

# **American Recovery and Reinvestment Act: Infrastructure Improvements Achieved but Less than Planned**

**Audit Report No. 908-2010**

**June 22, 2011**



**NATIONAL RAILROAD PASSENGER CORPORATION  
OFFICE OF INSPECTOR GENERAL  
10 G STREET, N.E.  
WASHINGTON, D.C. 20002**



## American Recovery and Reinvestment Act: Infrastructure Improvements Achieved but Less than Planned

Summary of Report: *OIG-908-2010*

### Why OIG Performed This Audit

The American Recovery and Reinvestment Act of 2009 (ARRA) authorized the Federal Railroad Administration (FRA) to provide \$1.3 billion to Amtrak through a grant agreement. This agreement allocated about \$850 million for capital projects for the repair, rehabilitation, or upgrade of railroad assets or infrastructure, and about \$450 million for capital security projects, including life safety improvements. FRA retained about \$4.2 million for program oversight, and we were allocated \$5 million for that purpose. The grant agreement required all projects to be completed by February 17, 2011, and originally required Amtrak to take “extraordinary measures” before requesting a waiver to extend project completion beyond the deadline.

Amtrak’s Engineering Department received funds under the security and non-security portion of the grant agreement. It contracted with Jacobs Projects Management Company for design and construction management services. Jacobs managed 37 projects, with a budget of \$483.6 million.

Our objective was to review ARRA-funded, Jacobs-managed projects to determine the extent to which planned infrastructure improvements were completed

### What OIG Recommends

We recommend that the Chief Engineer give canceled ARRA projects priority when making future infrastructure improvement project selection decisions, and provide written justification to support the funding of higher priority projects.

In commenting on a draft of this report, the Chief Engineer stated that he intends to give priority to canceled projects.

### What OIG Found

Although ARRA funding enabled Amtrak’s Engineering Department to make some infrastructure improvements, they will be fewer in number than originally planned and budgeted. Between March 2009 and November 2010, ARRA funding was reprogrammed nine times, resulting in the Engineering Department removing 34 projects, leaving 37 assigned to Jacobs. Specifically, 21 projects (with an estimated budget of \$55.7 million) were canceled, and 13 projects (with an estimated budget of \$19.5 million) were transferred to the capital budget. These changes occurred primarily because the original grant language drove project selection toward projects that could be completed by February 17, 2011, and the substitution of higher priority projects by Amtrak senior management and the Engineering Department. Amtrak spent about \$1.4 million on canceled Jacobs’s projects.

#### Changes to Jacobs Projects (dollars in millions)

Category	Projects	Funding
Initial scope	71	\$434.1
Projects canceled	(21)	(57.7)
Projects transferred to capital budget	(13)	(19.5)
Projects with increased costs	---	126.7
Final scope	37	\$483.6

Source: OIG analysis of Amtrak Engineering and Finance Department data

Amtrak Engineering reported that 10 of the 37 projects were complete and that \$355.8 million of the \$483.6 million in funding for Jacobs projects (74 percent) had been spent as of February 28, 2011. Based on our May 2010 recommendation, the grant agreement was amended in August 2010 to eliminate the requirement to take “extraordinary measures” before requesting a waiver to extend a project’s completion beyond February 17, 2011. The Engineering Department requested and received a waiver from FRA to extend the deadline from 2 to 7 months for 27 projects; as a result, about \$126.9 million was put to better use because Amtrak did not have to take wasteful “extraordinary measures” to complete projects by the deadline. Completion dates were extended due to delays in obtaining permits and regulatory approvals, unforeseen site conditions, and construction schedules conflicting with train operations.

#### Reported Status of Jacobs-Managed Projects as of February 28, 2011 (dollars in millions)

Category	Projects	Authorized budget	Reported Expenditures <sup>a</sup>	Remaining Funds
Projects completed	10	\$ 71.3	\$ 70.4	\$ 0.9
Waiver to extend completion	27	412.3	285.4	126.9
<b>Total</b>	<b>37</b>	<b>\$483.6</b>	<b>\$355.8</b>	<b>\$127.8</b>

<sup>a</sup> Expenditures do not include project costs in the work in process account as of February 28, 2011.

