OFFICE OF INSPECTOR GENERAL
AUDIT REPORT

PBGC's Compliance with the DATA Act

PBGC Office of Inspector General

BRIEF SHEET

PBGC's Compliance with the DATA Act

Background

DATA Act. Requires the disclosure of direct federal agency expenditures and linking federal contract, loan and grant spending information of federal agencies to enable taxpayers and policymakers to track federal spending more effectively. The law required the establishment of government-wide data standards to provide consistent, reliable, researchable, and usable spending data on USASpending.gov.

Data Act Information Model Schema. Established by OMB and Treasury. Provides an overall view of the hundreds of distinct data elements used to describe how federal dollars are spent and includes technical guidance for federal agencies.

OMB and Treasury. Identified and provided final standards for 57 financial data elements required for reporting by federal agencies on USASpending.gov. Federal agencies submit information electronically to the Data Act Broker. In some instances the Data Act Broker generates files directly from government-wide systems.

Key Questions

Objective. To assess completeness, accuracy, timeliness, and quality of PBGC's FY2019, first quarter financial and award data submitted for publication on USASpending.gov; and PBGC's implementation and use of the Government-wide financial data standards established by OMB and Treasury.

Audit Results

Overall Conclusion. PBGC generally complied with the requirements for completeness, timeliness, quality, and accuracy of the data, and implementation and use of the government-wide financial data standards established by OMB and Treasury. Overall, we rated PBGC data to be of "higher" quality based on the established standards. However, we observed some inconsistencies, variances and errors that might have impacted PBGC's reporting of reliable and consistent federal spending data for public use.

Corrective Actions

Our recommendations. We recommend that the Financial Operations Department develop and implement procedures to ensure a quality control review of Files A, B, C, D1 and D2 is completed before each quarterly data submission and review the Broker's warning reports for indications of errors and incompleteness.

Management agreement. Management agreed with the our recommendation and agreed to take corrective action as identified in the report.

September 30, 2019

TO: Patricia Kelly
             Chief Financial Officer

FROM: Brooke Holmes
             Assistant Inspector General for Audits

SUBJECT: Issuance of Final Audit Report No. AUD-2019-15/PA-19-135
             PBGC's Compliance with the DATA Act

We are pleased to provide you with the above-referenced final audit report. We appreciate the cooperation you and your staff extended to OIG during this project. We thank you for your receptiveness to our recommendations and your commitment to reducing risk and improving the effectiveness and efficiency of PBGC's programs and operations.

This report contains public information and will be posted in its entirety on our website and provided to the Board and Congress in accordance with the Inspector General Act.

cc: Frank Pace, Director, Corporate Controls and Reviews Department
      Alice Maroni, Chief Management Officer
      Karen Morris, Chief of Negotiations and Restructuring
      Latreece Wade, Risk Management Officer
      Department of Labor Board staff
      Department of the Treasury Board staff
      Department of Commerce Board staff
      Senate Committee staff (Homeland Security and Governmental Affairs, and Budget)
      House Committee staff (Oversight and Reform, and Budget)
      GAO
      Treasury IG

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Background

Pension Benefit Guaranty Corporation

Established by the Employee Retirement Income Security Act of 1974 (ERISA), the Pension Benefit Guaranty Corporation (PBGC or the Corporation) insures the pension benefits of workers and retirees in private-sector defined benefit pension plans. PBGC's mission is to enhance retirement security by preserving plans and protecting pensioners' benefits. The Corporation guarantees payment, up to legal limits, of the pension benefits earned by nearly 37 million American workers and retirees in more than 25,000 plans.

PBGC has two legally separate insurance programs, which are operated and financed independently: the single-employer plan program and multiemployer plan program. Since 1974, PBGC has taken responsibility for paying the benefits of about 1.5 million people in over 5,000 failed single-employer and multiemployer plans. PBGC made benefit payments of $5.9 billion in fiscal year (FY) 2018.

The agency receives no funds from general tax revenues. PBGC finances its operations through insurance premiums set by Congress and paid by sponsors of defined benefit plans, investment income, assets from terminated plans, and recoveries from the companies formerly responsible for the plans. Although PBGC earns its own revenue, PBGC participates in the federal budget process. Congress imposes spending limitations for each fiscal year on the use of funds for administrative expenditures. PBGC is subject to various laws pertaining to federal agencies, including the Digital Accountability and Transparency Act of 2014 (DATA Act).

DATA Act Background

Enactment

The DATA Act was enacted May 9, 2014 to expand the reporting requirements pursuant to the Federal Funding Accountability and Transparency Act of 2006 (FFATA). A key step in implementing the DATA Act was the development of government-wide standards to ensure the reporting of reliable and consistent federal spending data for public use.

The DATA Act Information Model Schema (DAIMS) gives an overall view of the hundreds of distinct data elements used to tell the story of how federal dollars are spent. It provides technical guidance for federal agencies on what data to report to Treasury, including the

authoritative sources of the data elements and the submission format. DAIMS includes the following information and guidance:

- *Information Flow* – provides an overview of the reporting timeframes and sources of data included in DAIMS across the federal government.
- *Reporting Submission Specification (RSS)* – includes a listing of the data elements with specific instructions for federal agencies to submit content in the appropriate format.
- *Interface Definition Document (IDD)* – contains a listing of the data elements that explain what data will be pulled from government-wide systems for procurement and sub-awards and from the Broker itself via the Financial Assistance Broker Submission for financial assistance.
- *DAIMS Diagrams* - Visual representations of how the data elements from the RSS fit together in context have been incorporated to improve usability.
- *XBRL Schema Files* - provides a machine-readable version of the data standards that include accounting-related and award-related content.
- *Online Data Dictionary* - contains a comprehensive list of data elements with definitions
- *Validation Rules* - documents the business rules employed by the DATA Act Broker for field and cross-file validations.
- *Practices and Procedures* - provides the general practices and procedures for submitting, validating, and understanding the reporting of submissions to the DATA Act Broker.

In accordance with the DATA Act, the Office of Management and Budget (OMB) and Treasury identified and provided final standards for 57 financial data elements required for reporting by federal government agencies on USASpending.gov (see Appendix IV). Agencies' are required to submit data for each quarter.

Agency Submissions under the DATA Act

Agencies are required to submit Files A, B, and C quarterly to the Broker. To complement Files A, B, and C, the Broker generates Files D1, D2, E, and F for a specified date range at the agency's request. The files contain information on agencies' financial and award data that is submitted to the Broker or pulled from government-wide external systems. The files include:

- File A: appropriations account detail information,
- File B: object class and program activity detail information,
- File C: award financial detail information,
- File D1: award and awardee detail for procurement,
- File D2: award and awardee detail for financial assistance,
- File E: additional awardee attributes, and

- File F: sub-awardee attributes.

