

**PENSION BENEFIT GUARANTY CORPORATION  
OFFICE OF THE  
INSPECTOR GENERAL**



**Annual Work Plan**  
*Calendar Year 2024*

## Our Value Framework

<b>Values</b>	Respect – Integrity – Objectivity and Independence – Excellence
<b>Vision</b>	Providing deep knowledge and sensible solutions through independent, positive engagement.
<b>Mission</b>	<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>
<b>Pillars</b>	People Focused – Process Oriented – Performance Driven

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## Introduction

We conduct our business in accordance with the Office of Inspector General (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 2024 falls into three categories:

- **Ongoing:** Engagements that were ongoing at the beginning of Calendar Year 2024.
- **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 developed this plan after considering OIG's strategic plan and goals, PBGC's three strategic goals and performance, the OIG's FY 2021 Risk Assessment of PBGC Programs and Operations (including fraud risk); the OIG's Top Management Challenges; prior audit and investigative work; and risk assessment information provided by the Corporation. We selected discretionary evaluations based on risk. We prioritized evaluations to address risk and make the best use of available OIG resources.

The evaluation priority ratings are as follows:

**Critical Risk** – Immediate attention is required. Issues under review have the potential to involve a 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.

PBGC Strategic Goals – This workplan also notes how planned engagements relate to PBGC's three strategic goals:

1. preserve plans and protect the pensions of covered workers and retirees,
2. pay pension benefits on time and accurately, and
3. maintain high standards of stewardship and accountability.

#### Initiation, Acceptance, Continuation of Engagements

Government Auditing Standards (GAS) require audit organizations to establish policies and procedures for the initiation, acceptance, and continuance of engagements designed to provide reasonable assurance the organization will undertake engagements only if it:

- a. complies with professional standards, applicable legal and regulatory requirements, and ethical principles;
- b. acts within its legal mandate or authority; and
- c. has the capabilities, including time and resources, to do so (GAS 5.12).

OIG organizations operate with limited resources, which requires that evaluations be prioritized. In addition, there may be cases where an OIG is asked or required to accept an engagement. Even with these constraints, however, it remains critical that independence, objectivity, and adherence to professional standards are maintained at all times to ensure the integrity of OIG operations. As such, each year as part of the Annual Planning Process GAS 5.12 is reviewed and the principles identified in a, b, and c above are considered as an important part of the audit planning process.

## Ongoing Engagements

### **Evaluation of PBGC's Oversight of Single Employer Pension Insurance Modeling System Modernization and Development Contracts**

(Project No. EV-23-171, announced January 12, 2023)

[https://oig.pbqc.gov/pdfs/Ann\\_EV-23-171.pdf](https://oig.pbqc.gov/pdfs/Ann_EV-23-171.pdf)

Determine if PBGC's oversight of the modernization and development contracts for the Single Employer Pension Insurance Modeling System was in conformance with federal and PBGC regulations.

(PBGC Strategic Goals 1 and 3 and OIG Risk Rating: Critical)

### **Limited Scope Evaluation of Projected Benefit Payments in Selected Special Financial Assistance Applications**

(Project No. EV-23-172, announced February 8, 2023)

[https://oig.pbqc.gov/pdfs/Ann\\_EV-23-172.pdf](https://oig.pbqc.gov/pdfs/Ann_EV-23-172.pdf)

Identify whether Special Financial Assistance procedures are sufficient to ensure increases in projected benefit payments are consistently identified, evaluated against appropriate criteria, and documented.

(PBGC Strategic Goals 1 and 3 and OIG Risk Rating: Critical)

### **Evaluation of PBGC's Contract Type Justifications**

(Project No. EV-23-175, announced July 10, 2023)

[https://oig.pbqc.gov/pdfs/Ann\\_EV-23-175.pdf](https://oig.pbqc.gov/pdfs/Ann_EV-23-175.pdf)

Determine if PBGC complied with federal acquisition requirements to justify contract types, when awarding other than firm-fixed price contracts.

(PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

## **Mandatory Engagements**

### **PBGC's Fiscal Year 2023 Compliance with the Payment Integrity Information Act of 2019**

To determine PBGC's FY 2023 compliance with requirements of the Payments Integrity Information Act of 2019 (PIIA) (previously IPERA).  
(PBGC Strategic Goals 1, 2, and 3 and OIG Risk Rating: High)

### **Audit of PBGC's Fiscal Years 2024 and 2023 Financial Statements**

Oversight of the independent public accountant hired to express an opinion on whether PBGC's 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)

### **Annual Evaluation of the PBGC Federal Information Security Modernization Act Program**

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

## **Discretionary Engagements - Planned**

### **Special Financial Assistance Annual Certification**

This engagement would review PBGC's implementation of the annual review requirement for pension plans receiving Special Financial Assistance.  
(PBGC Strategic Goals 1, 2, and 3 and OIG Risk Rating: Critical)

### **PBGC's Trusteeship of Small Single-Employer Pension Plans**

This engagement would review PBGC's process for trusteeship of single-employer plans with fewer than 10 participants.  
(PBGC Strategic Goals 1 and 2 and OIG Risk Rating: Critical)

### **Acquisition Survey of PBGC**

This engagement would survey PBGC's Procurement Department customers to gain insights into their experience in procuring goods and services to support PBGC operations.

(PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

### **PBGC's ServiceNow Support Desk**

This engagement would review the operations of the ServiceNow Support Desk.

(PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

### **PBGC's Directives System**

This engagement would evaluate whether the PBGC's Directives System ensures proper maintenance and disposition of the Corporation's directives.

(PBGC Strategic Goal 3 and OIG Risk Rating: Critical)

## **Discretionary Engagements - Under Consideration**

### **Engagement(s) Reviewing Special Financial Assistance Applications**

This would be one or more engagements which would provide additional oversight related to applications for Special Financial Assistance.

(PBGC Strategic Goals 1 and 3 and OIG Risk Rating: Critical)

### **PBGC's Distress Termination Process**

This engagement would evaluate PBGC's process when a pension plan seeks a distress termination.

(PBGC Strategic Goals 1, 2, and 3 and OIG Risk Rating: Medium)

### **PBGC's Diversity, Equity, Inclusion, And Accessibility Initiatives Assessment**

This engagement would evaluate PBGC's efforts to advance diversity, equity, inclusion, and accessibility.

(PBGC Strategic Goal 3 and OIG Risk Rating: High)

### **PBGC's Plan Promotion Process from Non-Seriatim to Seriatim Valuation**

This engagement would assess PBGC's process promoting plans from non-seriatim valuation to seriatim valuation.



(PBGC's Strategic Goal 3 and OIG Risk Rating: High)

**Follow-Up: PBGC's Contracting Officer Representatives Invoice Reviews**


This engagement would determine whether PBGC effectively implemented corrective actions to address issues and recommendations identified in PBGC OIG's report *Evaluation of Hotline Complaints regarding a PBGC Contract* (EVAL-2023-04).

(PBGC's Strategic Goal 3 and OIG Risk Rating: High)

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

This engagement would assess the Office of Benefits Administration's oversight of the work performed by the contractors on Plan Asset Evaluations and Participant Data Reviews.


(PBGC's Strategic Goals 2 and 3 and OIG Risk Rating: High)



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