Source: OIG analysis of Amtrak Engineering and Finance Department data



## Memorandum

**To:** Frank Vacca, Chief Engineer

**From:** David R. Warren   
Assistant Inspector General, Audits

**Date:** June 22, 2011

**Subject:** *American Recovery and Reinvestment Act: Infrastructure Improvements  
Achieved but Less than Planned (Report 908-2010)*

Enclosed is our report entitled *American Recovery and Reinvestment Act: Infrastructure Improvements Achieved but Less than Planned (Report 908-2010)*. The objective of this audit was to review American Recovery and Reinvestment-funded, Jacobs-managed projects to determine the extent to which planned infrastructure improvements were achieved.

In commenting on a draft of this report, Amtrak's Chief Engineer stated that he intends to give priority to deferred/canceled projects, but noted that these projects will compete for funding with other projects during the selection process. In a draft of this report, we recommended that the Chief Engineer give priority to canceled ARRA projects when making future infrastructure improvement-project-selection decisions. However, given the comment that canceled projects will compete for funding with other projects, our final recommendation is that the Chief Engineer give priority to canceled ARRA projects when making future infrastructure improvement project selection decisions, and prepare a written justification to support the funding of higher priority projects. Therefore, we request that you provide a response to our final recommendation within 30 days of the date of this report.

Your response to our draft report can be found in Appendix I.

Thank you for your cooperation during the course of this audit. If you have any questions, please contact Michael Kennedy, Senior Director, at 202-906-4308 ([michael.kennedy@amtrakoig.gov](mailto:michael.kennedy@amtrakoig.gov)), or me at (202) 906-4742 ([david.warren@amtrakoig.gov](mailto:david.warren@amtrakoig.gov)).

cc: DJ Stadtler, Chief Financial Officer  
William Herrmann, Managing Deputy General Counsel  
Art Misiaszek, ARRA Program Director  
Jessica Scritchfield, Senior Director Internal Controls/Audits

Attachment

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## INTRODUCTION

On February 17, 2009, the President signed the American Recovery and Reinvestment Act (ARRA) to preserve and create jobs and promote economic recovery, and to invest in transportation and other infrastructure to provide long-term benefits. The Recovery Act appropriated \$1.3 billion to Amtrak for capital investment. Amtrak received the ARRA funds through a grant agreement with the Federal Railroad Administration (FRA). The agreement required Amtrak to allocate \$850 million to projects to rebuild and modernize infrastructure and equipment, and \$450 million for security and life safety projects.<sup>1</sup> Initially, approximately \$847 million of ARRA funds was allocated to the Engineering Department and the remaining \$443 million was allocated to Mechanical, Technology, Transportation, and Police departments. This report addresses the \$483.6 million in funding allocated to the Engineering Department that was used on projects managed by Jacobs Project Management Company.<sup>2</sup>

Under the grant agreement, all projects were to be completed no later than February 17, 2011. The grant agreement also required Amtrak to take “extraordinary measures” before requesting a waiver to extend a project completion date. In May 2010 we reported that this requirement may have the unintended consequence of encouraging Amtrak to take actions that increase the risk of waste and inefficiency.<sup>3</sup> Since the legislation that governed the grant agreement did not require extraordinary measures, we recommended that Amtrak request that FRA amend the agreement to allow Amtrak to apply for a waiver in cases in which reasonable measures had failed to ensure project completion by the grant deadline. Amtrak management agreed and in August 2010, FRA amended the grant agreement waiver provision to eliminate the extraordinary measures requirement. As discussed later, waivers were approved by FRA for 27 Jacobs-managed projects.<sup>4</sup>

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<sup>1</sup> FRA retained approximately \$4.2 million for program oversight, and the Amtrak Office of Inspector General was allocated \$5 million.

<sup>2</sup> The remaining funds allocated to the Engineering Department were used on projects in which the work was done by Amtrak labor or other contractors.