Relevant Federal Systems

Federal Procurement Data System-Next Generation (FPDS-NG) serves as the primary government-wide central repository for procurement data**.** The system contains detailed information on contract actions over $3,500 and any modification to that contract regardless of dollar value.

Financial Assistance Broker Submission (FABS) is a component of the DATA Act Broker for submission of financial assistance data.

FFATA Sub-Award Reporting System is a reporting tool that prime contractors and prime grant recipients use to capture and report subcontractor or sub-award data including executive compensation.

System for Award Management (SAM) is the primary U.S. government repository for prospective federal awardee and federal awardee information, and the centralized government system for certain contracts and grants. Entities that do business with federal agencies must maintain an active registration in SAM unless exempt. SAM populates the entity legal business name and address in FPDS-NG. SAM also prepopulates certain executive compensation data in FFATA Sub-Award Reporting System.

Inspector General (IG) Requirements under the DATA Act

The DATA Act requires the IG of each federal agency to audit a statistically valid sample of the spending data submitted by its federal agency and issue to Congress a publicly available report assessing the completeness, timeliness, quality, and accuracy of the data sampled; and the implementation and use of the Government-wide financial data standards by the federal agency. The DATA Act requires the audit be performed in 2017, 2019, and 2021.

During the 2017 testing and reporting period, IGs employed varying methods for meeting the requirements set forth in the DATA Act. GAO reviewed DATA Act reports and found that approximately 72 percent of IGs did not find agency data to be complete, timely, accurate, or of quality. In addition, during 2017, IGs identified government-wide issues with Treasury's DATA Act Broker, which impacted the testing results of the IGs. As result, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Federal Audit Executive Council (FAEC) Working Group compiled a listing of the lessons learned. In consultation with GAO, as required by the DATA Act, the CIGIE Working Group developed the guide to set a baseline framework for

the required reviews performed by the IG community and to foster a common methodology for performing these mandates.

In 2017, we found PBGC generally complied with the requirements for completeness, timeliness, quality and accuracy of data, and implementation of the government-wide financial data standards established by OMB and Treasury. However, we observed some inconsistencies, omissions and errors which caused the information available to the public and Congress on Beta.USAspending.gov to not fully reflect PBGC's operations.

DATA Act Date Anomaly

CIGIE identified a timing anomaly with the oversight requirements contained in the DATA Act. The initial IG reports were due to Congress on November 2016; however, Federal agencies were not required to report spending data until May 2017. To address this reporting date anomaly, the IGs provided Congress with their first required reports by November 8, 2017, one year after the statutory due date, with two subsequent reports to be submitted following on a two-year cycle. On December 22, 2015, CIGIE's chair issued a letter detailing the strategy for dealing with the IG reporting date anomaly and communicated the strategy to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform (See Appendix III).

Objective

To comply with this law, our objective was to assess:

- Completeness, accuracy, timeliness, and quality of PBGC's FY2019, first quarter financial and award data submitted for publication on USASpending.gov; and
- PBGC's implementation and use of the Government-wide financial data standards established by OMB and Treasury.

Audit Results

Summary

We found that PBGC generally complied with the requirements for completeness, timeliness, quality, and accuracy of the data, and implementation and use of the government-wide financial data standards established by OMB and Treasury. Overall, we rated PBGC data to be of "higher" quality based on the established standards. However, we observed some inconsistencies, variances and errors that might have impacted PBGC's reporting of reliable and consistent federal spending data for public use. This occurred because PBGC did not address the Broker's warning reports and relied on the Broker to validate the data. Also, some of the errors were attributable to third parties (e.g. GSA, SAM, and Broker). Appendix IV provides a summary table of audit results, Appendix V shows the data element analysis and Appendix VI details errors not-attributable to the agency.

We shared our results with management throughout the course of the audit and observed that PBGC initiated corrective actions. Our audit coverage did not include verification of the adequacy or sufficiency of these corrective actions.

Finding 1: With Few Exceptions, PBGC Complied with the Requirements for Timeliness and Completeness of the DATA Act Submission

Timeliness

We evaluated PBGC's DATA Act submission to Treasury's DATA Act Broker and determined that the submission by the agency to the DATA Act Broker was *timely*. The agency submission is considered timely when it is in accordance with the reporting schedule established by the Treasury DATA Act Project Management Office – traditionally within 45 days of quarter end. Due to the government shutdown between December 22, 2018 and January 25, 2019, the due date for agency submissions for fiscal year 2019, first quarter was March 20, 2019. We downloaded and reviewed PBGC's submission history from the DATA Act Broker and determined the date of the certification of the FY 2019 Q1 DATA Act submission to the Treasury DATA Act Broker was March 15, 2019.

Completeness

We evaluated PBGC's DATA Act submission to Treasury's DATA Act Broker and determined that the submission was *generally complete* with few exceptions related to File B. To be considered

a complete submission, we evaluated Files A, B and C to determine that all transactions and events that should have been recorded were recorded in the proper period.

We tested PBGC's 1st quarter, FY 2019 federal appropriations account summary level data (File A), federal object class and program activity summary data (File B) and award financial detail (File C) information according to the *CIGIE Federal Audit Executive Council Inspectors General Guide to Compliance under the DATA Act* (the CIGIE guide) dated February 14, 2019.

File A: Based on the testing performed, we concluded that File A *is complete and accurate*. As part of this testing, we:

- Independently obtained File A and GTAS SF-133;
- Determined that File A includes all Treasury Account Symbols (TAS) from which funds are obligated;
- Matched the required elements in File A to the agency's GTAS SF-133, using the data definitions; and
- Reviewed the data elements in the Reporting Submission Specification (RSS) File A and determined that all the elements were reported in the agency's File A in accordance with financial data standards for the applicable elements.

During the testing we also noted that the latest version of the FAST Book I - Treasury Financial Manual Supplement lists a new revolving fund for PBGC that was not included in File A. The *Other Matters* section of this report provides further details on the setup of the new TAS and its effect on PBGC's File A.

File B: Based on the testing performed, we concluded that File B is complete and generally accurate, with the noted exceptions below. As part of this testing, we:

- Verified that File B includes all TASs in File A - PBGC's Revolving Fund (16X4204);
- Reconciled the totals of File A and B by matching the *Gross Outlay Amount* by *Program Object Class* and *Obligations Incurred* by *Program Object Clas*s from File B to File A;
- Verified that the amounts reported in File B agree to the amounts reported in USASpending.gov;
- Verified that all object class codes and all program activity names and codes from File B match the codes defined in Section 83 of OMB Circular A-11 and the Program & Financing Schedule/the Max Collect exercise;
- Verified that the dollar amounts from File B match the amounts in the President's Budget (Program and Financing Schedule) with three noted exceptions (items 1 through 3 below).

- Mapped data element requirements per the RSS File B to File B and determined that the required data elements were present and in conformance with the established Government-wide financial data standards for that element, except for the following four elements:
    1. The amounts reported under data element "ObligationsUndeliveredOrdersUnpaidTotal_CPE" is incorrect due to the omission of account 604809, Undelivered Orders Accrued, which is reported as part of PBGC's SGL 480100.

