

AUDIT STATUS / SECURITY & REMEDIATION STATUS

PRESENTED BY

OFFICE OF ENTERPRISE RISK MANAGEMENT (OERM) and
EXECUTIVE DIRECTOR

October 19, 2020



Thrift Savings Plan

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
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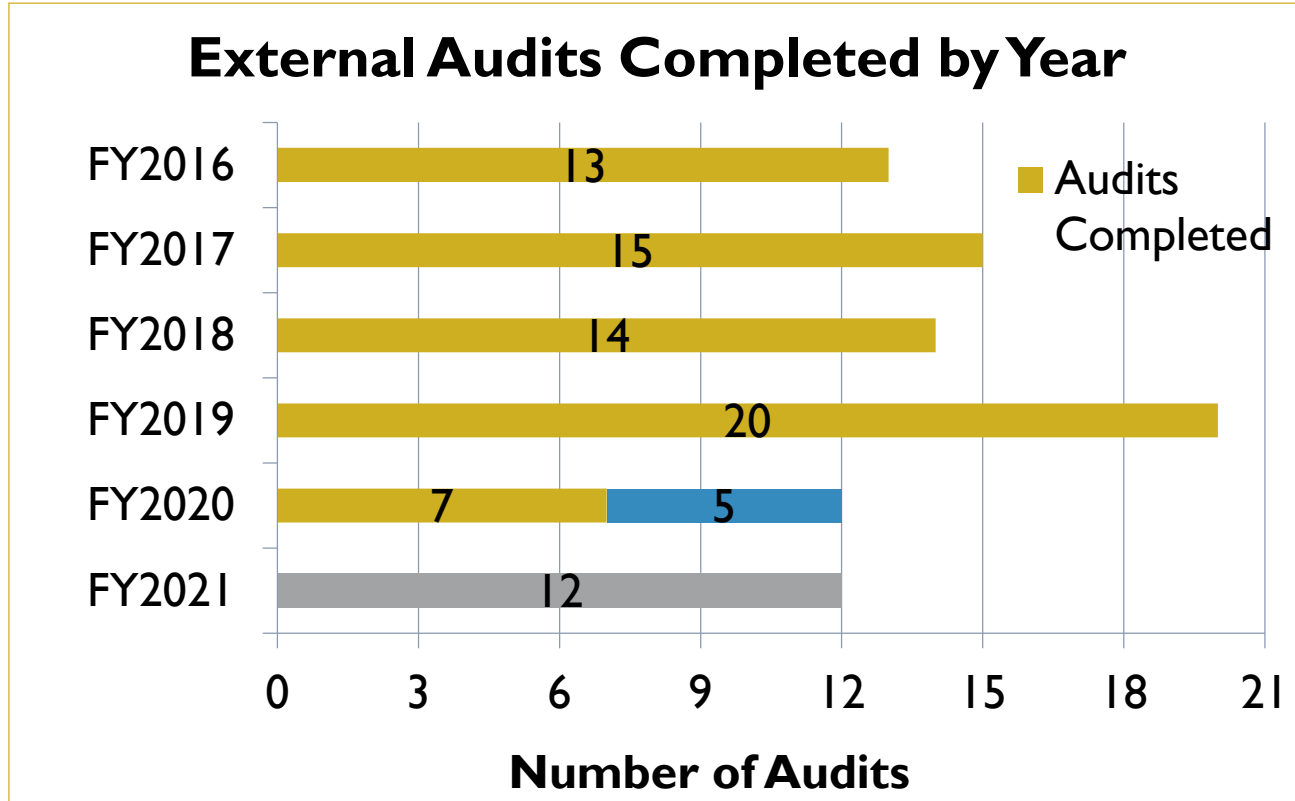


AGENDA

- **AUDIT STATUS**
- REMEDIATION STATUS



EXTERNAL AUDIT ACTIVITY (FY2016-2021)



EXTERNAL AUDIT ACTIVITY (FY2020)

