

A large, flowing graphic composed of many thin, overlapping blue lines that create a sense of movement and depth. It starts from the left side of the page and curves upwards and to the right, ending near the top right corner. The background of the entire page is a light gray grid of small white dots.

FY 2021 Annual Performance Report &

FY 2023 Annual Performance Plan

A large, faint, light gray watermark of the letters "PBGC" is visible in the bottom left corner of the page, partially overlapping the main title text.

ANNUAL PERFORMANCE REPORT

The Pension Benefit Guaranty Corporation (PBGC or the Corporation) protects the retirement security of over 33 million American workers, retirees, and beneficiaries in single-employer and multiemployer private sector pension plans. The pension benefits of these participants are valued at more than \$3 trillion. The Corporation's two insurance programs are legally separate and operationally and financially independent.

The Single-Employer Program is financed by insurance premiums, investment income, and recoveries from companies formerly responsible for the plans. Congress sets PBGC premium rates.

The Multiemployer Program is financed by premiums and investment income. The American Rescue Plan (ARP) Act of 2021 — a historic law passed by Congress and signed by President Biden on March 11, 2021 — established the Special Financial Assistance (SFA) Program for certain financially troubled multiemployer plans. The SFA Program is financed by general taxpayer funds provided by the U.S. Treasury. Additionally, the law addresses the solvency of the Multiemployer Program, which was projected to become insolvent in 2026.

The SFA Program is expected to provide financial assistance to more than 250 eligible plans covering over 3 million people. Upon approval of an application, PBGC will make a single, lump-sum payment to an eligible multiemployer plan to enable the plan to pay benefits at plan levels. SFA also assists plans by providing funds to reinstate previously suspended benefits and repay financial assistance received from PBGC's Multiemployer Program.

The Corporation achieves its mission through three strategic goals:

1. Preserve plans and protect the pensions of covered workers and retirees.
2. Pay pension benefits on time and accurately.
3. Maintain high standards of stewardship and accountability.

OPERATIONS IN BRIEF

Since the enactment of the Employee Retirement Income Security Act of 1974 (ERISA), PBGC has strengthened retirement security by preserving plans and protecting benefit payments to participants and their families. In FY 2021, the Corporation made benefit payments of over \$6.4 billion to nearly 970,000 participants. See FY 2021 Operations in Brief table below.

FY 2021 OPERATIONS IN BRIEF ¹			
	2021 Target	2021 Actual	2020 Actual
GOAL 1: Preserve Plans and Protect Pensions			
Single-Employer Plan Participants Protected – Employers Emerging from Bankruptcy During the Year		99,345	127,000
Single-Employer Plan Standard Termination Audits: Additional Payments		\$2.6M paid to 1,462 participants	\$1.9M paid to 1,909 participants
Single-Employer Benefit Payments for Terminated Plans			
<ul style="list-style-type: none"> Participants Receiving Benefits 		970,000	984,000
<ul style="list-style-type: none"> Benefits Paid 		Over \$6.4B	Over \$6.1B
<ul style="list-style-type: none"> Participants Expected to Receive Future Benefits 		570,000	552,000
Multiemployer Plan Financial Assistance		\$230M to 109 plans	\$173M to 95 plans
Multiemployer Participants in Insolvent Plans			
<ul style="list-style-type: none"> Participants Receiving Benefits 		80,786	79,600
<ul style="list-style-type: none"> Participants Expected to Receive Future Benefits 		37,172	27,600
GOAL 2: Pay Timely and Accurate Benefits			
Estimated Benefits Within 10% of Final Calculation	95%	98%	96%
Average Time to Provide Benefit Determinations (Years)	5.0	5.90	5.3
Improper Payment Rates Within OMB Threshold ²	<1.5%	Yes	Yes
Applications Processed in 45 Days or Less	87%	78%	78%
GOAL 3: Maintaining High Standards of Stewardship and Accountability			
Retiree Satisfaction – ACSI Score ³	90	88	89
Participant Caller Satisfaction – ACSI Score	85	76	81
Premium Filer Satisfaction – ACSI Score	74	77	76
Single-Employer – Financial Net Position		\$30.9B	\$15.5B
Multiemployer – Financial Net Position		\$0.5B	(\$63.7B)
Unmodified Financial Statement Audit Opinion	Yes	Yes	Yes

¹ Numbers in this report have been rounded.

² The Office of Management and Budget (OMB) threshold for significant improper payment reporting is as follows: amounts that exceed (1) both 1.5 percent of program outlays and \$10,000,000 of all program or activity payments made during the fiscal year reported or (2) \$100,000,000 (regardless of the improper payment percentage of total program outlays)

³ The American Customer Satisfaction Index (ACSI) uses a 0-100 scale; 80 or above is considered excellent.

STRATEGIC GOALS AND RESULTS

PBGC's FY 2021 Annual Performance Report details the Corporation's achievements, accomplishments, and performance results on its three strategic goals.

GOAL NO. 1: PRESERVING PLANS AND PROTECTING PENSIONERS

PBGC engages in activities to preserve plans and protect participants by administering two separate insurance programs. The Multiemployer Program protects about 10.9 million workers and retirees in about 1,360 pension plans. The Single-Employer Program protects about 22.7 million workers and retirees in about 23,900 pension plans.

MULTIEMPLOYER PROGRAM

The Multiemployer Program covers defined benefit pension plans that are created through one or more collective bargaining agreements between employers and one or more employee organizations or unions. The employers are usually in the same or related industries, such as transportation, construction, mining, and hospitality. PBGC provides financial assistance to insolvent plans to allow them to pay guaranteed benefits and reasonable administrative expenses.

In FY 2021, PBGC provided \$230 million in financial assistance to 109 multiemployer plans covering 80,786 participants receiving guaranteed benefits. An additional 37,172 participants in the insolvent plans are eligible to receive benefits once they retire. Due to the enactment of ARP, the number of participants relying on traditional financial assistance under section 4261 of ERISA will decrease to 52,982 participants receiving guaranteed benefits and 20,395 participants eligible to receive benefits once they retire, after all insolvent plans expected to be eligible for SFA apply, are approved by PBGC and receive their SFA payments.

The Corporation initiated audits of seven terminated or insolvent multiemployer plans covering nearly 10,000 participants. The objectives of the audits are to ensure timely and accurate benefit payments to all participants, compliance with laws and regulations, and effective and efficient management of the remaining assets in terminated and insolvent plans.

PBGC regularly provides informal consultations to plan sponsors and practitioners on partition and merger applications, alternative withdrawal liability requests, plan insolvency, and Title IV compliance issues to assist plans in making their formal requests to PBGC more efficient and effective.

Special Financial Assistance Program

ARP, enacted on March 11, 2021, added section 4262 of ERISA, which created the SFA Program for certain financially troubled multiemployer plans. The amount of SFA to which an eligible plan may be entitled is the amount required to pay all benefits due through 2051. PBGC estimates that more than 250 plans may be eligible for SFA and is now accepting initial SFA applications.

In FY 2021, to establish SFA Program operations, PBGC:

- Implemented the program with the publication of the Interim Final Rule establishing application procedures and processes.

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- Updated the multiemployer e-filing portal to accommodate electronic submissions of SFA applications.
 - Centralized resource information on PBGC.gov, such as the interim final rule, guidance documents, and templates.
 - Conducted two webinars for plans and practitioners covering a wide range of SFA- related topics.
 - Hired an additional 61 professional staff for the SFA Program.
 - Prepared, finalized, and implemented multiple interdepartmental processes, procedures, and controls.
 - Initiated development of audit procedures and processes for plans that receive SFA.

As of September 30, 2021, PBGC received 19 applications requesting a total of \$3.2 billion dollars in SFA. All applications were under review as of that time.

Extending Plan Solvency and Mitigating Risks to the Multiemployer Program

PBGC has been concerned for several years about Split Plan arrangements that Isolate Legacy Liabilities (SPILL). A SPILL occurs when a multiemployer plan is frozen, and a new multiemployer plan is created for future benefit accruals. Contributions are split between the legacy plan and the new plan, increasing the risk of underfunding the legacy plan.

In January 2013, the bargaining parties took a series of actions, including the creation of a new plan through a SPILL, that resulted in the allocation of more than \$100 million in contributions to the new plan that might otherwise have been made to the Food Employers Labor Relations Association (FELRA)/United Food and Commercial Workers union (UFCW) plan. The FELRA/UFCW plan is a severely underfunded multiemployer plan that covers approximately 50,000 grocery and warehouse workers and retirees in the District of Columbia metropolitan area. These actions accelerated the insolvency of the FERLA/UFCW plan and threatened to place additional burdens on PBGC's Multiemployer Program.

In FY 2021, PBGC entered into a settlement agreement with FELRA, UFCW, and the FELRA/UFCW Pension Fund.

To address these concerns, the settlement agreement required the two plans to combine, which extended the FELRA/UFCW plan's projected solvency, and required the combined plan to terminate by mass withdrawal. The two large contributing employers agreed to make withdrawal liability payments to the plan for 25 years totaling approximately \$56 million annually. In return, the employers will be released from further withdrawal liability to the FELRA/UFCW plan. This settlement is expected to reduce the amount of PBGC financial assistance that the FELRA/UFCW plan will require when it becomes insolvent.

PBGC began investigating seven other SPILL transactions. In each case, PBGC has received responses to information requests issued to the boards of the legacy and follow-on plans.

Multiemployer Pension Reform Act of 2014 (MPRA)

The Multiemployer Pension Reform Act of 2014 (MPRA) enables certain plans to avoid insolvency by permitting the plan sponsor to suspend benefits, and, if necessary, by transferring financial responsibility for some or all guaranteed benefits to PBGC through a partition.

In FY 2021, PBGC did not receive any partition applications but continued to review the two partition applications submitted during FY 2020. Both applications were withdrawn during FY 2021, one due to issues with the application and the other as a result of the enactment of ARP.

Multiemployer Plan Withdrawal Liability, Plan Mergers and Transfers

PBGC approval is required for a multiemployer plan to adopt an alternative method for allocating unfunded vested benefits in determining withdrawal liability. PBGC began FY 2021 with two requests for approval of alternative rules pending. As of the fourth quarter, three requests are pending, and no requests have been approved.

A multiemployer plan may adopt alternative terms and conditions for satisfaction of withdrawal liability if those terms and conditions are consistent with ERISA and PBGC regulations. Plans sometimes request PBGC's determination that proposed alternative terms are consistent with ERISA and PBGC regulations. PBGC began FY 2021 with one pending request, which was later denied.

An employer that withdraws from a construction or entertainment industry plan is generally not subject to withdrawal liability. PBGC may, by regulation, authorize a plan in other industries to adopt a similar rule if PBGC determines it is appropriate to do so and doing so would not pose a significant risk to PBGC. PBGC began FY 2021 with three pending requests. All three were closed because the plans' boards either expressly withdrew or decided not to pursue their request.

