

Federal Retirement Thrift Investment Board

Thrift Savings Fund

October 19, 2020

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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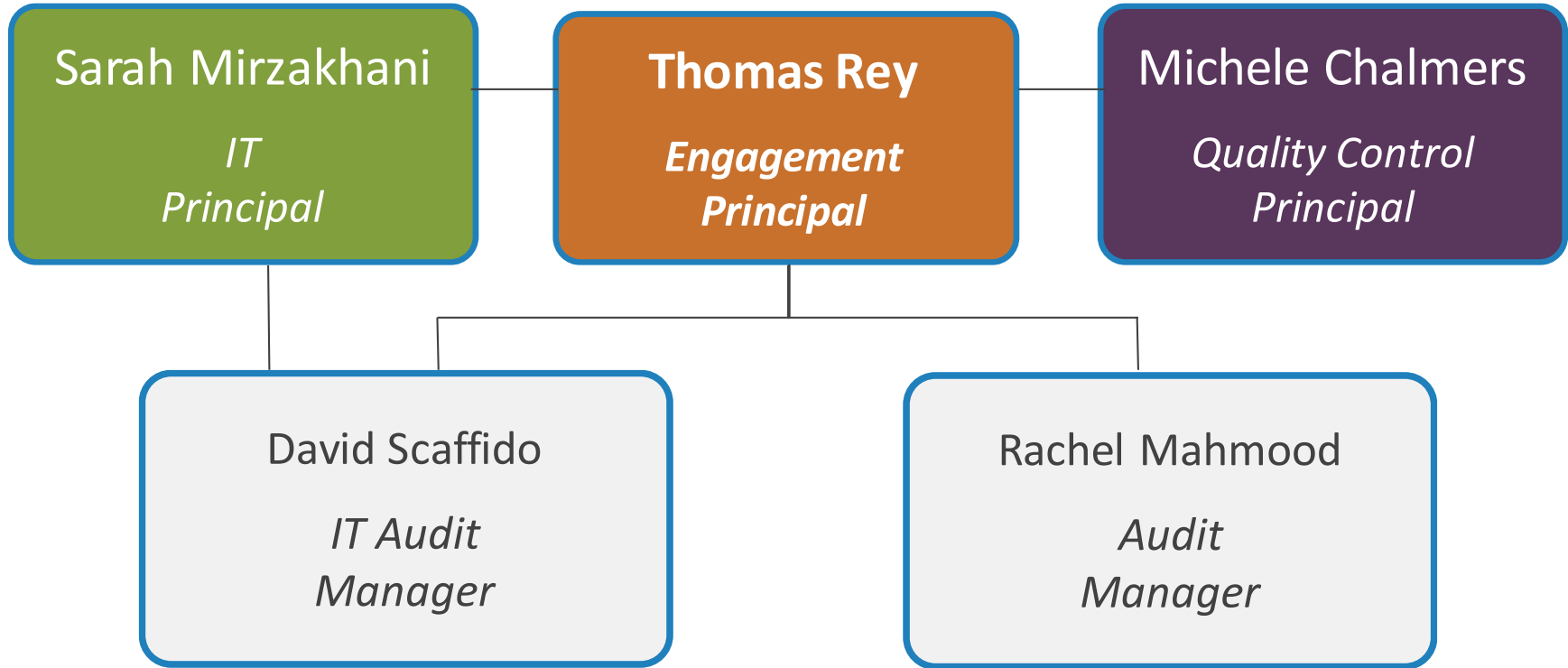
Thomas Rey, Principal

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Agenda

- June 30, 2020 Interim Review
 - Engagement Team
 - Scope of Services
 - Summary of Results
- Status of Prior Year Findings

June 30, 2020 Interim Review Engagement Team



June 30, 2020 Interim Review

Scope of Services

- Review of financial statements of Thrift Savings Fund for the Six-Month Period Ended June 30, 2020
 - Conducted in accordance with standards generally accepted in the United States of America applicable to reviews of interim financial information
- Review is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America
 - Not expressing an opinion regarding the interim financial information



