

Office of Inspector General
Pension Benefit Guaranty Corporation

Annual Work Plan

Calendar Year 2020



OIG Value Framework

Principles	Integrity – Respect – Excellence
Vision	Providing deep knowledge and sensible solutions through independent, positive engagement
Mission	<p>Conduct independent and objective audits and investigations of PBGC programs and operations</p> <p>Provide leadership to promote efficiency and effectiveness</p> <p>Prevent and detect fraud and abuse in PBGC programs and operations</p> <p>Keep the Board and Congress fully and currently informed about problems and deficiencies</p> <p>Report immediately to the Board whenever the Inspector General becomes aware of any particularly serious or flagrant problems</p> <p>Report expeditiously to the Attorney General whenever the Inspector General has reasonable grounds to believe there has been a violation of federal criminal law</p>
Pillars	People Focused – Process Oriented – Performance Driven

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Introduction

We conduct our business in accordance with the OIG Value Framework and strive to provide deep knowledge and sensible solutions through independent positive engagement. To fulfill our responsibilities under the Inspector General Act and our expectations under the OIG Value Framework, we issue a broad range of products including audits, evaluations, inspections, investigations, reviews, risk advisories, and white papers.

The work plan for Calendar Year 2020 falls into three categories:

- **Ongoing:** Engagements that were ongoing at the beginning of Calendar Year 2020.
- **Mandatory:** Engagements that are statutorily required.
- **Discretionary:** Engagements that are planned or under consideration based on risks facing the PBGC and after evaluating suggested topics from stakeholders.

We selected the discretionary projects based on risk, and we developed this plan after considering OIG's strategic plan and goals, PBGC's three strategic goals and performance, the OIG's FY 2019 Risk Assessment of PBGC Programs and Operations, the PBGC's Fraud Risk Profile (2017), the OIG's Top Management Challenges, prior audit and investigative work, and risk assessment information provided by the Corporation. We prioritized projects to address risk and make the best use of available OIG resources.

The project priority ratings are as follows:

Critical Risk – Immediate attention is required. Issues under review have the potential to involve serious internal control or risk management issue that if not mitigated, may lead to:

- Substantial financial losses, possibly in conjunction with other weaknesses in the control framework or the organizational entity or process being audited.
- Serious violation of a rule, regulation, or law.
- Serious reputation damage, such as negative publicity in national or international media.

High Risk – Timely management attention is warranted. This is an internal control or risk management issue that could lead to:

- Financial losses.

- Loss of controls within the organizational entity or process being audited.
- Reputation damage, such as negative publicity in local or regional media.

Medium Risk – Routine management attention is warranted. This is an internal control or risk management issue, the solution to which may lead to improvement in the quality and/or efficiency of the organizational entity or process being audited. Risks are limited.

Ongoing Engagements

Incurred Costs for Contract No. PBGC01-D-15-0001

(Project No. PA-19-138, announced May 8, 2019)

<https://oig.pbgc.gov/pdfs/Ann-PA-19-138.pdf>

To determine if the costs claimed for contract PBGC01-D-15-0001 from February 1, 2015 through July 31, 2018 allowable, allocable and reasonable in accordance with the terms of the contract, applicable cost principles, laws, and regulations. (PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

PBGC's FY 2018 Annual Performance Report

(Project No. IN-19-139, announced May 30, 2019)

<https://oig.pbgc.gov/pdfs/Ann-IN-19-139.pdf>

To determine if the facts and figures reported in the Annual Performance Report accurate and are controls in place for ensuring the completeness, reliability, and quality of performance data reported in the Annual Performance Report. (PBGC Strategic Goal 3 and OIG Risk Rating: High)

PBGC's Agreed Upon Procedures for Contract Close-Outs

(Project No. PA-19-140, announced July 2, 2019)

<https://oig.pbgc.gov/pdfs/Ann-PA-19-140.pdf>

To determine PBGC's actions in monitoring the Agreed-Upon Procedures during the period of performance and follow-up on the deliverables for contract close-out services. (PBGC Strategic Goal 3 and OIG Risk Rating: High)

Office of Benefit Administration's Actuarial Support Services Contract

(Project No. EV-20-143, announced November 21, 2019)

https://oig.pbgc.gov/pdfs/Ann_EV-20-143.pdf

To evaluate PBGC's compliance with applicable Federal Acquisition Regulations and PBGC policies. This may include acquisition planning, award, and oversight of the actuarial support services contract and selected task orders. (PBGC Strategic Goals 2 and 3 and OIG Risk Rating: Critical)

