



Pension Benefit Guaranty Corporation

Office of Inspector General
1200 K Street, N.W., Washington, D.C. 20005-4026

May 8, 2015

VIA EMAIL

The Honorable Ron Johnson
Chairman
U.S. Senate Committee on Homeland Security and Governmental Affairs

The Honorable Charles E. Grassley
Chairman
U.S. Senate Judiciary Committee

Dear Chairman Johnson and Chairman Grassley:

Since 2010, Inspectors General have been requested to provide a biannual report of “all closed investigations, evaluations, and audits conducted by the IG offices that were not disclosed to the public.” In a February 27, 2015 letter you reiterated your continuing efforts to support the Inspector General community in protecting taxpayers against waste, fraud and abuse and requesting enhanced reporting to the committee.

I provide this information for the period October 1, 2014 through March 31, 2015. Our numbering tracks the numbering in your 2015 request:

- 1. An accounting of all outstanding unimplemented recommendations as well as the aggregate potential cost savings of these open recommendations including:***
 - a. The current number of open and unimplemented recommendations***
 - b. The dates on which the open and implemented recommendations were initially made;***
 - c. Whether agency management has agreed or disagreed with the recommendations; and***
 - d. The total potential cost savings to the agency of the current open and unimplemented recommendations.***

Attachment 1 is a table listing 187 open OIG recommendations as of March 31, 2015 and the additional information you request. The agency disagreed with two recommendations (numbers 179 and 186 in table 1) and did not propose effective alternate corrective actions that would address the OIG finding by the end of the reporting period. Subsequent to March 31, OIG and PBGC reached management decision on one of the disagreed recommendations.

Our office has no open recommendations associated with a specific cost savings, i.e., questioned costs or funds to be put to better use. However, we believe that the process improvements identified by our recommendations would ultimately result in significant cost savings within PBGC's operations, through decreased duplication of efforts, documentation of processes and improved controls to provide management with increased assurance that business processes are functioning as designed.

2. *A narrative description of all audits, evaluations, and investigations provided to the agency for comment but not responded to within 60 days.*

We have no audits, evaluations or investigations where the agency has not responded within 60 days.

3. *A report on each investigation involving GS-15 level or above employees, or, other Federal pay scale equivalent employees, at a Federal agency or department where misconduct was found, but no prosecution resulted, including:*

- a. A detailed description of the facts and circumstances of the investigation; and,*
- b. A detailed description of the status and disposition of the matter, including whether there was a referral to the Department of Justice, the date of any such referral, whether there was a declination from the Department, the date of any such declination, and an explanation of the reasons for any such declination.*

We have no investigations involving PBGC GS-15 level or above employees, or, other Federal pay scale equivalent employees, where misconduct was found but no prosecution resulted.

4. *Detailed descriptions of any instances of whistleblower retaliation, including information about the official found to have engaged in retaliation and what, if any consequences, the agency imposed to hold that official accountable. However, please seek whistleblower consent before revealing any whistleblower's personally identifiable information to Congress.*

We have no responsive records.

5. *Detailed descriptions of any attempts to interfere with IG independence, including:*

- a. Restricting communications between the IG office and Congress; and*

b. Budgetary constraints designed to limit the capabilities of the IG office.

We have no instances of attempts to interfere with IG independence by restricting communication with Congress or imposition of budgetary constraints.

6. A detailed description of any incident where the Federal agency or department, as applicable, has resisted or objected to oversight activities of the IG office or restricted or significantly delayed access to information, including the justification of the Federal agency or department for such action.

We have no instances of attempts to restrict the oversight activities of our office or restrict or significantly delay access to information.

7. A detailed description of any investigation, evaluation, audit or report that is closed and was not disclosed to the public.

Audit/Evaluation Reports. With limited exceptions, we post all audit and evaluation reports on our website within three days of issuing the final report to PBGC. We would not provide or post on our website the full text of reports that would disclose specific vulnerabilities that could be exploited; typically, such reports are IT-related. We also limit disclosure of those reports within PBGC. In addition, there are two other annual reports that are not publicly-posted: the template report required by the Office of Management and Budget for compliance with the Federal Information Security Management Act (FISMA) and the financial statement audit management letter.

I note that we do “disclose” the few restricted disclosure and other non-public audit/evaluation reports that are not posted in full text by posting a high-level summary on our website and summarizing each in our Semiannual Reports to Congress. Attachment 2 is a table summarizing the three reports issued during the reporting period – the FISMA template report, the management letter report, and a restricted-disclosure report – that are not in full text on our website.

