

Internal Audit Presentation

PRESENTED BY: Virgil Savage, Acting Auditor in Chief,
OERM
THE FEDERAL RETIREMENT THRIFT
INVESTMENT BOARD

April 29, 2019

Agenda

1. Status of 2019 Internal Audits
2. Procurement and Contract Management Audit
3. Vendor Management Audit
4. Subsequent Period Highlights



Calendar Year (CY) 2019 Internal Audit Status

Internal Audit Engagement	Status
Procurement and Contract Management	Completed in 2019
Vendor Management	Completed in 2019
OMNI Application	Scheduled for completion in May 2019
Improper Payment Monitoring *	Scheduled for completion in 2019
Fixed Assets **	Scheduled for completion in 2019
FISMA	Scheduled for completion in December 2019

* Improper Payment Monitoring – Request to defer.

** Fixed Assets – Requesting to add to 2019 audits.

Procurement and Contract Management Audit

- **Audit Objectives:**
 - Determine Management's control framework that supports FRTIB's acquisition planning and contract award activities is appropriate, complete, and effective; and
 - FRTIB's acquisition planning and contract award activities comply with applicable policies, procedures, laws, and regulations.
- **Scope:** Contract awards made during the CY 2017 time period
- **Audit Report Date:** December 31, 2018
- **Audit Results:**
 - 3 Findings
 - 3 Recommendations
 - OCFO concurred with all findings
 - OCFO considers all findings closed

Vendor Management Audit

- **Audit Objectives**

- Determine Management's control framework that supports FRTIB's contract administration and oversight activities is appropriate, complete, and effective; and
- FRTIB's contract administration and contract oversight activities comply with applicable policies, procedures, laws, and regulations.

- **Scope:** Contracts active in the CY 2017 time period

- **Audit Report Date:** December 31, 2018

- **Audit Results:**

- 8 Findings
- 8 Recommendations
- OCFO concurred with all findings
- OCFO considers all findings closed

Subsequent Period Highlight

- After the completion of the audit fieldwork and before the audit report date, management implemented a new contracting policy dated November 30, 2018. The Agency developed and now uses the Thrift Federal Acquisition Supplement (T-FAS) as a supplement to the FAR. The T-FAS also specifies when the Agency may deviate from the FAR. This new T-FAS policy has not been reviewed or tested by us. These updated procedures address the root causes of the findings noted.