

# AUDIT STATUS / SECURITY & REMEDATION STATUS

PRESENTED BY  
OFFICE OF ENTERPRISE RISK MANAGEMENT  
(OERM) AND EXECUTIVE DIRECTOR

July 22, 2019



**Thrift Savings Plan**

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD  
tsp.gov

tsp4gov @

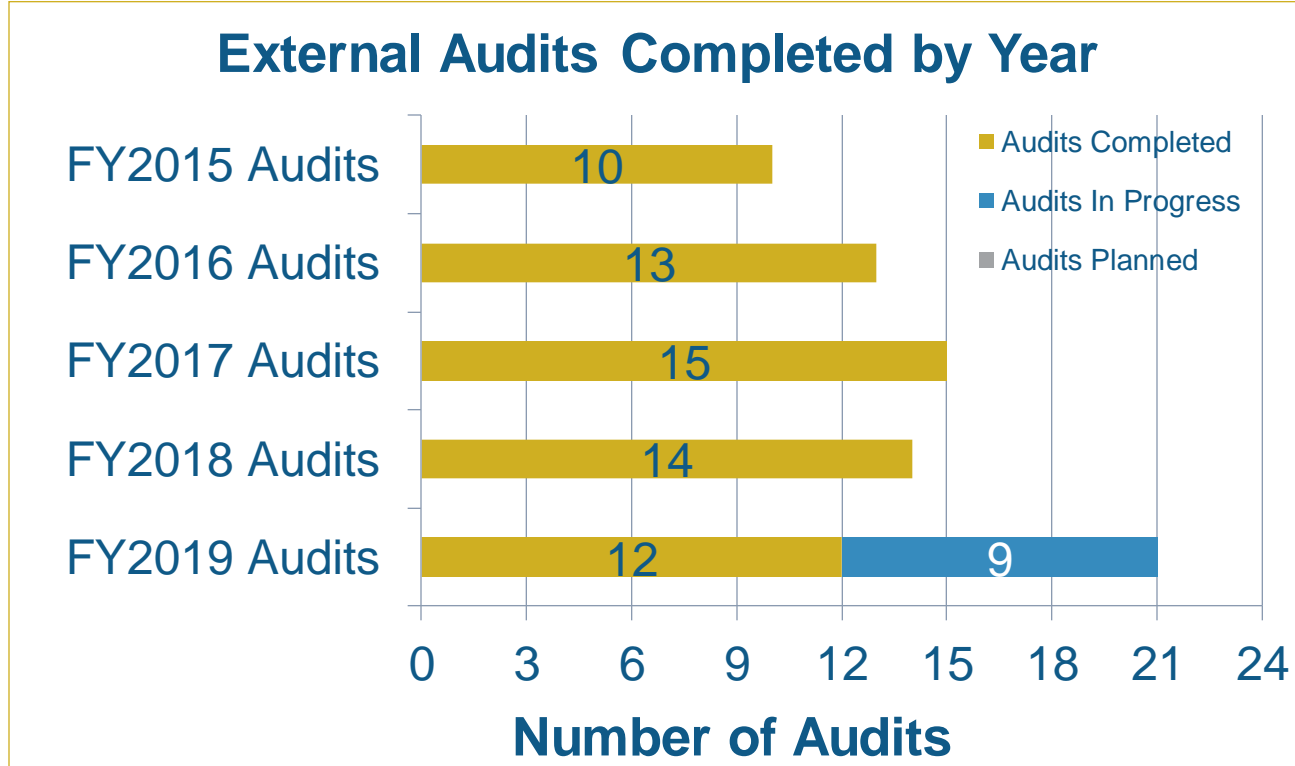


# AGENDA

- **AUDIT STATUS**
- **REMEDIATION STATUS**



# EXTERNAL AUDIT ACTIVITY (FY2015-2019)



# EXTERNAL AUDIT ACTIVITY (FY2018-2019)

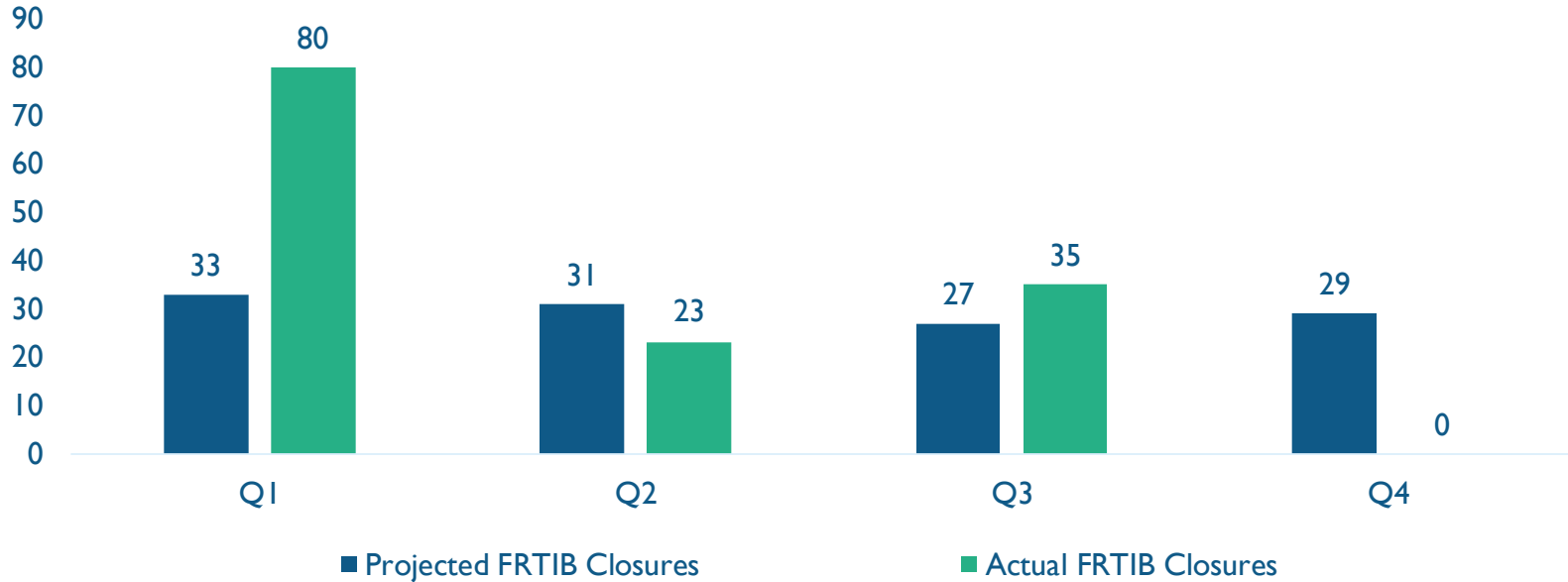
| Audits Completed<br>(FY18)   | Audits Completed<br>(FY19)  | Audits in Progress<br>(FY19)   | Audits Planned<br>(FY19)   |
|--|---|--|--|
| <ol style="list-style-type: none"> <li>Account Maintenance (FY17)</li> <li>Agency Operations</li> <li>Computer Access</li> <li>Defending Public Safety Employees Retirement Act</li> <li>G Fund Investment Operations</li> <li>Insider Threat</li> <li>Investment Operations (BTC) (FY17)</li> <li>Loans</li> <li>NDAA Pre-Implementation Review Phase #2</li> <li>Status of Prior Year