Investigative Reports. We do not post any investigative reports on our website due to privacy concerns. To provide necessary information for the agency to consider appropriate corrective actions, the reports contain significant personally-identifiable and other sensitive information. Posting these reports would require significant redactions. However, we do summarize each significant investigation in our Semiannual Reports to Congress, each of which is posted on our website.

I strongly believe in the importance of reducing waste and increasing efficiency in the government. Our office has worked diligently to improve PBGC, as well as prevent waste, fraud and abuse. I would be happy to discuss our efforts with you and answer any additional questions at your convenience. You may also read our reports at our website: <http://oig.pbgc.gov/index.html>.

If you have any questions about this response or about any of our OIG work, please contact me at 202 326-4000 extension 3877 or have a member of your staff contact Rashmi Bartlett, Assistant Inspector General for Audit, at 202 326-4000 extension 4634.

Respectfully submitted,



Deborah Stover-Springer
Deputy Inspector General

cc:

The Honorable Thomas R. Carper
Ranking Minority Member
Committee on Homeland Security and Governmental Affairs

The Honorable Patrick J. Leahy
Ranking Minority Member
Committee on the Judiciary

		Savings	
and strengthen them to prevent recurrence of the data errors and .	FY 2011 Financial Statement Audit Management Letter	\$0	Yes
Identify the root cause of the recurring PICS systems access and to restrict access to PICS files to all PBGC/FBA employees.	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Employees' or contractors' access to their relatives' information for the ACS, and SPECTRUM.	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Identifying all systems where relatives can review family records.	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Coordinate departments such as BAPD and OIT to develop a systems used to record, process or store participant benefit data.	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Plan for the PICS process. The monitoring plan should include a sample of files on a sample basis to verify compliance with PBGC PICS	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Develop and implement adequate procedures to ensure that all pending cases of deceased participants are compiled, tracked, monitored, and reported in a timely manner (monthly, at minimum).	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Review their monitoring procedures within the PDR process to ensure that the staff selects the appropriate sample size in accordance with their	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Review their procedures whether BAPD has the option of using the small plan under the small plan process and, and if so, BAPD should ensure the plan must meet to allow a change in their procedures and documentation.	FY 2012 Financial Statement Audit Management Letter	\$0	Yes
Review the procedures of the Field Benefit Administration and Post Audit Control Review to ensure that independent assessments are conducted and should include evidence of the testing performed by the COR and document samples used to perform the assessments.	Fiscal Year 2013 Financial Statement Audit Management Letter Report	\$0	Yes
Review procedures to ensure that the ACR Checklist is reviewed in a timely manner (quarterly or higher).	Fiscal Year 2013 Financial Statement Audit Management Letter Report	\$0	Yes
Review procedures should be revised to (1) reflect who is required to review and reconcile reconciliations and (2) include a timeframe for completing the	Fiscal Year 2013 Financial Statement Audit Management Letter Report	\$0	Yes
Review procedures for post-DoPT recovery for case 213919 Nortel Networks in its entirety.	Fiscal Year 2014 Management Letter	\$0	Yes
Review procedures for post-DoPT recovery for case 214858 Community Health Association for its entirety. Retirement factor for assumed retirement age should be	Fiscal Year 2014 Management Letter	\$0	Yes
Review procedures for requesting post-DoPT recovery data from Financial Operations for participants that have been promoted from EST to FNF status since the request was made to determine if they should be included with the request.	Fiscal Year 2014 Management Letter	\$0	Yes

