



# **DAILY INVESTMENT PROCESS AUDIT**

Internal Audit Division  
Office of Enterprise Risk Management  
Federal Retirement Thrift Investment Board

July 25, 2016

# OBJECTIVES & SCOPE

- The objectives of the audit were to:
  - ❑ Determine if the controls within the daily investment processing process are efficient and effective;
  - ❑ Determine if transactions associated with daily investment processing are properly authorized, documented and recorded accurately and timely; and
  - ❑ Determine if the controls within the systems used to process daily investment transactions are designed properly, including access controls, segregation of duties, and configuration management and change control.
- The audit covered a period from July 1, 2014 through June 30, 2015

# Audit Results

- Audit resulted in 4 findings and 14 recommendations for internal control and process improvements
- Findings and Recommendations highlighted the following areas of improvement:
  1. Access privilege within the applications used for Daily Investment processing needs to be adjusted to reflect users' roles and responsibilities;
  2. Automation of manual transactions to reduce risk of errors and correction of Forfeiture Restorations;
  3. Excessive System Administrator/Contractor Support staff;
  4. Terminated accounts not deleted according to Policy.
- Findings 1 & 2 are closed as of May 31<sup>st</sup> 2016

# Management Actions / Next Steps

- Management has concurred with the findings and recommendations and developed corrective action plans (CAPs) to remediate the findings and recommendations
- CAP dates are scheduled to be implemented by September 2016
- IAD will monitor management's implementation of CAPs