

Internal Audit Update

Presented By
Barbara Holmes, Chief Audit Executive
January 27, 2026



Agenda

	Slide
2025 Internal Audit Plan	3
Vendor Risk Management Audit Report	4
Training and Development Audit Report	5
Converge Surveillance Audit Report	6
Strategic Plan Monitoring Audit Report	7
Proposed 2026/2027 Internal Audit Plans	8-9
Approval of the Proposed Audit plans	10
Status on Internal Audit Findings	11
Other Internal Audit Activities	12

CY2025 Internal Audit Plan

Audit	January	February	March	April	May	June	July	August	September	October	November	December
Zero Trust Architecture Review (FRTIB/Converge)	Completed	Completed	Completed	Completed	Completed	Completed	Completed					
Oracle Financials		Completed	Completed	Completed	Completed							
Budgeting		Completed	Completed	Completed	Completed	Completed						
Business Continuity			Completed	Completed	Completed	Completed						
Interagency Agreements					Completed	Completed	Completed					
Integrated Risk Management Tool						Completed	Completed					
Mutual Funds Window Operations Part 2						Timing Adjusted	Completed	Completed	Completed	Completed		
Vendor Risk Management								Completed	Completed	Completed	Completed	Completed
Training and Development								Timing Adjusted	Completed	Completed	Completed	Completed
Converge Surveillance									Timing Adjusted	Completed	Completed	Completed
Strategic Plan Monitoring									Timing Adjusted	Completed	Completed	Completed
Prior Year findings (continuous process)	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed
FISMA 2025		Completed	Completed	Completed	Completed	Completed	Completed					



Completed



New Audit



Timing Adjusted



In Process

Vendor Risk Management 2025 Audit

- **Objective:**

To test FRTIB's Vendor Risk Management processes. Areas of testing included assessing the implementation of 3rd party risk management, vendor monitoring by AMD and OPR and other program offices, reviewing financial monitoring processes, evaluating risk mitigation controls and gaining an understanding on how FRTIB's vendor supply chain risk management impacts risk thresholds and identify critical business partners.

- **Scope:**

The testing scope period for collection of evidence and artifacts was from September 1, 2024, through August 31, 2025.

- **Findings:**

No NFRs issued.

Training and Development 2025 Audit

- **Objective:**

To test FRTIB's Training and Development process. Potential areas of testing included assessing the implementation of workforce planning, training, and development strategies; and analyzing the effectiveness of recruitment and retention incentives; and ensuring compliance with mandatory annual training for employees and supervisors as tracked in OASIS and monitored by Program Offices.

- **Scope:**

The testing scope period for collection of evidence and artifacts was from September 1, 2024, through August 31, 2025.

- **Findings:**

One Low NFR issued: Lack of External Training Verifications.
One Other Matter.

Converge Surveillance 2025 Audit

- **Objective:**

To test FRTIB's Converge Surveillance processes. Areas of testing include agency's governance and effectiveness of surveillance tools and oversight by OPE.

- **Scope:**

The testing scope period for collection of evidence and artifacts was from October 1, 2024, through September 30, 2025.

- **Findings:**

No NFRs issued.

Strategic Plan Monitoring 2025 Audit

- **Objective:**

The scope of the audit was to test FRTIB's Strategic Plan Monitoring processes. Areas of testing included alignment between strategic goals, objectives, performance indicators and timeliness of performance data.

- **Scope:**

The testing scope period for collection of evidence and artifacts was the life of the Strategic Plan.

- **Findings:**

No NFRs issued.

Three recommendations provided in Other Matters.

CY2026 Internal Audit Plan Tentative

Audit	January	February	March	April	May	June	July	August	September	October	November	December
Prior Yr Audit Findings Remediation Confirmation	Planned	Planned										
Government Purchase Card		Planned	Planned	Planned								
Converge Satisfaction Metrics			Planned	Planned	Planned							
On/Off Boarding Contractors				Planned	Planned	Planned						
On/Off Boarding Employees				Planned	Planned	Planned						
Enterprise Risk Management						Planned	Planned					
Data Lake						Planned	Planned	Planned				
Accounts payable								Planned	Planned	Planned		
AI Governance Process (Current State)									Planned	Planned		
Contracting											Planned	Planned
Converge Program Governance										Planned	Planned	Planned
FISMA 2026		Planned	Planned	Planned	Planned	Planned	Planned					



Completed



New Audit



Timing Adjusted



In Process



Planned

CY2027 Internal Audit Plan Tentative

Audit	Month											
	January	February	March	April	May	June	July	August	September	October	November	December
Improper Payments - Phase 2	Planned	Planned										
Tax Reporting compliance		Planned	Planned	Planned								
Board Meeting Process			Planned	Planned	Planned							
Travel System				Planned	Planned	Planned						
Generative AI					Planned	Planned	Planned					
CaMI						Planned	Planned	Planned				
US Debit Card/TSP							Planned	Planned	Planned			
Records Management								Planned	Planned	Planned		
FISMA 2027		Planned	Planned	Planned	Planned	Planned	Planned					



Completed



New Audit



Timing Adjusted



In Process



Planned

Motion for Board Approval

- That the proposed 2026 Internal Audit plan, as presented, be approved.

Status of Internal Audit Findings Calendar Years 2019 – 2025

Status by Year	2019	2020	2021	2022	2023	2024	2025	Total by Status
Closed:	5	5	6	4	4	5	0	29
In Process:	0	1	0	0	0	1	0	2
Open:	0	0	0	2	0	9	4	15
Total by Year:	5	6	6	6	4	15	4	46

Definitions:

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

In Process: In process of being remediated. Currently under IA review.

Open: Finding has not been remediated yet.

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

Other Internal Audit Activities

- In the midst of the acquisition process for the 2026 Internal Audit plan and 2026 FISMA audit.
- Planning for the 2026 Internal Audits.
- Updated the Internal Audit Strategic plan.
- Updated the Internal Audit Policy and procedure.
- Will be meeting with EBSA/KPMG to discuss upcoming audits/timing, etc. to avoid duplication of effort.

Questions

