUT TIME SERVED), AND WAS PLACED ON THREE YEARS OF PROBATION.

New York Man Sentenced for Sexual Activity with Child

November 2024

Andre Wilburn, a resident of New York, was sentenced in U.S. District Court, Eastern District of New York, on November 14, 2024, to two years of imprisonment, five years of probation, and was ordered to pay restitution in the amount of \$468,037 for his participation in an Amtrak ticket fraud scheme. Wilburn and his co-conspirators used stolen credit card information to make unauthorized purchases of Amtrak tickets and then canceled or exchanged those tickets for eVouchers. Subsequently, they sold the fraudulently obtained eVouchers on the internet. Wilburn pleaded guilty on October 24, 2019, to access device fraud and aggravated identity theft for his involvement in the eVoucher scheme.

AMTRAK OIG AGENTS DISCOVERED CHILD PORNOGRAPHY ON WILBURN'S COMPUTER DURING THE INVESTIGATION, INCLUDING IMAGES THAT SHOWED WILBURN CONDUCTING SEXUAL ACTS ON A CHILD.

In addition, Wilburn was sentenced to 30 years of imprisonment and five years of probation on November 14, 2024, for charges of Coercion and Enticement of a minor. Amtrak OIG agents discovered child pornography on Wilburn's computer during the investigation, including images that showed Wilburn conducting sexual acts on a child. Wilburn pleaded guilty to one count of the charge on August 15, 2022.

Former Employee Sentenced for Lying to Agents

November 2024

Maurice Driver, a former lead service attendant based in Washington, D.C., was sentenced in U.S. District Court, District of Columbia, on November 6, 2024, for making false statements. He was sentenced to time served and a criminal fine of \$200. According to court



documents, Driver was working as a Lead Service Attendant in the café car on an Amtrak train, which departed from Washington, D.C., in the afternoon of January 3, 2024, and ended in Chicago, Illinois, on the morning of January 4, 2024. While working on that train, Driver met a passenger, spoke, and texted with the passenger, and allowed the passenger to use a vacant sleeper car on the train. On January 4, 2024, in Chicago, that passenger reported to Amtrak Police that Driver sexually assaulted her in a sleeper car on the train. Amtrak OIG then initiated an investigation of the sexual assault allegations. During an interview with an Amtrak OIG Special Agent, Driver made multiple false and misleading statements about his communications and contacts with the passenger, denying that he gave

the passenger his personal phone number, texted with the passenger, and that he showed the passenger to a sleeper car. On August 8, 2024, Driver pleaded guilty to lying to a federal agent, and he was terminated on October 31, 2024. He is not eligible for rehiring.

DURING AN INTERVIEW WITH AN AMTRAK OIG SPECIAL AGENT, DRIVER MADE MULTIPLE FALSE AND MISLEADING STATEMENTS ABOUT HIS COMMUNICATIONS AND CONTACTS WITH THE PASSENGER, DENYING THAT HE GAVE THE PASSENGER HIS PERSONAL PHONE NUMBER, TEXTED WITH THE PASSENGER, AND THAT HE SHOWED THE PASSENGER TO A SLEEPER CAR. ON AUGUST 8, 2024, DRIVER PLEADED GUILTY TO LYING TO A FEDERAL AGENT, AND HE WAS TERMINATED ON OCTOBER 31, 2024.





APPENDIX A: STATISTICAL DATA

TABLE A.1. FINANCIAL IMPACT

MONETARY BENEFIT TYPE	AMOUNT THIS PERIOD
Better Use of Funds	—
Questioned Costs	—
Recoveries and Restitution	\$678,615
Forfeitures	\$234,000
Cost Avoidance	\$46,512

TABLE A.2. AUDIT ACTIVITY DURING THE PERIOD

REPORT INFORMATION	BETTER USE OF FUNDS	QUESTIONED COSTS
Review of Amtrak’s Procurement of Its Independent Public Accountant <i>Issued March 27, 2025 Report No. OIG-SP-2025-004</i>	—	—
Results of Audit Assessing the Company’s Disaster Recovery Practices for Its Operational Technology Systems <i>Issued January 31, 2025 Report No. OIG-A-2025-003</i>	—	—
Quality Control Review of the Independent Audit of Amtrak’s Consolidated Financial Statements for Fiscal Year Ended 2024 <i>Issued January 22, 2025 Report No. OIG-A-2025-002</i>	—	—
Company Established a Management Framework for Long Distance Fleet Replacement Program but Can Improve Risk Management and Clarify Lines of Authority <i>Issued December 13, 2024 Report No. OIG-A-2025-001</i>	—	—
Total Monetary Impact	—	—