A multiemployer plan merging with or transferring assets and liabilities to another multiemployer plan must provide PBGC with notice. The plan trustees may request a compliance determination from PBGC, which, if granted, provides a safe harbor from certain prohibited transaction provisions of Title I. In FY 2021, PBGC received twelve notices of merger, eight of which were accompanied by a request for a compliance determination, and four notices of transfer, all of which were accompanied by a request for a compliance determination. All requests have been completed except for one merger compliance determination is under review.

SINGLE-EMPLOYER PROGRAM

The Single-Employer Program covers defined benefit pension plans that generally are sponsored by a single employer. When an underfunded single-employer plan terminates, PBGC steps in to pay participants' benefits up to legal limits. This typically happens when the employer sponsoring an underfunded plan goes bankrupt, ceases operation, or can no longer afford to keep the plan going. PBGC takes over the plan's assets, administration, and payment of benefits, up to the legal limits. If a plan has enough money to pay all benefits owed to participants and beneficiaries, the plan sponsor can choose to terminate a plan by filing a standard termination. In a standard termination, PBGC does not become responsible for benefit payments.

As part of its risk mitigation activities, PBGC monitors and identifies transactions and events that may pose risks to participants. The Corporation works collaboratively with employers to better safeguard pension benefits.

Standard Terminations

A standard termination is a termination of a pension plan that has enough money to pay all benefits owed to participants and beneficiaries.

In FY 2021, 1,574 plans, covering approximately 145,000 participants, filed standard terminations with PBGC. The number of terminations received last year is in line with the average of the five previous years.

Approximately 1,880 plans with an aggregate of more than 205,000 participants completed standard terminations in FY 2021 by paying full plan benefits to participants and beneficiaries in the form of annuities or lump sums. Some of the larger standard terminations were Trinity Industries Inc. Consolidated Pension Plan; GPI US Consolidated Pension Plan; Retirement Income Plan for Darden Restaurants Inc.; Perdue Retirement Account Plan & The Pension Plan for Union-Represented Associates; Flower Foods Inc. Retirement Plan No. 1; and Indiana University Health Defined Benefit Plan.

PBGC completed 246 standard termination audits in FY 2021 to verify plan administrators' calculation of participants' benefits upon plan termination. These audits discovered errors that have since been corrected by the plan administrators, resulting in more than \$2.6 million in additional benefits distributed to 1,462 participants in these plans.

Significant Litigation

PBGC protects participants in private sector pensions through litigation in federal and state courts. In FY 2021:

- The U.S. Court of Appeals for the Eleventh Circuit affirmed the district court grant of summary judgment for PBGC in *PBGC v. 50509 Marine LLC*. The court of appeals agreed with PBGC that, on the particular facts of the case, several entities owned by the owner of the plan sponsor on the date of plan termination were in the controlled group and liable to PBGC. The Supreme Court has denied the defendants' petition for certiorari.
- The U.S. Court of Appeals for the D.C. Circuit ruled in PBGC's favor in *Lewis v. PBGC*. The court summarily affirmed the district court's holdings that PBGC properly determined benefits and no separate cause of action is available to the plaintiffs under the Administrative Procedure Act. The court reiterated the favorable deference holding from *Davis v. PBGC* that PBGC gets "the usual deference we give to an agency interpreting its organic statute," regardless of whether PBGC is acting as statutory trustee. The Supreme Court has denied the plaintiffs' petition for certiorari.
- The U.S. Court of Appeals for the Sixth Circuit issued an amended opinion in *Black v. PBGC*, in response to a Delphi Salaried Retiree Association (DSRA) request for rehearing after the Sixth Circuit issued a September 2020 ruling in favor of PBGC, holding that the agency's actions were consistent with governing law. The amended opinion once again affirmed the district court ruling for PBGC on all issues, and the Sixth Circuit subsequently denied a DSRA- renewed request for rehearing. The plaintiffs have filed a petition for certiorari with the Supreme Court.
- The U.S. Court of Appeals for the D.C. Circuit upheld PBGC's denial of a lump sum benefit in *Fisher v. PBGC*. The Court ruled in PBGC's favor, holding that 29 C.F.R. § 4044.4(b) is valid and "easily satisfies

[the Court’s] ‘highly deferential’ review” under *Chevron*, PBGC reasonably applied 4044.4(b) to deny the participant’s lump sum request, and the participant failed to show that PBGC acted arbitrarily or capriciously.

Pension Plans Maintained

When plan sponsors enter bankruptcy proceedings, PBGC encourages continuation of pension plans. Although it forces tough choices, bankruptcy does not mean that pensions must terminate for companies to succeed. In FY 2021, these plans were among those that continued after the bankruptcies of their sponsors or controlled group members, protecting the benefits of participants:

- LSC Communications, Inc. (more than 26,100 participants).
- Frontier Communications Corporation (more than 25,550 participants).
- Hertz Global Holdings, Inc. (more than 22,500 participants).
- Belk, Inc. (more than 7,550 participants).
- Valaris PLC (more than 4,450 participants).
- Libbey Glass, Inc. (more than 3,900 participants).

Coverage Pilot Program

PBGC introduced a one-year pilot program in FY 2019 which allows employers, in limited circumstances, to request an Opinion Letter about whether a plan in the process of being created is likely to be covered under Title IV of ERISA. It is usually easy to determine if a defined benefit plan is covered by PBGC’s insurance program. However, for plans that may be a small professional service plan, or a substantial owner’s plan, coverage may not be clear. Thus, the coverage program assists plan sponsors in understanding whether such a plan is covered by PBGC. PBGC has received a limited number of requests for Opinion Letters under the pilot program. PBGC previously extended the pilot program for one year and has extended the program for an additional year to September 30, 2022.

GOAL NO. 2: PAYING TIMELY AND ACCURATE BENEFITS

Through its Single-Employer Program, PBGC is directly responsible for the benefits of more than 1.5 million current and future retirees in trusteed pension plans. Retirees and their families count on PBGC to pay their benefits accurately and on time.

Benefits Administration

PBGC becomes trustee of single-employer plans that end without enough money to pay all their benefit promises. In FY 2021, PBGC took responsibility for 47 single-employer plans that provide pension benefits to nearly 34,000 current and future retirees.

When PBGC assumes responsibility for a pension plan, a top priority is to make sure the plan’s existing retirees continue to receive benefits without interruption. In FY 2021, more than 40,000 retirees continued to receive benefits without interruption from PBGC.

The Corporation paid over \$6.4 billion in benefits to nearly 970,000 retirees in single-employer plans and nearly 26,000 new retirees applied for benefits. PBGC fell short of its goal to process 87 percent of benefit applications within 45 days. For FY 2021, PBGC processed 76 percent of its applications. This was due to contractor staffing shortages experienced throughout the year. As the staffing levels return to normal, PBGC expects the timeliness of application processing to improve.

In FY 2021, PBGC completed the consolidation of its Customer Contact Center (CCC) into a single service contract known as the Field Office Support Services (FOSS). This consolidation improved flexibility and agility in reacting to changing workloads, while concurrently reducing administrative and overhead costs.

Benefit Calculations

After PBGC becomes trustee of a terminated pension plan, it begins a complex multi-year process of valuing the plan's assets, reviewing plan and participant data, and calculating benefits payable by PBGC. When participants become eligible and request to start receiving their benefits, PBGC begins paying them an estimated benefit during the time before benefit determinations are complete. When the process is complete, participants are informed of their exact benefit amount via a benefit determination letter. In FY 2021, over 98 percent of final benefit determination amounts issued were within 10 percent of the estimated benefit amount.

The Corporation continued to streamline processes and improve technology to support the benefit determination process. As a result, PBGC reduced its backlog of trustee plans in an estimated status by 25 percent to less than 300 total plans. PBGC also reduced the percentage of unissued benefit determinations greater than five years old to two percent, down from 14 percent in FY 2020.

PBGC has been focused on completing the case processing for the oldest plans in its inventory. In FY 2021, PBGC finished issuing benefit determinations for most of the plans that are more than five years old, resulting in an increase of the average age of benefit determinations issued from 5.3 years in FY 2020 to 5.9 years in FY 2021. With less than 2,000 unissued benefit determinations that are over five years old at the end of FY 2021, this number should improve in FY 2022.

Reviews and Appeals

When participants and beneficiaries in trustee single-employer plans do not agree with PBGC's determination of their benefit, they have the right to bring their concerns to PBGC's Appeals Board. Employers and plan sponsors may also appeal certain PBGC determinations. The Appeals Board independently reviews each appeal and provides a detailed written explanation for each decision. In FY 2021, the Corporation started with 64 open appeals, accepted 157 new appeals, and closed 145 appeals, with 76 still open at the end of the year. More information regarding PBGC's Appeals Board is available on [PBGC.gov](https://www.pbgc.gov).

GOAL NO. 3: MAINTAINING HIGH STANDARDS OF STEWARDSHIP AND ACCOUNTABILITY

Accountability: Measuring and Monitoring Performance

PBGC leadership continuously monitors how well it performs and serves customers, using a wide range of performance measures. Among them are how quickly and seamlessly the Corporation pays retirees and calculates benefits. PBGC conducts surveys to help improve the coordination and cooperation essential to meeting customer service goals.

PBGC'S OWN FINANCES MUST BE SOUND

PBGC's operations are financed by insurance premiums set by Congress and paid by sponsors of defined benefit pension plans. The Corporation is also funded by investment income, assets from pension plans trusted by PBGC, and recoveries from the companies formerly responsible for the plans. In addition, special financial assistance for financially troubled multiemployer plans is financed by general taxpayer money.

Financial Position

The financial status of the Single-Employer Program showed continuous improvement, reflected in a positive net position of \$30.9 billion at the end of FY 2021. Estimates from PBGC's FY 2020 Projections Report indicate that PBGC's Single-Employer Program likely will avoid a deficit net financial position over the next decade.

The net financial position of the Multiemployer Program significantly improved during FY 2021 to a positive net position of \$0.5 billion. While last year's Projections Report projected the Multiemployer Program would become insolvent during FY 2026, this year's projections show solvency is substantially extended primarily due to the enactment of ARP. This also reduces the demand on PBGC to provide financial assistance to insolvent plans.

Financial Soundness and Financial Integrity

The Corporation protects the pensions of over 33 million participants whose plan benefits are valued at over \$3 trillion. PBGC's two insurance programs, one for single-employer plans and one for multiemployer plans, are designed to protect a guaranteed amount of participants' pension benefits when plans fail. The programs differ significantly in the extent to which plan benefits are funded as well as in the structure and level of PBGC's premium rates and guarantees. In addition to collecting premiums, PBGC exercises care in the management of approximately \$154 billion in total assets. In FY 2021, PBGC attained its 29th consecutive unmodified audit opinion on its financial statements.

