



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

April 23, 2018

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

**Audit Report Date:**

January 9, 2018

**Audit Scope Period:**

February 1, 2016 through February 28, 2017

**Audit Objectives:**

- Determine whether the Agency implemented certain procedures to (1) accurately reflect in participant accounts contributions, daily valuation, and the appropriate fund balances as elected by participants; (2) process TSP contributions, breakage, adjustments, inter-fund transfers, forfeitures, and forfeitures restorations promptly and accurately in individual participant accounts and in the appropriate investment fund(s); (3) monitor manual adjustments made to transactions and participant accounts by the Special Processing Unit; (4) accurately record account maintenance activity in the TSP accounting records; and (5) segregate and prevent contributions and transfers to beneficiary participant accounts.
- Test compliance of the TSP account maintenance process with select USC and CFR sections.
- Determine the status of prior EBSA open recommendations.

**Audit Results:**

EBSA experienced certain limitations during the conduct of the audit that prevented testing of some CFR sections. This included insufficient positive confirmation letters and lack of supporting documentation.

EBSA concluded that for the period February 1, 2016 through February 28, 2017, the Agency, except for the certain limitations, implemented certain procedures to:

1. Accurately reflect in participant accounts contributions, daily valuation, and the appropriate fund balances as elected by participants.
2. Process TSP contributions, breakage, adjustments, inter-fund transfers, forfeitures, and forfeiture restorations promptly and accurately in individual participant accounts and in the appropriate investment fund(s).
3. Monitor manual adjustments made to transactions and participant accounts by the Special Processing Unit.
4. Accurately record account maintenance activity in the TSP accounting records.
5. Segregate and prevent contributions and transfers to benefit participant accounts.

As a result of compliance testing, EBSA did not identify any instances of noncompliance with FERSA or select CFR sections.

EBSA presented one new finding. The finding noted documentation supporting breakage calculations could be improved. The Agency did not concur with the recommendation.

EBSA noted one prior year finding was closed.