



OFFICE OF INSPECTOR GENERAL AUDIT REPORT

PBGC's Compliance with the DATA Act

**Report No. AUD-2022-01
October 14, 2021**

PBGC's Compliance with the DATA Act

Background

Digital Accountability and Transparency Act of 2014 (DATA Act). Enacted on May 9, 2014, the DATA Act expanded the reporting requirements pursuant to the Federal Funding Accountability and Transparency Act of 2006 (FFATA). The DATA Act requires federal agencies to report financial and award data in accordance with the government-wide financial data standards established by the Office of Management and Budget (OMB) and U.S. Department of the Treasury (Treasury).

Data Act Information Model Schema (DAIMS). Established by OMB and Treasury, DAIMS provides an authoritative source for data elements used to illustrate how federal dollars are spent. It also provides guidance for federal agencies on what data to report to Treasury, where to get the data, and how to submit the data.

Key Questions

Objectives. To assess the (1) completeness, accuracy, timeliness, and quality of the financial and award data submitted for publication on USASpending.gov; and (2) 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 results to be of "excellent" 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. Some of these errors were attributable to third parties, such as the Federal Procurement Data System- Next Generation (FPDS-NG) and System for Award Management (SAM). In addition, we found that although PBGC timely reported the 59 procurement awards in our sample, it did not consistently report financial assistance awards timely to comply with the 30-day time limit in FFATA. In our sample, 13 of 53 (25% rounded) financial assistance awards were not reported timely.

Corrective Actions

Our Recommendation. We recommended the Office of Negotiations and Restructuring develop and implement procedures, in coordination with the Office of the Chief Financial Officer, to ensure that all financial assistance awards, modifications, or corrections are submitted to the DATA Act Broker timely.

Management Agreement. Management agreed with the recommendation and to take related corrective action.



October 14, 2021

MEMORANDUM

TO: Karen Morris
Chief of Negotiations and Restructuring

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

SUBJECT: PBGC's Compliance with the DATA Act
(Report No. AUD-2022-01)

We are pleased to provide you with the above-referenced final 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 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: Kristin Chapman, Chief of Staff
Patricia Kelly, Chief Financial Officer
Russell Dempsey, General Counsel
Frank Pace, Director, Corporate Controls and Reviews Department
Latrece Wade, Risk Management Officer
Ted Winter, Director, Financial Operations Department
Juliet Felent, Director, Procurement Department
Department of Labor Board staff
Department of Treasury Board staff
Department of Commerce Board staff
House committee staff (Education and Workforce, Ways and Means, HOCR)
Senate committee staff (HELP, Finance, HSGAC)

Table of Contents

Background	2
Pension Benefit Guaranty Corporation.....	2
DATA Act Background	2
Objectives.....	4
Audit Results	5
Summary	5
Overall Determination of Quality	5
Statistical Results	5
Non-Statistical Results	7
Recommendation	8
Appendix I: Objectives, Scope, and Methodology	9
Appendix II: Acronyms	13
Appendix III: PBGC's Results for Data Elements	14
Appendix IV: PBGC's Comparative Results for Data Elements	16
Appendix V: Accuracy of Dollar-Value Related Data Elements	18
Appendix VI: Errors in Data Elements Not Attributable to the Agency	19
Appendix VII: Agency Response	20
Appendix VIII: Staff Acknowledgement.....	22
Appendix IX: Feedback.....	23

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. The Corporation guarantees payment of basic pension benefits earned by over 34 million of America's workers and retirees participating in more than 24,500 private-sector defined benefit pension plans.

PBGC has two legally separate insurance programs, which are operated and financed independently: the single-employer plan program and multiemployer plan program. PBGC provides retirement security for over 1.5 million people in more than 5,000 plans that have failed since 1974. PBGC made benefit payments of over \$6.1 billion in fiscal year (FY) 2020. The Single-Employer Insurance Program is financed by insurance premiums, investment income, and assets and recoveries from failed single-employer plans. The Multiemployer Insurance Program is financed by insurance premiums and investment income. In 2021, the American Rescue Plan Act authorized special financial assistance financed by Treasury general revenue for financially troubled multiemployer plans.

DATA Act Background

The Digital Accountability and Transparency Act of 2014 (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 requires federal agencies to report financial and award data in accordance with the government-wide financial data standards established by the Office of Management and Budget (OMB) and U.S. Department of the Treasury (Treasury).