Collecting Premiums

Premium rates are set by statute and are generally indexed for inflation. The Bipartisan Budget Act of 2013, MPRA, and the Bipartisan Budget Act of 2015 specify premium rates or premium increases for certain years. In FY 2021, combined premium cash receipts collected totaled \$5.520 billion. Single-Employer Program premium cash receipts collected were \$5.186 billion. Separately, Multiemployer Program premium cash receipts in FY 2021 were around \$334 million.

In FY 2021, PBGC significantly redesigned its practitioner-based online filing system My Plan Administration Account (My PAA). This new version includes multiple enhancements to improve customer experience with plan account management and premium-filing submissions through simplified processes such as those for first-time plan filings, managing the online filing team, and updating plan demographic information. Reporting improvements include enhanced real-time filing validations and status tracking of uploaded filings. Online training materials have been expanded and are easier to access by key words.

Investing Prudently

PBGC investment assets are administered by investment management firms subject to PBGC's investment policies and oversight procedures. Procedures for internal controls, due diligence, and risk management are periodically reviewed. Regular and detailed communication with management firms enables the Corporation to stay informed on matters affecting its investment program. For more information, refer to Section VII Investment Activities.

OUTREACH AND CUSTOMER SERVICE

Customers are at the core of PBGC's mission. To provide customers with the highest level of customer service, PBGC uses surveys to actively listen, identify opportunities for enhancements, implement process improvements, and monitor satisfaction. Scores are based on the widely recognized American Customer Satisfaction Index (ACSI).¹ PBGC listened to its customer feedback and implemented improvements in FY 2021 to enhance customer service.

In FY 2021, PBGC implemented its new Quick, Easy, Secure, Transparent (QuEST) customer relationship management (CRM) system. The internal facing CRM was updated to sync up with the newly renamed My Pension Benefits Access (MyPBA) customer-facing web portal. The new systems provide all the same functionality of PBGC's former systems but with added features.

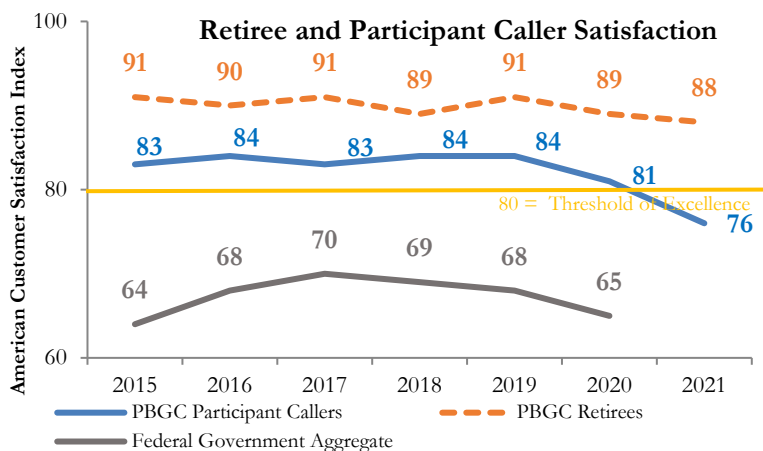
PBGC improved users' online experience with extra security and easier access. Users now access MyPBA through Login.gov, a secure multifactor authentication sign-on solution for government websites. This makes MyPBA more secure for customers.

¹ The American Customer Satisfaction Index (ACSI) uses a 0-100 scale; 80 or above is considered excellent.

Participant and Retirees

Retirees receiving monthly payments from PBGC gave the Corporation a satisfaction score of 88. PBGC's retiree satisfaction score continues to be among the highest in the federal government.

Pension plan participants who called PBGC and responded to a survey scored their satisfaction at 76. In FY 2021, PBGC's CCC experienced higher than normal call volumes. The CCC continued to provide critical services to workers, retirees, and beneficiaries virtually.

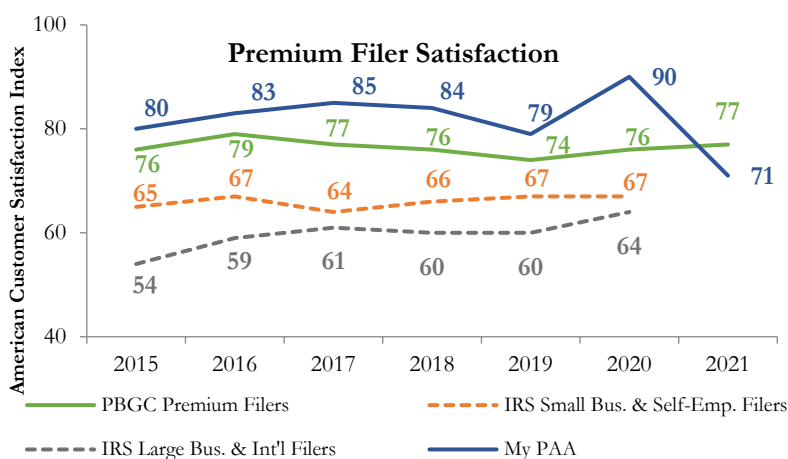


MyPBA is a customer web portal that allows participants in PBGC-trusted plans to access to their benefit information. MyPBA's FY 2021 score was 64. This result is due to a July 2021 security upgrade that requires identity proofing and multifactor authentication. PBGC continues one-on-one outreach to customers and is publishing Frequently Asked Questions (FAQ) to keep customers informed.

Premium Filers

Pension plan sponsors and their practitioners who file premiums with PBGC gave a FY 2021 satisfaction score of 77. Filers gave excellent scores to PBGC's personal service, written communication, and filing process.

My Plan Administration Account (My PAA) is an online application for pension plan practitioners to file premium information and payments with PBGC. The FY 2021 score was 71, off from the target of 80.



In FY 2021, the My PAA practitioner filing system was replaced with a new design to implement enhancements, add new features and streamline the application for the user experience. To better align My PAA with information technology industry standards, PBGC completed additional infrastructure and security upgrades throughout the year.

Engaging With Customers and Stakeholders

PBGC communicates with its customers and other stakeholders through the Corporation's website, social media, and other communications tools. The Corporation's website is regularly updated to provide relevant content to workers, retirees, employers, practitioners, and stakeholders within the pension community. PBGC continuously improves the site's overall usability to provide customers with a user-friendly experience, addressing visitor needs, customer feedback, and plain language principles to convey agency information and updates in a timely manner.

To support the agency's new SFA Program, PBGC hosted two webinars related to the interim final rule on the SFA application, review process, and program resources. Close to 900 people participated in the webinar sessions. Since the introduction of the SFA interim final rule, there have been nearly 11,000 visitors to the Corporation's SFA Program page.

PBGC also responds to inquiries from members of Congress — many writing on behalf of their constituents — and various stakeholders.

In FY 2021, PBGC formed a task force to identify barriers that plan participants and retirees in underserved communities may experience when accessing agency benefits, services, and contracting opportunities. PBGC is focusing on the following areas:

- **Customer Outreach and Communication** – seek opportunities to connect with retirees and pension participants with disabilities, limited English proficiency, and limited access to internet via multiple communication methods to ensure they are informed of and can access benefits to which they are entitled by law. Strategies will focus on finding ways to identify these communities by interviewing internal and external stakeholders and reviewing customer survey data.
- **Identify and Educate on Retirement Fraud** – seek opportunities to communicate and educate retirees and pension participants who may be vulnerable to scams designed to access their personal information and retirement savings. To educate about retirement fraud, strategies will focus on finding ways to identify this population by interviewing internal and external stakeholders and reviewing customer survey data.
- **Small and Disadvantaged Business Utilization Program** – evaluate PBGC's Small and Disadvantaged Business Utilization Program to determine whether there are opportunities to expand access for women and minority-owned businesses contracting opportunities. PBGC will explore opportunities to expand access to small, disadvantaged, woman-owned, and veteran-owned businesses. Strategies will focus on engaging internal and external stakeholders to identify and maximize existing authorities and opportunities for small businesses.

SUSTAINING THE PROGRAMS

PBGC serves as a source of information about pension and retirement policy. The Corporation implements strategies to strengthen its programs' financial health and improve its ability to manage risks by actively monitoring and reporting on its insurance programs and other relevant information.

Research and Analysis Activities

The Corporation regularly produces analyses and reports of its programs and policy alternatives to its Board of Directors, policymakers, and external stakeholders, including the public. The Pension Insurance Data Book — a collection of data regarding PBGC and its insurance programs — is published annually. The Data Book includes multiyear data and statistics about the broader private defined benefit pension system.

PBGC's Projections Report is an annual actuarial evaluation of its future operations and financial status. The report provides 10-year projections of the financial status of both insurance programs under a range of future financial scenarios.

This year, PBGC also issued its 5-Year Multiemployer Program Report, which reviews the sustainability of the Multiemployer Program. This report assesses the premiums needed to maintain the current guarantee levels and whether the guarantee levels may be increased without raising premiums.

Improvements to the Pension Insurance Modeling System and Related Reports

PBGC's primary forecasting model is the Pension Insurance Modeling System (PIMS). The model is periodically evaluated through a congressionally mandated peer review by outside experts, required under the Moving Ahead for Progress in the 21st Century Act (MAP-21). An independent review was performed to review data inputs and the data set preparation process.

The peer reviews provide recommendations to improve the plan, participant, and plan sponsor data used to produce the PIMS projections. PBGC uses these reviews to improve PIMS. The Corporation also uses PIMS to generate results reported in its annual Projections Report, the budget process, to illustrate the effects of proposed changes to pension law, and to provide other technical assistance to policymakers. PBGC has undertaken a multiyear effort to improve the speed and performance of PIMS.

Enterprise Risk Management

During FY 2021, the Corporation continued to maintain its risk management framework and conducted its annual agency-wide risk assessment. The assessment found that the enactment of ARP substantially reduced risks related to the timing of the projected Multiemployer Program insolvency. In addition, adverse impacts of COVID-19 on PBGC's workforce were reduced with the use of maximum telework. The Corporation's top entity-wide risks were associated with recruiting and retaining staff, succession planning, technology modernization, and the declining defined benefit market. The Risk Management Council worked with program offices to continuously monitor the risks and the associated mitigation strategies.

Another significant milestone included completion of an Office of the Inspector General evaluation of the Enterprise Risk Management (ERM) Program. Evaluation results conveyed that "PBGC has made substantial progress in implementing their ERM Program." The results of the evaluation validated the maturity of the program and acknowledged the advancement made in standing up and moving the program forward. In addition to pointing out program growth, the evaluation results recommended that PBGC focus on Risk Management Officer succession planning, formalize ERM-related training for those directly involved with the program, and update a related Directive. These actions, which management addressed, facilitated the program's ability to identify and mitigate risks.

The Corporation also continued to:

- Integrate ERM principles into key decision-making processes, such as strategic planning, organizational performance, and budgeting.
- Communicate about ERM agency-wide, to foster a risk management aware culture.
- Identify emerging risks.