Recommendations 2</li> <li>Withdrawals</li> <li>Mid-Year F/S Review (CY17)</li> <li>Annual F/S Audit (CY17)</li> <li>FISMA (FY17)</li> </ol> | <ol style="list-style-type: none"> <li>Account Maintenance (FY18)</li> <li>Annuity Process</li> <li>Certain Remote TSP Contractor Sites</li> <li>Mainframe</li> <li>Mobile Device Security</li> <li>NDAA Post-Implementation Review</li> <li>Participant Support</li> <li>Status of Prior Year Recommendations 3</li> <li>System Enhancement and Software Change Controls</li> <li>Mid-Year F/S Review (CY18)</li> <li>Annual F/S Audit (CY18)</li> <li>FISMA (FY18)</li> </ol> | <ol style="list-style-type: none"> <li>Dallas Contact Center</li> <li>IT Operations Management</li> <li>Participant Website</li> <li>Lifecycle Funds</li> <li>Prior Year 4</li> <li>Service Continuity Controls</li> <li>TSP Operations at DFAS</li> <li>Mid-Year F/S Review (CY19)</li> <li>FISMA (FY19)</li> </ol> | <p>None</p> <div> <b>Auditor Legend</b><br/> DOL/KPMG<br/> CLA<br/> Other </div> |

