



March 23, 2021

TO: Gordon Hartogensis
Director

Patricia Kelly
Chief Financial Officer

FROM: John Seger
Assistant Inspector General for Audits, Evaluations and Inspections

SUBJECT: Pension Benefit Guaranty Corporation Financial Statements for FY 2021
and Related Work (Project FA-21-155)

We are initiating the annual PBGC financial statements audit. The OIG is charged with that responsibility under the Chief Financial Officer's Act and the Inspector General Act of 1978. OIG has contracted with an independent public accounting firm, Ernst and Young LLP, to conduct the financial statements audit on our behalf, subject to OIG oversight.

The purpose of this audit is to express an opinion as to whether the PBGC's financial statements are prepared in accordance with prescribed accounting principles and provide other relevant conclusions based on the work performed. The audit scope includes:

- General-purpose financial statements of the Single-Employer program and Multiemployer program, including the related notes; Internal Control over financial reporting; and compliance with laws and regulations relevant to the financial statements audit;
- Limited-purpose financial statements for the government-wide consolidated financial statements, including related notes;
- Compliance with the Federal Information Security Modernization Act (FISMA); and
- IT Vulnerability Assessment and Penetration Testing.

The audit will be conducted in accordance with Generally Accepted Auditing Standards, Government Auditing Standards, Office of Management and Budget Bulletin No. 19-03, "Audit Requirements for Federal Financial Statements," and other relevant guidance. We will conduct audit work at PBGC's headquarters and contractors' facilities, as needed.

To coordinate and expedite this audit, please designate a member of your staff as an official point of contact.

If you have any questions or need additional information, please call Anna Oglesby at (202) 229-6544 or Tyson Lee at (202)-229-3015

Thank you in advance for your time and consideration.

cc: Russell Dempsey, General Counsel
Frank Pace, Director, CCRD
Bob Scherer, Chief Information Officer
Alice Maroni, Chief Management Officer
Theodore Winter, Director FOD
Karen Morrice, Chief of Negotiations and Restructuring
Latrece Wade, Risk Management Officer
David Foley, Chief, Office of Benefits Administration
Andy Banducci, Chief Policy Officer