TABLE A.3. ONGOING AUDITS

ONGOING PROJECT STATUS	NUMBER OF PROJECTS
Audit Projects In-process, as of 3/31/2024	9
Audit Projects Canceled	—
Canceled Audit Projects Not Disclosed to the Public	—
Audit Projects Started Since 3/31/2024	8
Audit Products Issued Since 3/31/2024	4
Audit Projects In-process, as of 9/30/2024	13

APPENDIX A

TABLE A.4. ADVISORY FUNCTIONS DURING THE PERIOD

ACTIVITY	ACTIONS
Freedom of Information Act (FOIA) Requests Received	9
FOIA Requests Processed	9
FOIA Requests Referred to Amtrak	1
FOIA Requests with Responses Pending	—
FOIA Appeals Received	—
FOIA Appeals Processed	—
Legislation Reviewed	—
Regulations Reviewed	10
Outside Agency Consultation	—

TABLE A.5. INVESTIGATIVE ACTIVITY DURING THE PERIOD

INVESTIGATIVE CASELOAD	NUMBER
Investigations Opened	77
Investigations Closed	55
Closed Investigations of Senior Employees Not Publicly Disclosed	—

CASES OPENED	NUMBER
Major Misconduct and General Crimes	67
Health Care Fraud	1
Contract and Procurement Fraud	9
Federal Employers' Liability Act and Other Claims Fraud	—

HOTLINE ACTIVITY	NUMBER
Total Processed (Closed)	360

JUDICIAL AND ADMINISTRATIVE ACTIONS	NUMBER
Criminal Referrals to the Department of Justice	10
Criminal Referrals to State and Local Prosecuting Authorities	1
Criminal Referrals Declined	6
Arrests	23
Indictments/Informations ^a	22

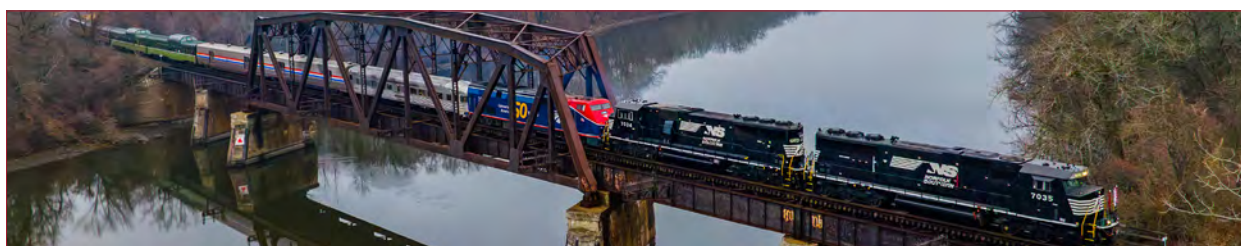
Convictions	10
Investigative Reports Issued to the Company	22
Administrative Actions	40

Notes:

^a Indictments/Informations include all indictments, informations, and complaints sealed and unsealed, of individuals who were charged during this reporting period by federal, state, and local prosecutors. Twenty-two of the indictments/informations reported during this reporting period were referred for prosecution in a prior reporting period.

TABLE A.6. REPORTS DESCRIBED IN PREVIOUS SEMIANNUAL REPORTS FOR WHICH CORRECTIVE ACTIONS ARE NOT COMPLETE^a

REPORT INFORMATION	BETTER USE OF FUNDS	QUESTIONED COSTS
Rightsizing Workforce and Using It More Flexibly Could Reduce Costs at Preventative Maintenance Facilities <i>Issued September 3, 2019 Report OIG-A-2019-012</i>		
2. Continue to work with the Labor Relations department to identify opportunities to increase staffing flexibility among agreement employees, especially as the company develops maintenance strategies for the new equipment it is purchasing.	—	—
Stronger Controls Would Help Identify Fraudulent Medical Claims Sooner and Limit Losses <i>Issued December 10, 2019 Report OIG-A-2020-003</i>		
2. Implement proactive fraud detection procedures sooner, such as a data analytics capability, so that the company can stop fraudulent payments earlier.		
3a. Implement cost effective fraud awareness initiatives to enable plan members to better recognize and report potential fraud.	—	—
Amtrak Expects Positive Train Control will be Interoperable with Other Railroads but Could Better Measure System Reliability <i>Issued December 11, 2020 Report OIG-A-2021-004</i>		
1. Work with the company's Information Technology department to research electronic tools to access and report on PTC data and submit preferred options for funding consideration.	—	—



