




Memorandum

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

From: 
Stephen Lord
Assistant Inspector General, Audits

Date: November 28, 2018

Subject: Engagement Memo— Audit of Mechanical Department’s Preventative Maintenance Operations (Project code 004-2019)

We are initiating an audit of Amtrak’s preventative maintenance operations, which is a continuation of our audit work assessing the Mechanical department’s operating efficiency. Our objective is to identify opportunities, if any, to improve the efficiency and reduce the cost of the company’s preventative maintenance operations. We may expand our scope or modify our objective during the audit.

During the audit, we plan to interview company officials in the Mechanical and Finance departments. We also plan to analyze documents and data related to work performed at each preventative maintenance facility, including work order, financial and headcount information. We will make our request for documents and data as our work progresses. We also plan to conduct site visits at preventative maintenance facilities. We will work to minimize the impact of the audit by coordinating interviews and site visits 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. We will keep you advised of the status of our work and any material changes in our objective, should they occur.

Melissa Hermes will be the audit manager for this engagement and reports to J.J. Marzullo, Senior Director – Audits. If you have any questions, please contact me at (202) 906-4600 (stephen.lord@amtrakoig.gov), Eileen Larence, Deputy Assistant Inspector General – Audits at (202) 906-4152 (eileen.larence@amtrakoig.gov), or J.J. Marzullo at (202) 906-4545 (john.marzullo@amtrakoig.gov).

cc: Eleanor Acheson, Executive Vice President/General Counsel & Corporate Secretary
Stephen Gardner, Executive Vice President/Chief Commercial Officer
Tim Griffin, Executive Vice President/Chief Marketing Officer
Ken Hylander, Executive Vice President/Chief Safety Officer
Scot Naparstek, Executive Vice President/Chief Operating Officer
DJ Stadtler, Executive Vice President/Chief Administration Officer
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