Audits Completed (FY2020)	Audits in Progress (FY2020)	Audits Planned (FY2021)
<ol style="list-style-type: none"> 1. FISMA (FY2019) 2. Annual F/S Audit (CY 2019) 3. Computer Access 4. Annuity Operations 5. Insider Threat 6. Investment Management Operations 7. Status of Prior Year Recommendations 2020 	<ol style="list-style-type: none"> 1. Board's Staff 2. Mainframe 3. Withdrawals 4. FISMA (FY2020) 5. Mid-Year F/S Review (CY2020) 	<ol style="list-style-type: none"> 1. Account Maintenance 2. Assessment of FRTIB Independent Verification & Validation and Other Results 3. IT Operations Management 4. Lifecycle Funds Operations 5. Loans Operations 6. Mobile Devices and Security Governance Review 7. Participant Website Controls 8. System Enhancements and Software Change Controls 9. Participant Support/Contact Center Operations 10. FISMA (FY2021) 11. Annual F/S Audit (CY 2020) 12. Mid-Year F/S Review (CY2021)

Auditor Legend

EBSA

CLA

Williams Adley

WITHDRAWALS PROCESS

Audit Objectives:

- Determine whether the Agency implemented certain procedures to:
 - Process TSP withdrawal transactions promptly and accurately in individual participant accounts.
 - Process authorized participant payments in accordance with applicable Agency regulations.
 - Accurately record withdrawals activity in the TSP accounting records.
- Test compliance with certain laws and regulations.
- Determine the status of prior year recommendations



WITHDRAWALS PROCESS

Audit Scope Period: January 1, 2019 through December 31, 2019

Audit Report Date: September 10, 2020 (Final report received October 5, 2020)

Audit Results:

- 10 closed recommendations
- 0 new recommendations
- 0 open prior year recommendations