Regulatory and other Guidance Activities

ARP added section 4262 to ERISA to create a program to enhance retirement security for millions of Americans by providing SFA to certain financially troubled multiemployer plans. The SFA Program is expected to assist plans covering more than 3 million participants and beneficiaries, including the provision of funds to reinstate suspended monthly benefits going forward, and for make-up payments to restore previously suspended benefits of participants and beneficiaries. In turn, the SFA Program significantly improves the financial condition of PBGC's Multiemployer Program.

Under section 4262 of ERISA, PBGC was required within 120 days to prescribe in regulations or other guidance the requirements for SFA applications. To implement the program, PBGC released an interim final rule adding a new part 4262 to its regulations, "Special Financial Assistance by PBGC." PBGC released the interim final rule on July 9, 2021, and published it in the Federal Register on July 12, 2021, with a 30-day comment period. PBGC received over 100 comments, which are being reviewed, and will move to publish a final rule when the review has concluded.

Part 4262 provides guidance to multiemployer pension plan sponsors on eligibility, determining the amount of SFA, content of an application for SFA, the process of applying, PBGC's review of applications, and restrictions and conditions on plans that receive SFA. PBGC also released instructions and guidance on assumptions used for determining eligibility and the amount of SFA.

In FY 2021, PBGC continued to update its existing regulations, including to protect plan participants and minimize burdens on pension plans and plan sponsors, as part of its ongoing regulatory review. In FY 2021, PBGC published:

- A final rule that implements statutory provisions affecting the determination of a withdrawing employer's liability under a multiemployer plan and annual withdrawal liability payment amount when the plan has had benefit reductions, benefits suspensions, surcharges, or contribution increases that must be disregarded. The final rule also provides simplified withdrawal liability calculation methods.
- A proposed rule that would update PBGC's regulation on requesting, obtaining, and examining records to reflect statutory changes to the Freedom of Information Act (FOIA) and current agency practice.

In addition, in FY 2021, PBGC:

- Complied with an Executive Order on regulations and guidance, "Executive Order on Revocation of Certain Executive Orders Concerning Federal Regulation," by rescinding PBGC's rule on guidance.

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- Published a final rule adopting PBGC's interim final rule as final to exempt from disclosure information contained in a system of records for PBGC's insider threat program.

STRENGTHENING A DIVERSE WORKFORCE AND LEADERSHIP

PBGC continues to be committed to maintaining a diverse and inclusive workplace that ensures alignment with strategic goals and outcomes. In FY 2021, the Corporation continued to focus on strengthening employee performance, increasing leadership engagement, expanding health and wellness programs, and continued efforts to recruit and retain disabled veterans.

The Partnership for Public Service ranked PBGC in the top five best places to work among small federal agencies. The Corporation ranked fourth out of 28 agencies in this category.

Federal Employee Viewpoint Survey

The 2020 Federal Employee Viewpoint Survey (FEVS) was administered September 16, 2020, through October 28, 2020. Survey results for 2020 were received in 2021. The agency's response rate was 73 percent, up from 69 percent of employees who completed the survey in 2019. The results show how PBGC employees rated employee engagement and overall satisfaction. PBGC's Employee Engagement Index score, which measures areas including employee development, was 84 percent, the highest score for this index the agency has seen to date. The agency's Global Satisfaction Index score, which measures employees' satisfaction with their jobs, pay, and organization, was 82 percent. PBGC ranked third among small agencies and government wide. PBGC expects to receive the 2021 FEVS results in early 2022.

Recruitment and Outreach

The Corporation continued to take a proactive approach to retain a highly skilled workforce and staying competitive with the private sector. Accordingly, PBGC began broadening recruitment and retention incentive programs, increasing work life and wellness programs and offerings, and promoting work schedule flexibilities.

PBGC promoted recruitment and retention of disabled veterans via corporate and leadership training programs. As of August 23, 2021, PBGC hired nine veterans including six disabled veterans. Currently, the total disabled veteran population at PBGC is three percent of PBGC's total population. The Corporation's Disabled Veterans Affirmative Action Program has established a partnership with the Department of Veterans Affairs, Veteran Readiness & Employment Team to further support our initiative to increase our veteran hires.

Diversity, Equity, and Inclusion

The Corporation's Special Emphasis Program and Disability Awareness Series presented a Veterans Affairs Benefits Overview and Disability Etiquette Program with employees in attendance. The PBGC Diversity and Inclusion (D&I) Council arranged an agency Community Day Campaign titled "Pension Hidden Figures," along with various monthly Special Emphasis Program observances. Additionally, the Federal Asian Pacific American Council sponsored several educational Diversity, Equity, and Inclusion (DEI) events celebrating their cultural observance.

PBGC's Diversity Council's First Generations Professionals (FGPs) affinity group celebrated its first anniversary. The FGP received tremendous support from senior leadership and partnered with other federal agencies allowing the affinity group to develop and grow a robust program. The FGP has provided a safe, insightful, and comfortable space for those who are among the first in their immediate families to attend college or enter a professional work environment.

Performance Management

PBGC is a performance-based organization. Its professionals are held to high standards of excellence in achieving organizational results. The Corporation's Performance Management Program ensures supervisors have the necessary tools and resources to effectively manage employee conduct and performance that align with and support organizational goals. In FY 2021, PBGC provided over 20 performance management virtual training courses further supporting leadership in their performance management activities.

Management and Leadership Development

In FY 2021, PBGC offered 19 virtual sessions under the umbrella of two management development series: Sustaining Engagement and Productivity in Times of Change and Cultivating Resilience-Generating Energy. These sessions were designed to support supervisors to effectively deal with the changing work landscape due to the COVID-19 pandemic.

The Leadership/Executive Coaching Program was expanded to include GS-13s as potential coaching clients. The expanded coaching program increases leadership capacity and strengthens PBGC's succession planning strategies.

Equal Employment Opportunity

The Office of Equal Employment Opportunity (OEEO) is responsible for providing leadership in the development, implementation, and evaluation of the Equal Employment Opportunity (EEO) programs and services within the Corporation. The office provides technical guidance, advice, and equal opportunity support services to PBGC employees and applicants regarding the federal government's equal opportunity program. OEEO continues to build a Model EEO Program that reflects the six essential elements as described in Management Directive 715 (MD-715):

- Demonstrates commitment from agency leadership.
- Integrates EEO into the agency's strategic mission.
- Ensures management and program accountability.
- Works to ensure program is efficient.
- Proactively prevents unlawful discrimination.
- Ensures responsiveness and legal compliance.

The MD-715 is the policy guidance which the EEOC provides to federal agencies for their use in establishing and maintaining effective programs of equal employment opportunity.

The Affirmative Employment Program (AEP) promotes equal employment opportunity by identifying discriminatory employment policies, practices, and procedures that impede equal employment opportunity for all workforce demographics. The AEP Team presented events and activities that supported equal employment opportunity. These included:

- YOUNiversity, PBGC's Bias Awareness Program.
- An agency-wide two-part workshop titled "Daring Dialogues" regarding topics on race and racism.
- PBGC's Education & Enrichment Book Club, which facilitates discussions around equal employment opportunity and diversity in the workplace.
- Collaboration with Affirmative Employment Committees to identify and support the employment needs of women, Hispanics, and persons with disabilities and addressing any barriers to opportunity for those groups.
- Collaboration with department leadership regarding their EEO needs. An EEO Dashboard was developed and implemented to support departmental leadership in their EEO efforts. The EEO dashboard allows departmental leadership to view their workforce demographics on a quarterly basis to determine areas that may require continued focus on diversity and inclusion metrics. This tool also supports departmental succession planning goals.

The Corporation met its annual requirements to conduct a barrier analysis in an effort to identify and mitigate barriers to equal employment opportunity and to develop programs that support equal employment opportunity. The Corporation also develops the annual State of the Agency MD-715 report and presented a high-level overview of information regarding PBGC's EEO program to the Executive Management Committee. The report is available on PBGC.gov.

SAFEGUARDING CUSTOMERS' INTERESTS

Participant and Plan Sponsor Advocate

The PBGC Participant and Plan Sponsor Advocate (the Advocate) is an independent entity within PBGC. The Advocate is selected by PBGC's Board of Directors (the Board) and reports to the Board and Congress. The Advocate acts as a liaison between PBGC, sponsors of insured defined benefit plans, and participants in PBGC-trusted plans. The duties of the position include advocating for the full attainment of the rights of participants in trusted plans, as well as assisting participants and plan sponsors in resolving disputes with the Corporation. The Advocate also identifies areas where participants and plan sponsors have persistent problems in dealing with PBGC and may propose changes in PBGC's administrative practices and recommend legislative changes to mitigate problems. The Advocate is statutorily required to submit an annual report to PBGC's congressional committees of jurisdiction, the Board, and PBGC's Director.

The Advocate's annual report, issued on December 31, 2020, detailed the Office of the Advocate's participant and plan sponsor cases and activities, as well as the Advocate's latest initiative to create a pension plan registry to help participants searching for their lost pension plans. While the report described some responsive changes by PBGC to address prior Advocate recommendations, the Advocate again highlighted the need for increased managerial oversight and a critical review of PBGC's processes and procedures to

ensure that participant and plan sponsor cases are resolved in a timely and transparent manner, particularly when a matter involves multiple departments within the Corporation.

Strengthening E-Government and Information Technology

While in a maximum telework posture, the Office of Information Technology (OIT) continued to deliver on the objectives, measures, and goals outlined in PBGC's Strategic Plan and the Information Technology (IT) Strategic Plan. Recent system modernization efforts included Integrated Present Value of Future Benefits (IPVFB), Benefit Calculation and Valuation (BCV) phases 1 and 2, My Plan Administration Account (My PAA), and telephony infrastructure modernization. A synopsis of these and all significant IT modernization efforts can be found on PBGC.gov. PBGC enhanced the security and reliability of its IT services and solutions through investments in infrastructure, moving to co-located data centers, enabling multi-factor authentication for internal- and external-facing customer solutions, modernizing mission critical systems, and migrating systems to the cloud. These activities enabled PBGC staff to effectively conduct business during maximum telework necessitated by the COVID-19 pandemic.

Additionally, PBGC used cloud computing, shared and managed services, and in-house systems to enable a flexible, reliable, scalable, secure, and cost-effective IT infrastructure. PBGC's IT modernization efforts are designed to leverage technology to facilitate data driven-driven decisions throughout the deployment of enterprise-wide platforms and solutions that provide secure and reliable access to PBGC's IT systems to stakeholders at any time and from anywhere.

