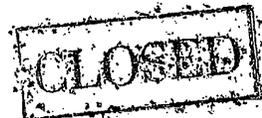


NATIONAL PASSENGER RAILROAD CORPORATION
OFFICE OF THE INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

February 1, 2010

CLOSING REPORT

Case: 05-068
To: Colin C. Carriere
Deputy Inspector General/Counsel
From: [REDACTED]
Chief Inspector

**Summary:**

The Office of Inspector General ("OIG"), Office of Investigations ("OI") – Audits has completed a review of selected EEV transactions that were reported by the Albuquerque (ABQ) ticket office for the period October 2004 through March 2005. ABQ was selected due to the unusually high average monthly EEV value reported by the station through November 2004. This average amount, \$ [REDACTED], was the second highest (next to Chicago station with \$ [REDACTED]) within the Amtrak system¹.

Findings:

The investigation determined that the ABQ [REDACTED] had failed to comply with governing procedures. The results of our investigation disclosed that [REDACTED] had purposely misused the EEV system as well as other Amtrak reimbursement systems. We identified transactions where inappropriate expenses were claimed, support documentation was missing, receipt information was missing header information, and other questioned transactions had occurred. In several examples, we identified receipts where the [REDACTED] had claimed and received reimbursement for the same expense on EEVs, management expense reports, and P-Card transactions. In other situations, [REDACTED] had been reimbursed for air travel and yet received credit on his American Express statements for this same air travel.

OI interviewed the [REDACTED] on August 25, 2005. Although initially claiming the irregularities as clerical oversights, [REDACTED] subsequently admitted to "padding" his expenses. OI identified \$10, 125.24 in funds embezzled by [REDACTED]. [REDACTED] was removed from service and was terminated from his management position effective August 31, 2005. [REDACTED]

[REDACTED] also admitted his knowledge of the improper activity and has been formally charged under Amtrak's Standards of Excellence rules. This same employee is now retired on a disability effective on February 2, 2006, after taking a medical leave of absence.

¹ The monthly average represent the 12-month period ending November 2004.

This case was initially presented to AUSA [REDACTED] on October 6, 2005, who agreed to take the case. On September 11, 2006, OI presented the case and all its exhibits to [REDACTED] in anticipation of prosecuting the case. On May 21, 2007, OI received a letter of declination from [REDACTED], AUSA, [REDACTED] stated in that letter "the total amount of loss is \$10,125.24, which is below this office's guidelines for accepting cases involving thefts of funds from programs receiving federal funds."

OI next prepared a referral to The Office of the District Attorney, Second Judicial District of New Mexico. OI met with ADA [REDACTED], Economic Crimes Unit on August 15, 2007, while at that meeting [REDACTED] agreed to accept the case for prosecution. OI submitted a complete file along with exhibits to her at that time. On October 9, 2008, OI received a call from [REDACTED] (Unkown last name) from [REDACTED]'s Office asking for a complete copy of the exhibits which had been misplaced. OI complied with her request and FedExed a complete copy of the exhibits.

Since presenting the case to [REDACTED], OI has made several attempts to monitor the case by contacting the District Attorney's Office for a status report without results. The District Attorney's Office was also contacted by Associate Counsel, [REDACTED] numerous times in an attempt to ascertain the status of the case. On November 12, 2009, Associate Counsel [REDACTED] contacted [REDACTED] ADA Economic Crimes Unit who advised that they would not be prosecuting the case. Associate Counsel asked for a letter of declination at that time and was told that it would be issued forthwith. OI received the letter of declination dated January 19, 2010, from ADA [REDACTED]. The letter of declination stated, "The statute of limitations have run on [REDACTED] case. In New Mexico the statute of limitations is five (5) years for a fourth (4th) degree felony and third (3rd) degree felony. [REDACTED] could only have been charged with a fourth or third degree felony. Because of the statute of limitations we can not prosecute the case."

Recommendations:

Close the case. OI has presented this case for prosecution to both a federal prosecutor and a local District Attorney's Office. The federal prosecutor declined because the dollar value failed to meet their dollar value threshold. The Local District Attorney's Office held the case without action until the statute of limitations applied which barred the prosecution of this case.

Deputy Inspector General/Counsel _____ *all/jt* Date *2/12/2010*

