

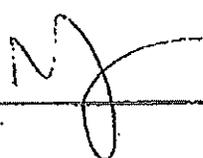
NATIONAL RAILROAD PASSENGER CORPORATION OFFICE OF THE INSPECTOR GENERAL OFFICE OF INVESTIGATIONS INVESTIGATIVE REPORT	
CASE: 08-021 TRAVEL AGENCY	DATE OF REPORT: 11/19/08
REPORT PREPARED BY: SA [REDACTED] CH	
<input type="checkbox"/> Report of Interview	CLOSED
<input type="checkbox"/> Report of Documents	
<input checked="" type="checkbox"/> Other Activity (Describe): CLOSING REPORT	

While assisting the Federal Bureau of Investigations, OIG-OI determined that an Amtrak partner travel agency committed fraud by receiving refunds for full-fare tickets that were purchased using false discount vouchers. During the investigation, agents learned that Amtrak has no mechanism in place to search for unusually high refund rates for their travel agency partners. Consequently, additional fraudulent refunds may be occurring absent Amtrak's knowledge.

One of the unique characteristics of the travel agency being investigated by the FBI was its significantly high rate of refunds relative to tickets purchased. Believing that other travel agencies may be committing similar fraudulent activities, OIG-OI agents researched the FY2007 travel agency refund rates. The analysis highlighted those travel agencies with \$20 thousand or more in gross sales and refund rates more than two standard deviations from the average refund rate for all travel agencies that met the sales criteria. In total, 23 travel agencies were highlighted including the one already under investigation. These agencies requested \$344,533 in refunds for FY2007.

As the issue appeared to be systemic, agents believed OIG-Audit would be best suited to evaluate the high refund rate issue and whether Amtrak has sufficient internal controls in place to properly identify potential incidents of fraud. Agents submitted a report requesting that Audit review the issue. Agents received a phone call from WAS Audit requesting more information about the issue and indicated that Audit would look into the issue further.

Considering: 1) the problem appears systemic, and 2) OIG-Audit is reviewing the issue, it is recommended that the case be closed. OIG-OI could open new cases if OIG-Audit finds individual issues that need to be addressed.

Supervisor Signature: 

CLOSED

Deputy Inspector General/Counsel Signature:  11/24/2008