Mandatory Engagements

PBGC's FY 2019 Compliance with IPERA Requirements

To determine PBGC's FY 2019 compliance with requirements of the Improper Payments Elimination and Recovery Act. (PBGC Strategic Goals 2 and 3 and OIG Risk Rating: High)

Pension Benefit Guaranty Corporation's Fiscal Year 2019 and 2020 Financial Statements

Oversight of independent public accountant hired to express an opinion on whether PBGC financial statements are prepared in accordance with prescribed accounting principles. Scope includes (1) General-purpose financial statement, including internal controls and (2) Closing package. (PBGC Strategic Goals 1, 2, and 3 and OIG Risk Rating: Critical)

Purchase Card Risk Assessment of PBGC's Compliance with the Government Charge Card Abuse Prevention Act of 2012

To assess the government purchase card program to identify and analyze risks of illegal, improper or erroneous purchases and payments. (PBGC Strategic Goal 3 and OIG Risk Rating: Medium)

Annual Evaluation of the PBGC FISMA Program

Oversight of independent public accountant hired to evaluate PBGC information security program. As prescribed by the Federal Information Security Modernization Act (FISMA), the PBGC Inspector General is required to conduct annual evaluations of the PBGC security programs and practices, and to report the results of these evaluations to OMB. (PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

Discretionary Engagements - Planned

PBGC's Contractor Incurred Costs

To assess if PBGC contractors appropriately charged PBGC for work performed. (PBGC Strategic Goal 3 and OIG Risk Rating: High)

IT Vulnerability and Penetration Testing

To provide oversight additional work performed by our independent public accountant in the areas of vulnerability and penetration testing. (PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

PBGC's Implementation of Enterprise Risk Management

To assess PBGC's implementation of Enterprise Risk Management. (PBGC's Strategic Goal 3 and OIG Risk Rating: High)

PBGC's Ongoing Information Technology Modernization

To survey ongoing IT modernization projects and determine time and cost schedule status. (PBGC Strategic Goal 3 and OIG Risk Rating: High)

PBGC's Freedom of Information Act Program

To determine if PBGC's FOIA program complies with current laws and regulations. (PBGC Strategic Goal 3 and OIG Risk Rating: Medium)

Discretionary Engagements - Under Consideration

PBGC's Oversight of Plan Asset Evaluations and Participant Data Reviews

We would conduct an engagement of OBA's oversight of the work performed by the contractors on PAEs and PDRs. (PBGC's Strategic Goal 2 and OIG Risk Rating: High)

PBGC's Multiemployer Pension Insurance Modeling System and Projections Reporting

To determine if the reporting in the FY 2018 projections report accurately depict the information from ME-PIMS and to determine if updates to the PIMS has made the system more flexible. (PBGC's Strategic Goal 1 and OIG Risk Rating: High)

PBGC's Management of Its Data Center

We would conduct an engagement to assess the PBGC's management of its data center and determine whether PBGC personnel properly monitored the contractors' performance. (PBGC's Strategic Goal 3 and OIG Risk Rating: Medium)

PBGC's Implementation of the Fraud Reduction and Data Analytics Act

To assess PBGC's implementation of the Fraud Reduction and Data Analytics Act. (PBGC's Strategic Goal 3 and OIG Risk Rating: High)

PBGC's Management of Mobile Devices

To determine whether OIT is implementing policies and procedures to mitigate information security weaknesses associated with mobile devices being used in PBGC's network infrastructure. (PBGC's Strategic Goal 3 and OIG Risk Rating: High)

PBGC Compliance with the Government Charge Card Abuse Prevention Act of 2012 for the Travel Card Program

To assess the government travel card program to identify and analyze risks of illegal, improper or erroneous purchases and payments. (PBGC Strategic Goal 3 and OIG Risk Rating: Medium)



OFFICE OF INSPECTOR GENERAL HOTLINE

**Suspect Fraud, Waste, Abuse,
Or Mismanagement?**

LET'S TALK!



**Workers and Retirees
are Counting on You!**

Call the Hotline at 1-800-303-9737

Or write to:

**Pension Benefit Guaranty Corporation
Office Of Inspector General Hotline
1200 K Street NW, Suite 480
Washington, D.C. 20005
Website: oig.pbgc.gov**

Or e-mail to:

hotline@pbgc.gov

Your report can be made anonymously or in confidence



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