    2. The amounts reported under data element "ObligationsUndeliveredOrdersUnpaidTotal_FYB" is incorrect due to the omission of account 604809, Undelivered Orders Accrued, which is reported as part of PBGC's SGL 480100.

    3. The amounts reported under data element "GrossOutlaysDeliveredOrdersPaidTotal_CPE" is incorrect due to inclusion of account 604802, Undelivered Orders Prepaid/Advances.

    4. Although the dollar amount reported for data element "GrossOutlayAmountByProgramObjectClass_CPE" is correct, the configuration used does not reflect the relationship noted in the DAIMS guidance.

The noted variances were also reported in the Warning Report for File B and could have been addressed had management investigated the warnings.

File C: Based on our assessments of recorded transactions and linkages in File C, we concluded that File C is complete and contains all transactions that should be included (i.e., transactions with period obligations other than zero). We assessed:

- The linkage from File C to File B through TAS, object class, and program activity data elements and found *no exceptions*;
- The linkage between the File C and D1/D2 by determining whether all Award ID numbers that exist in File C, exist in Files D1 and D2. We found *no exceptions* for the linkage between the File C and D2 noting that the dollar values agree as well. However, we noted that all Award ID numbers that exist in File C do not exist in File D1 and vice versa. The reason for the discrepancies between File C and File D1 is timing for contracts with a future start date or subject to the "availability of funds" clause. Based on our further review the timing warnings are part of the normal business process and do not arise due to error reporting issues.

- Sufficiency of the agency's method of determining File C is complete and contains all transactions and linkages that should be included; agency's methodology for resolving Broker warnings between Files C and D1/D2, and reasonableness of the agency's process to resolve all variances and report on any unusual or unexplained variances. Based on the review of the warnings related to the linkage of File C to File D1, PBGC management identified an issue with PBGC's reporting of the Parent Award ID in File C (and in the Procurement File) and will take action to correct it for future submissions. The timing warnings are part of the normal business process and do not arise due to error reporting issues.

We reviewed PBGC's data quality plan (DQP) and concluded that it addressed the reconciliations and reviews that had to be performed to ensure completeness and accuracy of the DATA Act submission. However, we observed that there are inconsistencies in the DATA Act submission process in DQP descriptions for Procurement Department (PD) and Multiemployer Program Division (MEPD). The plan lacks details in Section 1.4 for the process of verification and validation of PD elements such as the monthly DATA Act report submission for the PD and the quarterly reconciliation of the D1 File with the PD submission similar to that required for File D2. The Procurement Department prepared such a reconciliation for Q1 FY2019 at our request. Also, we determined that PBGC did not have procedures for addressing warnings during FY2019, first quarter. The agency addressed our observations in the revised DQP dated July 25, 2019, but no such procedures were in place in the prior version of DQP during the FY2019 Q1 submission.

Although the Parent Award ID data element in File C was not populated with the correct field, File C was suitable for sampling as it contains all the records from File B and Files D1 and D2 that should be included. As such, we used File C as the sampling frame.

Finding 2: PBGC's Record-Level Data for Files C and D Contained Some Errors

Results of Sample Tests of the Award-Level Transaction Data

As required by the DATA Act, we reviewed a statistical sample of award-level spending data for completeness, timeliness, quality, and accuracy. We selected a statistically valid sample of certified spending data from the reported records from the agency's certified data submission for File C using the CIGIE guidance on population size, confidence level, expected error rate, sample precisions and sample size as applicable to smaller agencies.

Our sample size consisted of 105 transactions from the File C combined population of 181 contracting and multiemployer loan transactions. Specifically, we sampled 65 of the 106

contract actions from File D1, and 40 of the 75 multiemployer financial assistance loans from File D2. (See Appendix I, Statistical Sampling, for the population and sample size.) Using the statistical sample, we performed detailed tests for statistical projection at the data element level for each record selected in order to determine completeness, accuracy, and timeliness.

Completeness

Completeness of a data element is defined as, for each of the required data elements that should have been reported, the data element was reported in the appropriate Files A through D2. As the completeness of Files A and B was tested in its entirety as discussed above, the sample testing focused on the data elements for Files C, D1, and D2. To assess the completeness of the sampled data, we determined if the data element is required for the record selected. We performed the detailed research and documentation of the data elements, primarily the walkthroughs. If required, we determined if the data element was included in the appropriate files. If a data element that should have been reported, was not reported, we concluded that the data element is not complete and noted an exception.

The projected error rate for the completeness of the data elements is 2.52%. Based on a 95% confidence level, the projected error rate for the completeness of the data elements is between 0%-2.33% for PIID Testing and 5.71% for the FAIN testing (originally stated 8.57%-14.29%).

Accuracy

Accuracy of the data element is defined as amounts and other data relating to transactions being recorded in accordance with the DAIMS RSS, IDD, and the online data dictionary; and agrees with the authoritative source records. Data elements in File C should be matched to the system of record which would be the agency financial system and source documentation. To assess the accuracy of the data elements in File D1, we used the CIGIE guide that provides detailed information on each data element in File D1 to include the authoritative source record to test each data element against. We also used the guide to determine the File D2 data elements that we were required to test and their source.

The projected error rate for the accuracy of the data elements is 8.00%. Based on a 95% confidence level, the projected error rate for the accuracy of the data elements is between 4.44%-16.28% for the PIID testing and 8.57%-14.29% for the FAIN testing.

Timeliness of Data Elements

Timeliness of the data elements is defined as, for each of the required data elements that should have been reported, being reported in accordance with the reporting schedules defined

by the financial, procurement, and financial assistance requirements, FFATA, FAR, Federal Procurement Data System – Next Generation (FPDS-NG), Financial Assistance Broker Submission (FABS) and DAIMS).

To assess the timeliness of the data elements, we evaluated:

- Award financial data elements within File C should be reported within the quarter in which the award occurred. We used the date in which the obligation was recorded in CFS to determine the quarter in which the transaction occurred.
- In accordance with the FAR Part 4.604, procurement award data elements within File D1 should be reported in FPDS-NG within three business days after contract award. The submission to FPDS-NG should be compared to the date the award was made/amended in the accounting records of the originating agency financial system(s), to the extent the record can be relied upon. We used the signed date of the contract award/modification as noted in *Comprizon*, PBGC's financial system for procurement, and compared it to the prepared date of the FPDS-NG screen. In addition, we matched this information to the originating agency's underlying records, which is the hard copy signed contract award/modification to the vendor/contractor.
- In accordance with FFATA of 2006, financial assistance award data elements within File D2 should be reported no later than 30 days after award. To facilitate the timeliness of data available on USAspending.gov, DAIMS v1.3.1 requires agencies to publish available data by the 5th of each month and ensure that prior month data is published completely, no later than the 20th of the current month. The submission to the Broker should be compared to the date the award was made/amended in the accounting records of the originating agency financial system(s), to the extent the record can be relied upon. We used the date of disbursement in TeamConnect (TC), PBGC's financial system for multiemployer loans, as the award date. As the TC award information is reconciled to the financial assistance payments monthly and the financial audit team has tested controls over financial assistance payments and their recording in TC without exceptions, we determined that it was not necessary to reconcile this information to the originating agency's underlying records (that is disbursement records).