June 30, 2020 Interim Review

Scope of Services (continued)

- Planned and performed review services to determine if any material modifications should be made to the June 30, 2020 interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America
 - ❖ Performed analyses of financial data, principally analytical procedures
 - ❖ Inquired as to changes in internal controls over financial reporting and general computer and application controls
 - ❖ Made inquiries of Agency personnel – those responsible for financial and accounting matters
 - ❖ Work performed remotely



June 30, 2020 Interim Review

Summary of Results

- Independent Auditors' Review Report
 - Not aware of any material modifications that should be made to the June 30, 2020 interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America
- No opinion on internal controls expressed
- As part of our review procedures, we updated our understanding of internal controls
 - We did not test operating effectiveness of the controls
 - We did not test any changes made to improve areas commented on in previous years



Status of Prior Findings

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Status of Prior Recommendations

- As part of our review procedures, we updated our understanding of internal controls
 - We did not test operating effectiveness of the controls
 - We did not test any changes made to improve areas commented on in previous years
- We did update our understanding of status of prior recommendations (summarized next slides)



Status of Prior Recommendations

- Continuous Monitoring:
 - The Agency has completed Assessment and Authorization (A&A) activities for 20 systems. In early June 2020, the Agency initiated A&A activities for two remaining systems and this effort is scheduled to be completed by early November 2020. Furthermore, the annual risk assessment for two systems will be completed by mid-November 2020.
- Plan of Action and Milestones:
 - The Agency has completed A&A processes for 20 systems and the new POA&Ms are tracked within the RMF automated tool Telos Xacta 360 and monitored by the assigned Information Systems Security Officer (ISSO) and Information Systems Security Manager (ISSM). Bi-weekly POA&M meetings are conducted with the ISSOs, ISSMs, and Agency support contractor. All POA&M meeting minutes are stored in Telos Xacta 360 for tracking purposes.

Status of Prior Recommendations

- **System Security Plans:**
 - To date, the Agency has reviewed and updated the System Security Plans (SSP) for 20 systems. The Agency is currently in the process of updating the SSP for one remaining system and this effort is scheduled to be completed early November 2020.
- **Account Management:**
 - The Agency is in the development phase of drafting a Corrective Action Plan (CAP) to review and enhance the existing off-boarding process. A schedule with a completion date will be drafted once the CAP development has been finalized.
 - The Agency has enhanced the onboarding process to ensure access is approved and documented prior to onboarding and granting system access. Before an account is created, a checklist of tasks in TrainNow must be completed prior to a notification for onboarding is sent to the User Support Team and the Agency for review and approval. Additional tasks are sent to the applicable service teams for account creation. The remediation closure package will be submitted for internal Agency review by September 30, 2020.

Status of Prior Recommendations

- Contingency Planning:
 - As of June 2020, the Agency has updated the Information System Contingency Plans (ISCPs) and their respective Business Impact Analysis (BIAs) for the operational information systems to reflect the critical business processes, maximum tolerable downtimes, and recovery time objectives that are identified in the latest version of the Agency's Business Continuity Plan (BCP). This effort is scheduled to be completed by October 30, 2020. The remediation closure package will be submitted for internal Agency review by September 30, 2020 .
- Segregation of Duties for Omni System Users:
 - The Agency has drafted an OMNI Segregation of Duties (SOD) matrix to document the application groups and roles. A Corrective Action Plan (CAP) is currently in the development phase which will update the OMNI SOD matrix to clearly identify conflicts, update the applicable procedures, and enhance the process for requesting OMNI access. A schedule with a completion date will be drafted once the CAP development has been finalized.

Status of Prior Recommendations

- Reconciliation of OMNI participant level reporting:
 - The Agency is in the process of developing new reports for Annual Contributions, Outstanding Loans, and Withdrawals to include participant level data that will reconcile with the trial balance. These reports are on schedule to be developed, tested, and deployed to Production by the end of calendar year 2020.





Questions?

Thomas Rey, Principal

