

NATIONAL RAILROAD PASSENGER CORPORATION

OFFICE OF THE INSPECTOR GENERAL

INVESTIGATIVE CLOSING REPORT

TITLE: Theft

CASE NUMBER: 07-136

DATE OF REPORT: May 6, 2008

REPORT PREPARED BY: [REDACTED]

RMD

[Handwritten signature]



BACKGROUND

The Office of Inspector General ("OIG"), Office of Investigations ("OI") received an allegation concerning the sale of an Acela Air Horn on the internet sales site "eBay". The OI confirmed that an Acela Air Horn was sold on eBay by [REDACTED] to an unknown person residing in South Carolina.

SUMMARY OF INVESTIGATION

1. The OI verified that a brand new Acela Air Horn was sold on eBay by [REDACTED] using the eBay sales name [REDACTED].
2. The OI visited the Rockville Main Post Office ("Rockville Main") located at 500 North Washington Street, Rockville, MD 20850-9998. The purpose of the visit was to ascertain who was receiving mail at [REDACTED]. At the time of Agents' visit, the Rockville Main database system was offline. However, a later telephone from [REDACTED] Supervisor of Customer Service at the Rockville Main, indicated that two individuals, [REDACTED] and [REDACTED], were receiving mail at the aforementioned address.
3. A check of Amtrak's MySap system revealed that [REDACTED] is a [REDACTED] assigned to Amtrak's High Speed Rail ("HSR") facility at [REDACTED] Yards ("Yards"). The OI was also able to confirm that [REDACTED] was [REDACTED]'s spouse.
4. The OI interviewed [REDACTED] regarding the allegation. [REDACTED] confirmed that he and [REDACTED] reside at [REDACTED] and that [REDACTED] is [REDACTED] eBay screen name.

Agents asked [REDACTED] to describe the circumstances surrounding the eBay sale of the Acela horn. [REDACTED] stated that he primarily worked the 7:00 am - 3:00 pm shift during his [REDACTED] training (9/07 - 2/08) at the Yards. One day, at about noon, [REDACTED] observed a pallet of items beside the yard dumpster. The pallet appeared to contain rolls of wire (not copper), switches, and other electronic items. [REDACTED] observed that people were taking what they wanted from the pile. He [REDACTED] believed the items to be garbage, although he could not specifically recall whether the stockroom employees who put the items there indicated such. Not unlike everyone else, [REDACTED] began to sift through the

items on the pallet. He [REDACTED] selected a dusty horn in a box. According to [REDACTED] by the time he departed that afternoon, the pallet was almost empty. When he took the horn, he initially intended to use the horn on his personal vehicle, but later decided to sell it on eBay. [REDACTED] received \$395 for the sale of the horn.

[REDACTED] informed the OI that, although the horn was sold under [REDACTED] screen name, his [REDACTED] had nothing to do with the sale. [REDACTED] maintained that he did not realize that the horn was new until he looked inside the box that contained it. When asked why he did not return it once he figured out that the horn was new, [REDACTED] initially did not respond. [REDACTED] then stated that the horn was in the trash, so he assumed that the "new" horn was trash.

4. The OI interviewed the following Alstom warehouse employees assigned to the HSR at the Yards:

[REDACTED], [REDACTED]

The OI showed [REDACTED] a photocopied picture of the air horn in question and asked whether he recognized this equipment. [REDACTED] acknowledged that he did recognize the part and confirmed that it was an air horn. However, according to [REDACTED] Alstom provides over 3,500 parts to Amtrak, and he had no specific knowledge regarding this particular air horn. [REDACTED] informed Agents that Alstom scraps obsolete materials, as well as, materials whose shelf life has expired: e.g., cables, rubber hydraulic hoses. When asked where the scrapped materials were maintained, [REDACTED] stated that smaller bulk trash is often put out back [south side], while the larger scrap material is put out in the front where supervisors park their vehicles. Finally, [REDACTED] advised that until such time as Alstom materials/parts are issued to Amtrak, they are still considered Alstom property.

[REDACTED], [REDACTED]

[REDACTED] informed Agents that that he did recognize the part in the eBay advertisement as an air horn. However, he had no knowledge of the disposal of the air horn by Alstom employees. [REDACTED] indicated that trash pallets are normally set out between Tracks 9 and 10 - South. [REDACTED] recalled that during the 2007 Thanksgiving or Christmas holiday, the storeroom was going through a "cleanup" process, resulting in the disposal of items that were considered to be obsolete, used or defective.

[REDACTED], [REDACTED]

[REDACTED] responsible for overseeing the HSR material warehouse. When asked about the process for material disposal, [REDACTED] stated that material is identified as trash, scrap or discontinued items are disposed of accordingly. He took the position that Alstom employees would not place "trash" items on a pallet and tell other employees, both Amtrak and Alstom, to help themselves to those items. [REDACTED] was shown the eBay advertisement for the air horn. After [REDACTED]'s review, he stated that he did not recognize the item (air horn).

[REDACTED] informed Agents that all of the items in the storehouse are considered to be Alstom property until such time as the item is officially issued to Amtrak by being installed on a piece of Amtrak equipment. Items deemed "scrap" are processed and

sent to Alstom's "V" Street location for disposal. [REDACTED] provided a copy of the Alstom Scrap Policy.

[REDACTED] stated that his employees would not dispose of material or leave it out for other Amtrak or Alstom employees to pick through and take for personal use. [REDACTED] stated that if an item is destroyed and cannot be repaired, it is labeled scrap and disposed. [REDACTED] is not aware of any incident that occurred where Alstom employees took a pallet of material, wires and computer parts to a dock area and told Amtrak employees that they could help themselves to the items because said items were trash.

The OI showed [REDACTED] the eBay Acela Air Horn sale. After [REDACTED] reviewed the documents, he stated that he was familiar with the air horn. [REDACTED] stated that he is not sure if the air horn is used on Amtrak trains. According to [REDACTED], if the air horn was thrown out, he should have known about it.

[REDACTED] advised that he has been involved in a lot of storehouse clean ups at the HSR/Alstom Facility Storehouse since September 2007. While he does not recall seeing an air horn, he acknowledged the possibility that an item could have been mistakenly discarded during one of these clean up exercises.

5. On March 27, 2008, the OI forwarded a Management Referral to [REDACTED], [REDACTED], and [REDACTED].

6. On April 16, 2008, [REDACTED] responded to the OI's Management Referral. He agreed to amend Amtrak's current Asset Disposition Policy in light of the OI's findings.

7. On May 2, 2008, [REDACTED] responded to the OI's Management Referral. Although, he declined to pursue any action against [REDACTED], [REDACTED] met with [REDACTED] and discussed the gravity of the situation.

RECOMMENDATIONS

In light of the aforementioned facts, the writer recommends that this case be closed with no further action warranted.

Deputy Inspector General/Counsel: _____

Cap

Date: _____

5/7/08

CLOSED