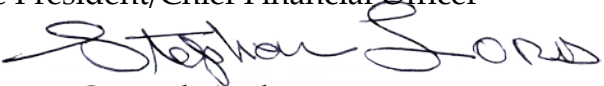




Memorandum

To: William N. Feidt
Executive Vice President/Chief Financial Officer

From: Stephen Lord 
Assistant Inspector General, Audits

Date: May 30, 2017

Subject: Engagement Memo – New York Penn Station Infrastructure Renewal Program (Project code 011-2017)

We are initiating a review of the company's plan to address track and related infrastructure issues at New York Penn Station. The recent train derailments in New York Penn Station highlight the need for Amtrak to have an effective, risk-based process to ensure that state-of-good-repair projects for maintaining and improving its critical infrastructure are identified and completed in a timely manner. The successful completion of this work is a high priority for the company, the Board of Directors, the Congress, and other stakeholders.

Our audit objectives are to (1) identify the factors that led to the current infrastructure conditions, (2) assess the company's plans, estimated costs, schedule, and sources of funds being used to support the planned track and infrastructure repairs at New York Penn Station, and (3) evaluate the company's efforts to mitigate passenger inconvenience resulting from the scheduled repair work.

We plan to interview company officials and review documents and data related to the renewal program. Our request for documents and interviews will be made as our work progresses. We also will work to minimize the impact of this review by coordinating interviews and observations with staff in advance.

Our work will be performed in accordance with generally accepted government auditing standards. Our interactions with the company will be consistent with P/I2.1.3, 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. To view this policy, see
<http://wiki.corp.nrpc/display/APIM20/2.0+Inspector+General>

We request that your office arrange an entrance conference for us with the appropriate company officials at the earliest possible date. In the meantime, because of the time sensitivity of this review, we plan to begin contacting responsible officials immediately to request documents and to schedule meetings. Our initial document request is included as an attachment to this letter. We will keep you advised of the status of our work and any material changes in our objectives, should they occur.

Dorian Herring will be the audit manager for this engagement and reports to Leila Kahn, Senior Director – Audits. If you have any questions, please contact me at (202) 906-4600 (stephen.lord@amtrakoig.gov), Jason Venner at (202) 906-4405 (Jason.Venner@amtrakoig.gov), or Leila Kahn at (202) 906-4325 (leila.kahn@amtrakoig.gov).

Attachment: Document Request

cc: Eleanor D. Acheson, Executive Vice President/General Counsel and Corporate Secretary
Stephen J. Gardner, Executive Vice President/Planning, Technology, and Public Affairs
Jason Molfetas, Executive Vice President/Chief Marketing and Sales Officer
Scot L. Naparstek, Executive Vice President/Chief Operations Officer
DJ Stadtler, Executive Vice President/Chief Administrative Officer
Sarina M. Arcari, Vice President/Enterprise Program Management
Rodrigo Bitar, Vice President/Chief Engineer
Matthew L. Gagnon, Senior Director, Amtrak Controls
Melantha K. Paige, Senior Amtrak Controls Consultant