As a core requirement of the DATA Act, OMB and Treasury implemented the DATA Act Information Model Schema (DAIMS), which provides an authoritative source for data elements used to illustrate how federal dollars are spent. Data elements include the award identification number, primary place of performance address, and funding agency name. DAIMS provides guidance for federal agencies on what data to report to Treasury, where to get the data, and how to submit the data. Agencies use a web-based application called the *DATA Act Broker* to upload, validate, and certify data.

Agencies are required to submit the following files to the DATA Act Broker – File A: Appropriations Account; File B: Object Class and Program Activity; and File C: Award Financial. Files D1 through F contain record-level transaction information and are submitted by external award reporting systems to Treasury’s DATA Act Broker – File D1: Award and Awardee Attributes (Procurement); File D2: Award and Awardee Attributes (Financial Assistance); File E: Additional Awardee Attributes; and File F: Sub-Award Attributes. The Senior Accountable Official (SAO) for each federal agency must certify data files for its agency’s financial and award data before the data is published on *USASpending.gov*.

Relevant Federal Systems

There are four government-wide award reporting systems from which the DATA Act Broker extracts information reported by agencies to produce files D1, D2, E, and F. These systems include (1) the Federal Procurement Data System-Next Generation (FPDS-NG), (2) the System for Award Management (SAM), (3) the Financial Assistance Broker Submission (FABS), and (4) the FFATA Sub-award Reporting System.

Inspector General (IG) Requirements Under the DATA Act

The DATA Act also requires the IG of each federal agency to audit a statistically valid sample of the spending data submitted by its federal agency and to submit to Congress a publicly available report assessing the completeness, accuracy, timeliness, and quality of the data sampled. The Council of the Inspectors General on Integrity and Efficiency (CIGIE) developed an audit guide to serve as a common methodology and reporting approach for the IG community to use in performing its mandated DATA Act work. For this DATA Act audit, there were 59 data elements to be tested.

DATA Act Date Anomaly

CIGIE identified a timing anomaly with the oversight requirements contained in the DATA Act. The initial IG reports were originally due to Congress in 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, with two subsequent reports to be submitted following on a two-year cycle, in 2019 and 2021.

DATA Act Responsibilities at PBGC

PBGC reports information on procurement awards and multiemployer financial assistance awards. The Financial Operations Division within the Office of the Chief Financial Officer coordinates PBGC’s DATA Act reporting. The Procurement Department within the Office of Management and Administration is responsible for data related to procurement awards. In addition, the Multiemployer Program Division (MEPD), which is within the Office of Negotiations and Restructuring’s Plan Compliance Department, is responsible for multiemployer financial assistance data.

Objectives

Our objectives were to assess the:

- Completeness, accuracy, timeliness, and quality of 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 excellent 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. Some of these errors were attributable to third parties (e.g., FPDS-NG and SAM). In addition, we found PBGC did not consistently report financial assistance awards timely. Appendix III provides audit results by data element. Appendix IV presents comparative results of the current and prior DATA Act audits for accuracy error rates by data element. Appendix V details errors in data elements not attributable to the agency. And Appendix VI shows the accuracy of dollar-value related data elements.

Overall Determination of Quality

Quality of data is defined as data that is complete, accurate, and timely, and includes statistical and non-statistical testing results. The assessment of overall quality of data is not a projected measurement, but is derived using a combination of the results of the statistical sample with the results on the nonstatistical testing following methodology developed by CIGIE for DATA Act audits. Based on the results of our testing for PBGC's FY 2021 first quarter, PBGC scored 97.36 points, which is a quality rating of excellent. See Figure 1 below for quality levels.

Figure 1. Quality Levels

Range	Level
0-69.999	Lower
70-84.999	Moderate
85-94.999	Higher
95-100	Excellent

Source: CIGIE FAEC Inspectors General Guide to Compliance Under the DATA Act, p. 28 (December 4, 2020).

Statistical Results

Data Element Analysis

We performed the data element analysis in Appendix III that shows the calculated error rates for the accuracy, completeness, and timeliness of each data element. We identified one issue that was not identified as a risk in PBGC's Data Quality Plan (DQP); specifically, that financial assistance awards were not reported timely.

Completeness – Projected Error Rate

The projected error rate for the completeness of the data elements is 0.39%. A data element was considered complete if the required data element that should have been reported was reported. Based on a 95% confidence level, the projected error rate for the completeness of the data elements is between 0.00% and 1.17%.

