



Office of Inspector General

May 27, 2025

TO: John Hanley
Chief of Negotiations and Restructuring

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

SUBJECT: Follow-up Evaluation of Projected Benefit Payments in Selected Special Financial Assistance Applications (SR-25-190)

The Office of the Inspector General is initiating a follow-up evaluation of the September 2024 OIG report, Projected Benefit Payments in Selected Special Financial Assistance Applications, EVAL-2024-12. Our objective is to determine whether PBGC has effectively implemented the corrective action to address recommendation 2024-12-02:

For plans paid SFA prior to implementation of the Corporation's full death audit procedure, continue to implement the new death audit procedures, and rectify with the plans the value attributed to deceased participants to include repayment to Treasury. The estimate from this recommendation results in approximately \$250 million in questioned costs, including the \$140 million identified in the sampled plans.

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. We would like to have the entrance conference prior to June 4, 2025, if possible. At the entrance conference, we request PBGC provide any feedback on the planned engagement.

Thank you in advance for your time and consideration. If you have any questions please contact John Seger at seger.john@pbgc.gov.

cc: Alice Maroni, Acting Director

Enclosure

Follow up to Recommendation Regarding Projected Benefit Payments in Selected Special
Financial Assistance Applications

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Karen Morris, General Counsel
Lisa Carter, Acting CFO; Director of CCRD
Latreece Wade, Risk Management Officer