Additional OIT accomplishments include:

- Completed the Office of Management and Budget (OMB) FY 2020 Annual Federal Information Security Modernization Act (FISMA) Report. PBGC was rated in the top 40 percent of agencies based upon IG FISMA ratings. PBGC maintained its FISMA "Managed-Risk" Risk Management Assessment grade while continuing to mature its Security and Privacy Assessment and Authorization Program through updates and improvements to PBGC's Risk Management Framework Process.
- Complied with all Cybersecurity & Infrastructure Security Agency (CISA) Emergency Directive (ED) actions and reporting requirements, including ED 21-01 – Mitigate SolarWinds Orion Code Compromise, ED 21-02 – Mitigate Microsoft Exchange On-Premises Product Vulnerabilities, ED 21-03 – Mitigate Pulse Connect Secure Product Vulnerabilities, and ED 21-04 – Mitigate Windows Print Spooler Service Vulnerability.
- Organized PBGC's second annual Cybersecurity Awareness Week in a virtual format. Speakers and subject matter experts were recruited from a myriad of federal agencies including NIST, OMB, CISA, Department of State, and GSA to discuss various IT and cyber related topics to a PBGC audience of more than 200 end users. The event also contained a series of security trainings to promote awareness on "being cyber smart" and learning about various cybersecurity and privacy protections. Also matured the security training program to include a "Check My Requirements" dashboard for those with "significant" security training roles or responsibilities.

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- Achieved on-going authorization of all FISMA reportable systems by leveraging PBGC’s Information Security Continuous Monitoring (ISCM) program and an interactive information technology security performance dashboard.
 - Achieved rating by OIG FISMA Cybersecurity Framework (CSF) audit at CMM Level 4 – Managed and Measurable, and an overall assessment of “Effective.”
 - Implementing actions to comply with Presidential Executive Order 14028, including Memoranda of Agreement with DHS CISA, critical software use and configuration guidance, Cyber-Supply Chain Risk Management, Multi-Factor Authentication, Zero-Trust Architecture, and Cloud Computing Strategy.

Ensuring Ethical Practices

In FY 2021, PBGC continued to ensure that nearly all employees received initial ethics training within 90 days of their date of hire and that separating employees had the opportunity to meet with an ethics counselor to discuss the rules on post-employment activities. All public financial-disclosure filers and other designated employees received annual ethics training by the end of the fiscal year. PBGC’s ethics team continued its “Ethics in Brief” email notices to all PBGC employees on various topics of interest, including seeking employment. PBGC also emailed information to all employees regarding the Hatch Act.

Protecting Privacy Interests

Among PBGC’s highest priorities is protecting the personal information of its participants, beneficiaries, employees, and contractors. In FY 2021, the Privacy Office continued PBGC’s transition from a compliance approach to privacy to a more risk-based approach. While a compliance approach focuses on whether certain criteria are met, a risk-based approach focuses on quality and content. This transition included reviewing PBGC’s systems and processes to optimize the confidentiality, integrity, and availability of the information PBGC maintains.

PBGC virtually hosted its annual Privacy Week, which offered training and information about various privacy topics. The Privacy Office also conducted training for the Breach Response Team (BRT), including a table-top exercise to address an open recommendation from the FISMA audit.

In addition, PBGC conducted annual inventories of its personally identifiable information holdings and led the way in reducing the agency’s collection and use of Social Security numbers (SSNs). The Senior Agency Official for Privacy with the support of the Privacy Office stood up the SSN Reduction Board, successfully closing three audit findings from a 2019 OIG audit concerning PBGC’s efforts to reduce the collection and use of SSNs.

Strengthening Transparency & Disclosure

PBGC continued to be a leader among federal agencies in its commitment to transparency and accountability by ensuring agency-wide compliance with FOIA. In FY 2021, the Disclosure Division received and processed more than 3,400 requests, with a median processing time of 13 working days, seven days below the statutory time-limit. The division conducted 25 virtual trainings to ensure efficient and accurate corporate-wide compliance to the FOIA and participated in seven Department of Justice-sponsored training events. Again, the Disclosure Division finished FY 2021 with zero backlogged cases.

The Disclosure Division maintained effective and timely communication with all information requesters while operating a digital operation in response to the pandemic. During Sunshine Week, an event sponsored by the Department of Justice to recognize the importance of FOIA for government transparency, PBGC's Disclosure Division received the distinguished Exceptional Service Award for their professional dedication to the success of the PBGC's FOIA administration. The Disclosure Division maintained exceptional service by maximizing the use of technology to promote efficiency and strategic human capital management to eliminate barriers to agency transparency. PBGC once more received a perfect scoring of "100" from DOJ in five key areas: applying a presumption of openness; having an efficient system in place for responding to requests; increasing proactive disclosures; utilizing technology; and reducing any backlogs/improving timeliness.

INDEPENDENT EVALUATION OF PBGC PROGRAMS

PBGC programs are regularly subject to independent evaluations that help the Corporation remain true to its mission and accountable for services provided to the public. To maintain high standards of stewardship and accountability, PBGC continues to strengthen controls over operations, financial reporting, and compliance with laws and regulations.

Office of Inspector General (OIG)

PBGC places a strong emphasis on diligently addressing OIG's audit recommendations. To facilitate timely completion and closure of OIG recommendations, regular status reports are issued to executive management to assist in monitoring corrective actions. Once work on recommendations is completed, the Corporation provides evidence documenting the corrective actions taken for OIG review.

PBGC is committed to addressing OIG recommendations in a timely manner. During FY 2021, PBGC closed 55 audit recommendations, including 17 related to the three significant deficiencies identified in the Audit of PBGC's Fiscal Year 2019 and 2018 Financial Statements — Controls over Actuarial Estimates, and Access Controls, and Configuration Management. Also, during FY 2021, PBGC received 42 new audit recommendations resulting in 62 open at the end of FY 2021.

PBGC's OIG oversaw the FY 2021 annual financial statement audit completed by an independent public accounting firm, Ernst & Young LLP. In addition, during FY 2021, OIG performed other audits and evaluations, including the following:

- **Audit of the Pension Benefit Guaranty Corporation's Fiscal Year 2020 and 2019 Financial Statements (AUD-2021-02/FA-20-148-1), issued December 9, 2020.** In this report, OIG stated this is the 28th consecutive unmodified financial statement audit opinion. PBGC continues to develop and execute corrective actions to remediate previously reported internal control deficiencies related to its actuarial liability estimates. PBGC remediated several previously identified internal control deficiencies by executing sensitivity analyses, developing reasonableness thresholds for Present Value Future Benefits (PVFB) and the present value of nonrecoverable future financial assistance (PVNRFFA) estimates, and conducting an experience study over its 10-year projected insolvency criteria for PVNRFFA estimates. In the report, OIG identified the following two significant deficiencies:
 - Controls over the Actuarial Estimates.
 - Controls over Information Systems – Segregation of Duties.

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- **Internal Controls Must Be Strengthened to Promote Procurement Integrity (AUD-2021-01/PA-20-149), issued December 8, 2020.** At the request of the PBGC Director, in May 2020 OIG initiated an audit of procurement practices. Following the former PBGC Procurement Department (PD) Director's guilty plea in May 2020, OIG found he steered the contract in the bribery case by including overly restrictive personnel requirements in the solicitation and then increased its value to \$3.3 million through out-of-scope modifications. In addition, a follow-on contract was awarded to the same contractor for \$1.5 million. In total, OIG identified \$4.8 million as questioned costs because the contracts were obtained through fraudulent means. The former PD Director's actions were enabled by internal control weaknesses; specifically, inadequate oversight of PD procurements and a lack of a control mechanism to ensure that PD sent all requisite contract actions for legal review. OIG made three recommendations to the Corporation, two of which are closed, and corrective actions are ongoing for the remaining recommendation.
 - **PBGC's Fiscal Year 2020 Compliance with the Payment Integrity Information Act of 2019 (EVAL-2021-08/EV-21-153), issued May 10, 2021.** As required by the Payment Integrity Information Act of 2019 (PIIA), OIG reviewed PBGC's compliance with improper payment requirements. For FY 2020, PBGC's risk assessments of Payments to Federal Employees were reviewed, and it was determined that PBGC was compliant with the PIIA risk assessment and reporting requirements.
 - **PBGC Can Improve the Effectiveness of the ERM Program (EVAL-2021-07/EV-20-151), issued March 1, 2021.** OIG concluded that PBGC has made substantial progress in implementing its Enterprise Risk Management (ERM) Program. However, PBGC lacks a properly documented succession plan for the Risk Management Officer position. The lack of a plan may hinder proper succession and continuity of operations and formalized training for those directly involved with the ERM program, which may cause inconsistencies in knowledge bases across PBGC. OIG also noted PBGC uses an outdated directive that does not capture the current ERM guidance covered in OMB Circular A-123, which may lead to ineffective guidance for remediating risks. The OIG made four recommendations to the Corporation. Three of the recommendations have been closed and the corrective action related to the last recommendation has been submitted to the OIG for review.
 - **PBGC Needs to Strengthen Acquisition Planning for Actuarial Support Services (EVAL-2021-09/EV-20-143), issued June 4, 2021.** OIG determined PBGC's acquisition planning for actuarial support services did not meet its needs timely and effectively. Delays in acquisition planning led PBGC to extend the contracts and award follow-on contracts on a sole-source basis. Furthermore, PBGC awarded a contract to assist PBGC with planning for these contracts that had duplicative requirements of an existing contract. As a result, OIG identified \$447,780 in funds that could have been put to better use from the duplicative procurement support contract. Furthermore, the initial firm-fixed-price Indefinite Delivery, Indefinite Quantity (IDIQ) task orders had poorly defined requirements and different amounts of work for the same price. In addition, the new actuarial support services multiple-award IDIQ contracts each contained different timeliness measures and did not have performance measures for the accuracy of contractors' calculations of benefits and related liabilities; this may lead to additional costs from contractors' time spent correcting errors under Labor-Hour and Time-and-Materials task orders. OIG made five recommendations to the Corporation and corrective actions are ongoing.

For more information about OIG’s work in promoting accountability in PBGC operations, visit [OIG.PBGC.gov](https://www.oig.pbcc.gov).

Government Accountability Office (GAO)

GAO’s high-risk report dated March 2021 continued to include PBGC’s Single-Employer and Multiemployer Programs as one of 36 government programs most at risk due to vulnerabilities. The report underscores the risk of PBGC’s Multiemployer Program being exhausted within six years because of projected pension plans’ insolvencies. After GAO’s report was issued, ARP was enacted providing special financial assistance to certain financially troubled multiemployer plans.

PBGC also monitors progress in addressing GAO recommendations. As of September 30, 2021, PBGC had two open GAO recommendations. One relates to a multiagency effort to revise the Form 5500 and the other relates to FOIA. The Corporation has addressed the FOIA open recommendation and will work with GAO to seek closure. For more information about GAO’s work on pensions and retirement security issues, visit [GAO.gov](https://www.gao.gov).

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PBGC FY 2023 Annual Performance Plan

PBGC's current FY 2022-2026 Strategic Plan provides the framework for this annual performance plan. PBGC conducts regular data-driven performance reviews and strategic reviews. Agency leaders review performance data and status reports on a quarterly basis. The continuous evaluation of performance data and customer feedback helps agency leadership to monitor what is working well and what may need to be adjusted. These performance reviews allow agency leaders to realign or adjust human capital and other resources to influence progress on agency goals and priorities.