Timeliness – Projected Error Rate

The projected error rate for the timeliness of the data elements is 12.00%. The timeliness of data elements was based on the reporting schedules defined by the financial, procurement, and financial assistance requirements [FFATA, Federal Acquisition Regulation (FAR), FPDS-NG, FABS, and DAIMS]. Based on a 95% confidence level, the projected error rate for the timeliness of the data elements is between 7.92% and 16.08%.

Although PBGC timely reported the 59 procurement awards in our sample, it did not consistently report financial assistance awards timely to comply with the 30-day time limit in Section 2(c)(4) of FFATA (*Pub. L. 109–282, Sept. 26, 2006, 120 Stat. 1186, as amended by Pub. L. 110–252, title VI, § 6202(a), June 30, 2008, 122 Stat. 2387*). In our sample, 13 of 53 (25% rounded) financial assistance awards were not reported timely, with the “Last Date Modified” more than 30 days after the award “Date Paid” in the disbursement report.

PBGC’s internal processes and procedures did not ensure that financial assistance awards were reported timely. Specifically, MEPD, the division responsible for submitting financial assistance information to the DATA Act Broker, did not receive the disbursement report it needed for DATA Act reporting until more than 30 days after some awards.

Because of these deficiencies, financial assistance award information may not be available to the public in a timely manner. Reporting financial assistance award information timely will be particularly important once PBGC begins distributing Special Financial Assistance payments, estimated to total \$94 billion and expected to start by the end of December 2021, under the American Rescue Plan Act.

Accuracy – Projected Error Rate

The projected error rate for the accuracy of the data elements is 2.60%. A data element was considered accurate when amounts and other data relating to recorded transactions were recorded in accordance with the DAIMS Reporting Submission Specification (RSS), Interface Definition Document (IDD), and the online data dictionary, and agree with the originating award documentation/contract file. Based on a 95% confidence level, the projected error rate for the accuracy of the data elements is between 0.60% and 4.60%.

Non-Statistical Results

Implementation and Use of the Data Standards

We evaluated PBGC's implementation of the government-wide financial data standards for award and spending information and determined PBGC is using the standards established by OMB and Treasury.

PBGC linked, by common identifiers [e.g., Procurement Instrument Identifier (PIID), Financial Award Identification Number (FAIN)], all the data elements in the agency's procurement, financial, and financial assistance systems, as applicable. For the Treasury's DATA Act Broker files tested, we generally found that the required elements were present in the file and that the record values were presented in accordance with the standards.

Completeness of the Agency DATA Act Submission

We evaluated PBGC's DATA Act submission to Treasury's DATA Act Broker and determined that the submission was complete. 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.

Timeliness of the Agency DATA Act Submission

We evaluated PBGC's FY 2021 first quarter DATA Act submission to Treasury's DATA Act Broker and determined that the submission was timely. To be considered timely, it had to be submitted and certified by the date provided in the FY2021 DATA Act reporting schedule established by the Treasury DATA Act Program Management Office.

Completeness of Summary-Level Data for Files A and B

We performed summary-level data reconciliations and linkages for Files A and B and did not identify any variances. The test results verified: (1) summary-level data from File A matched the Agency's Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS) SF-133; (2) the totals and Treasury Account Symbols (TAS) identified in File A matched File B; and (3) all object class codes from File B match codes defined in Section 83 of OMB Circular No. A-11.

Results of Linkages from File C to Files B/D1/D2

We tested the linkages between File C to File B by TAS, object class, and program activity; the linkages between File C to File D1 by both the PIID and Parent Award ID; and the linkages between File C to File D2 by the FAIN. All the TAS, object class, and program activity data elements from File C existed in File B; all the PIIDs, Parent Award IDs, and FAINs from File C existed in Files D1/D2; and all PIIDs, Parent Award IDs, and FAINs in Files D1/D2 existed in File C, except for items appropriately omitted because they were "0" dollar transactions in File D1 or additional line items in File C.

Analysis of the Accuracy of Dollar Value-Related Data Elements

Most dollar value-related data elements were reported accurately. See Appendix V for additional information. The value of errors listed are from our sample and are not projectable.

Analysis of Errors in Data Elements Not Attributable to the Agency

Some data elements had errors not attributable to PBGC that were related to third-party systems. See Appendix VI for additional information.

