



**Thrift Savings Plan**

**Office of Enterprise Risk  
Management (OERM) Report**

**FRTIB Board Meeting  
September 10, 2015**

# Agenda



OERM's Functional Statement



Our Organizational Structure



Our Accomplishments



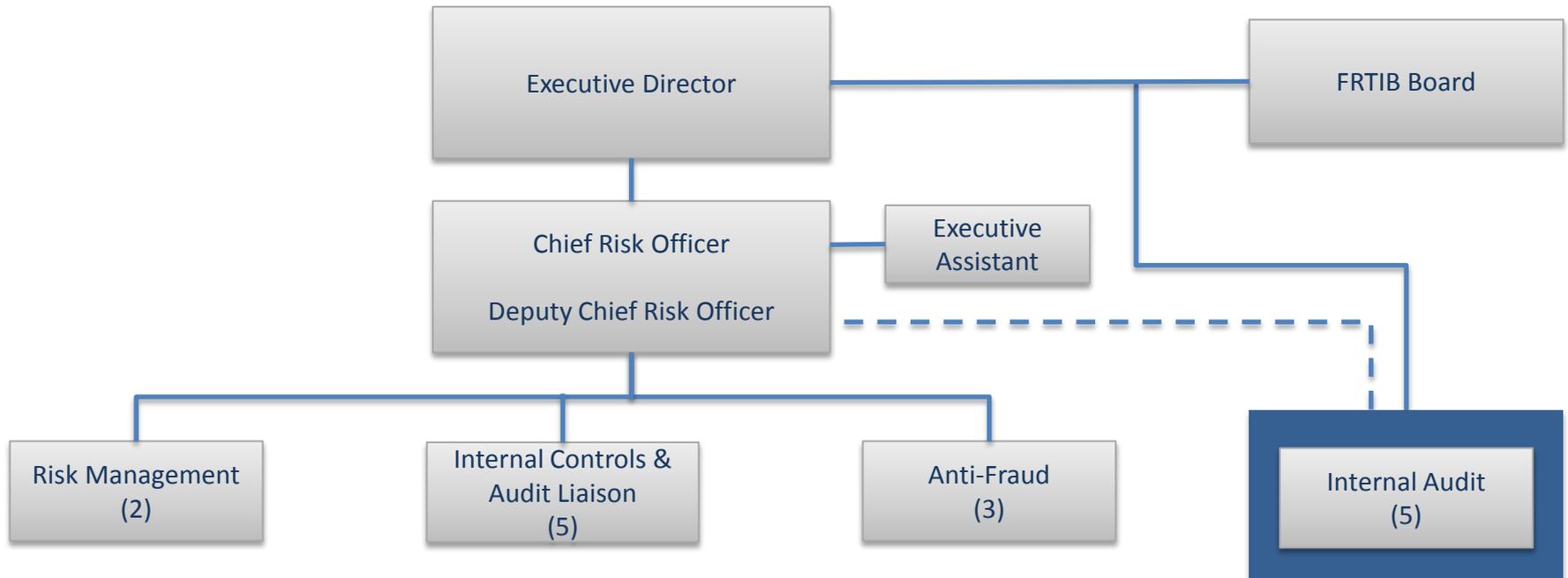
Our Path Forward

# OERM's Functional Statement

To enhance enterprise governance by embedding risk management into key Agency operations and strategic decision making.

# Organizational Structure to help mitigate risks

FRTIB Office of Enterprise Risk Management Organization Chart



1

2

3

4

# Accomplishments

## Risk Management

1

- Presented FY15 Enterprise Risk Assessment
- Created Enterprise Risk Committee (ERC)
- Developed Agency Risk Model and Risk Register
- Presented Quarterly Vendor Financial Assessments
- Initiated Annual FY16 Enterprise Risk Assessment

# Accomplishments

## Internal Controls

2

- Supported 13 audits
- Tracked status of all open audit recommendations
- Validated evidence to close prior year audit findings
- Implemented Agency-wide policies/procedures initiative
- Performed Audit Readiness Reviews