<sup>3</sup> *Assessment of Project Risks Associated with Key Engineering Projects* (Report No. 912-2010, May 14, 2010).

<sup>4</sup> Amtrak requested—and FRA approved—waivers for 59 other ARRA projects.

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## **Background**

Amtrak's Engineering and Procurement departments created the ARRA Program Implementation Team to oversee implementation of the ARRA-funded projects. The team is led by two Amtrak senior program directors and supported by engineering staff and contractors. To help implement the projects, Amtrak entered into a program management agreement with Jacobs Project Management Company on August 17, 2009, for construction management services and the procurement of design/build services. On construction management projects, Jacobs provides only construction management services, and Amtrak provides or contracts elsewhere for project design and construction. On design/build projects, Jacobs provides preliminary design, procurement, and construction management services. As of February 28, 2011, Jacobs was managing 37 projects with a budget of \$483.6 million. See Appendix III for a list of the Jacobs-managed projects.

## **Objective**

Our objective was to review ARRA-funded, Jacobs-managed projects to determine the extent to which planned infrastructure improvements were achieved. This is the third in a series of reports on Amtrak's ARRA program. In May 2010 we reported on the risks associated with implementing nine key engineering projects.<sup>5</sup> This month we reported on Police and Security Department ARRA-funded projects.<sup>6</sup>

## **FINDING AND RECOMMENDATION**

### **Infrastructure Improvements Achieved but Less than Planned**

Although ARRA funding enabled Amtrak's Engineering Department to make some infrastructure improvements, they were fewer in number than originally planned and budgeted. The original list of projects was developed in a short time frame and the project cost estimates were order-of-magnitude estimates. These estimates, along with the substitution of higher priority projects by Amtrak senior management and the

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<sup>5</sup> Report No. 912-2010, May 14, 2010.

<sup>6</sup> *American Recovery and Reinvestment Act: Fewer Security Improvements than Anticipated Will be Made and Majority of Projects Are Not Complete* (Report No. 914-2010, June 16, 2011).

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Engineering Department, contributed to the reprogramming of ARRA funding nine times between March 2009 and November 2010. Consequently, only 37 of the 71 projects assigned to Jacobs are still under ARRA. The other 34 projects were either canceled or the funding was transferred from ARRA to Amtrak’s capital budget. Amtrak spent \$1.4 million on the canceled projects.

Amtrak’s Engineering Department reported that 10 of the 37 Jacobs-managed projects have been completed. The department requested and received waivers from FRA to extend the completion dates from 2 to 7 months for the remaining 27 projects. Project completion dates were extended because of delays in obtaining permits, unforeseen site conditions, and construction schedules that conflicted with train operations.

**Reprogramming of Funds Reduced Number of Jacobs-Managed Projects**

Jacobs was assigned 71 projects. However, 21 projects—with a budget of approximately \$55.7 million—were canceled, and 13 projects with a budget of approximately \$19.5 million were transferred from ARRA to Amtrak’s capital budget (see Table 1).

**Table 1: Jacobs Projects That Were Canceled or Had Funding Transferred**

<b>Category</b>	<b>Projects</b>	<b>Budget (\$000)</b>
Projects canceled	21	\$57.7
Projects transferred to Amtrak capital budget	13	19.5
<b>Total</b>	<b>34</b>	<b>\$77.2</b>

*Source:* OIG analysis of Amtrak data

In April and June 2010, Amtrak management requested and the Amtrak Board of Directors and FRA approved reprogramming of ARRA funds that canceled 21 Jacobs projects. According to Engineering and Finance department officials, these projects were canceled for the following reasons:

- Ten projects with an estimated budget of \$22.9 million were canceled and the funds were reprogrammed for the overhaul of passenger cars. The overhaul work had been planned in anticipation of receiving additional funds from Congress. However, this funding was not forthcoming. Amtrak management assigned a high priority to



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the overhaul work and decided to reprogram some ARRA funds that had been allocated to the Engineering Department to fund the passenger car overhaul work.