# AGENDA

- AUDIT STATUS
- **REMEDiation STATUS**



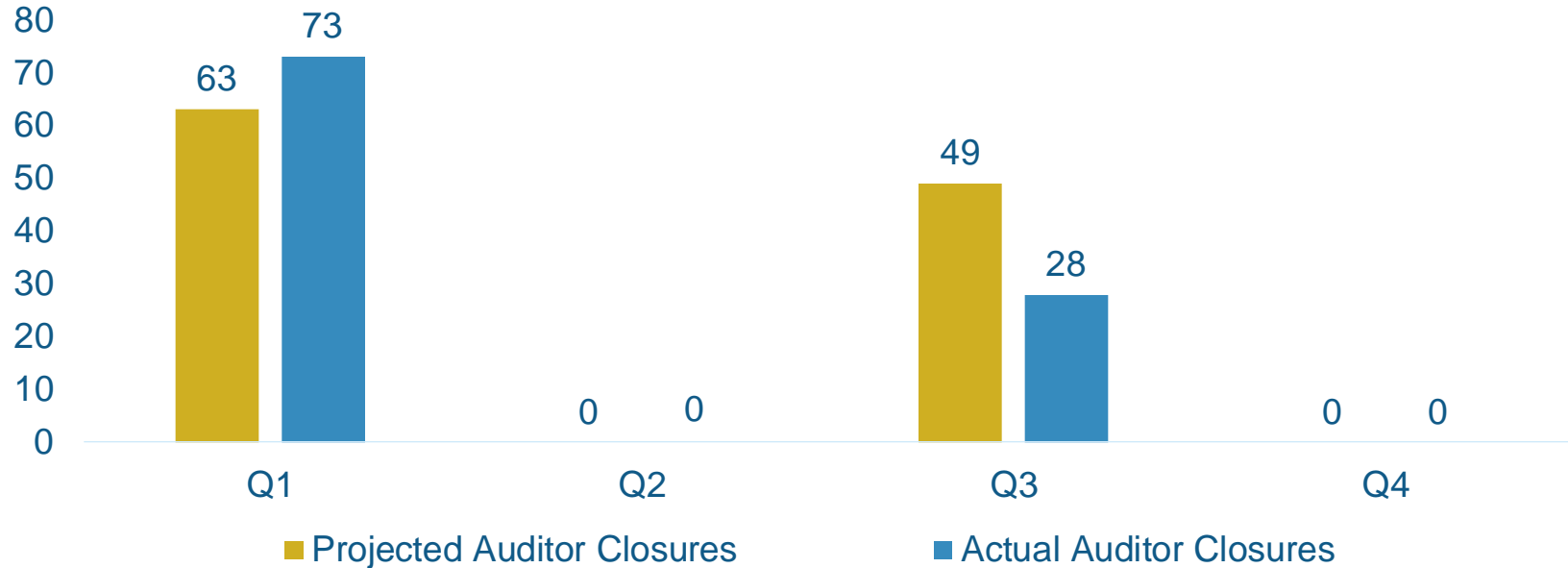
# PROJECTED AND ACTUAL FRTIB CLOSURES



Our goal is to have at least 120 closures in FY2019. As of 06/30/2019: 138 closures.

Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

# PROJECTED AND ACTUAL AUDITOR CLOSURES



Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

# OPEN AUDIT RECOMMENDATIONS

## FY2015 – 06/30/2019

| Auditor Activity | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY2019 |
|------------------|---------|---------|---------|---------|--------|
| Auditor Start    | 118*    | 183     | 274     | 415     | 418    |
| Auditor Add      | 101     | 117     | 196     | 60      | 90     |
| Auditor Closed   | (36)    | (26)    | (55)    | (57)    | (101)  |
| Auditor End      | 183     | 274     | 415     | 418     | 407    |

| FRTIB Activity        | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY2019 |
|-----------------------|---------|---------|---------|---------|--------|
| FRTIB Start           | 53      | 116     | 247     | 346     | 341    |
| Auditor Add           | 101     | 117     | 196     | 60      | 90     |
| FRTIB Closed          | (38)    | 14      | (97)    | (65)    | (141)  |
| FRTIB Closed Reversal |         |         |         |         | 3      |
| FRTIB End             | 116     | 247     | 346     | 341     | 293    |

\* OERM verified all Auditor Activity to the audit reports. The FY2015 was reduced by 1 based on the review.

Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment



# OPEN AUDIT RECOMMENDATIONS

## FY2019

| Auditor Activity | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY2019 |
|------------------|---------|---------|---------|---------|--------|
| Auditor Start    | 418     | 402     | 402     | 407     | 418    |
| Auditor Add      | 57      | 0       | 33      |         | 90     |
| Auditor Closed   | (73)    | 0       | (28)    |         | (101)  |
| Auditor End      | 402     | 402     | 407     |         | 407    |

| FRTIB Activity        | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY2019 |
|-----------------------|---------|---------|---------|---------|--------|
| FRTIB Start           | 341     | 318     | 295     | 293     | 341    |
| Auditor Add           | 57      | 0       | 33      |         | 90     |
| FRTIB Closed          | (81)    | (23)    | (37)    |         | (141)  |
| FRTIB Closed Reversal | 1       | 0       | 2       |         | 3      |
| FRTIB End             | 318     | 295     | 293     |         | 293    |

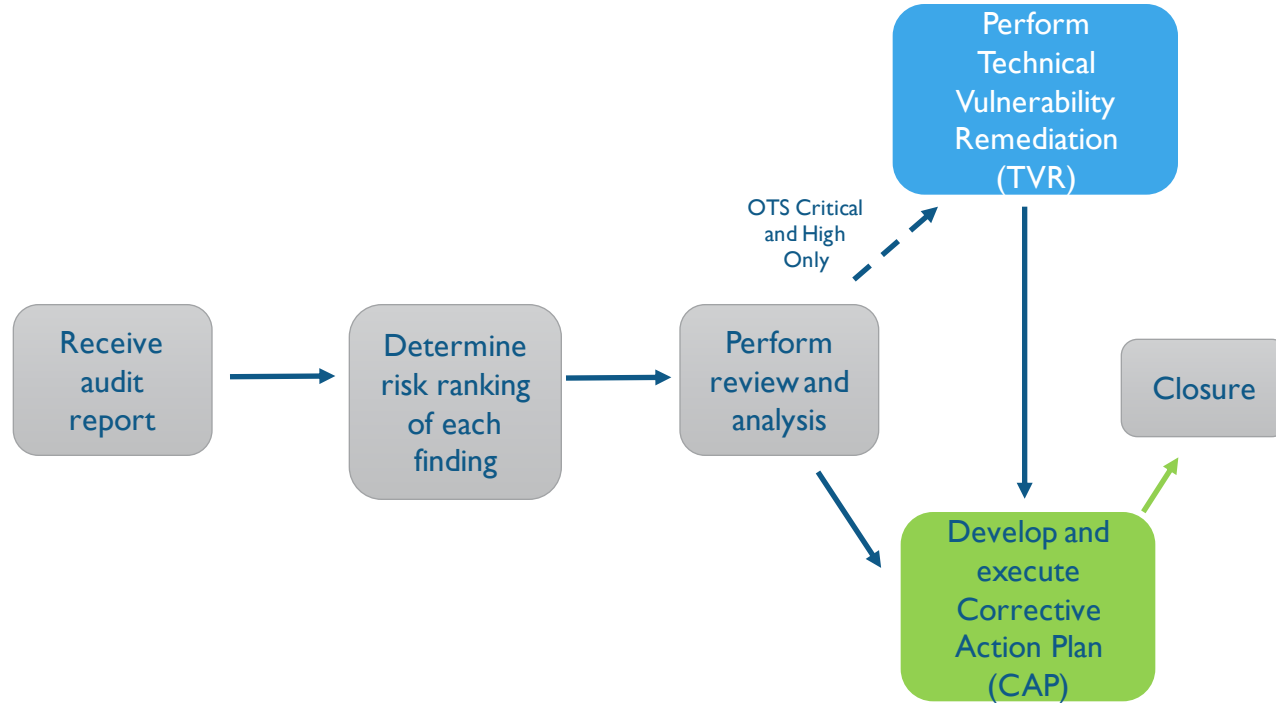
Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

