



RELOCATION EXPENSE FRAUD

MAY 20, 2016

CASE OIG-I-2016-520

In March 2015, we received an allegation that an Amtrak Assistant Superintendent received a double payment for relocation expenses by using the Corporate Lodging Consultants (CLC) credit card for his hotel expenses (which was billed directly to Amtrak) and also accepting the company's "lump sum" relocation payment for the same expenses. Our review determined that contrary to company policy, the Amtrak Assistant Superintendent received double-reimbursement for temporary living expenses on three company-funded relocations that occurred in 2011, 2012, and 2014. On each relocation, the employee improperly used the company's CLC card to pay for his temporary living expenses after receiving lump-sum payments to cover his temporary living expenses. The employee received a total of \$20,000 in advance lump-sum payments, for all three locations, while he also used the company's CLC card to stay in corporate lodging during all 3 relocations, totaling over \$13,000. We also determined that the employees' supervisor, the Superintendent of the Region, failed to properly address the double payment issue when it was brought to his attention. The local United States Attorney's Office declined criminal prosecution of the Amtrak Assistant Superintendent. Our report of investigation was provided to Amtrak management and we were informed that on May 11, 2016, both employees were terminated from Amtrak for failure to follow company policy.