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Amtrak Has Begun to Address State Partners' Concerns About Shared Costs But Has More Work to Do to Improve Relationships <i>Issued January 31, 2022 Report OIG-A-2022-005</i>		
1a. Clarify and document the following in the revised methodology, state partner contracts, or elsewhere: the decisions impacting state-supported costs that the company must control to ensure that it can manage its national network, when and how the company will communicate them to the state partners, and the level of state partner control over other decisions affecting their costs.	—	—
1b. Clarify and document the following in the revised methodology, state partner contracts, or elsewhere: the level and type of support the company will provide in response to state partners' inquiries and concerns about their costs.	—	—
2a. Clarify and document in the methodology, state partner contracts, or elsewhere, the extent to which the company will continue to use allocations to determine the state partners' share of costs.	—	—
2b. Clarify and document in the methodology, state partner contracts, or elsewhere, the extent to which the methodology will have state partners cover additional fixed asset and other capital expenditures, continue to have the company cover them, or some other solution.	—	—
2c. Work with Congress to ensure that the solution in recommendation 2b meets its intent under section 209 of [the Passenger Rail Investment and Improvement Act], and, if not, work with Congress on a resolution.	—	—
3. To ensure a common picture of the accuracy of the company's bills and help address any recurring billing issues that arise, develop and begin to implement a process to track and regularly share with all state partners the number, type, and magnitude of errors that occur on state partner bills. To reduce the work burden, consider partnering with [the State-Amtrak Intercity Passenger Rail Committee] to assist with these efforts.	—	—

4. After the cost-sharing methodology is revised, document and communicate to all state partners the company's process for implementing the methodology, and for calculating and billing the state partners' share of state-supported costs. This might include the data collection and processing steps, stakeholders, roles and responsibilities, and quality assurance steps involved in this process. The company could consider using documentation that the Northeast Corridor Commission uses as a general model for how to accomplish this.	—	—
5. To the extent that cost allocations remain pertinent to the revised methodology, work with [the State-Amtrak Intercity Passenger Rail Committee] to ensure that its independent third party periodically reviews and validates that the systems the company uses to implement it, do so accurately and in accordance with the methodology, particularly the [Amtrak Performance Tracking System] allocations and the [Profit and Loss] Tool.	—	—
6. Establish in policy a process to consistently communicate to internal stakeholders and state partners any system changes the company makes that materially impact state partners' costs, either before making the change or as soon as practical thereafter.	—	—
Company Appears on Track to Achieve Emissions Reduction Goals; Opportunities Exist to Reduce Excess Idling and Provide Training <i>Issued October 18, 2022 Report OIG-A-2023-001</i>		
1. Further analyze the data it already collects and collect additional data to identify opportunities to reduce excess idling. This could include analyzing trend data on excess idling over time, by location, and by locomotive.	—	—
2. Using these analyses, establish and implement a process to regularly target and reduce excess idling companywide. This could include developing a real-time alert for the appropriate mechanical staff that would allow them to make needed repairs to prevent excess idling.	—	—