The projected error rate for the timeliness of the data elements is 2.50%. Based on a 95% confidence level, the projected error rate for the timeliness of the data elements is between 0%-2.33% for the PIID testing and 5.71% for the FAIN testing.

Upon completion of the testing, we summarized the number of exceptions for data elements related to Files C, D1, and D2 for each of the three attributes (completeness, accuracy and

timeliness) in Appendix IV. The exceptions were attributed either to the agency or a third-party (e.g. the Broker). We separated the errors in data elements non-attributable to the agency for the sample testing results in Appendix VI.

We also performed the data element analysis by attribute in Appendix V that shows the calculated error rates for each attribute. We did not analyze the accuracy of dollar value-related data elements as the noted errors are not in the data elements that are associated with a dollar-value.

Quality

Quality of the data sampled is defined as data that is complete, accurate, and provided timely. The quality of the data elements was determined using the midpoint of the range of the proportion of errors (error rate) for completeness, accuracy and timeliness. The highest of the three error rates was used as the determining factor of quality. The following table provides the range of error in determining the quality of the data elements.

Figure 1. Error Ranges

Highest Error Rate	Quality Level
0% - 20 %	Higher
21%- 40%	Moderate
41% and above	Lower

Source: CIGIE Guide dated February 14, 2019 (page 33)

We included all errors in the statistical sampling results as required by the CIGIE guide. Therefore, whether the error was caused by the agency or a third-party system (such as the Treasury DATA Act Broker) we considered this error for the statistical projection to obtain a true picture of the quality of data reported. However, we identified the errors that are not attributable to the agency separately in Appendix VI.

We calculated three projected error rates for completeness, accuracy and timeliness of the statistical sample from Files C and D. These calculations are automatically performed using embedded formulas in the CIGIE Guide, Appendix 7, *Testing Spreadsheet Tool*. The total error rate for all the samples by attribute is calculated using the following formula and is expressed as a percentage:

Total Error Rate for Attribute = Sum of (Error Rate for Attribute at the Record Level)/Count of (Error Rate for Attribute at the Record Level).

The total error rate for each attribute for all the samples is listed below:

- ➢ Completeness: 2.52%

- ➢ Accuracy: 8.00%

- ➢ Timeliness: 2.50%

Regarding the statistical projection of the error rates, these estimates have a margin of error no greater than plus or minus five percentage points. The highest error rate is 8%, related to the Accuracy attribute. The statistical projection results for the Accuracy attribute would be 8% +/- 5% or 3% to 13%.

According to the CIGIE guide, the highest error rate of completeness, accuracy and timeliness is between 0% and 20%. Therefore, the PBGC data is deemed to be of **HIGHER (green)** quality for the 8% midpoint of the projected error of the sample and would remain **HIGHER (green)** even when considering the range of the projected error (between 3% to 13%).

Finding 3: PBGC Needs to Improve Monitoring Controls over Agency's Implementation of Data Standards

We have evaluated PBGC's implementation and use of the government-wide financial data standards for spending information as developed by OMB and Treasury. We reviewed PBGC's data inventory/mapping for Files A, B, C, D1, and D2 to ensure that the standardized data elements and OMB and Treasury definitions per the DAIMS are used across agency business processes, systems, and applications. We also reviewed whether the agency has consistently used the OMB and Treasury established data elements per its inventory/mapping for the agency's submission of Files A, B, and C.

Use of the standardized data elements

We concluded that PBGC used the standardized data elements and OMB and Treasury definitions per the DAIMS across agency business processes, systems, and applications with a few exceptions related to Files B and C:

File B: we identified the following configuration issues with the File B data elements, which resulted in incorrect reported amounts for three File B data elements (items 1 through 3) and in the DAIMS relationship discrepancy (item 4):

1. The amounts reported under data element "ObligationsUndeliveredOrdersUnpaidTotal_CPE" is incorrect due to the omission of account 604809, Undelivered Orders Accrued, which is reported as part of PBGC's SGL 480100 according to the agency.

2. The amounts reported under data element "ObligationsUndeliveredOrdersUnpaidTotal_FYB" is incorrect due to the omission of account 604809, Undelivered Orders Accrued, which is reported as part of PBGC's SGL 480100 according to the agency.

3. The amounts reported under data element "GrossOutlaysDeliveredOrdersPaidTotal_CPE" is incorrect due to the inclusion of account 604802, Undelivered Orders Prepaid/Advances.

4. Although the dollar amount reported for data element "GrossOutlayAmountByProgramObjectClass_CPE" is correct, the configuration used does not reflect the relationship noted in the DAIMS guidance.

PBGC has corrected the configuration of the first two File B data elements for the Q2 FY2019 DATA Act submission and plans to update the configuration of the remaining two data elements for the Q4 FY2019 submission.

File C: we identified configuration issues for certain samples that resulted in incorrect reported values for one of the File C data elements. Data Element (DE) 24 – Parent Award ID, reported by PBGC in File C, was not the PBGC Procurement Instrument number for the Blanket Purchase Agreement, but the GSA number for the Federal Supply Schedule. Further, the Parent Award ID used by PBGC in File C does not link to the corresponding data element populated by the Broker in File D1. There is a total of three records in File C where PBGC reported a GS% Parent Award ID, while File D1 had a PBGC% Parent Award ID. Also, there are a total of 25 records in File C where PBGC did not report a Parent Award ID, while File D1 had a Parent Award ID. PBGC Management will take action to correct this issue in future submissions.

Consistency in usage of the standardized data elements

We determined that the agency has consistently used the OMB and Treasury established data elements per its inventory/mapping for the agency's submission of File A. However, we identified certain inconsistencies in the data elements reported in:

File B: the four data elements discussed above are not configured consistently with the authoritative guidance.

File C: one data element (DE24 – Parent Award ID) presented in File C is not configured consistently with the authoritative guidance. This also gives rise to an inconsistency in the reporting of this data element in File C (where data is input by the Agency's Procurement Department) and File D1 (where data is derived from the Broker).

File D2: There are a total of seven financial assistance records that are not reported consistently with the rest of the records for the derived data element DE5-LegalEntityCityCode, as this data element is omitted from File D2. The error is not attributable to the Agency, but the Broker. We did not test data element DE5-LegalEntityCityCode, as it was removed from the testing requirements.