PBGC's business operations, information technology programs, investment portfolios, budgets, and finances are managed and supported by a multidisciplinary team of professionals and administrative staff. The current workforce consists of just under 1,000 federal employees, who are supported by contractors. Every federal employee has a performance plan with objectives and performance outcomes with their supervisor of record every 120 days. These highly skilled professionals, who are committed to the work of PBGC's mission include:

- Accountants
- Actuaries
- Attorneys
- Auditors
- Benefit Specialists
- Analysts
- Information Technology and Cybersecurity Experts

Each PBGC employee has an important role in the Corporation's mission of protecting America's pensions. We publish an annual performance report of the agency's accomplishments. The framework is consistent with requirements outlined in Government Performance and Results Modernization Act of 2010.

To view the full PBGC FY 2022-2026 Strategic Plan, please visit:

<https://www.pbgc.gov/sites/default/files/pbgc-fy-2022-2026-strategic-plan.pdf>

For the PBGC FY 2021 Annual Performance Report (APR), please visit:

<https://www.pbgc.gov/about/annual-reports/pbgc-annual-performance-financial-report-2021>

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

Strategic Goal 1 Preserve Plans and Protect the Pensions of Covered Workers and Retirees	
Strategic Objectives	Performance Strategies
<p>1. Encourage the continuation and maintenance of pension plans</p>	<ul style="list-style-type: none"> • Engage with employers, workers, and pension practitioners to encourage pension plan continuation and strengthen retirement security • Provide timely, concrete, and practical guidance to plans on the implementation of mergers, partitions, and alternate withdrawal liability proposals to reduce employer risk, while preserving plans and benefits • Maintain a regulatory environment that serves the interests of stakeholders and minimizes the burdens of sponsoring a plan • Educate and inform the multiemployer community (participants, plan sponsors, and other stakeholders) on the effects of the American Rescue Plan Act of 2021 (ARP)
<p>2. Protect workers and retirees when plans are at risk</p>	<ul style="list-style-type: none"> • Preserve plans during bankruptcy and other corporate transactions • Protect the retirement security of workers and retirees and the interest of premium payers in federal courts • Provide technical assistance, analysis, and options to policymakers and Congress to improve the financial stability of the Multiemployer Program • Continue to provide financial assistance to insolvent multiemployer plans
<p>3. ARP Implementation, regulations, guidance to multiemployer plans, and technical assistance to Congress</p>	<ul style="list-style-type: none"> • Research and forecast insurance program activities • Provide guidance to plans on the implementation of mergers, alternate withdrawal liability proposals, and other means to reduce employer risk, while preserving plans and benefits • Provide confidential technical assistance, analysis, and options to Congressional and Executive Branch policy makers to improve the financial stability of PBGC's insurance programs • Review applications for Special Financial Assistance (SFA) from eligible multiemployer plans and requests for financial assistance from insolvent multiemployer plans • Deliver data tables and the Projections Report to Congress and stakeholders

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

	<ul style="list-style-type: none"> Provide stakeholder education and outreach through meetings with stakeholders Continue to provide financial assistance and provide SFA to multiemployer plans
Goal Leaders: Chief of Negotiations and Restructuring/Chief Policy Officer/General Counsel	

Performance Area (\$ in thousands)		FY 2021	FY 2022	FY 2023
Pension Insurance	Total Funding	97,446	91,713	93,197
	Total FTE	230	230	230

<p>Communications, Outreach, Research, and Policy activities support Strategic Objective 1 (Encourage the continuation and maintenance of pension plans) by providing expert analysis and forecasting, ensuring exceptional customer service, evaluating policy options, and strengthening transparency, disclosure, and communication in order to encourage the continuation and maintenance of pension plans. Results are measured through the following Performance Goals, Strategies, and Measures.</p>	
Performance Goal(s):	Performance Strategies:
<ul style="list-style-type: none"> Receive stakeholder input Provide technical assistance and practical guidance to plan sponsors on the implementation of proposed options to reduce risks, while preserving plans and benefits Perform rigorous cost-benefit analysis Prioritize simplification and transparency Research and implement improvements each year to PBGC’s communications (including PBGC.gov) in response to customer feedback and key performance indicators Provide stakeholder education and outreach by holding meetings with participant groups, plan sponsors, practitioner groups, industry 	<ul style="list-style-type: none"> Engage with employers, participants, and pension practitioners to encourage pension plan continuation and strengthen retirement security Provide timely, concrete, and practical guidance to plans on the implementation of mergers, partitions, and alternate withdrawal liability proposals to reduce employer risk, while preserving plans Maintain a regulatory environment that serves stakeholders and minimizes the burdens of sponsoring a plan Educate and inform the multiemployer community (participants, plan sponsors, and other stakeholders) on the ARP Inform stakeholders about provisions of key regulatory proposals and enacted legislative changes Support Congressional and Executive Branch policymakers in providing technical assistance regarding PBGC’s programs

PENSION BENEFIT GUARANTY CORPORATION (PBGC)

<p>associations, and other interested stakeholders</p> <ul style="list-style-type: none">• Provide data-driven communications to stakeholders based on the latest pension research, data, and projections• Inform practitioners and other stakeholders of key new regulations through speaking engagements at stakeholder conferences and meetings	<ul style="list-style-type: none">• Work with stakeholders to promote understanding of major program risks and possible mitigation strategies• Serve as a resource for pension policy analysis and pension research products, education, and guidance• Develop an annual projections report on the future status of the Single-Employer and Multiemployer Programs• Deliver pension insurance data tables annually to educate stakeholders on the facts of PBGC's programs• Maximize education and outreach through meetings with participant groups, plan sponsors, practitioner groups, industry associations, and other stakeholders
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Pension Plan Monitoring and Audit activities support Strategic Objective 2 (Protect workers and retirees when plans are at risk) by reducing liability and exposure to the agency, preserving participants' pension benefits, and completing audits to ensure accurate benefit distribution. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> • Protect pensioners by proactively monitoring PBGC's largest exposures for transactions that may pose substantial risks to participants and retirees • Ensure all plans identified in the statistical sample are opened for audit during the year to ensure that participants receive their full retirement benefits. • Represent PBGC's interests in all bankruptcy cases involving defined benefit pension plans 	<ul style="list-style-type: none"> • Preserve plans during plan sponsor bankruptcies and other corporate transactions • Protect the retirement security of workers and retirees and the interests of premium payers in federal courts • Provide technical assistance, analysis, and options to policymakers and Congress to improve the financial stability of the Multiemployer Program • Continue to provide financial assistance to insolvent multiemployer plans

Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Reportable events resolved within 30 days	N/A (New Measure)	100% (95%)	100% (95%)	N/A (95%)	N/A (95%)
Percent of termination recommendations approved by senior Agency officials	N/A (New Measure)	100% (90%)	100% (90%)	N/A (90%)	N/A (90%)
Standard termination audits completed	N/A (New Measure)	313 (300)	246 (300)	N/A (250)	N/A (225)

What actions will you take in FY 2023 to achieve the targets described above?

- Reportable Events – A triage team will review reportable events. The reportable events are submitted electronically by pension plan sponsors, some via an e-filing portal (that is linked directly to a database) and some via a more traditional email box. In FY 2022, use of the e-filing portal became mandatory. The change was implemented to reduce human error associated with checking the e-mail box and improve Corporate Financing and Restructuring Department's (CFRD) ability to resolve the events timely

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- Termination Recommendations – A multi-layered review process for termination recommendation will be used (detailed in CFRD FMFIA statement) and CFRD will continue to rely on this process to produce well-documented and supported recommendations
- Standard Termination Audits – Management will continue to monitor case submissions to ensure a consistent inventory of audits are reviewed and closed. Additionally, management will periodically evaluate audit closing count and shifts resources as needed to enable meeting the goal and continue to review each audit performed to ensure compliance with PBGC regulations, relevant IRS rules and regulations, and plan provisions

Multiemployer activities support Strategic Objective 3 (ARP Implementation, regulations, guidance to multiemployer plans, and technical assistance to Congress) by issuing regulations, evaluating policy options, providing guidance to multiemployer plans, and delivering technical assistance to Congress. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> • Deliver annual projections report on the future status of the Single-Employer and Multiemployer Programs • Deliver guidance to plans that may be eligible for Special Financial Assistance (SFA) and process plan applications promptly • Publish annual pension data to educate stakeholders on the Single-Employer and Multiemployer programs • Educate and inform the multiemployer community on the effects of ARP • Monitor all multiemployer plans that receive special and regular financial assistance for compliance with laws and regulations • For insolvent plans, maintain rigorous audit standards to ensure accurate benefit 	<ul style="list-style-type: none"> • Research and forecast insurance program activities • Provide guidance to plans on the implementation of mergers, alternate withdrawal liability proposals, and other means to reduce employer risk, while preserving plans and benefits • Provide confidential technical assistance, analysis, and options to Congressional and Executive Branch policy makers to improve the financial stability of PBGC’s insurance programs • Review applications for Special Financial Assistance (SFA) from eligible multiemployer plans and requests for financial assistance from insolvent multiemployer plans • Deliver data tables and the Projections Report to Congress and stakeholders • Provide stakeholder education and outreach through meetings with stakeholders • Continue to provide financial assistance and begin to provide SFA to multiemployer plans

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payments to plan participants, efficient management of any remaining assets, and compliance with laws and regulations					
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Number of SFA applications processed for ME plans	N/A (N/A)	N/A (N/A)	N/A (N/A)	N/A (N/A)	New Measure (268)
Amount of SFA payments to eligible ME plans	N/A (N/A)	N/A (N/A)	N/A (N/A)	N/A (N/A)	New Measure (97.2 B)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Action has not been determined 					

Strategic Goal 2 Pay Pension Benefits on Time and Accurately				
Strategic Objectives		Performance Strategies		
4. Ensure regular monthly benefit payments continue without interruption		<ul style="list-style-type: none"> Continue uninterrupted benefit payments in newly trusteeed plans Process benefit applications timely Prioritize processing plans with greatest number of participants 		
5. Provide accurate and timely benefit calculations		<ul style="list-style-type: none"> Improve the timeliness and completeness of benefit determinations Provide a timely and efficient appeals process for PBGC benefit determinations Resolve appeals quickly and fairly 		
Goal Leaders: Chief of Benefits Administration/Chief Policy Officer/General Counsel				
Performance Area (\$ in thousands)		FY 2021	FY 2022	FY 2023
Pension Plan Termination	Total Funding	195,913	199,213	212,435
	Total FTE	328	328	328

