

NATIONAL RAILROAD PASSENGER CORPORATION  
OFFICE OF THE INSPECTOR GENERAL  
OFFICE OF THE INVESTIGATIONS

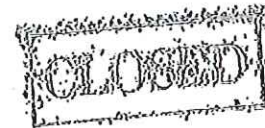
CLOSING REPORT

CASE NUMBER: 07-042

DATE: August 10, 2009

TO: [REDACTED]  
Deputy Inspector General/Counsel

FROM: [REDACTED]  
Special Agent, [REDACTED] Field Office



**BACKGROUND:**

On February 18, 2007, Office of the Inspector General ("OIG"), Office of Investigations ("OI"), Agents received information from [REDACTED], [REDACTED] and [REDACTED], regarding Operation Red Block ("ORB") missing funds. The e-mail indicated that during their audit, [REDACTED], [REDACTED] had written 35 ORB checks to herself totaling \$9,114.36 and that an additional 34 missing checks were also issued to [REDACTED].

**FINDING OF FACTS:**

On May 15, 2007, OI interviewed [REDACTED]. [REDACTED] said that she had been requested to conduct an audit of ORB Financial Records by [REDACTED], [REDACTED], [REDACTED].

According to [REDACTED], on July 13, 2006, the ORB [REDACTED] had convened a meeting in [REDACTED], [REDACTED], and that during the course of the meeting [REDACTED] made a motion to have an audit conducted on the ORB records and suggested that [REDACTED] conduct that audit.

[REDACTED] said that between July 13, 2006, through October 14, 2006, [REDACTED] been given numerous opportunities to provide documentation or a reasonable excuse as to what had happened to ORB funds. [REDACTED] told OI Agents that [REDACTED] was unable to provide either and that on October 26, 2006, she was removed from the position of [REDACTED] by [REDACTED], then [REDACTED].

On June, 2007, OI interviewed [REDACTED]. According to [REDACTED] had missed several meetings and had not provided a [REDACTED] report. [REDACTED] said that the policy mandates that the committee review financial reports at all quarterly meetings. He had been informed that [REDACTED] had missed two (2) quarterly meetings which the committee could not review any financial reports during that period.

OI asked [REDACTED] to identify members that had authorized to issue and to sign off on ORB checking accounts. [REDACTED] said that former Amtrak employee [REDACTED] and that [REDACTED], [REDACTED] were also listed on the account with [REDACTED]. [REDACTED] said that it was improper for [REDACTED] to have given [REDACTED] pre-signed checks and that as a member of the Steering Committee, [REDACTED] also had authorization to review the financial records at anytime.

On October 3, 2007, OI conducted a follow-up interview of [redacted]. [redacted] was asked if he had ever been apprised of any of the [redacted] Reports. [redacted] told OI that a report was not made specifically for him and that every member of the ORB Steering Committee had a right to review the check book, financial reports, and other documentation as it relates to ORB. [redacted] told OI he became aware of [redacted] having committed theft once he reviewed the record and spreadsheets that had been prepared by [redacted].

On June 27, 2007, OI conducted an interview with [redacted]. [redacted] was asked if he was aware of [redacted] had been possible committing a theft. [redacted] said that he was reroute to an ORB Steering Committee meeting that he had received phone calls from [redacted] and [redacted] advised him in substance, that [redacted] had used ORB funds for personal use and failed to submit two (2) quarterly [redacted] reports. [redacted] said that he was aware that [redacted] and [redacted] had been e-mailing each other regarding the incident. [redacted] said that the proper guidelines and procedure were printed in the ORB workbook and that those actives conducted by [redacted] were violated of ORB rules.

On April 3, 2008, this case was presented to the [redacted] District Attorney Office, Criminal Complaint Division for review and purpose of criminal prosecution. Deputy District Attorney [redacted] reviewed the case and advised OI that, although the activities conducted by [redacted] met the standard for felony embezzlement charges, she would decline prosecution based on the fact that supervisory officials within ORB had collectively stated that they did not believe that [redacted] was committing theft and that her problems were a matter of poor record keeping. According to [redacted], those statements made by those individuals afforded [redacted] the excuse she needed to nullify any wrong doing on her part.

**RECOMMENDATION:**

Close this case. The hearing officer found [redacted] guilty of violation of Amtrak's Standards of Excellence, "Trust and Honesty" by acquiring funds from ORB which she was not entitled to receive and she was subsequently terminated on February 9, 2007.

ORB removed [redacted]. Checks can no longer be allowed to be per-signed in advance and a second signatory work in the same physical area as the [redacted]. [redacted] may only sign a check to the payee and amount only after it is accompanied by supporting documentation.

Management at ORB has been told that it must continuo to adhere to ORB Checking Account Report # [redacted] and was redistributed to ORB members.

Chief Inspector \_\_\_\_\_

[redacted signature block]

**CLOSED**

Deputy Inspector General/Counsel \_\_\_\_\_

*CLG* 8/19/2009