We also considered the results of detailed test work in Section 500 when finalizing the IG's determination of the agency's use of data standards and noted the following inconsistencies in Files D1 and D2 in relation to the authoritative guidance, across the files, and/or across the records within the same file:

- FundingAgencyCode (Data Element 39) and FundingAgencyName (Data Element 38) are shared data elements between Files D1 and D2, but are not reported consistently across the files, as they are presented in File D1, but are left blank in File D2. Further, the FundingAgencyCode (Data Element 39) presented in File D1 is a 4-digit value (1602) that does not comply with the 3-digit value definition in the authoritative guidance (3-digit Common Government-wide Accounting Classification) and we are unable to verify its accuracy to an authoritative source. However, *neither is an issue attributable to the agency*.
- Awarding Agency Code (Data Element 45) is presented in Files D1 and D2 as a 4-digit value (1602) that does not comply with the 3-digit value definition in the authoritative guidance (3-digit Treasury Appropriation Fund Symbol) and we are unable to verify its accuracy to an authoritative source. However, *this is not an issue attributable to the agency*.
- Awardee/Recipient Legal Entity Name (Data Element 1) and Ultimate Parent Legal Entity Name (Data Element 4) for one sample item was not consistently presented on File D1 when derived from the same DUNS No. in the Awardee/Recipient Unique Identifier and Ultimate Parent Unique Identifier, respectively. The Awardee/Recipient Legal Entity Name (Locke Lord, LLP) differs from the Ultimate Parent Legal Entity Name (Locke Lord Billess & Liddell LLP) in File D1, although both should have originated from the same source (SAM) based on the same DUNS No. However, *this is not an issue attributable to the agency*.

- UltimateParentLegalEntityName (Data Element 4) is a shared data element between Files D1 and E but was not reported consistently across the files for the one sample tested, as it has different values in File D1 (Accenture Inc.) and File E (Accenture Public Limited Company). We agreed the File E value to SAM, but were unable to agree the File D1 value to SAM. However, *this is not an issue attributable to the agency*.

Based on our work, we concluded that PBGC management had not implemented sufficient monitoring controls to ensure the effectiveness of the agency's implementation of the data standards for the Q1 FY2019 DATA Act submission. Most of the audit findings could have easily been identified by management had they addressed the Broker warning reports. Agency management did not have a formal process for addressing warning reports during FY 2019 Q1.

Management was responsive in researching the issues we identified and in determining corrective actions/solutions for all gaps. The identified gaps related to File C, and two File B data elements were addressed for the Q2 FY2019 DATA Act submission, whereas the remaining gaps (two File B data elements) will be addressed in the subsequent submission. We concluded that the data configuration issues we identified during the audit that remain uncorrected are not material to the FY2019 Q1 DATA Act submission. Therefore, we determined the potential impact of the remaining gaps on the timeliness or effectiveness of the agency's future implementation of the data standards to not be material.

Other Matters

During our audit, we noted that the latest version of the FAST Book I - Treasury Financial Manual Supplement lists a new revolving fund for PBGC that was not included in File A.

According to PBGC management, in October 2018, the Department of the Treasury set up a new TAS for accounting and reporting of the 5-year $98.5 million fund that PBGC was authorized to spend for its headquarters move from FY2017 through FY2021 under P.L. 115-31, 131 STAT 508. The majority of that funding ($64 million) was obligated as of September 30, 2017, and $34.5 million remained unobligated to expire by September 30, 2021. However, in FY 2017 the U.S. Department of the Treasury did not assign PBGC a new TAS for these 5-year funds. The funds were accounted for in PBGC's main TAS, which never expires due to its "X" (no year) designation, although PBGC management had set up a separate trigger fund for tracking the 5-year monies. When the new TAS (16_4204_2017/2021) was established by the Treasury, PBGC did not set up its systems or receive the necessary SF-132 to be able report the new fund in its FY2018 year-end and Q1 FY2019 reporting.

On December 6, 2018, the U.S. Department of the Treasury, OMB, and PBGC agreed to a phased roll-out for the newly established TAS. The phase one portion identified that PBGC would submit/complete the non-expenditure transfer of the $34.5 million (unobligated portion) from the No-Year TAS to the Multi- Year TAS by March 1 for February reporting. The phase two portion identified the unexpended obligated balance for the HQ Relocation apportionment would be transferred from No-Year TAS to Multi-Year TAS by May 31, 2019. There have been no transactions related to the $98.5 million funding other than the $64 million obligation back in FY 2017. Therefore, PBGC reported all its transactions for Q1FY2019 (through December 31, 2018) under the existing TAS 16X4204. PBGC's Revolving Fund is used to make obligations related to its business activities. There *was no dollar impact in the Q1FY2019* as the transfers would take place after Dec 31, 2018.

Recommendation

During the course of this audit, PBGC management was responsive in researching the issues we identified and in determining corrective actions/solutions for them. The identified issues related to File C, and two File B data elements were addressed for the Q2 FY2019 DATA Act submission, whereas the remaining gaps (two File B data elements) will be addressed in the subsequent submission. We, therefore, make no recommendation regarding these issues. PBGC's views on the issues are included in Appendix VIII, Agency Response. However, based on the findings above there are opportunities for PBGC to ensure the reporting of reliable and consistent federal spending data for public use. We recommend that the Financial Operations Department (FOD):

1. Develop and implement procedures to ensure a quality control review of Files A, B, C, D1 and D2 is completed before each quarterly data submission and review the Broker's Warning reports for indications of errors and incompleteness. **(OIG Control Number FOD-406)**

PBGC's Response and OIG's Evaluation

Resolved. PBGC agreed with the report's findings and recommendation and provided the specific response for the recommendation:

- FOD has made improvements to the Data Act Processor and Data Act Quality Procedures to meet the Data Act reporting requirements. PBGC stated that all existing Treasury Broker warnings were eliminated by the FY 2019 Third Quarter Data Act submission.

- In May and July 2019, FOD deployed two releases to modify the Data Act Processor that made it more configurable and flexible to respond more quickly to changes in Treasury reporting requirements. Similarly, FOD made corresponding updates to its Data Act Procedures and Data Act Data Quality Plan. Going forward, FOD will continue to enhance the Data Act Processor and review and update the Data Act Data Quality Procedures to ensure a quality control review of Files A, B, C, DI and D2.

The agency plans to complete the above actions in September 2019.

Closure of this recommendation will occur when PBGC provides evidence of using the updated procedures and the Data Quality Plan to resolve the warning reports and ensure proper Data Act reporting.

Appendix I: Objective, Scope, and Methodology

Objective

Our objective was to assess:

- Completeness, accuracy, timeliness, and quality of PBGC's FY2019, first quarter financial and award data submitted for publication on USASpending.gov, and
- PBGC's implementation and use of the Government-wide financial data standards established by OMB and Treasury.

