

# Internal Audit Update

Presented By  
Barbara Holmes, Chief Audit Executive  
July 25, 2023

# Agenda

|   | Slide |
|---|-------|
| 2023 Internal Audit Plan                | 3     |
| Insider Threat– Final Report            | 4     |
| Death Benefits Oversight – Final Report | 5     |
| File Plan Reviews –OPR                  | 6     |
| Summary of Internal Audit Findings      | 7     |
| Other Internal Audit Activities         | 8     |

# CY2023 Internal Audit Plan

| Audit  | January | February | March | April | May | June | July | August | September | October | November | December |
|--|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| Special Project: Program Office File Review        |         |          |       |       |     |      |      |        |           |         |          |          |
| TSP Fraud Risk Oversight                           |         |          |       |       |     |      |      |        |           |         |          |          |
| Insider Threat                                     |         |          |       |       |     |      |      |        |           |         |          |          |
| TSP Death Benefits                                 |         |          |       |       |     |      |      |        |           |         |          |          |
| E-Travel ORM                                       |         |          |       |       |     |      |      |        |           |         |          |          |
| FSM: PRISM/Oracle                                  |         |          |       |       |     |      |      |        |           |         |          |          |
| Records Management                                 |         |          |       |       |     |      |      |        |           |         |          |          |
| 3rd Party Risk Management (Interagency Agreements) |         |          |       |       |     |      |      |        |           |         |          |          |
| Monitoring of Converge (QASP Review)               |         |          |       |       |     |      |      |        |           |         |          |          |
| Improper Payment                                   |         |          |       |       |     |      |      |        |           |         |          |          |
| FISMA  |         |          |       |       |     |      |      |        |           |         |          |          |

As of July 2023

- Planned
- In Process
- Original Date Planned
- Completed

# Insider Threat – Internal Audit (Test of Effectiveness)

**Objective:** Conduct a test of critical controls for FRTIB's Insider Threat program and to identify weaknesses (if any) found during the testing of critical controls

**Scope:** January 1, 2022 – December 31, 2022. Reviewed all Insider Threat incidents that occurred during the scope period.

**Findings:** The Insider Threat program appears to be working as designed. We found no NFR's but did make several considerations for management's consideration in the "Other Matters" portion of the audit report.

# Death Benefit Oversight Audit

- **Objective:** Assess FRTIB's monitoring controls over the Death Benefit process conducted by Accenture Federal Services (AFS)
- **Scope:** June 1, 2022 – May 23, 2023
- **Findings:** Two NFR's (Notice Findings) were issued.
  - AFS has not provided sufficient access to the surveillance data for death benefit cases processed by AFS.
  - AFS death benefit processing lacks a robust secondary level quality assurance review.

# OPR Shared Drive Review Results

## ● **Timing:**

- OPR: Meeting was conducted on January 27, 2023

## ● **Objective:**

- To provide a preliminary review of OPR's compliance with Office File Plans

## ● **Observations:**

- IA provided preliminary observations to OPR to assist in their further development their Office File Plan and organization of digital files.

# Status of Internal Audit Findings

## Calendar Years 2016 - 2023

| Status by Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Total |
|----------------|------|------|------|------|------|------|------|------|-------|
| Closed         | 0    | 7    | 32   | 5    | 5    | 4    | 0    | 0    | 53    |
| In Process     | 0    | 0    | 0    | 0    | 1    | 0    | 0    | 0    | 1     |
| Open           | 0    | 0    | 0    | 0    | 0    | 2    | 6    | 2    | 10    |
| Grand Total    | 0    | 7    | 32   | 5    | 6    | 6    | 6    | 0    | 64    |

### Definitions:

Open: Finding has not been remediated yet.

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

In Process: Currently under IA review.

**\*Note:** Previous audit findings (2020) were not risk rated consistently. 2015 and earlier data has been archived.

# Other Internal Audit Activities

- Monitoring the Fraud, Waste and Abuse Hotline
- Updated the Internal Audit Policy and procedures
- Executing Internal audits as planned
- FISMA is on target to be complete by the end of July (in accordance with the filing date)
- Starting to develop Internal Audit plan for 2024 and 2025
- Working on a risk case study to present with OPR late August/early September



# Questions?