ual to include a specific time period for which the write off s should be produced and imaged into IPS.	FY 2009 Financial Statements Audit Management Letter	\$0	Yes
is case and determine if established procedures are adequate to occurring.	FY 2010 Financial Statement Audit Management Letter	\$0	Yes
share "lessons learned" and best practices in a formal and appropriate personnel become aware of best practices and are	PBGC's Plan Asset Audit of National Steel Pension Plans was Seriously Flawed	\$0	Yes
process by identifying all systems/applications where relatives GC should restrict relative's access to the identifiable CCTRUM and ARIEL.	FY 2011 Financial Statement Audit Management Letter	\$0	Yes
Internal Control Assessment Procedures to include: a. Thorough tion process used to determine controls selected for testing on rotation plan should allow for management to revise their onment and/or processes and b. A testing procedure to verify the es is performed prior to sampling. If not applicable, CCRD ach for not verifying the completeness of the population.	Fiscal Year 2014 Management Letter	\$0	Yes
ols related to Premiums to reflect current control activities	Fiscal Year 2014 Management Letter	\$0	Yes
Internal Control Assessment Procedures to include a thorough ne third party contractor to verify the testing performed is bjective, and documentation of the review.	Fiscal Year 2014 Management Letter	\$0	Yes
de Risk Assessment Survey instructions to provide greater	Fiscal Year 2014 Management Letter	\$0	Yes
ocument that clearly outlines the connection between the results y-Wide Controls tested for A-123. The documentation should e risks identified. When changes in significant risks occur, ls over the related processes that are impacted and related to the adequately addressing the operational effectiveness of those	Fiscal Year 2014 Management Letter	\$0	Yes
oorate guidelines to promote transparency for publicly reporting nding agreements, including criteria for when agreements, ormation will be included in press releases.	Increased Oversight, Internal Controls and Performance Accountability Needed for PBGC's Monitoring, Enforcing and Modifying Negotiated Funding Agreements	\$0	Yes
a scenario in which to test the COOP, including conducting an	FY 2009 Financial Statements Audit Management Letter	\$0	Yes
C's entity-wide plan of action and milestones, at least on a es all entity-wide security deficiencies noted.	FY 2009 FISMA Independent Evaluation Report	\$0	Yes
OA&M to all responsible parties to ensure corrective actions are	FY 2009 FISMA Independent Evaluation Report	\$0	Yes
environment.	Fiscal Year 2011 Federal Information Security Management (FISMA) Independent	\$0	Yes

controls to separate incompatible duties in PIMS.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
Authorization (SA&A) review process for PIMS.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
Agreement Tracking Document is reviewed for accuracy and	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
agreements to ensure they are current and complete.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
Form 1 information received by PBGC to Form 5500 information or as a means of identifying plans that have not filed or paid	Audit of the Pension Benefit Guaranty Corporation's Fiscal Years 2004 and 2003 Financial Statements	\$0	Yes
and implement a process for the reconciliation of the Form 5500 PS and follow-up on differences and logged record errors prior	Fiscal Year 2014 Management Letter	\$0	Yes
protect exploitation of vulnerability; report is limited disclosure.	Limited Disclosure Report on Internal Controls-PBGC's FY 2007 and 2006 Financial Statements Audit	\$0	Yes
protect exploitation of vulnerability; report is limited disclosure.	Limited Disclosure Report on Internal Controls-PBGC's FY 2007 and 2006 Financial Statements Audit	\$0	Yes
protect exploitation of vulnerability; report is limited disclosure..	Limited Disclosure Report on Internal Controls-PBGC's FY 2007 and 2006 Financial Statements Audit	\$0	Yes
protect exploitation of vulnerability; report is limited disclosure.	Limited Disclosure Report on Internal Controls-PBGC's FY 2007 and 2006 Financial Statements Audit	\$0	Yes
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protect exploitation of vulnerability; report is limited disclosure.	Limited Disclosure Report on Internal Controls-PBGC's FY 2007 and 2006 Financial Statements Audit	\$0	Yes
protect exploitation of vulnerability; report is limited disclosure.	Limited Disclosure Report on Internal Controls-PBGC's FY 2007 and 2006 Financial Statements Audit	\$0	Yes
implementation, and operating effectiveness of all 65 common	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2008 and 2007 Financial Statements Audit	\$0	Yes
process to validate the completion of the certification and	Report on Internal Controls Related to the	\$0	Yes

	Year 2009 and 2008 Financial Statements Audit		
Validate reported progress on the implementation of the common strategy to test and document the effectiveness of each new control	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Design security management program that will provide security to systems that support the operations and assets of the Corporation, contractors or other Federal agencies.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Implementation of the redesign of PBGC's IT infrastructure, and adoption of technologies to support a more coherent approach to information system management controls.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Plan is maintained which supports, substantiates, and validates all steps in the C&A process.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Comprehensive procedures and document the roles and responsibilities of staff in the certification and review process. Retain evidence of progress to address erroneous or unsupported reports of progress.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Maintain an up-to-date inventory list of major applications and general support applications assigned to responsible staff and used consistently throughout the Corporation.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Develop a strategy for correcting IT infrastructure deficiencies and a strategy for enhancing security controls, and mitigating the systemic issues related to system configurations and user account management for all of the Corporation's systems.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Document any discrepancies from the PBGC configuration and implement corrective actions for systems that do not meet PBGC's configuration requirements.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Ensure production databases are appropriately segregated to protect sensitive information and to increase system performance.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Implement available compensating controls (such as establishing a test environment in production) until a comprehensive solution to adequately protect production databases can be implemented.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Implement segregation of duties, password management, and overall system security. Discuss risk with system owners and implement compensating controls. If compensating controls cannot be implemented the system owner must accept the risk.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes
Implement controls to ensure proper segregation of duties in the deployment of servers, applications, and databases.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2009 and 2008 Financial Statements Audit	\$0	Yes