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<p>Better Identifying and Tracking Operational and Technology Assets Across the Company Would Improve Cybersecurity</p> <p><i>Issued November 7, 2022 Report OIG-A-2023-002</i></p>		
<p>3. Develop and implement enterprise-wide policies and procedures—including clear roles and responsibilities for all key stakeholders—as well as training for maintaining complete [Operational Technology] asset inventory.</p>	—	—
<p>Company Is Strengthening Project Cost Management but Can Better Organize Costs and Improve Guidance</p> <p><i>Issued July 17, 2023 Report OIG-A-2023-010</i></p>		
<p>1. Conduct a comprehensive study to identify how the company can support the development and use of more detailed and standardized work breakdown structures in accordance with common industry practices. At minimum, this analysis should determine the following for the Capital Delivery department:</p> <p>a. how many levels of cost detail project managers need to effectively track and manage costs for a diverse capital portfolio</p> <p>b. the extent to which projects or programs should have work breakdown structures with standardized cost elements</p> <p>c. based on the above decisions, the people, systems, and processes necessary to develop more detailed and standardized work breakdown structures and sustain them over time.</p>	—	—
<p>2. Based on the results of the study, develop a proposal specifying the people, processes, and systems needed to implement more detailed and standardized work breakdown structures and submit it to the Executive Leadership Team for consideration.</p>	—	—
<p>Company Improved Management of New Acela Program, but Additional Delays and Cost Increases are Likely</p> <p><i>Issued September 29, 2023 Report OIG-A-2023-013</i></p>		
<p>3. Work collaboratively with the vendor to identify the risk of future field modification instructions, as well as any modifications needed as a result of the model validation efforts, and develop plans to mitigate their schedule impact.</p>	—	—



Results of Audit Assessing Company Controls to Protect Information Systems and Data from Insider Threats <i>Issued December 11, 2023 Report OIG-A-2024-001</i>		
2. Based on the results of the risk assessment, develop and implement a plan to better control, monitor, and block identified data and user activities for its systems.	—	—
3. Establish a policy that clearly defines departmental roles and responsibilities for insider threat activities, including responding to insider threats.	—	—
4. Establish a process to track and enforce access management requirements for the company's non-financial systems, including ensuring system owners are aware of and complete required access reviews.	—	—
5. Conduct an insider threat risk assessment and determine what data, transfer methods, user activities, and systems are most critical to control, monitor, and block.	—	—
Company is Meeting Hiring Goals but Has Opportunities to Improve Hiring Efficiency <i>Issued December 14, 2023 Report OIG-A-2024-002</i>		
1. Establish a process to regularly validate the accuracy, completeness, and consistency of the data it uses to assess the timeliness of the hiring process.	—	—
2. Implement tools to centrally analyze and routinely report detailed and accurate timeline data, including phase-specific hiring goals and metrics to monitor hiring efficiency over time.	—	—
3. Explore and implement technology solutions that minimize reliance on manual analyses and processes in the company's preboarding clearance systems. At a minimum, this should include coordinating with the contractor that oversees clearances to augment the data transmitted to the company automatically and engage Digital Technology to support the flow of these additional data.	—	—
4. Implement a process of regular checks or audits to comprehensively verify whether candidates' clearances are accurately reflected in the preboarding clearance systems and identify the causes of any anomalies.	—	—



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Company Has Opportunities to More Effectively Manage and Safeguard Maintenance-of-Equipment Inventory <i>Issued February 22, 2024 Report OIG-A-2024-004</i>		
1a. Develop and implement a process to ensure that the data used for Maintenance-of-Equipment inventory demand forecasting and replenishment more accurately and reliably reflect consumption. At a minimum, this should include better tracking of employee practices that distort consumption data, such as enforcing the requirement to track the use of parts cannibalized from other units.	—	—
1b. Develop and implement a process to regularly and consistently review and update inventory attributes that the company relies on for forecasting and replenishment, such as reorder points and lead times.	—	—
2. Develop and document strategic goals and metrics for inventory management that align with the company's broader goals. Options might include measuring how frequently a Maintenance-of-Equipment inventory shortage causes a train to be delayed and the extent to which Maintenance-of-Equipment inventory shortages impact the company's service capacity.	—	—
4. Assess the costs and benefits of updating inventory item information in the company's inventory management system. At a minimum, assess the costs and benefits of updating, clarifying, and standardizing item names, descriptions, units of measure, and accompanying photographs, as well as options for doing so. Based on this assessment, determine what actions, if any, to take.	—	—
5. Develop and begin implementing a risk-based plan to secure inventory facilities across the company.	—	—
Opportunities Exist to Better Use Data to Improve the Customer Experience <i>Issued April 17, 2024 Report No. OIG-A-2024-006</i>		
1. Work with the Digital Technology department to complete the customer communications dashboard to ensure that stakeholders can more easily access and filter data about communications sent to customers during en route delays.	—	—
2. Establish thresholds for when to communicate electronically with passengers during en route delays and the frequency of updates about those delays. To track and assess performance, establish goals for how well the Customer Communications Team meets those thresholds.	—	—
3. Work with the Digital Technology department to establish a process to regularly report to Marketing and Operations department officials and senior leadership on the Customer Communications Team's performance meeting the new goals for sending communications to customers about en route delays.	—	—