- Nine projects with an estimated budget of \$29.2 million were canceled because Amtrak's Engineering Department did not believe the projects could be completed by the February 17, 2011, deadline. For example, a \$6-million project to provide emergency back-up power in New York tunnels was canceled because space for the project-required generators was not available in the tunnels.
- Two projects with an estimated budget of \$5.6 million were canceled because contract bids were significantly higher than cost estimates. For example, the cost estimate for one project to paint the Hellgate Bridge in New York City was \$5 million, but the contractor's bid was \$12 million.<sup>7</sup>

Amtrak spent \$1.4 million on the canceled projects. For example, approximately \$189,000 was spent for design and solicitation work on the Hellgate Bridge painting project, and approximately \$96,000 was spent for preliminary design on a project for improvements to the Ivy City Service and Inspection Building in Washington, D.C. The Finance Department transferred \$1.4 million in ARRA costs to Amtrak's general operating funds, so no ARRA funds were wasted. However, the \$1.4 million in general operating funds is at risk of being wasted if these projects are not completed.

### **Projects Transferred to Capital Budget**

In June, July, and November 2010, the Amtrak Board of Directors and FRA approved reprogramming of ARRA funds that transferred 13 Jacobs-managed projects with a budget of \$19.5 million from ARRA funding to Amtrak's capital budget. Twelve of the 13 projects were to make facilities more accessible to passengers with disabilities. These projects were transferred primarily because of higher priority needs identified by the Engineering Department and because contractor bids were higher than estimated budgets for some projects, as seen in the following examples.

- *Improvements, Mid-Atlantic Stations.* This project involved making improvements at nine stations in Pennsylvania and Maryland. The estimated budget was \$1.7 million.

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<sup>7</sup> Requests for proposals were sent to eight vendors but only one responded by the bid due date.

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However, bids ranged from \$5.2 to \$5.5 million. As a result, in July and November 2010 the Amtrak Board of Directors approved transferring funds for these improvements from ARRA to the capital budget.

- *Mid-Atlantic Division – Concrete Tie Replacement.* This project involved replacing failing concrete ties in the Mid-Atlantic Division. The Engineering Department decided this was a high priority and added it to ARRA in April 2010. The scope of the project increased and additional funding was added in the June and November 2010 reprogramming. The funding for this \$51-million project was provided by these transferred projects as well as other projects.

**Projects Were Not Completed by Original Grant Deadline**

Amtrak Engineering data show that 10 Jacobs-managed projects with an estimated budget of \$71.3 million were completed by February 17, 2011. Between October 2010 and February 2011, Amtrak’s Engineering Department requested and received waivers from FRA to extend the estimated completion date from 2 to 7 months for the remaining 27 projects that were not 100-percent complete. As mentioned, project completion dates were extended because of delays in obtaining permits and regulatory approvals, labor disputes, unforeseen site conditions, and construction schedules that conflicted with train operations.

As seen in Table 2, Amtrak Engineering reports spending \$355.8 million (74 percent of the budget) for Jacobs-managed projects as of February 28, 2011.

**Table 2: Status of Jacobs-Managed ARRA Projects as of February 28, 2011 (dollars in millions)**

<b>Project category</b>	<b>Projects</b>	<b>Authorized Budget</b>	<b>Reported Expenditures<sup>a</sup></b>	<b>Remaining Funds</b>
Completed	10	\$ 71.3	\$ 70.4	\$ 0.9
Waiver to extend deadline	27	412.3	285.4	126.9
<b>Total</b>	<b>37</b>	<b>\$483.6</b>	<b>\$355.8</b>	<b>\$127.8</b>

<sup>a</sup> The expenditures do not include project costs that were in the Work in Process account as of February 28, 2011.