Conclusion

PBGC's overall data quality earned a rating of excellent based on the areas we tested, indicating that PBGC's data was generally reliable. The main area we found for improvement was to ensure that financial assistance awards were consistently reported timely.

Recommendation

We recommend the Office of Negotiations and Restructuring:

Develop and implement procedures, in coordination with the Office of the Chief Financial Officer, to ensure that all financial assistance awards, modifications, or corrections are submitted to the DATA Act Broker timely.

PBGC's Response and OIG's Evaluation

Resolved. PBGC concurred with the recommendation. The Office of Negotiations and Restructuring stated that, going forward, the General Accounting Branch (GAB) will send MEPD reports twice a month for financial assistance payments. Upon receipt of each report, MEPD will generate the DATA Act Report in TeamConnect, reconcile it with the GAB report, and submit it to the DATA Act Broker. ONR stated this reporting cadence will ensure all financial assistance payments are reported well within the 30-day deadline.

Closure of this recommendation will occur when PBGC provides documentation of their implementation of the updated reporting process for meeting the 30-day requirement.

Appendix I: Objectives, Scope, and Methodology

Objectives

Our objectives were to assess the:

- Completeness, accuracy, timeliness, and quality of 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 2021 first quarter. PBGC incurred \$1.7 billion in obligations through the first quarter of FY 2021. For this quarter, PBGC obligated \$157.1 million in procurement contracts and multiemployer loans. We performed fieldwork remotely from March through August 2021. We reviewed and assessed the submission and certification of PBGC's data for FY 2021 first quarter. PBGC did not have COVID-19 outlays through FY 2021 first quarter and, therefore, we did not review this area.

Methodology

In consultation with the Government Accountability Office, CIGIE developed and issued the *Inspectors General Guide to Compliance Under the DATA Act*, dated December 4, 2020, to set a common methodology and reporting approach in performing the mandated DATA Act work for the IG community. We adhered to the overall methodology, objectives, and audit procedures as outlined in the CIGIE guide, including Appendices, in our audit.

To accomplish 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 the internal and information systems controls in place as they relate to the extraction of data from source systems and the reporting of data to Treasury's DATA Act Broker;
- Reviewed and reconciled the FY 2021 first quarter summary-level data submitted by PBGC for publication on USASpending.gov;
- Reviewed a statistically valid sample from the FY 2021 first quarter financial and award data submitted by PBGC for publication on USASpending.gov;

- Assessed the completeness, accuracy, timeliness, and quality of the financial assistance and award data sampled; and
- Assessed PBGC's implementation and use of the 59 data elements/standards established by OMB and Treasury.

Statistical Sampling

As required by the DATA Act, we selected 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 in File C.
- *Confidence level* – the probability that a confidence interval produced by sample data was set at 95%.
- *Expected error rate* – the estimated percentage of error rate in the population to be sampled based on the results of the September 2019 and subsequent testing of DATA Act information. 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%.
- *Sample Size* – The sample size is based on a 95% confidence level with the expected error rate, and a desired sampling precision of 5%.
- *Sample Unit* – The statistical sample was selected and tested by record in the data file within File C.

Our sample size consisted of 112 transactions from the combined population of 202 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 evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence 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, and D2, 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 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

We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. We assessed the control activities component; specifically, the principle of implementing control activities. We also assessed the monitoring component; specifically, the principle of performing monitoring activities. We found PBGC's internal controls in these areas related to the DATA Act were designed and implemented appropriately, except for ensuring financial assistance awards were consistently reported timely as discussed in the "Statistical Results" section. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

To achieve our audit objectives, we assessed whether internal and information system controls as they relate 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, and direct tests. We concluded that PBGC had established and effectively implemented procedures and internal controls over the source systems applicable for DATA Act reporting. Therefore, these systems generally are reliable as a source for testing financial and award data.
- The previous audit cycle reviewed PBGC's DQP, which was generally in accordance with OMB guidance (Memorandum M-18-16) issued on June 6, 2018. During this audit cycle, we determined the DQP was considered for the SAO's certification.
- We reviewed PBGC's Enterprise Risk Management (ERM) risk profiles for FY 2020 and determined that the risks identified were unlikely to affect this audit.
- We evaluated the design, implementation, and operating effectiveness of the processes, 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 the SAO's certification, reviewed the PBGC DATA Act submission procedures manual, reviewed PBGC's reconciliations and validations, and tested linkages among the files.