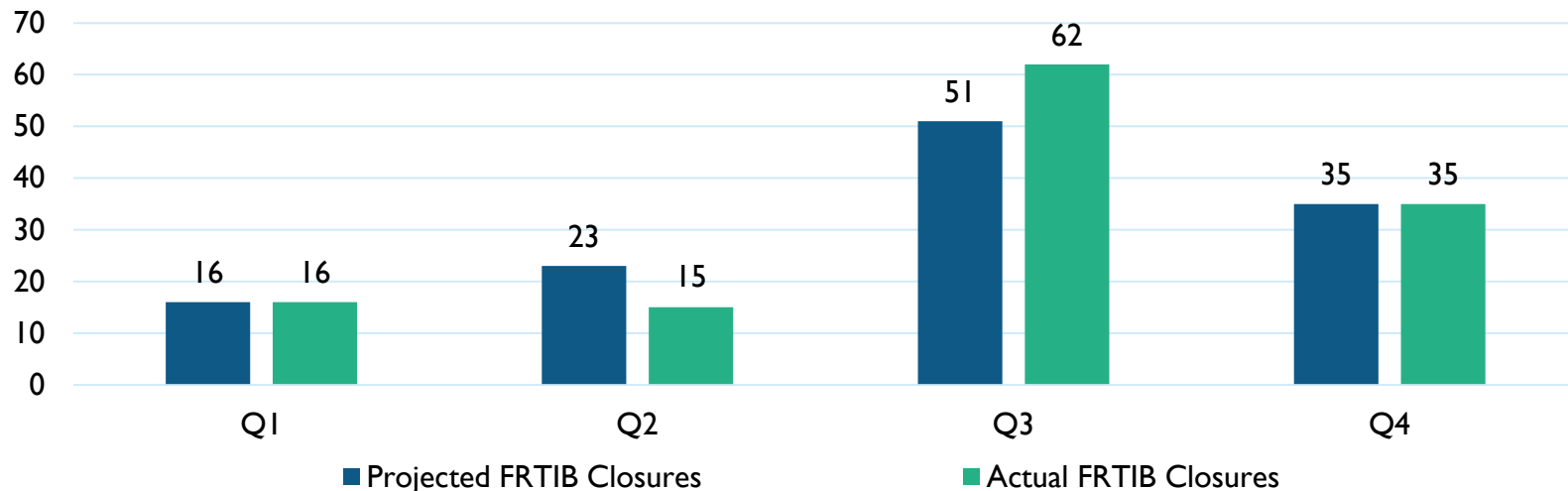


AGENDA

- AUDIT STATUS
- **REMEDICATION STATUS**



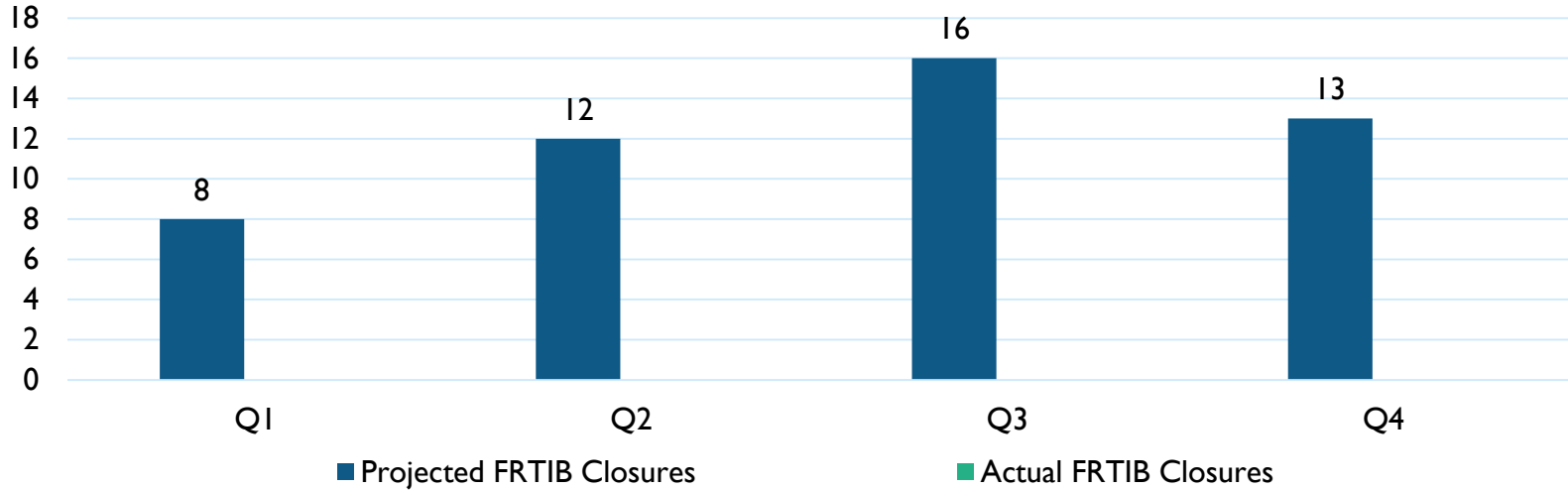
FY2020 PROJECTED AND ACTUAL FRTIB CLOSURES



Our goal is to have at least 125 closures in FY2020. Closed 128 in FY2020.

Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

FY2021 PROJECTED FRTIB CLOSURES



Our goal is to have at least 49 closures in FY2021.

Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

OPEN AUDIT RECOMMENDATIONS

FY2016 – FY2020

Auditor Activity	FY 2016	FY 2017	FY 2018	FY2019	FY2020
Auditor Start	183	274	415	418	414
Auditor Add	117	196	60	141	31
Auditor Closed	-26	-55	-57	-145	-61
Auditor End	274	415	418	414	384

FRTIB Activity	FY 2016	FY 2017	FY 2018	FY2019	FY2020
FRTIB Start	116	247	346	341	280
Auditor Add	117	196	60	141	31
FRTIB Closed	14	-97	-65	-205	-133
FRTIB Closed Reversal				3	5
FRTIB End	247	346	341	280	183

Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

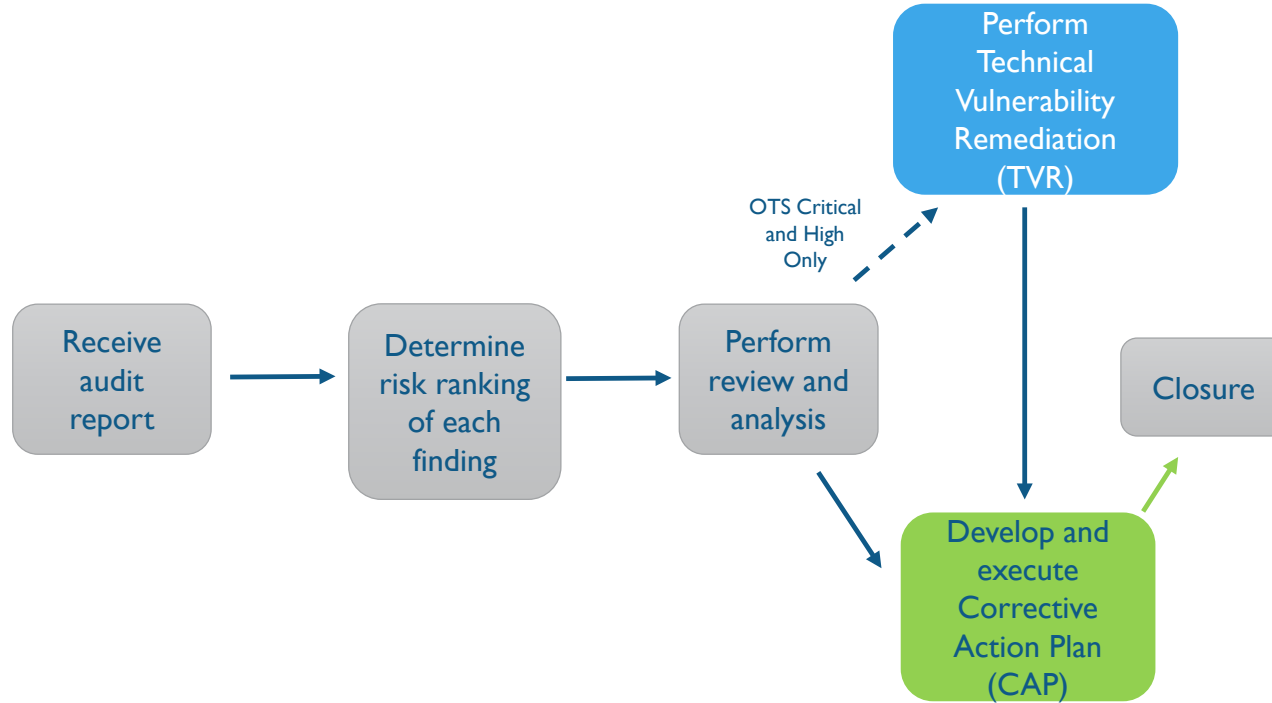
OPEN AUDIT RECOMMENDATIONS BY YEAR

(as of 09/30/2020)

Calendar Year	Open Recommendations	%
2011	1	1%
2012	0	0%
2013	14	8%
2014	19	10%
2015	24	13%
2016	56	31%
2017	11	6%
2018	10	5%
2019	33	18%
2020	15	8%
Total	183	100%

Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

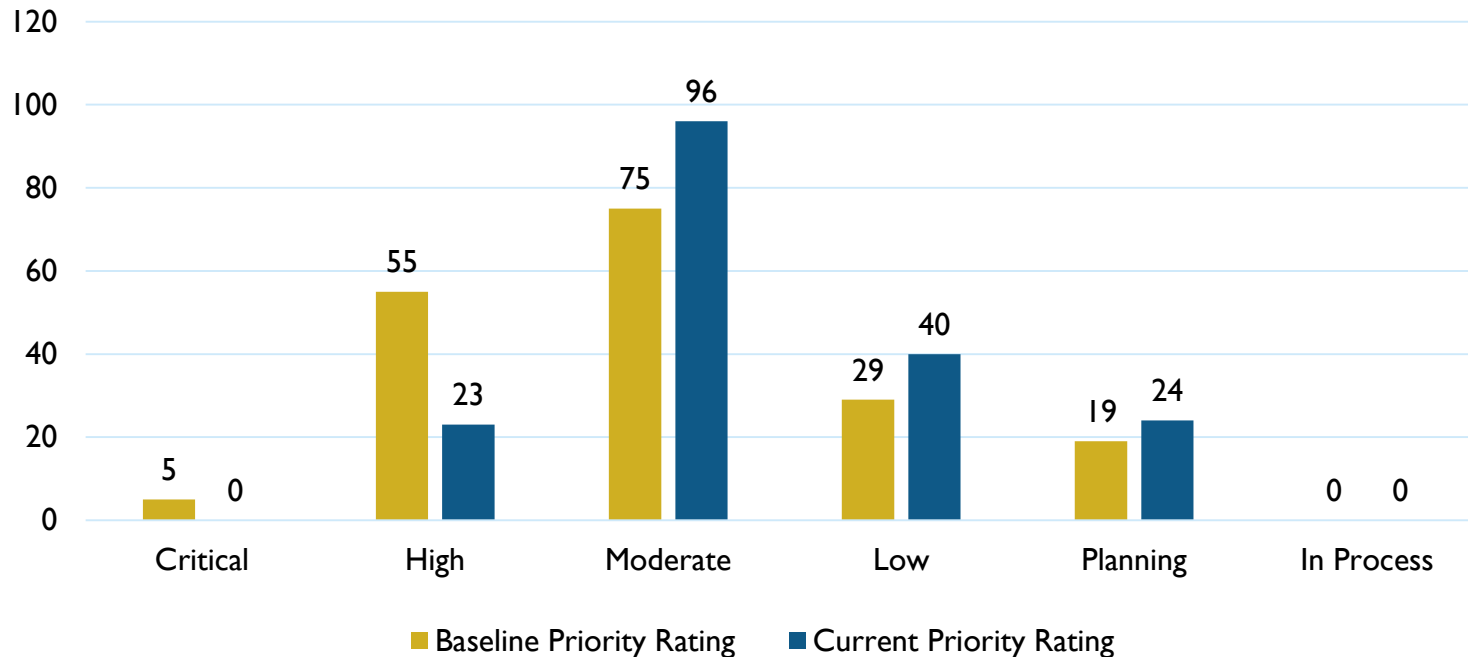
WE USE A RISK-BASED APPROACH TO ADDRESS AUDIT FINDINGS*



**All findings stored and managed in AuditNow case management repository*



OPEN RECOMMENDATIONS BY PRIORITY RATING (as of 09/30/2020)

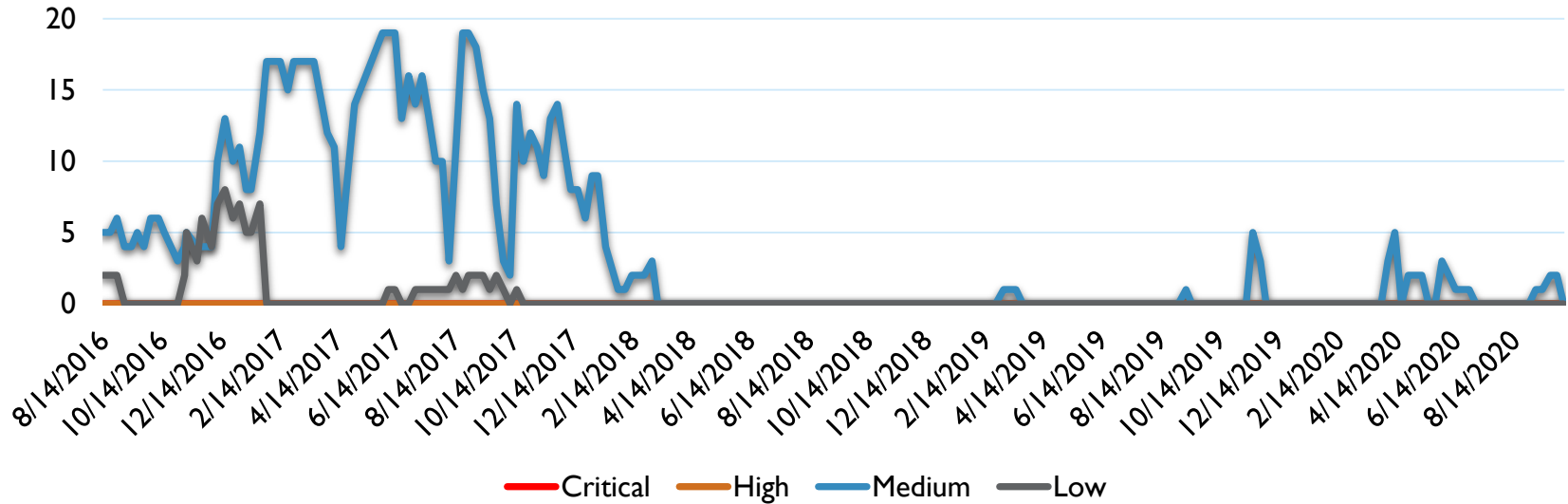


Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

FRTIB NCATS PERFORMANCE

(as of 09/30/2020)

Number of Open Vulnerabilities Over Time



Note: FRTIB has never had any Critical or High vulnerabilities