Source: OIG analysis of Amtrak Engineering and Finance Department data

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The original grant agreement between FRA and Amtrak did not define when a project is considered complete for purposes of complying with the ARRA deadline of February 17, 2011. In January 2011, FRA and Amtrak agreed that projects would be considered complete if the Engineering Department had issued a certificate of substantial completion or Amtrak had taken possession of the project and formal turnover of all contract deliverables and submissions due at contract closeout is proceeding satisfactorily. This definition resulted in six Jacobs projects being reported as complete. For example, the Engineering Department signed a substantial completion certificate on January 21, 2011, on a project to paint the Thames River Bridge in Connecticut, indicating that work has been completed, so that Amtrak can use the bridge, and any additional remaining work can be performed without interference with Amtrak operations. The final completion certificate was signed on March 24, 2011. Likewise, the Engineering Department signed a substantial completion certificate on December 15, 2010, on a project to rehabilitate piles under the approach to the Pelham Bay Bridge in New York. Amtrak has use of the bridge even though work was not scheduled to be completed until March 31, 2011.

Finally, the scope of the project to replace the River Road Bridge in Connecticut was significantly reduced to allow the project to be funded by ARRA. The Engineering Department's original plan was to purchase materials and install a new bridge superstructure with ARRA funds. In December 2010, the Engineering Department reduced the project scope to include only material purchases. Engineering officials decided to reduce the scope because there was insufficient track time available to complete the project by the ARRA deadline. The repair work will now be funded under Amtrak's capital budget and is estimated to be completed by the end of 2012.

### **Waivers Received to Extend Project Completion Dates**

Between October 2010 and February 2011, the Engineering Department requested and received waivers from FRA to extend the completion date for 27 projects that could not be completed by the grant deadline. As a result, \$126.9 million in funding will be put to better use. Waivers were approved by FRA due to delays in obtaining regulatory approval, unforeseen site conditions, and issues that arose during construction. Some examples:

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- *Upgrade Atglen and Susquehanna Branch Transmission Line, Pennsylvania.* The start of construction was delayed from May 3 to October 25, 2010, due to the time required to comply with the requirements of the National Environmental Policy Act and to obtain approvals under the National Historic Preservation Act from the Department of the Interior. As a result, the scheduled completion date was extended 7 months, to September 30, 2011. The project has a budget of \$23.5 million; \$9.4 million had been spent as of February 28, 2011.
- *Switch Heater Replacement/Remote Control, Chicago Yard.* This project was delayed by a 21-day labor strike by building trades and utility constraints, with concurrent unforeseen soil conditions and groundwater contamination. As a result, the scheduled completion date was extended 4 months, to June 10, 2011. This project has a budget of \$29.9 million; \$18.1 million had been spent through February 28, 2011.
- *Replace East and West Harbor Bridges, Connecticut.* These two projects were delayed because the original contractor has been terminated. Amtrak's Procurement Department awarded a new contract to complete the original scope of work. The Engineering Department estimates that the projects will now be completed in December 2011. These two projects have a budget of \$32.2 million and \$7.7 million had been spent through February 28, 2011.

Waivers were requested and received for six projects that involved work at 79 locations. Engineering officials stated that certificates indicating substantial completion had been obtained for 35 (44 percent) of the locations; however, a project substantial completion certificate would not be obtained until work at all project locations was completed.

Waivers were also requested and received for three projects that Engineering assigned to Jacobs in April 2010 that provided insufficient time to complete the projects prior to the ARRA deadline date. A project to mitigate falling ballast at Hellgate Bridge and another project to make public safety improvements at Washington Bridge in the District of Columbia were added to avoid potential fines or consent decrees. A third project was added to improve fencing and access around the John Street Baltimore and Potomac tunnel in Maryland. Although construction on these three projects began nearly as planned, there was insufficient time to complete them by the deadline. Amtrak requested and received waivers to extend these projects from 4 to 8 months.

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## **CONCLUSION**

ARRA funding enabled the Amtrak Engineering Department to make some security and infrastructure improvements, but fewer improvements will be made than originally planned and budgeted. The initial focus on projects that could be completed by the ARRA grant deadline, the order of magnitude project estimates, and the changes in priorities resulted in significant changes to projects managed by Jacobs. Amtrak senior management decided toward the end of the grant agreement period to request waivers to extend the estimated completion for projects that were not going to be finished by the grant deadline. As a result, some funds are at risk of being wasted to the extent that designs for canceled projects are not used in the future.

