

Internal Audit Update

Presented By

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Federal Retirement Thrift Investment Board
tsp.gov

Agenda

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CY2025 Internal Audit Plan

Audit \ Month	January	February	March	April	May	June	July	August	September	October	November	December
Zero Trust Architecture Review (FRTIB/Converge)	Completed	Completed	Completed	Completed	Completed	Completed	In Process	In Process	In Process	In Process	In Process	In Process
Oracle Financials	New Audit	Completed	Completed	Completed	Completed	New Audit	New Audit	New Audit	New Audit	New Audit	New Audit	New Audit
Budgeting	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed
Business Continuity	New Audit	New Audit	Completed	Completed	Completed	Completed	New Audit	New Audit	New Audit	New Audit	New Audit	New Audit
Interagency Agreements	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed
Integrated Risk Management Tool	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed
Mutual Funds Window Operations Part 2	Completed	Completed	Completed	Completed	Completed	Timing Adjusted	Completed	Completed	Completed	Completed	Completed	Completed
Vendor Risk Management	Completed	Completed	Completed	Completed	Completed	Completed	In Process	In Process	In Process	In Process	In Process	Completed
Training and Development	Completed	Completed	Completed	Completed	Completed	Completed	Timing Adjusted	In Process	In Process	In Process	In Process	Completed
Converge Surveillance	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Timing Adjusted	In Process	In Process	In Process	Completed
Strategic Plan Monitoring	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Timing Adjusted	In Process	In Process	In Process	Completed
Prior Year findings (continuous process)	In Process	In Process	In Process	In Process	In Process	In Process	In Process					
FISMA 2025	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed



Completed



New Audit



Timing Adjusted



In Process



Planned

Integrated Risk Management Tool Audit

- **Objective:**

- The scope of the audit is to test FRTIB's Integrated Risk Management (IRM) Tool process. The areas of testing include IRM modules that have been implemented and operational, and includes the monitoring, reporting, and process controls.

- **Scope:**

- The testing scope period for collection of evidence and artifacts was from IRM Tool inception in 2023 through September 10, 2025.

- **Findings:**

- Two NFR's were issued:
 - Users noted in IRM tool who are no longer at FRTIB
 - IRM Tool Maturity and Usability

- **Other Matters:**

- We noted three other matters related to manual processes occurring outside of IRM tool.

Mutual Funds Window Operations 2025 Audit

- **Objective:**

- The scope of the audit is to test FRTIB's Mutual Funds Window Operations processes. Areas of testing may include monitoring of AFS, Alight, and BNY Mellon's management of mutual funds operations, focusing on fee application, escalated cases and documentation distribution.

- **Scope:**

- The testing scope period for collection of evidence and artifacts was from August 1, 2024, through July 31, 2025.

- **Findings:**

- No NFR's issued.

CY2026 Internal Audit Plan (Draft)

Audit	Month	January	February	March	April	May	June	July	August	September	October	November	December
Prior Yr Audit Findings Remediation Confirmation		Planned	Planned										
Government Purchase Card	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned
Converge Satisfaction Metrics			Planned	Planned	Planned								
On/Off Boarding Contractors/Employees (2 separate processes)				Planned	Planned	Planned	Planned						
Enterprise Risk Management					Planned	Planned	Planned						
Data Lake					Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned
Accounts payable								Planned	Planned	Planned			
AI Governance Process (Current State)								Planned	Planned	Planned	Planned	Planned	Planned
Contracting										Planned	Planned	Planned	Planned
Converge Program Governance	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned	Planned
FISMA 2026	Planned	Planned	Planned	Planned	Planned	Planned	Planned						



Completed



New Audit



Timing Adjusted



In Process



Planned

CY2027 Internal Audit Plan (Draft)

Audit	Month											
	January	February	March	April	May	June	July	August	September	October	November	December
Improper Payments - Phase 2	Planned	Planned										
Tax Reporting compliance		Planned	Planned	Planned								
Board Meeting Process			Planned	Planned								
Travel System			Planned	Planned	Planned							
Generative AI				Planned	Planned	Planned	Planned					
CaMI					Planned	Planned	Planned					
US Debit Card/TSP							Planned	Planned	Planned			
Records Management							Planned	Planned	Planned			
FISMA 2027		Planned	Planned	Planned	Planned	Planned						



Completed



New Audit



Timing Adjusted



In Process



Planned

Status of Internal Audit Findings

Calendar Years 2019 – 2025

Status by Year	2018	2019	2020	2021	2022	2023	2024	2025	Total by Status
Closed:	32	5	5	6	4	4	5	0	29
In Process:	0	0	1	0	0	0	1	0	2
Open:	0	0	0	0	2	0	9	3	14
Total by Year:	32	5	6	6	6	4	15	3	45

Definitions:

Closed: IA has reviewed remediation documentation and considers the finding closed.

In Process: In process of being remediated. Currently under IA review.

Open: Finding has not been remediated yet.

Other Internal Audit Activities

- Continuing to execute the 2025 Internal Audit plan. All audits either complete or in flight.
- Developed the 2026/2027 Internal Audit plan. Conducted a risk assessment process for the plan:
 - Process includes interviews with Senior Management.
 - Working collaboratively with risk functions at Agency such as OPR.
 - Reviewing industry trends both from an internal audit perspective, but also a retirement industry perspective and financial services.
 - Socialized with Senior Management and ELC.
 - Timing of the specific audits may change slightly depending on Program Office priorities.
- The audit plans will be submitted for final approval at the January 2026 Board meeting.

Questions