4. Measure and report performance to senior leadership on the call abandonment rate and the number of calls on hold for long periods. Assess the costs and benefits of improving in these two areas and use that assessment to establish goals to assess performance over time.	—	—
5. Work with relevant stakeholders to determine whether to continue using the feedback loop and, if so, how to increase its effectiveness, including a) determining which categories of cases to prioritize or remove, b) better ensuring cases are sent to the correct staff, and c) minimizing redundancy with other sources to the extent practical.	—	—
Portal North Bridge Project is Progressing, but Opportunities Exist to Improve Company Oversight and Reduce Risk <i>Issued May 2, 2024 Report No. OIG-A-2024-007</i>		
1. Establish a process to take future projects' constructability into account when assessing track outage and force account needs.	—	—
2. Establish a process to identify the company's unique information requirements related to its role on future capital projects and communicate these requirements to its partners.	—	—
Amtrak Is Establishing a Structure for Managing the Frederick Douglass Tunnel Program, but Better Planning Would Improve Oversight and Reduce Risks <i>Issued September 27, 2024 Report No. OIG-A-2024-010</i>		
1. Complete the requisite program management planning before starting construction or, if not feasible, as soon as possible thereafter. At a minimum, this should include updating the schedule, developing a communications plan, establishing a document management plan with a related system, and advancing risk management plans.	—	—
2. Establish processes to ensure that the company decides on and implements a program's management structure early enough to provide strong, continuous oversight for the entire life of a program.	—	—
3. Establish processes to ensure that program teams have sufficient staff before the company transitions a program from the Strategy and Planning department to the Capital Delivery department.	—	—
Total Monetary Impact	—	—

Note:

^a Please visit <https://www.amtrakoig.gov/reports/audits> for a copy of the reports listed in this table.

Management Decisions

Management decisions have been made on all audit reports issued during this reporting period and previous reporting periods. Management agreed with all recommendations made in audit reports issued in this reporting period and previous reporting periods.

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TABLE A.7. INVESTIGATIONS CLOSED DURING THE REPORTING PERIOD

CASE NUMBER	ALLEGATION	RESULT	DATE CLOSED
20-0594-I	Fraudulent Medical Billings	Unsubstantiated	October 1, 2024
24-0034-I	Unauthorized Disclosure of Information	Substantiated: Employee terminated for transmitting company information without authorization	October 1, 2024
24-0018-I	Fraudulent Medical Billings	Unsubstantiated	October 3, 2024
18-0245-I	E-Voucher Fraud	Substantiated: Individual sentenced for wire fraud	October 4, 2024
20-0186-I	E-Voucher Fraud	Substantiated: Two individuals sentenced for wire fraud and aiding and abetting	October 15, 2024
23-0053-I	Time and Attendance Fraud	Unsubstantiated	October 15, 2024
24-0096-I	Violation of Amtrak Policy - The Code of Ethics and Standards for Behavior	Unsubstantiated	October 15, 2024
24-0063-I	Pandemic Relief Fraud	Substantiated: Employee paid civil settlement related to pandemic fraud	October 22, 2024
24-0076-I	Pandemic Relief Fraud	Substantiated: Employee paid civil settlement related to pandemic fraud	October 22, 2024
23-0327-I	Pandemic Relief Fraud	Substantiated: Former employee sentenced for making false statement to the RRB	October 23, 2024
24-0089-I	Violation of Amtrak Policy - Other	Unsubstantiated	October 24, 2024
24-0004-PA	Drug Investigation	Unsubstantiated	October 28, 2024
24-0011-AI	Falsification/ Forgery Related to Amtrak Documents	Substantiated: Management issued a restatement of policy to remind managers to report matters of dishonesty to HR Business Partners	October 28, 2024
22-0393-AI	Medical Leave Violations	Substantiated: Employee resigned and paid a civil settlement for the fraudulent receipt of RRB benefits	October 30, 2024
24-0086-I	Travel Fraud	Substantiated: Employee resigned for misusing travel pass privileges	November 5, 2024
24-0061-I	Pandemic Relief Fraud	Substantiated: Employee paid civil settlement related to receipt of Paycheck Protection Program loan	November 6, 2024

