

**NATIONAL RAILROAD PASSENGER CORPORATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS  
INVESTIGATIVE REPORT**

TITLE: Pay Rate Investigation CASE NUMBER: 08-074

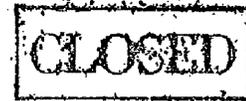
DATE OF REPORT: February 6, 2009

REPORT PREPARED BY: RSA [REDACTED]

REPORT OF INTERVIEW:

REPORT OF DOCUMENTS:

OTHER ACTIVITY (DESCRIBE): CLOSING REPORT



**Allegation:**

I have requested (Pro-Active) research be conducted into the various rate differentials paid to employees at Wilmington Shops, Chicago Yard, Beech Grove Yard, Sunnyside Yard, LAX and Bear, De. So far it appears that a large number of employees may have been receiving rate differentials at Wilmington Shops when they were not supposed to receiving them. Further interviews will be necessary to uncover the problem.

**Finding of Facts**

The Office of Inspector General ("OIG"), Office of Investigations ("OI") requested research be conducted by Amtrak's Mechanical Yard Management into the various rate differentials paid to employees at Wilmington Shops, Chicago Yard, Beech Grove Yard, Sunnyside Yard, LAX and Bear, De. The initial research revealed that a large number of employees may have received rate differentials at Wilmington Shops which they were not entitled to receive.

All other Mechanical Yards did not discover any outstanding discrepancies with the employee rates of pay.

Wilmington Shops Management identified 140 employees who were receiving differential rates which they were not entitled to receive. OI took the information received by Wilmington Shops Management and had it further researched by Amtrak's Payroll Department and found that between January 1, 2007 and July 7, 2008, the Amtrak Mechanical Department paid the 140 employees a total of \$ [REDACTED].<sup>1</sup>

<sup>1</sup> This amount represents loss that Amtrak incurred during the time periods mentioned in this report regarding differential payments paid to Amtrak employees which said employees that should not have received. See Exhibit I (OI's spreadsheet containing the rates paid to the various Wilmington Shop employees who were not entitled to receive the differential rates that were paid).

OI discussed this matter with [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED]. They were all in agreement that the problem has been an on-going historical problem at Wilmington Shops and to correct it they recommended that the job positions at that location be abolished and re-advertised. This would allow Amtrak Management to place in the advertisement the proper rates for the positions and bring this matter under control.

A report was sent to Amtrak Mechanical Management for corrective action. That action was taken to correct the problem. See Exhibit 1 (Management response).

**Recommendations:**

This case should be closed pending any new information.

Deputy Inspector General/Counsel's Signature: \_\_\_\_\_

*clm 2/8/2009*

**CLOSED**