# OPEN AUDIT RECOMMENDATIONS BY YEAR (as of 06/30/2019)

| Calendar Year | Open Recommendations | %           |
|---------------|----------------------|-------------|
| 2007          | 2                    | 1%          |
| 2008          | 0                    | 0%          |
| 2009          | 0                    | 0%          |
| 2010          | 0                    | 0%          |
| 2011          | 4                    | 1%          |
| 2012          | 0                    | 0%          |
| 2013          | 29                   | 10%         |
| 2014          | 28                   | 10%         |
| 2015          | 52                   | 18%         |
| 2016          | 99                   | 34%         |
| 2017          | 18                   | 6%          |
| 2018          | 48                   | 16%         |
| 2019          | 13                   | 4%          |
| <b>Total</b>  | <b>293</b>           | <b>100%</b> |

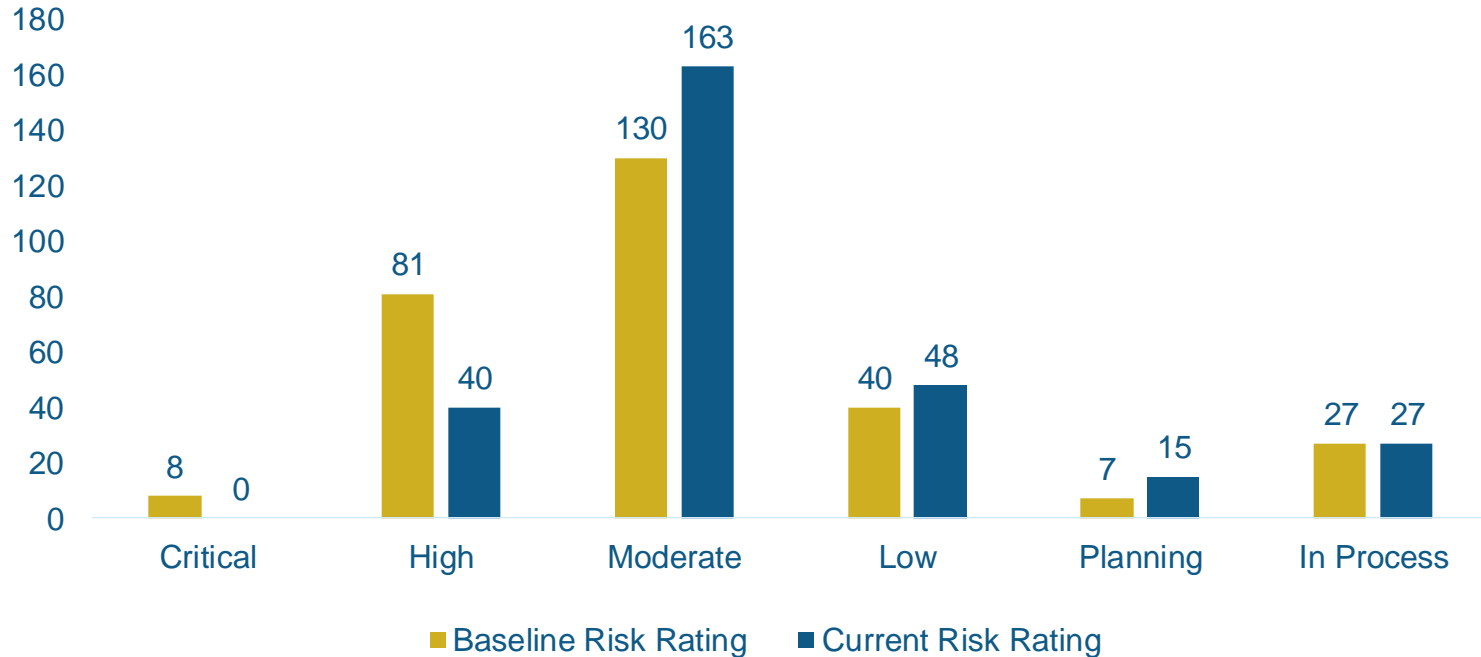
Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

