Internal Audit Update

Presented By Barbara Holmes, Chief Audit Executive September 27, 2022











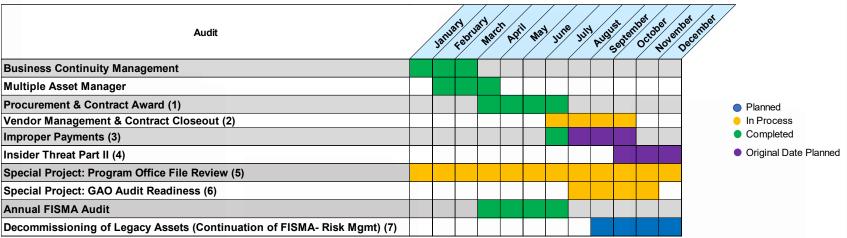
Agenda

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CY2022 Internal Audit Plan





Additional information associated to above audits as annotated:

- (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. Originally planned for Aug-October. Moved testing to Q2 or Q3 of 2023.
- (4) Insider Threat test of results, test of design in 2021 passed. Originally planned for Oct-Dec. No population for 2022, moved testing to Q1 or Q2 of 2023.
- (5) OED report issued in early February, OCE issued in July, OGC issued in August
- (6) Special Project added in August to prepare for GAO review
- (7) Audit added. Relates to Risk Management- FISMA



OGC Shared Drive Review Results

Timing:

This review was conducted December 2021 – January 2022

Objective:

To review OGC compliance with office file plans

• Findings:

OGC did not fully comply with the office file plan



Procurement and Contract Award Audit Objective and Scope

Objective:

- Conduct tests of critical controls for the Procurement and Contract Award process
- Identify weaknesses found during testing of critical controls.
- Review prior year audit findings and remediation

Scope:

- The scope period of our review was January 1, 2021, through April 30, 2022.
- Two Notice of Findings and Recommendations were issued. See next slide.



Procurement and Contract Award Audit Findings

Findings:

- Two Notice of Findings and Recommendations were issued.
- Two Medium Rated
 - Missing or Incomplete COR and CO documentation
 - Insufficient Documentation to Support Contract Awards



Status of Internal Audit Findings Calendar Years 2015 - 2022

| Status by Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Total |
|----------------|------|------|------|------|------|------|------|------|-------|
| Closed | 52 | 0 | 7 | 32 | 5 | 3 | 3 | 0 | 110 |
| In Process | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| Open | 0 | 0 | 0 | 0 | 0 | 3 | 2 | 2 | 7 |
| Grand Total | 52 | 0 | 7 | 32 | 5 | 6 | 6 | 2 | 110 |

Definitions:

Open: Finding has not been remediated yet.

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

Cancelled: Cancelled findings are excluded from totals.

In Process: Currently under IA review.



^{*}Note: Previous audit findings (2020) were not risk rated consistently

Other Internal Audit Activities

- Conducting GAO Audit Readiness Review
 - In Progress: Target completion date mid/end of October
- Conducting Legacy Asset Decommissioning Review
- Drafting Call Orders for 2023 FISMA audit and Internal Audit services (performance audits)



Questions?