Appendix II: Acronyms

Acronym	Meaning
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CFS	Consolidated Financial Systems
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act of 2014
DQP	Data Quality Plan
ERISA	Employee Retirement Income Security Act
ERM	Enterprise Risk Management
FABS	Financial Assistance Broker Submission
FAIN	Federal Award Identification Number
FAR	Federal Acquisition Regulation
FFATA	Federal Funding Accountability and Transparency Act of 2006
FPDS-NG	Federal Procurement Data System – Next Generation
FY	Fiscal Year
GAB	General Accounting Branch
GAO	Government Accountability Office
GSA	General Services Administration
IDD	Interface Definition Document
IG	Inspector General
MEPD	Multiemployer Program Division
OMB	Office of Management and Budget
PBGC	Pension Benefit Guaranty Corporation
PIID	Procurement Instrument Identifier
PMO	Program Management Office
RSS	Reporting Submission Specification
SAM	System for Award Management
SAO	Senior Accountable Official
TAS	Treasury Account Symbol
Treasury	U.S. Department of the Treasury

Appendix III: PBGC's Results for Data Elements

PBGC's Results for Data Elements by Sample Error Rate,¹ in Descending Order by Accuracy

DAIMS Element Number	Data Element Name	A Accuracy	C Completeness	T Timeliness
25	Action Date	27%	0%	12%
6	Legal Entity Congressional District	25%	17%	29%
1	Awardee/Recipient Legal Entity Name	17%	0%	12%
5	Legal Entity Address	13%	0%	12%
31	Primary Place of Performance Congressional District	8%	0%	12%
30	Primary Place of Performance Address	7%	1%	13%
15	Potential Total Value of Award	7%	0%	0%
24	Parent Award ID Number	2%	0%	0%
18	NAICS Description	2%	0%	0%
34	Award ID Number	1%	0%	12%
2	Awardee/Recipient Unique Identifier	0%	0%	0%
3	Ultimate Parent Unique Identifier	0%	0%	0%
4	Ultimate Parent Legal Entity Name	0%	0%	0%
7	Legal Entity Country Code	0%	0%	12%
8	Legal Entity Country Name	0%	0%	12%
11	Amount of Award	0%	0%	0%
12	Non-Federal Funding Amount	0%	0%	0%
13	Federal Action Obligation	0%	0%	12%
14	Current Total Value of Award	0%	0%	0%
16	Award Type	0%	0%	12%
17	NAICS Code	0%	0%	0%
19	Catalog of Federal Domestic Assistance Number	0%	0%	25%
20	Catalog of Federal Domestic Assistance Title	0%	0%	25%
22	Award Description	0%	0%	12%
23	Award Modification/Amendment Number	0%	0%	0%
26	Period of Performance Start Date	0%	0%	0%
27	Period of Performance Current End Date	0%	0%	0%

¹ These error rates do not reflect projected error rates to the population, but error rates from the sample alone.

28	Period of Performance Potential End Date	0%	0%	0%
29	Ordering Period End Date	0%	0%	0%
32	Primary Place of Performance Country Code	0%	0%	12%
33	Primary Place of Performance Country Name	0%	0%	12%
35	Record Type	0%	0%	25%
36	Action Type	0%	0%	12%
37	Business Types	0%	0%	25%
38	Funding Agency Name	0%	0%	12%
39	Funding Agency Code	0%	0%	12%
40	Funding Sub Tier Agency Name	0%	0%	12%
41	Funding Sub Tier Agency Code	0%	0%	12%
42	Funding Office Name	0%	0%	12%
43	Funding Office Code	0%	0%	12%
44	Awarding Agency Name	0%	0%	12%
45	Awarding Agency Code	0%	0%	12%
46	Awarding Sub Tier Agency Name	0%	0%	12%
47	Awarding Sub Tier Agency Code	0%	0%	12%
48	Awarding Office Name	0%	0%	12%
49	Awarding Office Code	0%	0%	12%
50	Object Class	0%	0%	12%
51	Appropriations Account	0%	0%	12%
53	Obligation	0%	0%	12%
56	Program Activity	0%	0%	12%
163	National Interest Action	0%	0%	0%
430	Disaster Emergency Fund Code	0%	0%	12%

**Data elements 54-Unobligated Balance and 57-Outlay are not included above because they are not applicable to our sample testing at the assertion level.*

Appendix IV: PBGC's Comparative Results for Data Elements

The table below identifies the error rate by data element from the FY 2019 and FY 2021 audit results. The information is being provided for illustrative purposes only and may not necessarily be indicative of actual percent change based on differences in testing procedures such as population size, sample methodology, file tested, and changes to data definition standards.