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Benefit Administration activities support Strategic Objective 4 (Ensure regular monthly benefit payments continue without interruption) by processing benefit applications as they are received. Results are measured through the following Performance Goals, Strategies, and Measures.					
Performance Goal(s):	Performance Strategy:				
<ul style="list-style-type: none"> Deliver the first payment on the requested annuity start date 90 percent of time 	<ul style="list-style-type: none"> Process benefit applications timely 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Benefit applications approved within 45 days	90% (87%)	78% (87%)	76% (87%)	N/A (Retire)	N/A (Eliminate)
First payment delivered on requested annuity start date 90 percent of the time	N/A (N/A)	N/A (N/A)	N/A (N/A)	N/A (N/A)	New Measure (90%)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Regular monitoring of applications in process 					

Final Benefit Determination activities support Strategic Objective 5 (Provide accurate and timely benefits calculations) by estimating initial benefit amounts when pension plans are trusted as well as reviewing pension plan records to determine the final benefit and issuing a Benefit Determination Letter. Results are measured through the following Performance Goals, Strategies, and Measures.					
Performance Goal(s):	Performance Strategy:				
<ul style="list-style-type: none"> Ensure that the average time in years to issue a benefit determination (time between trusteeship and benefit determination issuance is 4.5 years) 	<ul style="list-style-type: none"> Improve the timeliness and completeness of benefit determinations 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Average time in years to issue a benefit determination (time between	5.6	5.3	5.9	N/A	N/A

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trusteeship and benefit determination issuance) is 4.5 years	(5.5)	(5.5)	(5.0)	(4.5)	(4.5)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Prioritize plans based on age and size, assign resources, and monitor progress 					

Initial Benefit Estimation activities support Strategic Objective 5 (Provide accurate and timely benefits calculations) by estimating initial benefit amounts when pension plans are trusted as well as reviewing pension plan records to determine the final benefit and issuing a Benefit Determination Letter. Results are measured through the following Performance Goals, Strategies, and Measures.					
Performance Goal(s):		Performance Strategy:			
<ul style="list-style-type: none"> Provide estimated benefits within 10 percent of the final benefit determination 95 percent of the time 		<ul style="list-style-type: none"> Improve the accuracy of benefit determinations 			
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Estimated benefits within 10 percent of the final benefit determination 95 percent of time	96% (95%)	96% (95%)	98% (95%)	N/A (95%)	N/A (95%)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Continue to monitor estimated benefits to assure accuracy 					

The Appeals Program supports Strategic Objective 5 (Provide accurate and timely benefit calculations) by providing Appeals Board decisions on appeals and written explanations on all other inquiries that do not qualify as appeals. Results are measured through the following Performance Goals, Strategies, and Measures.					
Performance Goal(s):		Performance Strategy:			
<ul style="list-style-type: none"> Resolve majority of appeals within one year 		<ul style="list-style-type: none"> Provide a timely and efficient appeals process for PBGC benefit determinations Resolve appeals quickly and fairly 			

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Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Percentage of appeals resolved within 365 days	98% (N/A)	99% (90%)	97% (90%)	N/A (90%)	N/A (90%)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Based on current inventory and expected FY 2022 and FY 2023 incoming appeals, the FY 2022 and FY 2023 target of closing 90 percent of all appeals in 365 days is achievable. FY 2022 and FY 2023 of 90 percent is reasonable based on current workload 					

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Strategic Goal 3 Maintain High Standards of Stewardship and Accountability	
Strategic Objectives	Performance Strategies
6. Provide excellent customer service	<ul style="list-style-type: none"> • Research and implement improvements each year to PBGC’s communications (including PBGC.gov) in response to customer feedback and key performance indicators (e.g., surveys, etc.) • Seek opportunities to reach out to retirees and pension participants with disabilities, limited English proficiency, and limited access to internet
7. Meet or exceed the financial and ethical standards that apply to PBGC as a major financial and government institution, and monitor cash flows (including appropriated funds for SFA payments)	<ul style="list-style-type: none"> • Manage investments prudently consistent with investment policy • Collect insurance premiums due • Continue to monitor the efficient use of PBGC’s cash flows • Maintain a robust control environment that will prevent, detect, and recover improper payments • Conduct quality due diligence on the PBGC investment portfolios
8. Maintain effective IT Security	<ul style="list-style-type: none"> • Maintain adequate IT Security posture based on NIST guidance and implement DHS Cybersecurity Directives • Ensure on-going authorization of all FISMA reportable system by overseeing information security continuous monitoring (ISCM) • Utilize cloud technology and build towards a Zero-Trust Architecture (ZTA) • Fully integrate identify and credential access management (ICAM) solutions
9. Retain a highly skilled workforce	<ul style="list-style-type: none"> • Train a high-quality multidisciplinary workforce • Train supervisors and managers on managing telework employees • Increase and develop innovative virtual management training • Support supervisors and managers on managing employee performance • Incorporate in the monthly Work Life and Wellness themes with live virtual webinars hosted through Federal Occupation and Health (FOH) and Work Life for You

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		<ul style="list-style-type: none"> • Provide live webinars and Department training for Employee Assistance Program (EAP) services • Update respective policies i.e., Student Loan Repayment Program (SLRP) 		
10. Encourage and support a diverse and inclusive work environment that encourages employee engagement		<ul style="list-style-type: none"> • Foster a diverse, high-performing workforce drawn from all segments of American society • Foster a culture of inclusion that encourages collaboration, flexibility, and fairness • Continue to conduct YOUiversity Bias Training to create opportunities for individuals to investigate their bias and to understand bias’s impact on equal employment opportunity 		
11. Strengthen transparency, disclosure, and communication		<ul style="list-style-type: none"> • Provide effective and timely communication with plan participants and other stakeholders • Inform stakeholders about provisions of key legislative and regulatory proposals • Make improvements to annual communications based on quarterly analytics • Foster consistent, fair, and impartial treatment of participants and stakeholders, including those who belong to historically underserved communities • Maintain a secure hosting environment, closely monitor web logs, and respond quickly to any issues that arise 		
12. Strengthen enterprise risk management		<ul style="list-style-type: none"> • Educate and inform stakeholders on the impact of entity-wide risks 		
13. Strengthen contractor oversight to reduce enterprise-wide risks		<ul style="list-style-type: none"> • Identify root causes and incorporate lessons-learned to improve future acquisitions • Improve accountability of acquisition processes 		
Goal Leaders: Chief Management Officer/Chief Financial Officer/ Chief Information Officer/General Counsel/Chief Policy Officer				
Performance Area (\$ in thousands)		FY 2021	FY 2022	FY 2023
Operational Support	Total Funding	164,204	166,410	187,683
	Total FTE	410	410	410

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<p>Customer Service measurement activities support Strategic Objective 6 (Provide excellent customer service) by responding to requests for service and information from pension plan sponsors as well as proving online tools for plan sponsors. Results are measured through the following Performance Goals, Strategies, and Measures.</p>					
Performance Goal(s):		Performance Strategy:			
<p>PBGC actions result in achievement of:</p> <ul style="list-style-type: none"> 80 or higher customer satisfaction score on PBGC's online premium filing tool, My Plan Administration Account (My PAA), by 2022 74 or higher on PBGC's premium filer customer satisfaction survey by 2022 		<ul style="list-style-type: none"> Research and implement improvements each year to PBGC's communications in response to customer feedback and key performance indicators (e.g., surveys, etc.) 			
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
PBGC's actions result in satisfaction scores which meet or exceed targets for My PAA Online survey	79 (80)	90 (80)	71 (80)	N/A (80)	N/A (80)
PBGC's actions result in satisfaction scores which meet or exceed targets for Premium Filer survey	74 (74)	76 (74)	77 (74)	N/A (74)	N/A (74)
<p>What actions will you take in FY 2023 to achieve the targets described above?</p> <ul style="list-style-type: none"> Continue to provide a Problem Resolution Officer to monitor and assist practitioners with system or regulatory updates, issues, or concerns. Review and update the My PAA annual filing system to improve functionality, technical enhancements, and security to ensure PBGC continues providing an outstanding customer experience 					
<p>Customer Service Participant activities support Strategic Objective 6 (Provide excellent customer service) by operating a customer contact center and web portal My Participant Benefit Access (MyPBA) to respond to requests for assistance and provide useful information for pension plan participants, requests for service and information from pension plan sponsors, as well as providing online tools for plan sponsors. Results are measured through the following Performance Goals, Strategies, and Measures.</p>					
Performance Goal(s):		Performance Strategy:			

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<ul style="list-style-type: none"> Achieve scores which meet or exceeds the targets on all three Customer Satisfaction surveys Frequently promote equity through customer outreach and communication, identifying and educating at-risk elderly customers 	<ul style="list-style-type: none"> Research and implement improvements each year to PBGC's communications in response to customer feedback and key performance indicators (e.g., surveys, etc.) Seek opportunities to reach out to retirees and pension participants with disabilities, limited English proficiency, and limited access to internet 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
PBGC's actions result in achievement of a score of 90 or higher on PBGC's Retiree customer satisfaction survey	91 (90)	89 (90)	88 (90)	N/A (90)	N/A (90)
PBGC's actions result in achievement of a score of 77 or higher on PBGC'S MyPBA customer satisfaction survey	77 (77)	78 (77)	64 (77)	N/A (77)	N/A (77)
PBGC's actions result in achievement of 83 or higher on PBGC's Participant Caller satisfaction survey	84 (85)	81 (85)	76 (85)	N/A (83)	N/A (83)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Regular monitoring of customer service delivery 					

Financial Operations activities support Strategic Objective 7 (Meet or exceed the financial and ethical standards that apply to PBGC as a major financial and government institution and monitor flows) by producing financial statements. Results are measured through the following Performance Goals, Strategies, and Measures.					
Performance Goal(s):		Performance Strategy:			
<ul style="list-style-type: none"> Attain an unmodified audit opinion on annual financial statements 		<ul style="list-style-type: none"> Collect insurance premiums due Continue to monitor the efficient use of PBGC's cash flows 			
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)

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PBGC's actions will result in an unmodified Financial Statement Audit	Yes (Yes)	Yes (Yes)	Yes (Yes)	N/A (Yes)	N/A (Yes)
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What actions will you take in FY 2023 to achieve the targets described above?

- Continue to provide accounting, financial reporting and management, as well as premium filing services to the practitioner community and PBGC's financial information to external users
- Perform the following: ascertain and report PBGC's financial condition, perform financial related tasks in compliance with laws and regulations, fulfill premium filing and payment obligations, adhere to applicable accounting principles, and support management's representation as to the adequacy of PBGC's internal controls

Corporate Controls and Reviews Department activities support Strategic Objective 7 (Meet or exceed the financial and ethical standards that apply to PBGC as a major financial and government institution and monitor flows) by providing a written report on results of Improper Payment Risk Assessment for selected payment streams. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:				
<ul style="list-style-type: none"> • Compliance with the Payment Integrity Information Act of 2019 to prevent, detect, and recover improper payments 	<ul style="list-style-type: none"> • Maintain a robust control environment that will prevent, detect, and recover improper payments 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
PBGC's actions will result in compliance with the Payment Integrity Information Act of 2019 (PIIA)	Yes (Compliance with Improper Payments Elimination and Recover Act of 2012)	Yes (Compliance with Improper Payments Elimination and Recovery Act of 2012)	Yes (Compliance with PIIA)	N/A (Compliance with PIIA)	N/A (Compliance with PIIA)

What actions will you take in FY 2023 to achieve the targets described above?

