



## Office of Inspector General

December 20, 2021

TO: Karen Morris  
Chief of Negotiations and Restructuring

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

SUBJECT: PBGC's Review of Initial Special Financial Assistance (SFA) Applications  
(Project PA-22-164)

The Office of the Inspector General is initiating an audit on PBGC's Review of Initial SFA Applications. Please see the enclosure for more specific details on the engagement and for topics we plan to discuss at the entrance conference. We will begin work on this engagement immediately, so we would appreciate your notifying the appropriate staff.

The next step will be to conduct an entrance conference which we will coordinate with the Corporate Controls and Reviews Department. At the entrance conference, we request PBGC provide any feedback on the planned engagement.

Thank you in advance for your time and consideration.

cc: Russ Dempsey, General Counsel  
Frank Pace, Director, Corporate Controls and Reviews Department  
Latrece Wade, Risk Management Officer  
Kristin Chapman, Chief of Staff  
John Hanley, Deputy Chief of Negotiations and Restructuring  
Jim Donofrio, Director, Negotiations & Restructuring Actuarial Department

Overview of Audit of PBGC's Review of Initial Special Financial Assistance Applications

Subject: PBGC's Review of Initial Special Financial Assistance Applications

Issue(s) Under Review/Objective(s)/Key Question(s):

1. Determine if PBGC adequately reviewed applications for Special Financial Assistance (SFA) prior to approving them.

Entrance Conference Discussion Topics:

1. Please provide a brief overview of the progress made on the first SFA applications.
2. Does PBGC use a system of record other than TeamConnect to store SFA review and approval documentation?

Documentation Requested for the Entrance Conference:

1. Prior to the entrance conference, please update us regarding SFA applications likely to be approved before January 15, 2022, and to discuss providing documentation of SFA review and approval for these applications.
2. Have there been any previous audits, attestation engagements, or other studies (other than ongoing work by the OIG and EY) related to PBGC's review of SFA applications? If so, please provide them.

Points of Contact Requested:

1. MEPD main and back-up points of contact
2. NRAD main and back-up points of contact

OIG Contacts:

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