PBGC's Comparative Results for Data Elements, By Accuracy Error Rate in Descending Order

DAIMS Element Number	Data Element Name	2021 Error Rate	2019 Error Rate	Percent Change
25	Action Date	27%	0%	27%
6	Legal Entity Congressional District	25%	4%	21%
1	Awardee/Recipient Legal Entity Name	17%	9%	8%
5	Legal Entity Address	13%	10%	3%
31	Primary Place of Performance Congressional District	8%	0%	8%
30	Primary Place of Performance Address	7%	0%	7%
15	Potential Total Value of Award	7%	0%	7%
24	Parent Award ID Number	2%	14%	-12%
18	NAICS Description	2%	1%	1%
34	Award ID Number	1%	0%	1%
2	Awardee/Recipient Unique Identifier	0%	2%	-2%
3	Ultimate Parent Unique Identifier	0%	29%	-29%
4	Ultimate Parent Legal Entity Name	0%	13%	-13%
7	Legal Entity Country Code	0%	0%	0%
8	Legal Entity Country Name	0%	0%	0%
11	Amount of Award	0%	0%	0%
12	Non-Federal Funding Amount	0%	0%	0%
13	Federal Action Obligation	0%	0%	0%
14	Current Total Value of Award	0%	0%	0%
16	Award Type	0%	0%	0%
17	NAICS Code	0%	1%	-1%
19	Catalog of Federal Domestic Assistance Number	0%	0%	0%
20	Catalog of Federal Domestic Assistance Title	0%	0%	0%
22	Award Description	0%	0%	0%
23	Award Modification/Amendment Number	0%	0%	0%
26	Period of Performance Start Date	0%	0%	0%
27	Period of Performance Current End Date	0%	0%	0%

28	Period of Performance Potential End Date	0%	0%	0%
29	Ordering Period End Date	0%	0%	0%
32	Primary Place of Performance Country Code	0%	0%	0%
33	Primary Place of Performance Country Name	0%	0%	0%
35	Record Type	0%	0%	0%
36	Action Type	0%	0%	0%
37	Business Types	0%	0%	0%
38	Funding Agency Name	0%	38%	-38%
39	Funding Agency Code	0%	100%	-100%
40	Funding Sub Tier Agency Name	0%	0%	0%
41	Funding Sub Tier Agency Code	0%	0%	0%
42	Funding Office Name	0%	0%	0%
43	Funding Office Code	0%	0%	0%
44	Awarding Agency Name	0%	0%	0%
45	Awarding Agency Code	0%	100%	-100%
46	Awarding Sub Tier Agency Name	0%	0%	0%
47	Awarding Sub Tier Agency Code	0%	0%	0%
48	Awarding Office Name	0%	0%	0%
49	Awarding Office Code	0%	0%	0%
50	Object Class	0%	0%	0%
51	Appropriations Account	0%	0%	0%
53	Obligation	0%	0%	0%
56	Program Activity	0%	0%	0%
163	National Interest Action	0%	n/a	n/a
430	Disaster Emergency Fund Code	0%	n/a	n/a

**Data elements 54-Unobligated Balance and 57-Outlay are not included above because they are not applicable to our sample testing at the assertion level.*

Appendix V: Accuracy of Dollar-Value Related Data Elements

PIID/ FAIN	Data Element Number	Data Element Name	Accurate	Not Accurate	Not Applicable	Total Tested	Error Rate	Absolute Value of Errors
PIID	13	Federal Action Obligation	59	0	0	59	0.00%	\$ -
PIID	14	Current Total Value of Award	59	0	0	59	0.00%	\$ -
PIID	15	Potential Total Value of Award	55	4	0	59	6.78%	\$ 184,257.50
PIID	53	Obligation	59	0	0	59	0.00%	\$ -
FAIN	11	Federal Action Obligation	53	0	0	53	0.00%	\$ -
FAIN	12	Non-Federal Funding Amount	0	0	53	53	0.00%	\$ -
FAIN	13	Amount of Award	53	0	0	53	0.00%	\$ -
FAIN	53	Obligation	53	0	0	53	0.00%	\$ -
		Total	391	4	53	448		