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24-0074-I	Other Amtrak Projects	Unsubstantiated	November 12, 2024
24-0067-I	Violation of Amtrak Policy - The Code of Ethics and Standards for Behavior	Unsubstantiated	November 22, 2024
18-0416-I	Pandemic Relief Fraud	Substantiated: Employee terminated and sentenced in pandemic fraud scheme	November 25, 2024
24-0031-I	Pandemic Relief Fraud	Substantiated: Employee sentenced for falsifying applications for pandemic relief loans	November 25, 2024
25-0007-I	Theft of Property	Unsubstantiated	November 25, 2024
24-0039-I	False Statements	Substantiated: Employee terminated and sentenced for making false statement to agents	November 26, 2024
24-0014-I	Medical Leave Violations	Substantiated: Employee resigned for engaging in outside employment while on medical leave of absence	December 2, 2024
24-0090-I	Pandemic Relief Fraud	Substantiated: Employee paid civil settlement for fraudulent receipt of two pandemic relief loans	December 3, 2024
24-0064-I	Child Pornography	Substantiated: Employee terminated for failing to report arrest for driving under the influence	December 9, 2024
25-0016-I	Computer Misuse (Employees)	Unsubstantiated	December 12, 2024
24-0028-I	Violence, Sexual Assault, Assault	Substantiated: Employee terminated and was sentenced for second degree assault and fourth degree sex offense	December 16, 2024
24-0053-I	Destruction of Property	Substantiated: Employee terminated for vandalizing another employee's vehicle	December 20, 2024
24-0097-I	Conflict of Interest	Substantiated: Employee suspended for using Amtrak trademarked logo on personal company website	January 2, 2025
24-0098-I	Pandemic Relief Fraud	Substantiated: Employee paid a civil settlement for the fraudulent receipt of an EIDL advance	January 2, 2025
25-0001-I	Time and Attendance Fraud	Unsubstantiated	January 2, 2025

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25-0011-I	Violation of Amtrak Policy - The Code of Ethics and Standards for Behavior	Unsubstantiated	January 2, 2025
25-0015-I	Drug Investigation	Unsubstantiated	January 2, 2025
24-0085-I	Misconduct Involving Serious Safety Issues	Substantiated: Management completed a Process Improvement Plan for the handling of train trucks	January 9, 2025
19-0391-I	Fraudulent Medical Billings	Substantiated: Employee sentenced for introducing an unapproved new drug into interstate commerce with intent to defraud	January 21, 2025
24-0070-I	Violation of Amtrak Policy - Disclosure of Criminal Convictions	Substantiated: Employee terminated for failing to report two domestic violence-related convictions	January 21, 2025
24-0025-I	IIJA Related	Substantiated: Investigation opened based on information developed during proactive investigation	January 23, 2025
25-0026-I	Fraudulent Medical Billings	Unsubstantiated	January 27, 2025
24-0077-I	Computer Misuse (Employees)	Substantiated: Employee terminated for misuse of Amtrak computer	January 28, 2025
25-0022-I	Computer Misuse (Employees)	Assisted the company with computer image	February 4, 2025
17-0268-I	E-Voucher Fraud	Substantiated: Subject sentenced for coercion and enticement of an underage child	February 6, 2025
25-0006-I	Violation of Amtrak Policy - Other	Unsubstantiated	February 7, 2025
25-0036-I	Violation of Amtrak Policy - The Code of Ethics and Standards for Behavior	Substantiated: Employee resigned for engaging in outside employment while on medical leave of absence	February 11, 2025
24-0048-I	Drug Investigation	Substantiated: Employee terminated for providing unauthorized discounts for train travel	February 13, 2025

24-0095-I	Violence, Sexual Assault, Assault	Substantiated: Employee terminated for sexually harassing a woman on an Amtrak train	February 13, 2025
24-0072-I	Violence, Sexual Assault, Assault	Substantiated: Employee resigned while under investigation for kidnapping	February 14, 2025
25-0047-I	Medical Leave Violations	Unsubstantiated	February 14, 2025
19-0400-AI	Pandemic Relief Fraud	Substantiated: Use of Amtrak equipment for personal activities; employees counseled on proper procedures	February 15, 2025
25-0052-I	Falsification/ Forgery Related to Amtrak Documents	Unsubstantiated	February 28, 2025
25-0042-I	Violence, Sexual Assault, Assault	Report to Management: Compilation of physical and sexual abuse investigations	March 13, 2025
24-0099-I	False Statements	Substantiated: Misuse of military leave; employee resigned	March 18, 2025
22-0394-I	Pandemic Relief Fraud	Substantiated: Non-Amtrak employee convicted of Pandemic Unemployment Insurance Fraud	March 25, 2025
22-0353-I	Medical Leave Violations	Substantiated: Employee resigned for engaging in outside employment while on medical leave of absence	March 26, 2025
25-0020-I	Amtrak Projects	Substantiated: One employee resigned, and another was disciplined for not reporting potential conflict of interest	March 28, 2025
25-0029-I	Other Amtrak Projects	Unsubstantiated	March 28, 2025