Scope

We reviewed PBGC's financial award and award data for FY 2019, 1st quarter. PBGC incurred $1.6 billion of obligations through the 1st quarter, 2019. For the 1st quarter 2019, PBGC obligated $137.7 million of procurement contracts and multiemployer loans. We performed fieldwork at PBGC Headquarters in Washington, DC from April through July 2019. We performed our review of the initial submission of PBGC's data and assessed the agency's corrective actions, including the corrections made to the files after the initial submission.

Methodology

In consultation with GAO, CIGIE developed and issued the *Inspectors General Guide to Compliance under the DATA Act* dated February 14, 2019 to set a baseline framework for the required reviews performed by the IG community and to foster a common methodology for performing the mandated work. We used the overall methodology, objectives and review procedures as outlined in the CIGIE guide, including Appendices, in our audit.

To answer our objectives, we:

- Obtained an understanding of any regulatory criteria related to PBGC's responsibilities to report financial and award data under the DATA Act;
- Assessed PBGC's systems, processes, and internal controls in place over data management under the DATA Act;
- Assessed the general and application controls pertaining to the financial management systems (loans, contract actions) from which the data elements were derived and linked;

- Assessed PBGC's internal controls in place over the financial and award data reported to USASpending.gov per OMB Circular A-123;
- Reviewed a statistically valid sample from FY 2019, first quarter, financial and award data submitted by PBGC for publication on USASpending.gov;
- Assessed the completeness, timeliness, quality, and accuracy of the financial and award data sampled; and
- Assessed PBGC's implementation and use of the 57 data definition standards established by OMB and Treasury.

Statistical Sampling

As required by the DATA Act, we completed a statistically valid sample of PBGC's spending data.

We followed the guidance established in the *Inspectors General Guide to Compliance under the DATA Act.* Sample parameters criteria included:

- Population Size – the number of detail records included in the agency's quarterly certified data submission determined by adding the total number of detail records in File C.

- Confidence level – the probability that a confidence interval produced by sample data contains the true population error; set at 95 percent.

- Expected error rate – the estimated percentage of error rate in the population to be sampled based on the results of the November 2017 and subsequent testing of DATA Act information, and additional information that we accumulated related to the agency's internal controls and corrective actions from previous audits. We used a 20% expected error rate as a sampling parameter.

- Sample Precision – The precision is a measure of the uncertainty associated with the projection; set at 5 percent.

- Sample Size – The sample size is based on a 95 percent confidence level, the population size, the expected error rate, and a desired sampling precision of 5 percent.

- Sample Unit - The statistical sample should be selected and tested by record. A record is considered a row in the data file within File C. A record could be a portion of a transaction or award activity and not necessarily the whole transaction or award activity.

Our sample size consisted of 105 transactions from the combined population of 181 contracting and multiemployer loan activity transactions. We applied the finite correction factor specified

in the CIGIE guidance because of the small size of the transaction population. We selected our sample from File C as we concluded that File C was complete and suitable for sampling.

Standards Followed During Audit Performance

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate documentation to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the documentation obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Use of Computer-Processed Data

We relied on computer processed data files A, B, C, D1, D2, F and E, which we extracted from the DATA Act Broker. To assess the reliability of the data, we compared the computer processed-data across multiple external and internal sources such as FPDS-NG, SAM, the United States Postal Service, CFS, TeamConnect and Comprizon. For example, we compared the data in the files to the PBGC source systems, intermediary reporting systems and external reports where applicable. Based on our tests, we concluded that the computer processed data we used for this audit was sufficiently reliable.

Assessment of Internal Controls

To achieve our audit objectives, we assessed whether internal and information system controls as it relates to the extraction of data from the source systems and the reporting of data to the DATA Act Broker have been properly designed and implemented, and are operating effectively, as follows:

- We obtained an understanding of internal control through inquiries, observations and walkthroughs, inspection of documents and records, review of other auditors' work, or direct tests. We concluded that PBGC had established policies, procedures and internal control over the source systems applicable for DATA Act reporting: CFS, Comprizon and TeamConnect, and external reporting system for procurement: FPDS NG. These policies and procedures describe internal control over the source systems and processes for budget, procurement, and ME financial assistance. Based on the walkthroughs over the selected procedures, we determined that the agency implemented these processes and controls. Therefore, these systems are reliable as a source for testing financial and award data, except as noted below.

Note: during the File C and File D1 procurement testing we noted internal control findings related to Comprizon: the legal entity address recorded in Comprizon was inaccurate for two sample items. The awardee addresses for the two samples presented on File D1 are accurate, as they match SAM, but do not match Comprizon. The latter contained prior addresses. SAM and File D1 showed the most recent addresses. Thus, we consider the findings to be a Comprizon data input issue attributable to the agency. However, the findings do not impact File D1.

- We reviewed PBGC's data quality plan (DQP) based on the new OMB guidance (memorandum M-18-16) issued on June 6, 2018. The guidance requires agencies to develop a DQP to achieve the objectives of the DATA Act. The DQP must consider incremental risks to data quality in Federal spending data and any controls that would manage such risks in accordance with OMB Circular No. A-123. We concluded that the PBGC developed DQP is in accordance with OMB memo M-18-16. The DQP satisfies most of the requirements. We discussed our additional observations related to the DQP in Finding 1.

- We reviewed PBGC's ERM risk profiles for FY 2018 (dated 5/31/2018) and FY2019 (dated 4/29/2019) and noted that the agency identified risks with IT modernization potentially impacting the DATA Act source systems and reporting. PBGC developed the specific mitigation strategies in consultation with risk owners. We determined that the SAO's designee provided quarterly assurance that its agency's internal controls support the reliability and validity of the agency's summary level and record-level data reported for publication on USASpending.gov.

- We evaluated the design, implementation, and operating effectiveness of the process, systems, and controls that PBGC has in place to extract financial and award data reported under the Data Act for publication on USAspending.gov. We assessed the effectiveness of PBGC's internal controls to ensure completeness, accuracy, timeliness, and quality of data submitted and whether the governmental-wide financial data standards and requirements established by the Treasury and OMB were followed by PBGC. In performing our assessment, we obtained senior accountable official's certification, reviewed PBGC DATA Act submission procedures manual, tested PBGC's reconciliations and validations, and tested linkages among the files.

Appendix II: Acronyms

BPA	Blanket Purchase Agreement
CIGIE	Council of the Inspectors General on Integrity and Efficiency
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act of 2014
ERISA	Employee Retirement Income Security Act
FFATA	Federal Funding Accountability and Transparency Act of 2006
FPDS-NG	Federal Procurement Data System Next Generation
FY	Fiscal Year
GAO	Government Accountability Office
GSA	General Services Administration
IDD	Interface Definition Document
IG	Inspector General
OMB	Office of Management and Budget
PBGC	Pension Benefit Guaranty Corporation
RSS	Reporting Submission Specification
SAM	System for Award Management
TAS	Treasury Account Symbol
Treasury	U.S. Department of the Treasury

Appendix III: CIGIE's DATA Act Anomaly Letter

Council of the
INSPECTORS GENERAL
on INTEGRITY *and* EFFICIENCY

December 22, 2015

The Honorable Ron Johnson
Chairman
The Honorable Thomas Carper
Ranking Member
Committee on Homeland Security
 and Governmental Affairs
United States Senate
Washington, D.C.