## **RECOMMENDATION**

To avoid wasting the \$1.4 million of Amtrak operating funds spent on canceled projects, we recommend that the Chief Engineer give priority to canceled ARRA projects when making future infrastructure improvement project selection decisions, and prepare written justification to support the funding of higher priority projects.

## **MANAGEMENT COMMENTS AND OIG ANALYSIS**

In commenting on a draft of this report, Amtrak's Chief Engineer stated that he intends to give priority to deferred/canceled projects, but noted that these projects will compete for funding with other projects during the selection process. In that draft report, we recommended that the Chief Engineer give priority to canceled ARRA projects when making future infrastructure improvement project selection decisions. However, given the comment that canceled projects will compete for funding with other projects, our final recommendation is that the Chief Engineer give priority to canceled ARRA projects when making future infrastructure-improvement project selection decisions, and prepare a written justification to support the funding of higher priority projects. Technical comments were also provided and are included in this report where appropriate. Amtrak's comments are reprinted in Appendix I.

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**Appendix I**

**COMMENTS FROM AMTRAK'S CHIEF ENGINEER**

NATIONAL RAILROAD PASSENGER CORPORATION  
30<sup>th</sup> and Market Streets, Philadelphia, PA 19104  
Tel: 215-349-2900 Fax: 215-349-3340

**Memo**



Date: June 14, 2011  
To: David R. Warren  
Assistant Inspector General-Audits

From: Frank Vacca *F. Vacca*  
Chief Engineer  
Department: Engineering

cc: D. J. Stadler  
Jessica Scritchfield  
Mark Wurlpel  
Ed Simons  
Art Misiaszek

Subject: American Recovery and Reinvestment Act Draft Audit Report Dated May 10, 2011

This memo is in response to the Office of Inspector General (“OIG”) Evaluation Report #OIG-908-2010 “Infrastructure Improvements Achieved But Less Than Planned”, dated May 10, 2011.

The OIG draft audit report provides useful information on which Amtrak Management can take action. Management agrees with the recommendation to prioritize projects on which \$1.4 million of Amtrak operating funds were spent when making future infrastructure projects selection decisions. Our commitment to implement this recommendation will be placed in the context of our standard practice for project selection for FY 12 and FY13 funding.

Management’s response to recommendation is detailed below.

**Recommendation 1:**

To avoid wasting the \$1.4M of Amtrak operating funds spent on cancelled projects, we recommend that the Vice President/Engineering give priority to canceled ARRA projects when making future infrastructure improvement project selection decision.

**Management Response:**

When making future infrastructure improvement project selection decisions for FY 12 and FY 13, Amtrak Engineering and the Chief Engineer/Deputy Chief Engineers intend to give priority consideration to the cancelled projects funded by the \$1.4 million of operating funds during the ARRA program. The cancelled/deferred projects will, however, compete for funding with other projects during project selection process.

## **Appendix II**

### **SCOPE AND METHODOLOGY**

This audit covers Jacobs-managed, ARRA-funded projects. There were 37 Jacobs-managed projects, with an estimated budget of \$483.6 million. See Appendix III for a complete list of projects. We performed this audit from August 2010 through April 2011, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform our work to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the objectives. We believe that the evidence obtained during this audit provides a reasonable basis for our findings and conclusions based on our objectives.

To determine the extent to which planned infrastructure improvements were achieved, we analyzed changes to the ARRA-funded, Jacobs-managed projects from the time the grant agreement was signed in March 2009 through February 2011. We interviewed officials in Amtrak's Engineering and Finance departments to identify reasons that projects were canceled, as well as reasons that project budgets increased or decreased. We also obtained data from the Engineering Department on funds spent on canceled projects. We reviewed the status reports for each project, along with documentation regarding Amtrak's waiver requests to extend project completion dates. We also interviewed project managers to identify reasons that projects could not be completed by the ARRA deadline. Finally, we obtained data on actual expenditures by project as of February 28, 2011, from the Finance Department.