APPENDIX B: REVIEW OF LEGISLATION, REGULATIONS, AND MAJOR POLICIES

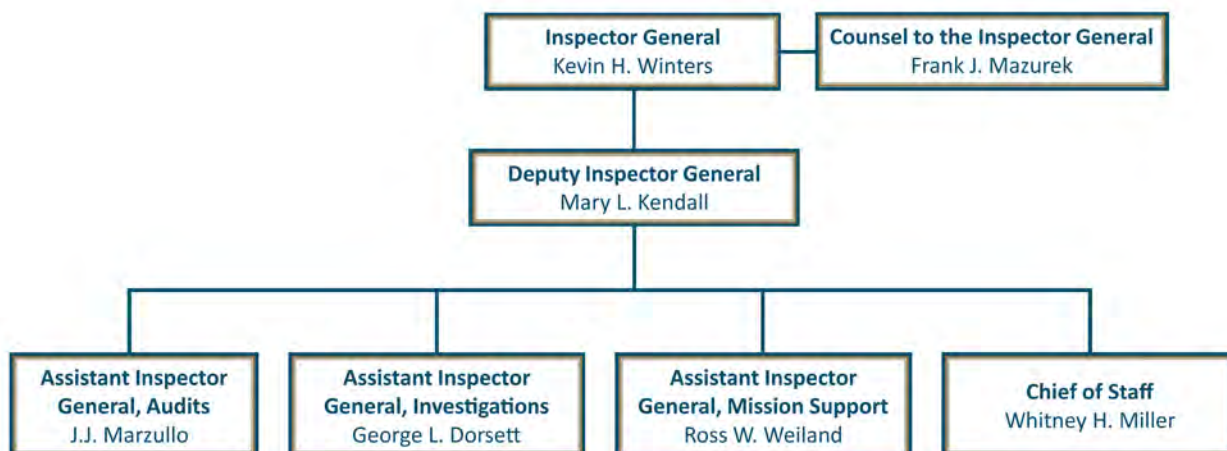
Section 404(a)(2) of the Inspector General Act of 1978, as amended, provides that the Inspector General shall review existing and proposed legislation and regulations relating to programs and operations of such establishment. Also, the Inspector General shall make recommendations in the semiannual reports concerning the impact of such legislation or regulations on the economy and efficiency in the administration of such

programs and operations administered or financed by such establishment—or the prevention and detection of fraud and abuse in such programs and operations.

During the last reporting period, the OIG reviewed 10 Amtrak corporate policies or mandates and continued its efforts to ensure the American taxpayers' dollars entrusted to Amtrak were protected.



APPENDIX C: OIG ORGANIZATION



The OIG headquarters is based in Washington, D.C., with field offices in Boston, Chicago, Miami, Los Angeles, New York, and Philadelphia.

The Inspector General provides policy direction and leadership for the OIG and serves as an independent and objective voice to management, the Board of Directors, and Congress by identifying opportunities and promoting solutions for improving the company's programs and operations, while preventing and detecting fraud, waste, and abuse. The Deputy Inspector General serves in the stead of the Inspector General, as required, and leads the operational and support staffs within the OIG.

Counsel to the Inspector General. This office provides legal assistance and advice to OIG senior management and supports audits, investigations, and special reviews. The Office of Counsel also coordinates OIG legal matters with external entities, such as the Department of Justice, and federal and state law enforcement.

Audits. This office conducts independent and objective audits across the spectrum of the company's programs and operational activities. It produces reports aimed at improving the company's economy, efficiency, and effectiveness, while seeking to detect and prevent fraud, waste, and abuse.