# WE USE A RISK-BASED APPROACH TO ADDRESS AUDIT FINDINGS\*



*\*All findings stored and managed in AuditNow case management repository*

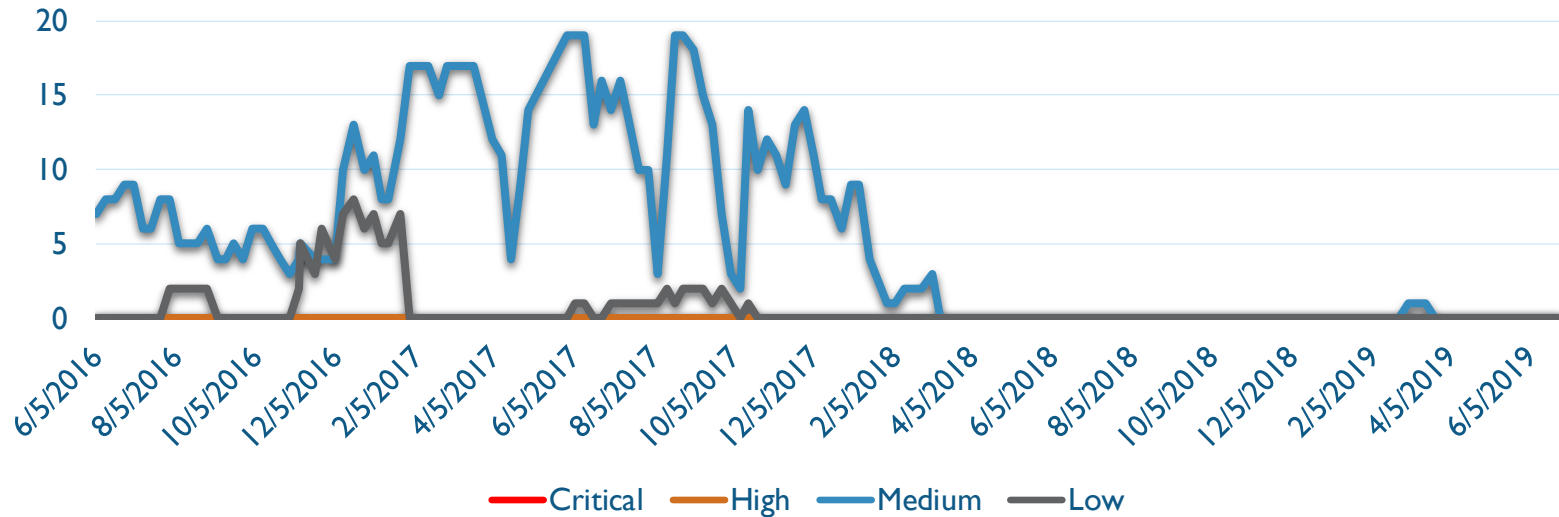
# OPEN RECOMMENDATIONS BY RISK RATING (as of 06/30/2019)



Includes: Dept. of Labor (EBSA), Financial Statement Audit, GAO, FISMA and 2015/2016 External Assessment

# FRTIB NCATS PERFORMANCE

## Number of Open Vulnerabilities Over Time



Note: FRTIB has never had any Critical or High vulnerabilities