#### **Use of Computer-Processed Data**

We utilized computer-processed reports to obtain budget and expenditure data on all Jacobs-managed projects. These data represent the actual expenditures as reported to FRA. We did not validate these numbers but relied on the data based on a general and application review of financial systems performance as part of the financial statement audit performed by Amtrak's external auditors.

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## **Internal Controls**

We reviewed Amtrak Engineering's internal controls related to project planning and implementation by determining the status of all projects and the process for making changes to project scope.

## **Prior Coverage**

*Fewer Security Improvements than Anticipated Will Be Made and Majority of Projects Are Not Complete* (Report 914-2010, June 16, 2011).

*Assessment of Project Risks Associated with Key Engineering Projects* (Report No. 912-2010, May 14, 2010).

*Opportunities and Challenges Facing Amtrak in FY 2011 and Beyond*. Statement of Ted Alves, Inspector General, National Railroad Passenger Corporation, before the Subcommittee on Transportation, Housing and Urban Development, and Related Agencies, Committee on Appropriations, United States Senate, April 29, 2010.

*Rocla Concrete Ties* (Report No. 218-2005, March 20, 2008).



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**Appendix III**

**ARRA-FUNDED JACOBS PROJECTS**

The following table shows the status of Jacobs-managed projects as of  
 February 28, 2011.

Project	Budget (\$000)	Expenditures as of 2/28/11	Completed by Deadline <sup>a</sup>	Waiver Approved to Extend Deadline
<b>Construction management projects</b>				
Fiber Optic Cable - Michigan Line	\$6,888	\$6,664	X	
Replace Superstructure, Union Street Bridge, PA	\$4,296	\$3,841	X	
Replace Superstructure, Wood Street Bridge, PA	\$3,337	\$3,225	X	
Replace Superstructure, River Road Bridge, CT	\$2,484	\$1,692	X	
Concrete Pile Rehab, Pelham Bay, NY	\$12,462	\$12,481	X	
Paint Fixed Span, Thames River Bridge, CT	\$25,500	\$27,952	X	
Metuchen Frequency Converter, NY Division	\$14,000	\$13,998	X	
Construct Maintenance Facility, Hialeah, FL	\$35,483	\$21,286		X
Construct Maintenance Facility, Los Angeles	\$35,470	\$38,332		X
Ivy City Substation and Transmission Line Improvement, DC	\$25,059	\$27,147		X
ITCS Installation Wayside, Michigan Line	\$25,023	\$22,155		X
Transmission Line Replacement, PA	\$23,524	\$9,361		X
Miamicock Bridge Replacement, CT	\$20,000	\$17,681		X
West Harbor Bridge Replacement, CT	\$16,514	\$3,992		X
East Harbor Bridge Replacement, CT	\$15,805	\$3,700		X
<b>Subtotal, Construction Management</b>	<b>\$265,845</b>	<b>\$213, 507</b>	<b>7</b>	<b>8</b>