ly misstated. Management should then re-evaluate the DOPT ns and consider the impact of any known differences on the	Pension Benefit Guaranty Corporation's Fiscal Year 2011 and 2010 Financial Statement		
maintained, which supports, substantiates, and validates benefit ing proper monitoring and enforcement measures in compliance res.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2011 and 2010 Financial Statement	\$0	Yes
identify and document the risks associated with PBGC ountries, ensure appropriate management review, and take ntified risks.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal Year 2011 and 2010 Financial Statement	\$0	Yes
ent a comprehensive documentation retrieval system that clearly ants' census data and benefit calculation elements in a	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal 2012 and 2011 Financial Statements Audit	\$0	Yes
cedures for processing plans and uploading participant data in the best available data is used to support benefit payments and	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal 2012 and 2011 Financial Statements Audit	\$0	Yes
errors in its calculations identified by the auditors.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal 2012 and 2011 Financial Statements Audit	\$0	Yes
ent improvements to the BAPD Systems (Spectrum and the Benefits (IPVFB)) systems to: Record and value separate different annuity forms; Record and value anticipated future porary joint and survivorship (J&S) benefits.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal 2012 and 2011 Financial Statements Audit	\$0	Yes
controls to consistently secure information embedded in readsheets to those with business needs.	Report on Internal Controls Related to the Pension Benefit Guaranty Corporation's Fiscal 2012 and 2011 Financial Statements Audit	\$0	Yes
ations and data entries identified by the auditors during FY	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
o identify risks associated with a lack of documentation to calculations and assess the impact to the calculations and related	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
C should develop a policy to finalize management's position on documentation issue and any actions that will be taken to address uld also document any residual risk that it may elect to accept.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ssment of the BAPD's entire operations. The risk assessment all the root causes of the issues identified by the auditors and mplemented corrective actions. The materiality thresholds used	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
heny Health) in light of the calculation exception for Sample 27 ants are receiving incorrect benefits due to the miscalculation of tion. PBGC should insure that all data and calculation l documented. Interim calculations of data elements used to	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes

	PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit		
event categorization procedures and decision process to better identify events are categorized as suspicious and are recorded in a risk register for escalation and further analysis.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
quarterly) process for contractor's compliance, including the event categorization procedures and decision process, review of logs, and other continuous monitoring activity.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
documented, investigated, reported to federal management, and remediate security vulnerabilities.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
impacts such as the functional impact of the incident (e.g., current business functions), the information impact of the incident (e.g., integrity, and availability of PBGC's information), and the resources (e.g., the time and types of resources that must be spent on	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
effectiveness of PBGC's current data loss prevention controls in place and additional controls needed based on cost and risk.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
enhance PBGC's ability to identify inappropriate or unusual vulnerability scanning information, performance data, network logs, and (log) information.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
Directive IM 10-03, Protecting Sensitive Information.	Fiscal Year 2013 Federal Information Security Management Act Final Report	\$0	Yes
comprehensive analysis of key data inputs (e.g., participant count, market data, etc.) in the Comprehensive Premium Filing to identify significant variances that should develop a risk analysis that focuses on evaluating the impact of the variances identified from the comprehensive analysis and completeness assertion for premiums.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
period (e.g., year to year, quarter to quarter, etc.) in premium summary level data to identify anomalies, unusual variances, and trends evaluated by management. The underlying cause of the variances should be identified based on thresholds established by management.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
comprehensive list of premium filing scenarios that could impact the premiums. These scenarios should be used to update/refine the PPS	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
conduct periodic inquiries of other Departments and/or Division Offices within PBGC to obtain relevant information such as status of claims, and determine impact of claims on the appropriate premium refund, and determine impact on financial statement disclosures. These inquiries and responses should be documented and readily available for review by management and/or OIG and the auditors.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ensure their financial statement footnotes disclosures to adequately	Report of Internal Controls related to the	\$0	Yes