# Accomplishments

## Anti-Fraud

3

- Conducted investigative research and analysis for events reported
- Enhanced protective measures for TSP and its participants against fraud
- Implemented Agency's brand protection program

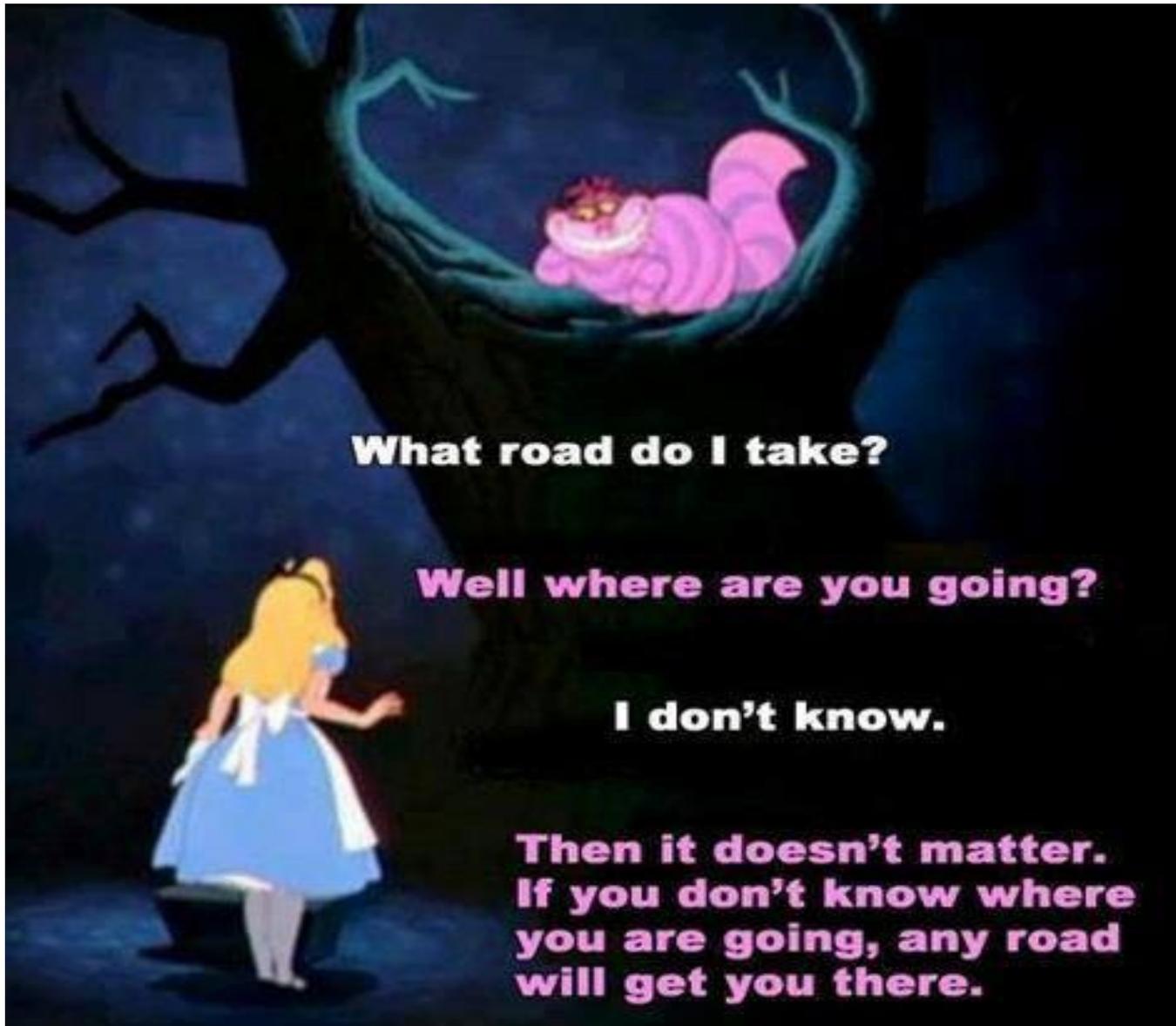
# Accomplishments

## Internal Audit

4

- Established FY15 Internal Audit Plan
- Recruited full team of Internal Auditors
- Developed Draft Annual FY16 Internal Audit Plan

