

Internal Audit Update

Presented By
Barbara Holmes, Chief Audit Executive
July 26, 2022

Agenda

Topic	Slide
2022 Internal Audit Plan - Updated	3
OCE Shared Drive Audits	
• Summary of Project	4
• Final Audit Report - OCE	5
Multi-Asset Manager Audit– Final Report	6
Summary of Internal Audit Findings	7
Other Internal Audit Activities	8

CY2022 Internal Audit Plan @ 7/15/2022

2022 Internal Audit Plan Tentative: Subject to change based on timing

Audit	January	February	March	April	May	June	July	August	September	October	November	December
Business Continuity Management	Complete	Complete	Complete									
Multiple Asset Manager		Complete	Complete	Complete								
Procurement & Contract Award (1)				In Process	In Process	In Process	In Process					
Vendor Management & Contract Closeout (2)							Planned	Planned	Planned	Planned		
Improper Payments (3)											Planned	Planned
Insider Threat Part 2 (4)										Planned	Planned	Planned
Special Project: Program Office File Review (5)	In Process	In Process	In Process	In Process	In Process	In Process	In Process	In Process	In Process	In Process	In Process	In Process
Annual FISMA Audit				In Process	In Process	In Process	In Process	In Process	In Process			
Decommissioning of Legacy Assets (Continuation of FISMA- Risk Management) (6)									Planned	Planned	Planned	Planned

Legend

Planned	Planned
In Process	In Process
Complete	Complete

1 From identification of need to award of contract (Formally Procurement & Contract Management)

2 From award of contract to contract close out (Formally Vendor Management)

3 Improper Payments, reviewed draft policy, procedure, and risk assessment July 2022

4 Insider Threat test of results, test of design in 2021 passed

5 OED report issued in early February, OCE issued in July

6 Audit added. Relates to Risk Management- FISMA

Shared Drive Office File Plan Reviews – Summary of Project

- Each FRTIB office is required to create an inventory of records, create a File Plan, and provide disposition of records in their respective File Plans in accordance with guidance provided by ORM's Records Management policy and procedures in compliance with the National Archive and Records Administration (NARA). A request was made that Internal audit conduct a review of each departments file plans starting with OED.
- The reviews will compare the Office File Plan to folder and files in the Program Offices' shared drive.
- Review memos with observations and recommendations issued to OED and OCE to date. Starting OGC.

OCE Shared Drive Review Results

- **Timing:** This review was conducted May 2022– June 2022.
- **Objective**
 - To review OCE compliance with Office File Plans.
- **Observations and Conclusion**
 - OCE did not fully comply with the office file plan
 - File structure not consistent, difficulty locating file folders

Multiple Asset Manager Audit Objectives and Scope

- **Objective**

- To conduct tests of critical controls for the Multiple Asset Manager Process;
- Identify weaknesses found during testing of critical controls

- **Scope**

- The scope period of our review was from calendar year 2021.

- **Finding**

- No Notice of Findings or Recommendations (NFRs)

Status of Internal Audit Findings

As of: 4/18/2022

Status of Internal Audit Findings by Audit Year								
Audit Year/ Status	2015	2017	2018	2019	2020	2021	2022	Grand Total
Closed	52	7	31	5	3	1	0	99
In Process	0	0	0	0	0	0	0	0
Open	0	0	1	0	3	5	0	9
Grand Total	52	7	32	5	6	6	0	108

Note:

2018 - 1 open findings will be picked up in the 2022 audit cycle

Definitions:

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

In Process: Currently under IA review.

Open: Finding has not been remediated yet.

Cancelled: Cancelled findings are excluded from totals.

Note: Previous audit findings (2020) were not risk rated consistently.

Other Audit Activities

- Reviewing remediation efforts by Program Offices on several NFR's
 - Onboarding/OffBoarding of Contractors (3)
 - Capital Asset Management Audit (4)
- Annual FISMA audit is underway. Shortened audit reporting period. Final scores must be filed by July 30 in Cyberscope. Final report and scores on –track to be completed before July 30.
- Planning for the Decommissioning of Legacy Assets audit

Questions?