Investigations. This office pursues allegations of fraud, waste, abuse, and misconduct that could affect the company's programs, operations, assets, and other resources. It refers investigative findings to the Department of Justice for criminal prosecution or civil litigation, or to management for administrative action. It also develops recommendations to reduce vulnerability to abuse and criminal activity.

Mission Support. This office provides budget and financial management; contracting and procurement; information technology; general administrative support and human capital, which ensures that the best qualified people are hired, developed, retained, and rewarded appropriately in accordance with applicable laws, regulations, and OIG policy. It also ensures that an effective and efficient performance management system is implemented to provide employees with timely and meaningful feedback and coaching on performance.

APPENDIX D: PEER REVIEW RESULTS

The Dodd-Frank Wall Street Reform and Consumer Protection Act (P. L. 111–203, July 21, 2010) requires that OIGs include in semiannual reports to Congress the results of any peer review conducted by another OIG during the reporting period, or—if no peer review was conducted—a statement identifying the date of the last peer review. Also required is a list of all peer reviews conducted during the period by the OIG of another OIG, and the status of any recommendations made to or by the OIG.

During FY 2025, our Office of Audits was the subject of a Council of the Inspectors General on Integrity and Efficiency (CIGIE) peer review by the Federal Deposit Insurance Corporation (FDIC) OIG. The FDIC OIG concluded that our audit organization’s system of quality control was suitably designed and complied with to provide reasonable assurance of conforming with applicable professional standards and legal and regulatory requirements. Accordingly, in its report, the FDIC OIG provided a “pass” rating and made no recommendations. The report was released on March 5, 2025.

During FY 2024, our Office of Investigations was the subject of a CIGIE peer review by the Department of Energy (DOE) OIG. The DOE OIG concluded that the system of internal safeguards and management procedures for our investigative operations follows the quality standards established by CIGIE and the Attorney General’s Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority. The DOE OIG also identified some best practices in our investigative operations that they believed warranted acknowledgment.

During the period, we completed a CIGIE peer review of the Small Business Administration (SBA) OIG’s audit organization for the year ended March 31, 2024. SBA OIG received a “pass” rating. The report was released March 14, 2025.



APPENDIX E: ABBREVIATIONS

CIGIE	Council of the Inspectors General on Integrity and Efficiency
DOE	Department of Energy
EIDL	Economic Injury Disaster Loan
FDIC	Federal Deposit Insurance Corporation
FMLA	Family and Medical Leave Act
FOIA	Freedom of Information Act
IIJA	Infrastructure Investment and Jobs Act
IPA	Independent Public Accountant
LDFR	Long Distance Fleet Replacement
OIG	Office of Inspector General
PTC	Positive Train Control
RRB	Railroad Retirement Board
SBA	Small Business Administration
the company	Amtrak

APPENDIX F: REPORTING REQUIREMENTS

INSPECTOR GENERAL ACT CITATION	REPORTING REQUIREMENT	PAGE
404(a)(2)	Review of Legislation and Regulations	36
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405(b)(2)	Recommendations from Prior Reporting Periods for Which Corrective Action is Not Complete	25-31
405(b)(3)	Summary of Significant Investigations Closed During the Reporting Period	32-35
405(b)(4)	Convictions Resulting from Investigations During the Reporting Period	25
405(b)(5)	Information Regarding Audit Activity During the Reporting Period	23, 31
405(b)(6)	Information on Management Decisions on Reports Issued During Prior Reporting Periods	25-31
405(b)(7)	Federal Financial Management Improvement Act-Related Reporting	N/A
405(b)(8-10)	Peer Review Results	38
405(b)(11-12)	Investigative Reporting Statistical Tables	24-25
405(b)(13)	Investigations on Senior Government Employees Where Allegations are Substantiated	13
405(b)(14)	Instances of Whistleblower Retaliation	N/A
405(b)(15)	Instances of Interference with Independence or Restrictions on Access	N/A
405(b)(16)	Instances of Inspections, Evaluations, Audits, and Investigations Not Disclosed to the Public	23



MISSION

The Amtrak OIG's mission is to provide independent, objective oversight of Amtrak's programs and operations through audits and investigations focused on recommending improvements to Amtrak's economy, efficiency, and effectiveness; preventing and detecting fraud, waste, and abuse; and providing Congress, Amtrak management and Amtrak's Board of Directors with timely information about problems and deficiencies relating to Amtrak's programs and operations.

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