show evidence of preparer and supervisory review.			
cedures and the Premium cycle memo to reflect current control to the premium reconciliation process.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
em and Practitioner System reporting functionality to provide a rate premium report by plan for each reporting period. This support for the PPS balance reported on the PPS subsidiary.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
numbering scheme to label all entries made by General S.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
a log to record and monitor all manual entries entered into CFS	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
cedures that will ensure that all journal entries are properly	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
isting of all key financial spreadsheets.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
key financial listing that is provided to the CFO annually.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
onsibilities for business owners that create key financial	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ment to evaluate PBGC's reliance on key financial spreadsheets reporting.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ent access and integrity controls to assure the completeness and	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ent procedures that require business owners who prepare key and provide evidence of their implementation of integrity and	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ent a process to restrict personnel access to key financial basis.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ent a process to recertify personnel accounts assigned to network spreadsheets.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
ances of the seven (7) identified plans (case #21087700, #22284000, #22321200, and #21951900) to ensure the net make any necessary adjusting entries. Further, IAB should review 01 and determine appropriate action for closing out the	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes

Associated Clearing Consultants (#20291500).	PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit		
should strengthen their internal control procedures to include a plan assets that have been trustee'd but not yet transferred to of time. These procedures should include specific criteria or identifying plan assets that should be considered for transfer.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should strengthen its quality control review process over the Future Financial Assistance to verify that all key data is	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should implement the corrections of the errors identified by of the Present Value of Nonrecoverable Future Financial 33, and 34).	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should undertake a consolidation and codification of its practices into a single documentation source for single employer	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should undertake a consolidation and codification of its practices into a single documentation source for multiemployer	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should undertake training of its staff to ensure policy for obtaining up-to-date plan and valuation data for all	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should implement a tracking system to monitor its request mely response.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
APD should develop a comprehensive policy that describes requirements used to support plan liability valuation. In documentation retention requirements. For example, withdrawal liability payment schedules that impact a plan	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
structuring Actuarial Division should implement a process to ae tool to identify missing plan data and supplement as needed.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
structuring Actuarial Division should update its Small Plan Bulk identified by the auditors during the FY 2014 testing.	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
structuring Actuarial Division should promptly correct the two itors during the review performed as of September 30, 2014, f multiemployer Probable Small Plan Bulk Reserve (SPBR) and	Report of Internal Controls related to the PBGC's Reporting for FY 2014 and FY 2013 Financial Statements Audit	\$0	Yes
PM policy, establish written requirements for determining enefits.	Audit Incentive Related to Recruitment, Relocation and Retention	\$0	Yes
PBGC managers on 3Rs incentives and SLR including the justifications, and required supporting documentation.	Audit Incentive Related to Recruitment, Relocation and Retention	\$0	Yes
APD should implement a tracking system to monitor its request mely response.	Audit Incentive Related to Recruitment, Relocation and Retention	\$0	Yes

Information available related both to mergers and plans that are in			
data, on plans that do not report premium funding target to confirm valid or adjust those assumptions, if necessary. The study should include facts such as policy and data have changed significantly since the	Fiscal Year 2014 Management Letter	\$0	Yes
ownership and provides oversight of the remediation process and completed by the target dates.	Authorization to Operate PBGC Information Systems	\$0	Yes
to reflect the current system security state and status of the	Authorization to Operate PBGC Information Systems	\$0	Yes
protect exploitation of vulnerability; report is restricted	FY-2012 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	FY-2012 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	FY-2012 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	FY-2012 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	FY-2012 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2013 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2013 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2013 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2013 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Security Evaluation of the Pension Benefit Guaranty Corporation Information Technology Environment (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Security Evaluation of the Pension Benefit Guaranty Corporation Information Technology Environment (RESTRICTED DISCLOSURE)	\$0	Yes

protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
protect exploitation of vulnerability; report is restricted	Fiscal Year 2014 Vulnerability Assessment and Penetration Testing Report (RESTRICTED DISCLOSURE)	\$0	Yes
consistently managed program with documented and assigned ers, including key controls such as supervisory review and ensure agreements are consistently monitored, enforced, and ble guidelines.	Increased Oversight, Internal Controls and Performance Accountability Needed for PBG's Monitoring, Enforcing and Modifying Negotiated Funding Agreements	\$0	Yes
developed processes and TeamConnect required documentation and	Increased Oversight, Internal Controls and	\$0	Yes

