FEDERAL RETIREMENT THRIFT INVESTMENT BOARD
77K Street, NE   Washington, DC 20002

October 22, 2018

Employee Benefits Security Administration - Performance Audit of the Thrift Savings Plan Loans Process

Audit Report Date:
June 7, 2018

Audit Scope Period:
October 1, 2016 through December 31, 2017

Audit Objectives:
- Determine whether the Agency implemented certain procedures to:
    1. Process TSP loan transactions promptly and accurately in individual participant accounts and in the appropriate investment funds.
    2. Disburse TSP loans in accordance with regulations and participant authorizations.
    3. Limit participation in the TSP loan program to participants who meet eligibility criteria.
    4. Accurately record loan activity in the TSP accounting records.
- Test compliance with select USC and CFR sections.
- Determine the status of prior EBSA open recommendations.

Audit Results:
EBSA concluded that for the period October 1, 2016 through December 31, 2017, the Agency implemented certain procedures to:
    1. Process TSP loan transactions promptly and accurately in individual participant accounts and in the appropriate investment funds.
    2. Disburse TSP loans in accordance with regulations and participant authorizations.
    3. Limit participation in the TSP loan program to participants who meet eligibility criteria.
    4. Accurately record loan activity in the TSP accounting records.

As a result of compliance testing, EBSA did not identify any instances of noncompliance with select USC and CFR sections

EBSA presented one new finding. The finding noted spousal consent verification process weakness. The Agency did not concur with the recommendation.

EBSA noted one prior year finding was closed and two prior year findings remain open. One prior year was not implemented and one was partially implemented. The not implemented

finding noted TSP service bureau monitoring weakness and partially implemented finding noted weaknesses in the processing of participants returning from military non-pay status