



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  
Investment Management Operations

**Audit Report Date:**

November 27, 2017

**Audit Scope Period:**

April 1, 2016 through March 31, 2017

**Audit Objectives:**

- Determine whether BlackRock Institutional Trust Company, N.A. (BTC) implemented certain procedures to (1) promptly and accurately deposit TSP investments in the authorized investment funds; (2) accurately summarize and report TSP investment transactions, including investment management fees relating to TSP investments funds, to the Federal Retirement Thrift Investment Board's (Board) Staff (the Agency); (3) accurately report the daily yield on each investment fund, less authorized management fees, to the Agency; (4) invest index investment funds in a portfolio that matched the indices selected by the Board; (5) vote proxies of the C, S, and I fund investments in accordance with BTC's stated guidelines; and (6) accurately and timely process TSP investment transactions.
- Test compliance of BTC's TSP investment management operations with select USC and CFR sections.
- Review policies and procedures to determine how the TSP deals with foreign currency transaction fees (especially as they relate to the I Fund transactions).

**Audit Results:**

EBSA concluded that for the period April 1, 2016 through March 31, 2017, BTC implemented certain procedures to:

1. Promptly and accurately deposit TSP investments in the authorized investment funds.
2. Accurately summarize and report TSP investment transactions, including management fees related to TSP investment funds, to the Agency.
3. Accurately report the daily yield on each investment fund on each investment fund, less authorized management fees, to the Agency.
4. Invest index investment funds in a portfolio that matched the indices selected by the Board
5. Vote proxies of the C, S, and I fund investments in accordance with its stated guidelines.
6. Accurately and timely process TSP investment transactions.

As a results of compliance testing, EBSA did not identify any instances of noncompliance with FERSA, Agency Regulations, or Prohibited Transaction Exemptions.

EBSA did not present any new findings and there were no prior year findings.