nts.			
es adequately incorporate federal guidance and PBGC policies ment, so that staff consistently store, maintain and dispose of	Increased Oversight, Internal Controls and Performance Accountability Needed for PBGC's Monitoring, Enforcing and Modifying Negotiated Funding Agreements	\$0	Yes
ards management reviews in compliance with Federal standards e plan to ensure all federal records have been identified.	Increased Oversight, Internal Controls and Performance Accountability Needed for PBGC's Monitoring, Enforcing and Modifying Negotiated Funding Agreements	\$0	Yes
ct and limit access to the TeamConnect application on a need-to- T standards and PBGC security standards.	Increased Oversight, Internal Controls and Performance Accountability Needed for PBGC's Monitoring, Enforcing and Modifying Negotiated Funding Agreements	\$0	Yes
red to address gaps in numbers, deployment, and alignment of rough contracts. This strategy, which might incorporate aspects 7, should reflect the importance of the contract workforce to ng and contracting decisions at the corporate level.	Evaluation of PBGC's Strategic Preparations for a Potential Workload Influx	\$0	Yes
ures, and protocols consistently require plan assets to be valued rately reflects fair market value.	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes
of very large plans, plans with significant valuation challenges, allowable thresholds, ensure that a member of senior leadership ation issues is briefed on audit or valuation results and ns, if any, from established protocols.	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes
e documentation of the resolution of variances identified as part rmination participant audits.	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes
ublish controls to ensure that conclusions are not based on non-	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes
ol to address the risk that training needs are being overlooked, unaddressed, and that performance issues are unaddressed. The he issue, population affected, root cause analysis of why the ution, and appropriate remedial action to limit or reduce	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes
r post-termination audits and evaluations to promote objectivity compliance with standards and audit / evaluation quality. The uld encourage independence of thought and action for the s in BAPD have been resolved, the compliance function should of PBGC management.	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes
view, develop and implement processes to ensure that post- one in accordance with applicable standards and in a manner of assurance.	PBGC Processing of Terminated United Airlines Pension Plans was Seriously Deficient	\$0	Yes

ensure identification of all federal records.			
ved to identify control points, augment the PRAD QAP Manual detail steps used in the performance of all modeling and actuarial products can be reproduced and undergo effective and well-PRAD QAP Manual should include review and oversight methods for procedures, appropriate approval, and escalation of issues	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	Yes
the use of the Manual and its relationship to any additional in the department.	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	Yes
re that all actuarial work and modeling products are completed records, internal PBGC policies, and federal records management	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	Yes
tion of all records management procedures. The procedures for record retention procedures, identify all storage areas used in organization of records, ensure File Plan integration, and establish staff and contractors should receive training on finalized	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	Yes
should develop, implement and monitor documented capability for a centralized repository, which at minimum documents, to whom assigned, requestor, resolution of response, a date.	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	Yes
OIT to assess and implement access controls for actuarial reporting process, and incorporate where actuarial identified, in accordance with federal regulations and PBGC	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	No
D perform independent Records Management Reviews in procedures manual and require departments to take action on ones that findings are not feasible, it should provide WSD with a acceptance.	PBGC Compliance with MAP-21 Still a Work in Progress	\$0	Yes

ly, agencies and OIGs must complete and submit answers to a series of questions about management and oversight of an agency's IT program, including such topics as appropriate policies and procedures, security over data (including access controls, configuration management, effective training, and incident response), and continuous monitoring. The agency head and Inspector General jointly submit the template to OMB, along with an individual letter of transmittal. We post the IG letter. Subsequently, we prepare an annual narrative report that is publicly available on our website.

As noted above, this annual report communicates to management findings and recommendations stemming from the financial statement audit that are not internal control issues and not material in dollar value, but are nonetheless important to improve PBGC's internal control or result in operational improvements. This report addressed issues with: PBGC's A-123 Internal Control Assessment process; errors and omissions in certain liability calculations for the single-employer pension program; and reconciliation to ensure completeness of premium receipts not performed.

Our review is conducted annually to find technical weaknesses in PBGC's information technology systems that may allow employees/ contractors or outsiders to cause damage to and/or impact PBGC's business processes and information. We found that the culture surrounding vulnerability management has improved. PBGC's information security critical and high vulnerabilities have decreased and patch management has achieved the highest level of maturity in the agency's history. At the same time, PBGC continues to have challenges in mitigating existing information technology weaknesses, as a number of issues have continued for multiple years. A full report and raw data was provided to appropriate PBGC executives responsible for corrective action.

