

Cyber Case Study: U.S. Federal Retirement Thrift Investment Board

Serco Supports Federal Employees' Savings Plan IT Administration

Every day, 300 million Americans entrust their national security and vital aspects of their economic well-being to Federal uniformed and civilian employees. And, every day, those Federal employees entrust their retirement and investment savings plans to the FRTIB.

The Challenge: Provide Secure, Continuous, Accurate Operations

Established by Congress in 1986, the Federal Retirement Thrift Investment Board (FRTIB) supervises the administration of the Thrift Savings Plan (TSP), a 401(k)-type retirement and investment plan for Federal civilian and uniformed employees. Like most defined-contribution plans, the TSP offers a variety of investment options for employees, who choose how much of their salaries they wish to contribute and which investments they want to purchase. The TSP has proven to be very popular, and today an estimated 4.2 million Federal employees have TSP accounts, with total investments valued at about \$226 billion.

Administering the TSP plan requires the successful execution of numerous responsibilities, including: timely crediting of employee contributions to their accounts, individual investment fund choices; changes in account holders' information and/or fund allocations, transfers between funds; daily valuation of accounts; transfers or rollovers of eligible distributions into TSP accounts; making allowable loans from accounts to their owners and monitoring repayment of those loans; programming changes into the system as required, such as the recent enactment of a "catch-up" contribution option for participants aged 50 or older; designation of beneficiaries, protection of spouses and recognition of qualifying court orders; generating quarterly and annual account statements; and supervising withdrawals



from accounts due to age, rollovers, hardships, or death. In addition to these responsibilities, the TSP administrator operates a secure 24/7 website and automated telephone service for individual account holders, providing accurate, timely information on their accounts and enabling them to make many kinds of changes in their accounts without having to speak to a customer rep.

The Threat

“Cybersecurity risks pose some of the most serious economic and national security challenges of the 21st century... A growing array of state and non-state actors are compromising, stealing, changing, or destroying information and could cause critical disruptions to U.S. systems.”

– *White House Cyberspace Policy Review*

The Serco Solution

The FRTIB selected Serco to provide end-to-end support for the technical operations of the multi-million-user Thrift Savings Plan. Among the many elements of Serco's broad-based approach are the following critical initiatives:

Cyber security. In designing the network, Serco installed state-of-the-art firewalls, intrusion detection equipment, and encrypted wide-area network servers. Desktops, laptops and other computing equipment use sophisticated security software to protect against viruses, spyware and other malware, with regular upgrades and "patches." On-site security staff continually monitor threats and vulnerabilities, tracking attempted intrusions with detection logs and regular system security audits. Any perceived security threats are immediately relayed to FRTIB, and incident response procedures are followed to eliminate the threat.

Ongoing Threat Assessment. Serco staff regularly conduct in-depth research, participate in threat assessment and penetration testing exercises, and make recommendations to the FRTIB concerning security improvements for the TSP system. Serco staff also participate in special projects, examine emerging requirements, and conduct audits to ensure that FRTIB's IT infrastructure remains operationally sound.

Quality Assurance. To ensure that our performance satisfies predefined benchmarks, Serco staff gather and report system statistics on a daily – and sometimes more frequent – basis. For continuous process improvement, we keep abreast of

changing Government regulations and best practices, and we maintain security and quality teams for the TSP system. And Serco also draws upon the expertise of three independent auditing firms to review all technical, quality, security, and operational processes and procedures.

Long-term Evaluation. As part of our ongoing assessment of security trends and solutions, Serco regularly conducts short- and long-term architectural studies of FRTIB's IT status, vis-a-vis the broader information universe. Recent studies have enabled Serco to make specific recommendations regarding: network availability, tiered online storage and archiving, server consolidation, video streaming, and multiple-site continuity-of-operation plans and disaster recovery.

The Bottom Line

Customer surveys and feedback attest that FRTIB provides its account holders with reliable, accurate, and secure TSP operations. Serco's integrated security approach -- utilizing applications development, operations, data center management, and disaster recovery -- ensures that TSP security avoids the risks commonly associated with web-centric service enterprises. Serco's security specialists work closely with FRTIB management to stay on top of emerging cyber threats, maintaining the confidence of the agency and its account holders regarding the safety of their retirement funds management system.

The Serco Cyber Center of Excellence brings together Serco's proven engineering tools and processes, in-depth understanding of our customers' missions, and extensive experience in communications systems and IT applications, acquisition and program management support, and human capital management to deliver superior solutions and services to military, civilian, and intelligence agencies.

Serco is a leading provider of professional, technology and management services focused on the federal government. We advise, design, integrate and deliver solutions that transform how clients achieve their missions. Our customer-first approach, robust portfolio of services and international experience enable us to respond with solutions that achieve outcomes with value.

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