The Honorable Jason Chaffetz
Chairman
The Honorable Elijah Cummings
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C.

Dear Mr. Chairmen and Ranking Members:

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) recognizes and appreciates your leadership on issues of Government transparency and accountability. In particular, we believe the enactment last year of the Digital Accountability and Transparency Act of 2014 (DATA Act) will significantly improve the quality of Federal spending data available to Congress, the public, and the accountability community if properly implemented. To make sure this happens, the DATA Act provides for strong oversight by way of the Federal Inspectors General and the Government Accountability Office (GAO). In particular, the DATA Act requires a series of reports from each to include, among other things, an assessment of the completeness, timeliness, quality, and accuracy of data submitted by agencies under the DATA Act.

I am writing this letter on behalf of CIGIE to inform you of an important timing anomaly with the oversight requirement for Inspectors General in the DATA Act. Your staffs have been briefed on this timing anomaly, which affects the first Inspector General reports required by the DATA Act. Specifically, the first Inspector General reports are due to Congress in November 2016. However, the agencies we oversee are not required to submit spending data in compliance with the DATA Act until May 2017. As a result, Inspectors General would be unable to report on the spending data submitted under the Act, as this data will not exist until the following year. This anomaly would cause the body of reports submitted by the Inspectors General in November 2016 to be of minimal use to the public, the Congress, the Executive Branch, and others.

To address this reporting date anomaly, the Inspectors General plan to provide Congress with their first required reports in November 2017, a one-year delay from the due date in statute, with subsequent reports following on a two-year cycle, in November 2019 and November 2021. We believe that moving the due dates back one year will enable the Inspectors General to meet the

intent of the oversight provisions in the DATA Act and provide useful reports for the public, the Congress, the Executive Branch, and others.

Although we think the best course of action is to delay the Inspector General reports, CIGIE is encouraging the Federal Inspector General Community to undertake DATA Act "readiness reviews" at their respective agencies well in advance of the first November 2017 report. Through a working group, CIGIE has developed guidance for these reviews. I am pleased to report that several Inspectors General have already begun reviews at their respective agencies, and many Inspectors General are planning to begin reviews in the near future. We believe that these reviews, which are in addition to the specific oversight requirements of the Act, will assist all parties in helping to ensure the success of the DATA Act implementation.
We have kept GAO officials informed about our plan to delay the first Inspector General reports for one year, which they are comfortable with, and our ongoing efforts to help ensure early engagement through Inspector General readiness reviews.

Should you or your staffs have any questions about our approach or other aspects of our collective DATA Act oversight activities, please do not hesitate to contact me at (202) 514-3435.

Sincerely,

Michael E. Horowitz
Chair, Council of the Inspectors General on Integrity and Efficiency
Inspector General, U.S. Department of Justice

cc: The Honorable David Mader, Controller, OMB
        The Honorable Gene Dodaro, Comptroller General, GAO

Appendix IV: Summary of PBGC DATA Act Testing Results

Summary of DATA Act Testing Results, 1st Quarter, Fiscal Year 2019

Procurement (65 samples): we have shown errors in relation to the sample as a whole.

File C exceptions:

Data Element Name	Completeness	Accuracy	Timeliness
DE24-Parent Award ID	12/65	15/65	12/65

When comparing File C data elements to File D1 data elements, there were a total of twelve samples that omitted the ParentAwardID from File C, but this data element was included on File D1. Agency's Procurement Department (PD) records the GSA contract number when awarding a Blanket Purchase Agreement (BPA). This is reflected in File C as a GS% Parent Award ID. When PD awards call orders against the BPA, a PBGC procurement instrument is created. However, PD does not capture the PBGC procurement instrument's Award ID as part of its reporting for the DATA Act and this information is excluded from File C. As the PBGC procurement instrument's Award ID is available in FPDS, the Broker captures and reports it as the Parent Award ID when generating File D1, thus causing an inconsistency in the Parent Award ID reporting between Files C and D1. This is a data input issue *attributable* to the Agency.

Also, there were a total of three samples where the ParentAwardID presented on File C did not match the value in File D1. This was due to File C containing the GSA-related Parent Award ID and File D1 containing the PBGC-related Parent Award ID.

File D 1 exceptions:

Data Element (DE) Name	Completeness (originally Accuracy)	Accuracy (originally Completeness)	Timeliness
DE1-Awardee/Recipient Legal Entity Name	0/65	9/65	0/65
DE2-Awardee/Recipient Legal Entity Unique Identifier	0/65	2/65	0/65
DE3-Ultimate Parent Unique Identifier	0/65	30/65	0/65

DE4-Ultimate Parent Legal Entity Name	2/65	14/65	2/65
DE5-Legal Entity Address	1/65	7/65	0/65
DE6-Legal Entity Congressional District	1/65	1/65	1/65
DE17-NAICS Code	0/65	1/65	0/65
DE18-NAICS Description	0/65	1/65	0/65
DE39-Funding Agency Code	0/65	65/65	0/65
DE45-Awarding Agency Code	0/65	65/65	0/65

Financial Assistance/Multiemployer Loans (40 samples):

File C: No exceptions

File D exceptions:

Data Element Name	Completeness (originally Accuracy)	Accuracy (originally Completeness)	Timeliness
DE5-Legal Entity Address	0/40	2/40	0/40
DE6-Legal Entity Congressional District	0/40	3/40	0/40
DE38-Funding Agency Name	40/40	40/40	40/40
DE39-Funding Agency Code	40/40	40/40	40/40
DE45-Awarding Agency Code	0/40	40/40	0/40

Appendix V: PBGC's Data Element Analysis

There is a total of 57 data elements established by OMB and Treasury (See Appendix VII). We tested only those data elements (a total of 50) that were required to be tested as noted in the CIGIE Guide, *Appendix 7, Testing Spreadsheet Tool*. The gap in numbering of data elements is because not all data elements are required to be tested.

We calculated the rate of error for each attribute (completeness, accuracy and timeliness) and for each data element required to be reported for all the 105 sampled. The sample included 65 PIID and 40 FAIN items. We used the following formula and the results are expressed as a percentage:

Error Rate for Data Element by Attribute = Error Count for Data Element by Attribute / Total Number of Samples Tested

The table below only lists the data elements with error rates related at least to one attribute (completeness, accuracy and timeliness). The error rate reported for data element 24 (highlighted) relates to File C, not File D1.

