



PERFORMANCE WORK STATEMENT (PWS)

DEPARTMENT OF VETERANS AFFAIRS  
**Office of Business Oversight**  
**Internal Controls Over Financial**  
**Reporting (ICOFR)**

**Financial Risk**  
**Management**

**Date: Sept 2016**

**TAC VA-16-36021**

**PWS Version**  
**Number: 10.1**

Beginner Risk Management  
Training  
TAC VA-16-36021

## **1.0 DESCRIPTION OF SERVICES**

Internal Controls Over Financial Reporting (IFCOR) employees serve as Auditor's and Senior Systems & Procedures Analyst for various task orders to execute our mission under OMB Circular A-123, Management's Responsibility for Internal Control Appendix A, Internal Control over Financial Reporting. This Financial Risk Management course will serve as a refresher and initial training for our new auditors. In addition, Financial Risk Management is an important part in the development and execution of the testing phase and the process narratives we complete in this office. As a result of the training, each employee should have an understanding on how we selected the financial management internal controls processes we selected during for this Fiscal Year.

ICOFR requires an Internal Controls financial risk management course to refresh old skills, learn new techniques and focus on the new office mission.

## **2.0 APPLICABLE DOCUMENTS: N/A**

## **3.0 PERFORMANCE DETAILS**

### **3.1 PERFORMANCE PERIOD**

The period of performance will be provided by the offeror based on the length of their proposed course but shall not exceed 5 days in length. Training hours shall begin at 8:30 AM EST and run to 4:30 PM EST daily. All efforts shall be made to teach this course by the end of August 2016 (target date) or the beginning of September 2016.

### **3.2 PLACE OF PERFORMANCE**

Tasks under this PWS shall be performed in VA facilities (10<sup>th</sup> Floor/Suite 1000) located in South Park, 1701 Director's Blvd, Austin Texas 78744 (Office of Internal Controls or TAC Austin conference rooms).

## **4.0 SPECIFIC TASKS AND DELIVERABLES**

The Contractor shall perform the following:

- The Contractor will provide an Internal Controls Financial Risk Management training agenda and at least one complete set of instruction materials to ICOFR at least **two weeks** prior to the start of training.
- The Contractor will provide up to 5 days of beginner Financial Risk Management training in Aug or Sept 2016.

Beginner Risk Management  
Training  
TAC VA-16-36021

- Internal Controls Financial Risk Management Training will be provided for up to 25 employees
- Internal Controls Financial Risk Management Training materials will be provided to attendees at the time of training.

## 5.0 GENERAL REQUIREMENTS

The objectives for this course are;

### **Nature of Risk**

- Explain the fundamental nature of risk.
- Recognize patterns of change in an organization.
- List potential changes that could impact organizational opportunities and threats.
- Recognize types and categories of risk.
- Explain the strategic influences on financial risk assessment.

### **Financial Risk Assessment Essentials**

- Identify the essential building blocks of a financial risk assessment.
- Clarify internal audit's role in financial risk management and financial risk assessment with its key stakeholders.
- Contrast various control framework financial risk assessment criteria.
- Utilize a common vocabulary for discussing financial risk assessment activities.
- List the common risk assessment activities in which internal audit functions have engaged historically.

### **Contemporary Financial Risk Assessment Trends**

- Discuss contemporary trends relating to risk concerns of internal audit stakeholders.
- Trace the history of events and regulatory influences on stakeholder perceptions and expectations concerning the role of the internal audit function.
- Describe the diversity of stakeholder needs for partnership in financial risk assessment activities (past and present).
- Recognize how legislation and regulatory activity have created opportunities for internal audit to engage differently with stakeholders (in regard to financial risk assessment activities).
- Identify your organization's risk-centric management maturity level.
- Assess how your organization's risk management maturity level will impact your internal audit financial risk assessment approach.
- Identify internal audit trends in regard to the risk focus continuum.
- Discuss the results from The IIA Research Foundations' 2010 Common Body of Knowledge (2010) that relate to financial risk management and financial risk assessment.

Beginner Risk Management  
Training  
TAC VA-16-36021

**The Financial transaction audit universe**

- Assess the completeness of the financial transaction audit universe.
- Identify auditable units to include in the financial transaction audit universe.
- Create an financial transaction audit universe.
- Validate the completeness of the financial transaction audit universe.

**Financial transaction audit universe Financial Risk Assessment**

- Develop a financial risk assessment methodology for assessing the financial transaction audit universe.
- Identify the objectives of the financial transaction audit universe financial risk assessment.
- Analyze examples of financial transaction audit universe financial risk assessment methodologies.
- Determine the factors that influence the level of sophistication needed for the financial risk assessment methodology.
- Outline the financial transaction audit universe financial risk assessment activities.
- Examine techniques for risk identification and measurement.
- Choose a method for prioritizing financial risk assessment results.
- Discuss communication of financial risk assessment results with various stakeholders.

**5.1 CONTRACTOR PERSONNEL SECURITY REQUIREMENTS**

The position sensitivity and the level of background investigation commensurate with the required level of access is: **N/A**

**6.0 POINTS OF CONTACT**

**VA Program Manager:**

Name: Ed Mercado  
Address: Department of Veterans Affairs  
Internal Controls over Financial Reports  
1701 Director's Blvd, Austin Texas 78744  
Voice: (512) 981-4214  
Email: ed.mercado@va.gov

**Contracting Officer's Representative:**

Name: Ed Mercado  
Address: Department of Veterans Affairs  
Internal Controls Service  
1701 Director's Blvd, Austin Texas 78744  
Voice: (512) 981-4214  
Email: ed.mercado@va.gov

Beginner Risk Management  
Training  
TAC VA-16-36021

**Contracting Officer:**

Name: Jeff Bishop  
Address: Department of Veterans Affairs  
Technology Acquisition Center-Austin  
1707 Directors Blvd., Suite 600  
Austin, TX 78744  
Voice: (512) 981-4414  
Email: jeff.bishop.2@va.gov

**Contract Specialist:**

Name: Aaron Waltersdorff  
Address: Department of Veterans Affairs  
Technology Acquisition Center-Austin  
1707 Directors Blvd., Suite 600  
Austin, TX 78744  
Voice: (512) 981-4469  
Email: aaron.waltersdorff@va.gov