**The value of errors listed are from our sample and are not projectable.*

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

PIID/ FAIN	Data Element Number	Data Element Name	Error Attributed to
PIID	5	Legal Entity Address	FPDS-NG extracting from SAM
PIID	6	Legal Entity Congressional District	FPDS-NG extracting from SAM
PIID	18	NAICS Description	FPDS-NG
PIID	30	Primary Place of Performance Address	FPDS-NG extracting from SAM
PIID	31	Primary Place of Performance Congressional District	FPDS-NG extracting from SAM

Appendix VII: Agency Response



Pension Benefit Guaranty Corporation
1200 K Street, N.W., Washington, D.C. 20005-4026

To: John Seger
Assistant Inspector General for Audits (OIG)

10/9/2021

X HLM 104.2021
Karen L. Morris
Chief of Negotiations and Restructuring

From: Karen L. Morris
Chief of Negotiations and Restructuring

Subject: Response to OIG's Draft Report on PBGC's Compliance with Requirements of the Digital Accountability and Transparency Act of 2014 for Fiscal Years 2020 and 2021

Thank you for the opportunity to comment on the Office of Inspector General's (OIG) draft report, received September 22, 2021, relating to PBGC's Compliance with Requirements of the Digital Accountability and Transparency (DATA) Act of 2014 for Fiscal Years 2020 and 2021, including the reporting of data to the Department of the Treasury's DATA Act Broker. Your office's work on this is sincerely appreciated.

PBGC met with the representatives from the OIG on August 19, 2021, to discuss the findings and recommendation. The dialogue was both informative and insightful and PBGC is grateful for the opportunity to respond to the recommendation by the OIG.

Management concurs with the report's findings and recommendation. In the attachment to this report, you will find our specific response to the recommendation included in the report, as well as our planned corrective actions and scheduled completion date. Addressing this recommendation in a timely manner is an important priority for PBGC.

cc: Frank Pace, Director, Corporate Controls and Reviews Department
Latreece Wade, Risk Management Officer

ATTACHMENT

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

1. Develop and implement procedures, in coordination with the Office of the Chief Financial Officer, to ensure that all financial assistance awards, modifications, or corrections are submitted to the DATA Act Broker timely. (OIG Control Number 2022-01-01)

PBGC Response: Management concurs with this recommendation. Since the initial fieldwork for this audit, the Multiemployer Program Division (MEPD) has taken steps to ensure financial assistance awards are reported within the 30-day deadline. The submission process starts upon receipt of the reconciled report of financial assistance payments (the “GAB report”), which is sent to MEPD by the Financial Operations Department (FOD)/Controller Operations Division (COD)/General Accounting Branch (GAB) on or about the 7th calendar day of each month. This report covers financial assistance paid to insolvent multiemployer plans in the prior month and is issued only after MEPD Supervisory Auditor concurrence.

Because MEPD often does not receive the GAB report until the second week of the month, financial assistance awards disbursed at the beginning of the previous month sometimes cannot be reported within 30 days. To prevent this from occurring, going forward, FOD will send MEPD an interim report on the 15th business day of the month for all financial assistance payments made since the 1st of the month. FOD will continue to provide the final report on or about the 7th calendar day of the month, which includes all financial assistance payments made for the prior month.

Upon receipt of each report, MEPD will generate the DATA Act Report in TeamConnect, reconcile it with the GAB report, and submit it to the Federal Assistance Broker Submission (FABS) portal of the DATA Act Broker. This reporting cadence will ensure all financial assistance payments are reported well within the 30-day deadline. To illustrate, the first report submitted to the DATA Act Broker will include all payments made from the 1st to the 15th business day of the current month. The second report submitted to the DATA Act Broker will include all payments made for the remainder of the month.

Scheduled Completion Date: January 31, 2022 (to allow cycle time to ensure that we meet the 30-day deadline consistently)

Appendix VIII: Staff Acknowledgement

Staff Acknowledgement

Kara Burt, Audit Manager; Bryan Beardsley, Auditor-In-Charge; Christina Harris, Auditor; Angel Estrada, Jamie Barbour, Tasha Stanley, EY audit contractors; and Sarah Cowan, CohnReznick audit contractor, made key contributions to this report.

Appendix IX: 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.