*continued*

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	Budget (\$000)	Expenditures <sup>b</sup> as of 2/28/11 (\$000)	Completed by Deadline <sup>a</sup>	Waiver Approved to Extend Deadline
<b>Design/Build Projects</b>				
Fire Alarm Upgrade, South Hampton Street Yard, MA	\$1,226	\$83	X	
Station Upgrades, New York Division	\$910	\$319	X	
Station Upgrades, New England Division	\$206	\$157	X	
Demolition of Abandoned Structures, Washington to Boston	\$2,848	\$2,758		X
Canopy Restoration, Platform Upgrades, Tampa	\$793	\$233		X
Facility Upgrades, Central Division	\$23,009	\$14,015		X
Fall Protection Upgrades, IN, IL	\$3,927	\$2,775		X
Switch Heater, Replace Remote Control, Chicago Yard	\$29,912	\$18,051		X
Track Rehabilitation, Central Division <sup>c</sup>	\$31,044	\$26,873		X
Service and Inspection Building Expansion, Chicago	\$12,709	\$6,001		X
Electrical Distribution Upgrade, Chicago Yard	\$1,294	\$1,088		X
Compressed Air Improvements, 14 <sup>th</sup> and 16 <sup>th</sup> Streets, Chicago Yard	\$22,310	\$12,523		X
Locomotive Shop, Roof Replacement, Chicago	\$9,005	\$3,759		X
Public Safety Improvement, Washington Terminal Bridge, DC <sup>c</sup>	\$3,804	\$940		X
Falling Ballast Hazard Mitigation, Hellgate Bridge, NY	\$15,700	\$3,347		X
Mobility First, Non-Northeast Corridor <sup>c</sup>	\$8,756	\$8,645		X
Inventory Security Improvements	\$20,111	\$19,156		X
Facility Upgrades, New England Division <sup>c</sup>	\$7,962	\$6,279		X
Station Upgrades, Western Division <sup>c</sup>	\$1,794	\$3,064		X
Station Upgrades, Central Division <sup>c</sup>	\$2,725	\$864		X
Drop Table Building, South Hampton Street Yard ,MA	\$16,171	\$10,592		X
Fencing and Access Improvements, B & P John St. Opening, MD	\$1,544	\$807		X
<b>Subtotal, Design/Build</b>	<b>\$217,760</b>	<b>\$142,329</b>	<b>3</b>	<b>19</b>
<b>TOTAL</b>	<b>\$483,605</b>	<b>\$355,836</b>	<b>10</b>	<b>27</b>

Source: OIG Analysis of Engineering and Finance Department data

<sup>a</sup> Includes projects completed and substantially complete.

<sup>b</sup> The actual costs for the design/build projects do not include work in process as of February 28, 2011.

<sup>c</sup> Project involved work at multiple locations.

*Amtrak Office of Inspector General*  
**American Recovery and Reinvestment Act:  
Infrastructure Improvements Achieved but Less than Planned**  
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**Appendix IV**

**ABBREVIATIONS**

ARRA	American Recovery and Reinvestment Act
FRA	Federal Railroad Administration
OIG	Office of Inspector General

*Amtrak Office of Inspector General*  
**American Recovery and Reinvestment Act:**  
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**Appendix V**

**OIG TEAM MEMBERS**

David R. Warren	Assistant Inspector General, Audits
Michael Kennedy	Senior Director
John Caporale	Principal Auditor
Raymond Depp	Principal Auditor
Michael P. Fruitman	Principal Communications Officer
Denize Hammond	Director
Maryellen Moran	Principal Auditor

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## OIG MISSION AND CONTACT INFORMATION

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<b>Amtrak OIG's Mission</b>	Amtrak OIG's mission is to <ul style="list-style-type: none"><li>▪ conduct and supervise independent and objective audits, inspections, evaluations, and investigations relating to Amtrak programs and operations;</li><li>▪ promote economy, effectiveness, and efficiency within Amtrak;</li><li>▪ prevent and detect fraud, waste, and abuse in Amtrak's programs and operations;</li><li>▪ review security and safety policies and programs; and</li><li>▪ review and make recommendations regarding existing and proposed legislation and regulations relating to Amtrak's programs and operations.</li></ul>
<b>Obtaining Copies of OIG Reports and Testimony</b>	Available at our website: <a href="http://www.amtrakoig.gov">www.amtrakoig.gov</a>
<b>To Report Fraud, Waste, and Abuse</b>	Report suspicious or illegal activities to the OIG Hotline (you can remain anonymous):  Web: <a href="http://www.amtrakoig.gov/hotline">www.amtrakoig.gov/hotline</a> Phone: 800-468-5469
<b>Congressional Affairs &amp; Public Relations</b>	E. Bret Coulson Congressional Affairs & Public Relations  Mail Amtrak OIG 10 G Street, N.E., 3W-300 Washington, D.C. 20002  Phone 202-906-4134  Email <a href="mailto:bret.coulson@amtrakoig.gov">bret.coulson@amtrakoig.gov</a>

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