

**Mueser Rutledge Consulting Engineers
Subcontractor under Contract
Number C-076-00870**

Memorandum Report



**Mueser Rutledge Consulting Engineers
Subcontractor under Contract
Number C-076-00870**

Report Addressed To:

**Gary E. Eckenrode
Senior Director – Procurement
30th Street and Market Streets
Philadelphia, PA 19104**

Memorandum Issued By:

**NATIONAL RAILROAD PASSENGER CORPORATION
OFFICE OF INSPECTOR GENERAL - AUDITS
10 G STREET, N.E.
WASHINGTON, DC 20002**

**DATE OF REPORT: August 26, 2009
REPORT NUMBER: 307-2007**

This document shall become available to the public on September 28, 2009

BACKGROUND

The Office of Inspector General audited Mueser Rutledge's (MR) invoices for work on the Thames River project. The Thames River project is the replacement of the moveable span on the Thames River Bridge in New London, Connecticut. The work is being performed under contract C-069-24978 between Amtrak and Cianbro Construction Company. The total cost of the project is \$77,171,771. Amtrak contracted with URS incorporated (URS) (formally Washington Group International), a construction management firm, to oversee the project. URS retained the services of MR as a subcontractor to develop a stabilization plan for two of the existing bridge piers that moved during construction. MR's scope of work included developing and supervising a specialized grouting program to stabilize the two bridge piers. MR submitted invoices totaling \$1,446,712, as of May 29, 2009, for engineering services performed on the project. URS' agreement with MR (agreement No. 27832-SC-05, dated July 1, 2006) is for a total cost of \$1,536,595, with a period of performance not to exceed thirty six (36) months from the effective date of the latest modification which was December 15, 2007.

Objective, Scope, and Methodology

The audit objective was to determine that costs submitted by MR were in accordance with contractual terms and supported by detailed books and records. Additionally, we reviewed the qualifications of engineers assigned to the project to determine that their educational levels and experience were in accordance with contractual requirements.

The scope of our audit encompassed reviewing MR's total billed costs of \$1,446,712 associated with invoice No. 10469-30A, dated May 29, 2009, which represents incurred costs from July 2006 through May 2009. We reviewed the submitted costs to determine if the costs were supported by detailed books and records and in compliance with the terms and conditions of the contract between MR and URS.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit. We have not reviewed MR's internal controls. The scope of our examination included such tests of compliance with contractual terms that we believe provide a reasonable basis for our opinion.

RESULTS OF AUDIT

We found that the costs presented in MR's invoice were fully supported by detailed payroll records, time sheets, and travel vouchers and were in accordance with contractual terms. Our conclusion was substantiated by:

- Verifying labor charges to MR's accounting records and tracing a sample of charges to supporting time records.
- Tracing travel costs to travel vouchers submitted by personnel assigned to the project. Additionally, we performed an analysis of MR's contract with URS to assure the travel costs were in accordance with contractual terms and conditions.
- Verifying that subcontractor costs were supported by invoices and that MR had applied the contractual overhead rates in accordance with contract terms.
- Reviewing engineering billing rates utilized in the May 29, 2009 invoice to determine that all rates were in accordance with contractual terms.
- Reviewing resumes for all engineering personnel assigned to the project to determine that personnel had sufficient qualifications as set forth in the contract.

RECOMMENDATIONS

There were no findings consequently there are no recommendations.

This concludes our report. I would like to express my appreciation for the cooperation provided to the audit team during the audit.

Since there are no adverse findings, a response to this report is not necessary at this time. However, Amtrak OIG is required to make this report available to the public under the Inspector General Reform Act of 2008, 110 P.L. 409; 122 Stat. 4302. To the extent that you believe this report contains confidential or proprietary information that should be withheld from public release, you must take the following actions no later than September 10, 2009: 1) highlight any words or phrases recommended for redaction; and 2) provide a written detailed justification for each of your recommendations. If you do not provide written recommendations by September 28, 2009, the report will be made publicly available without redaction on the specified date of the report.

Mueser Rutledge Consulting Engineers
Subcontractor Under Contract C-076-00870
Report # 307-2007

Audit Staff:

Roy Wiegand, Senior Director, Audits
David Burrell, Principal Auditor-Audits

Gary E. Glowacki
Deputy Inspector General – Audits

Distribution:

P. Finch
D. Burrell
R. Wiegand
File