# Where we are going?



**What road do I take?**

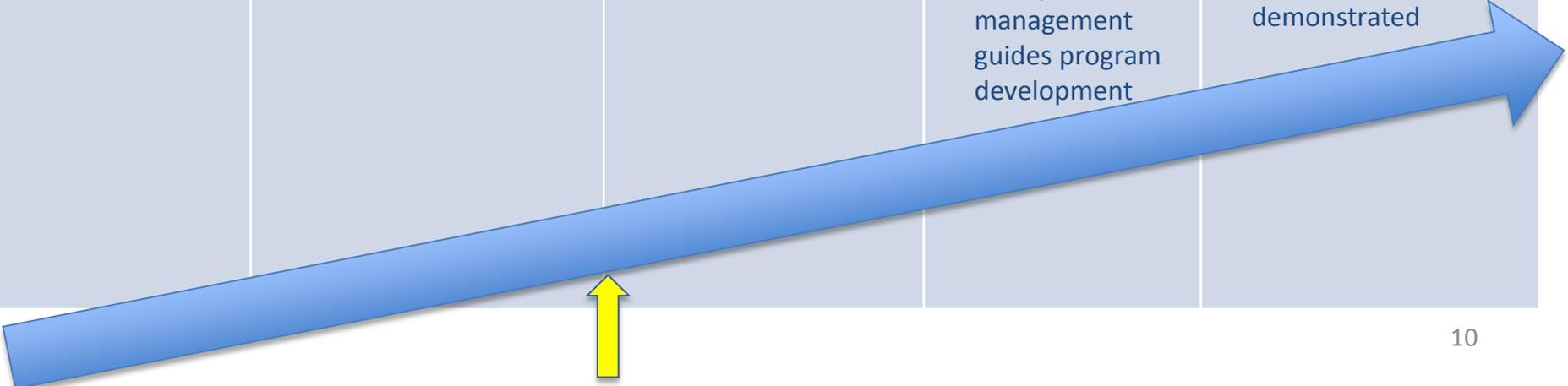
**Well where are you going?**

**I don't know.**

**Then it doesn't matter.  
If you don't know where  
you are going, any road  
will get you there.**

# Moving up the maturity scale

| Level 1<br>Initial   | Level 2<br>Developing   | Level 3<br>Defined   | Level 4<br>Managed  | Level 5<br>Optimizing   |
|--|---|--|---|---|
| <ul style="list-style-type: none"><li>▪ No visibility into critical risks; very compliance focused and reactive</li><li>▪ Little executive support to assess risk</li><li>▪ No risk policy</li></ul> | <ul style="list-style-type: none"><li>▪ Responsibility for risk management has been assigned</li><li>▪ Ad hoc risk assessments executed in silos</li><li>▪ Risk register created</li><li>▪ Risk policy is developed</li></ul> | <ul style="list-style-type: none"><li>▪ Formal strategic planning for risk management</li><li>▪ Risk assessments proactively executed</li><li>▪ Control gaps closed</li><li>▪ Governance committees formed</li></ul> | <ul style="list-style-type: none"><li>▪ Executive-level reporting</li><li>▪ Key Risk Indicators are mapped into Key Performance Indicators</li><li>▪ Formal residual risk sign-off</li><li>▪ Enterprise management guides program development</li></ul> | <ul style="list-style-type: none"><li>▪ Continuous assessment</li><li>▪ Enterprise-wide risk aware culture</li><li>▪ Risk fully integrated with strategic decision making; governance driven by executive management; board-level visibility and oversight fully demonstrated</li></ul> |



# Focus for next year

Enhancing relationship  
with Oversight  
Organizations

Obtaining a holistic view  
of risk identified in OERM  
deliverables

Streamlining Agency level  
business processes and  
controls

Identifying  
and mitigating strategic  
risks

Incorporating data  
analytics into OERM  
work products