Data Element No.	Data Element Name	Error Rate		
		Completeness (originally Accuracy)	Accuracy (originally Completeness)	Timeliness
1	Awardee/Recipient Legal Entity Name	0%	9%	0%
2	Awardee/Recipient Unique Identifier	0%	2%	0%
3	Ultimate Parent Unique Identifier	0%	29%	0%
4	Ultimate Parent Legal Entity Name	2%	13%	2%
5	Legal Entity Address	1%	10%	0%
6	Legal Entity Congressional District	1%	4%	1%
17	NAICS Code	0%	1%	0%
18	NAICS Description	0%	1%	0%
24	Parent Award ID Number	11%	14%	11%
38	Funding Agency Name	38%	38%	38%
39	Funding Agency Code	38%	100%	38%
45	Awarding Agency Code	0%	100%	0%

* All estimates from the sample have a margin of error no greater than plus or minus 5 percentage points unless otherwise noted

Appendix VI: Errors in Data Elements Not Attributable to the Agency

PIID/FAIN	Data Element		Attributed to the data extracted from
PIID	DE1	Awardee/Recipient Legal Entity Name	Treasury's DATA Act Broker, SAM
PIID	DE2	Awardee/Recipient Unique Identifier	SAM
PIID	DE3	Ultimate Parent Unique Identifier	SAM
PIID	DE4	Ultimate Parent Legal Entity Name	SAM
PIID	DE5	Legal Entity Address	Treasury's DATA Act Broker
PIID	DE6	Legal Entity Congressional District	Treasury's DATA Act Broker
PIID	DE17	NAICS Code/DE 18 NAICS Description	GSA
PIID	DE39	Funding Agency Code	SAM
PIID	DE45	Awarding Agency Code	SAM
FAIN	DE6	Legal Entity Congressional District	Treasury's DATA Act Broker
FAIN	DE38	Funding Agency Name	Treasury's DATA Act Broker
FAIN	DE39	Funding Agency Code	Treasury's DATA Act Broker
FAIN	DE45	Awarding Agency Code	SAM

Appendix VII: Data Elements

57 Data Elements Established by OMB and Treasury.

1. Awardee/Recipient Legal Entity Name
2. Awardee/Recipient Unique Identifier
3. Ultimate Parent Unique Identifier
4. Ultimate Parent Legal Entity Name
5. Legal Entity Address
6. Legal Entity Congressional District
7. Legal Entity Country Code
8. Legal Entity Country Name
9. Highly Compensated Officer Name
10. Highly Compensated Officer Total Compensation
11. Federal Action Obligation
12. Non-Federal Funding Amount
13. Amount of Award
14. Current Total Value of Award
15. Potential Total Value of Award
16. Award Type
17. NAICS Code
18. NAICS Description
19. Catalog of Federal Domestic Assistance (CFDA) Number
20. Catalog of Federal Domestic Assistance (CFDA) Title
21. Treasury Account Symbol (excluding Sub-Account)
22. Award Description
23. Award Modification / Amendment Number
24. Parent Award ID Number
25. Action Date
26. Period of Performance Start Date
27. Period of Performance Current End Date
28. Period of Performance Potential End Date
29. Ordering Period End Date
30. Primary Place of Performance Address
31. Primary Place of Performance Congressional District
32. Primary Place of Performance Country Code
33. Primary Place of Performance Country Name
34. Award ID Number (PIID/FAIN)
35. Record Type
36. Action Type
37. Business Types
38. Funding Agency Name
39. Funding Agency Code
40. Funding Sub Tier Agency Name
41. Funding Sub Tier Agency Code
42. Funding Office Name
43. Funding Office Code
44. Awarding Agency Name
45. Awarding Agency Code
46. Awarding Sub Tier Agency Name
47. Awarding Sub Tier Agency Code
48. Awarding Office Name
49. Awarding Office Code
50. Object Class
51. Appropriations Account
52. Budget Authority Appropriated
53. Obligation
54. Unobligated Balance
55. Other Budgetary Resources
56. Program Activity
57. Outlay

Appendix VIII: Agency Response

PBGC Pension Benefit Guaranty Corporation
Protecting America's Pensions   1200 K Street, N.W., Washington, D.C. 20005-4026

September 25, 2019

To: Brooke Holmes
           Assistant Inspector General for Audits

From: Patricia Kelly
           Chief Financial Officer

Subject: Response to OIG's Draft Report on PBGC's Compliance with the Data Act.

Thank you for the opportunity to comment on the Office of Inspector General (OIG's) draft report, dated September 19, 2019, relating to PBGC's Compliance with the Data Act. We are pleased that your office "...rated PBGC data to be of "higher" quality based on the established standards..."

Management is in agreement with the report's findings and recommendation. Our specific response for the recommendation is attached. Addressing this recommendation in a timely manner is important for the PBGC.

cc: Westbrook, R., OIG
       Novak, N., OIG
       Winter, T., FOD
       Pace, F., CCRD
       Walter, L., FOD
       Picard, E., FOD
       Beaudet, J., CCRD

ATTACHMENT

Our comments on the specific recommendation in the draft report are as follows:

1.   Develop and implement procedures to ensure a quality control review of Files A, B, C, D1 and D2 is completed before each quarterly data submission and review the Broker's Warning reports for indications of errors and incompleteness. **(OIG Control Number FOD-XXX)**

PBGC Response:

FOD agrees with this recommendation, and has made improvements to the Data Act Processor and Data Act Quality Procedures to meet the continually evolving Data Act reporting requirements. As we presented to the Office of Inspector General/CLA in a Data Act Processor demonstration provided on March 27, 2019, FOD was already researching and planning the remediations to address the FY 2019 First Quarter Treasury Broker Warnings. Although OIG/CLA's review focused the FY 2019 First Quarter Data Act Submission, we note that all existing Treasury Broker warnings were eliminated by the FY 2019 Third Quarter Data Act submission.

In May and July 2019, FOD deployed two releases to modify the Data Act Processor that made it more configurable and flexible to respond quicker to changes in Treasury reporting requirements. Similarly, FOD made corresponding updates to its Data Act Procedures and Data Act Data Quality Plan. Going forward, FOD will continue to enhance the Data Act Processor and review and update the Data Act Data Quality Procedures to ensure a quality control review of Files A, B, C, D1 and D2.

Scheduled Completion Date: September 2019

Appendix IX: Staff Acknowledgements

Staff Acknowledgement   Parvina Shamsieva-Cohen, Audit Manager; Anna Oglesby, Auditor-In-Charge; Yolanda Young, Auditor, Natali Dethomas, Auditor, Orinda Basha and Randi Reed, CLA audit contractors, made key contributions to this report.

Appendix X: Feedback

Please send your comments, suggestions, and feedback to OIGFeedback@pbgc.gov and include your name, contact information, and the report number. You may also mail comments to us:

Office of Inspector General
Pension Benefit Guaranty Corporation
1200 K Street, NW, Suite 480
Washington, DC 20005

If you want to discuss this report or your comments with a member of the Office of Inspector General staff, please contact our office at (202) 326-4030.