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- Conduct improper payments risk assessment on selected payment streams

Corporate Investment activities support Strategic Objective 7 (Meet or exceed the financial and ethical standards that apply to PBGC as a major financial and government institution and monitor cash flows) by providing investment management service for plans trusted by the PBGC and for assets managed by the Corporation. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> • Comply with the asset allocation set forth in the Investment Policy Statement 	<ul style="list-style-type: none"> • Manage investments prudently and consistent with investment policy • Conduct quality due diligence on the PBGC investment portfolios

Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
PBGC's actions result in compliance with asset allocation listed in current Investment Policy Statement	Yes (Yes)	Yes (Yes)	Yes (Yes)	N/A (Yes)	N/A (Yes)

What actions will you take in FY 2023 to achieve the targets described above?

- Continue to meet the requirements under the Board approved Investment Policy Statement

Information Technology activities support Strategic Objective 8 (Maintain effective IT Security) by producing Annual and quarterly Federal Information Security Management Act (FISMA) reports, “Managing Risk” ratings for Cybersecurity Framework (CSF) functions (identify, protect, detect, respond, and recover), operationalizing an insider-threat program, and automating ICAM functions. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> • Achieve “Managing Risk” on OMB’s Annual FISMA Report Cybersecurity Risk Management Assessment (RMA) • Maintain or exceed “level 4: Managed and Measurable Rating” or as determined by 	<ul style="list-style-type: none"> • Maintain adequate IT Security posture based on NIST guidance and implement DHS Cybersecurity Directives • Ensure on-going authorization of all FISMA reportable system by overseeing ISCM • Utilize cloud technology and build towards a ZTA • Fully integrate ICAM solutions

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<p>the IG as effective overall on the OIG Cybersecurity Framework Functions</p> <ul style="list-style-type: none"> Align agency resources to ensure 100 percent active compliance with Executive Order 14028 requirements and the corresponding agency reporting 					
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
OMB RMA	Yes (Managing Risk)	Yes (Managing Risk)	Yes (Managing Risk)	N/A (Managing Risk)	N/A (Managing Risk)
<p>What actions will you take in FY 2023 to achieve the targets described above?</p> <ul style="list-style-type: none"> Conduct independent control assessments and maximize use of common controls Continually assess FISMA reportable systems for compliance with OMB/DHS mandates Implement applicable CDM requirements utilized for the PBGC cybersecurity dashboard 					

<p>Human Resources activities support Strategic Objective 9 (Retain a highly skilled workforce) through recruitment and retention of a highly skilled and diverse workforce; train leaders who can properly address employee performance and misconduct and operate a comprehensive virtual Work Life and Wellness Program. Results are measured through the following Performance Goals, Strategies, and Measures.</p>	
Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> Increase management participation in training on managing teleworking employees by 10 percent Increase participation in the SLRP by 5 percent by continuing education for management recruitment and retention incentives, increase eligible application pool, and increasing the use of marketing 	<ul style="list-style-type: none"> Train a high-quality multidisciplinary workforce Train supervisors and managers on managing telework employees Increase and develop innovative virtual management training Support supervisors and managers on managing employee performance Incorporate in the monthly Work Life and Wellness themes with live virtual webinars hosted through FOH and Work Life for You

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<p>tools such as program videos, cartoons, and intranet presence</p> <ul style="list-style-type: none"> Provide 10 virtual Work Life and Wellness Programs annually 	<ul style="list-style-type: none"> Provide live webinars and Department training for EAP services Update respective policies i.e., SLRP 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Conduct a minimum of two performance and employee conduct trainings	8 (2)	3 (2)	18 (2)	N/A (2)	N/A (2)
Participate in a minimum of two targeted job fairs	2 (2)	3 (2)	4 (2)	N/A (2)	N/A (2)
Provide work life balance and wellness events	42 (20)	40 (25)	97 (25)	N/A (25)	N/A (25)
Conduct a minimum of two managing telework employee trainings	N/A (N/A)	N/A (N/A)	N/A (N/A)	New Measure (2)	N/A (2)
Promote retention incentives	N/A (N/A)	N/A (N/A)	N/A (N/A)	New Measure (2)	N/A (2)
What actions will you take in FY 2023 to achieve the targets described above?					
<ul style="list-style-type: none"> Update the SLRP Directive Continue offering virtual training courses on managing employees 					

<p>Equal Employment Opportunity activities support Strategic Objective 10 (Encourage and support a diverse and inclusive work environment that encourages employee engagement) by assisting in the eradication of employment discrimination, improving diversity in the workplace, and creating an environment where all PBGC employees are valued, respected, and free to develop and perform to their fullest potential. Results are measured through the following Performance Goals, Strategies, and Measures.</p>	
Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> Achieve 85 percent positive score for employee engagement on the Federal 	<ul style="list-style-type: none"> Foster a diverse, high-performing workforce drawn from all segments of American society

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Employee Viewpoint Survey by 2026 <ul style="list-style-type: none"> By 2026 and per EEOC’s benchmark, have GS-15 and SL grade representation more reflective of the agency’s total workforce 	<ul style="list-style-type: none"> Foster a culture of inclusion that encourages collaboration, flexibility, and fairness Continue to conduct YOUniversity Bias Training to create opportunities for individuals to investigate their bias and to understand bias’s impact on equal employment opportunity 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Increase gradually – half percent each year until grade representation for these groups increases in GS-15 and SL	Yes (Yes)	No (Yes)	No (Yes)	N/A (Yes)	N/A (Yes)
What actions will you take in FY 2023 to achieve the targets described above? <ul style="list-style-type: none"> Continue to conduct barrier analysis to identify potential barriers to equal employment opportunity Continue to build relationships with and support each PBGC Department Director’s EEO efforts with the ongoing OEEO point of contact assignment Continue to leverage affirmative employment committees to assist in determining the needs of PBGC’s workforce Continue to be proactive in mitigating complaints by providing EEO training that informs and educates on anti-discriminatory and anti-harassment behavior Continue to offer YOUniversity Bias Awareness Training and other programs that support inclusivity in an effort to guide individuals in identifying workplace behaviors that support equal employment opportunity and behaviors that help mitigate discrimination Continue to offer the Education & Enrichment Book Club Series and Daring Dialogue and other ad hoc workshops that support opportunities for perspective-sharing and to understand another’s dimensions of identity in the workplace 					

External Corporate Internet Program activities support Strategic Objective 11 (Strengthen transparency, disclosure, and communication) by providing online tools for plan participants and plan sponsors and continuing to enhance the website experience for the general public, plan participants, and sponsors. Results are measured through the following Performance Goals, Strategies, and Measures.	
Performance Goal(s):	Performance Strategy:

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<ul style="list-style-type: none"> • Comply with all FOIA deadlines and maintain model disclosure program • Research and implement improvements each year to PBGC’s communications (including PBGC.gov) in response to customer feedback and key performance indicators (surveys, etc.) • Maximize stakeholder education and outreach, including published regulation by holding frequent meetings with participant groups, plan sponsors, practitioner groups, industry associations, and other interested stakeholders • Provide annual data-driven data tables and projection reports to stakeholders based on the latest pension research, data, and projections • Ensure stakeholder access to information on PBGC.gov by monitoring and improving the website’s performance and security, and working with its host to minimize service interruptions 	<ul style="list-style-type: none"> • Provide effective and timely communication with plan participants and other stakeholders • Inform stakeholders about provisions of key legislative and regulatory proposals • Make improvements to annual communications based on quarterly analytics • Foster consistent, fair, and impartial treatment of participants and stakeholders, including those who belong to historically underserved communities • Maintain a secure hosting environment, closely monitor web logs, and respond quickly to any issues that arise 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Number of improvements to the usability and content of PBGC.gov per year	N/A (New Measure)	7 (6)	10 (8)	N/A (10)	N/A (10)
PBGC.gov website availability (New Measure starting in FY 2022)	N/A (N/A)	N/A (N/A)	N/A (N/A)	N/A (99%)	N/A (99%)

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PBGC's actions result in satisfaction scores which meet or exceed targets website customer satisfaction online survey	75 (75)	73 (75)	64 (75)	N/A (Retire)	N/A (Eliminate)
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What actions will you take in FY 2023 to achieve the targets described above?

- Continue to implement site improvements as informed by customer feedback, audit results, security enhancements, and web best practices. Continue to host in a FedRAMP environment and closely monitor web performance to minimize service interruptions

Enterprise Risk Management activities support Strategic Objective 12 (Strengthen enterprise risk management) by maintaining an Entity-wide Risk Profile, and Entity-wide Risk Register, monitoring Key Risk Indicators, and emerging risks, and promoting Enterprise Risk Management (ERM) Integration with budget, organizational performance, and strategic planning. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:
<ul style="list-style-type: none"> • Implement enterprise risk management requirements by conducting a risk assessment and providing risk-related training to the Risk Management Council (RMC) and department directors (or their designees) annually • Seven FY 2021 entity-wide risks identified will 	<ul style="list-style-type: none"> • Educate and inform stakeholders on the impact of entity-wide risks • Continuously seek to improve program maturity level by identifying emerging risks • Complete annual risk assessment by OMB deadline • Brief key decision-making bodies on entity-wide risks • Implement Risk Management Office (RMO) succession planning • Deliver ERM training to RMC and Department Directors to ensure consistent knowledge base

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be evaluated during the annual risk assessment					
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Identification of emerging entity-wide risks in a timely manner	N/A (N/A)	Identified 21 emerging risks (Increased identification of emerging entity-wide risks in a timely manner)	Yes (Increase identification of entity-wide risks in a timely manner)	N/A (Increase identification of entity-wide risks in a timely manner)	N/A (Increase identification of entity-wide risks in a timely manner)
Continue knowledge-sharing related to risks	N/A (N/A)	Considered risks, included as decision criteria for budget decisions. Collected risk responses from the APP Point of Contacts (POCs) to identify risks that impeded delivery on FY 2022 performance goals and reviewed with RMC (Increased risk-informed decision-making)	Yes (Increase in risk-informed decision-making)	N/A (Increase in risk-informed decision-making)	N/A (Increase in risk-informed decision-making)
Constant vigilance to foster a risk management culture	N/A (N/A)	RMO webpage updated, quarterly RMO messages distributed to PBGC Federal employees	Yes (Continue to communicate ERM status)	N/A (Continue to communicate ERM status)	N/A (Continue to communicate ERM status)

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		(Continued communication regarding ERM)	
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What actions will you take in FY 2023 to achieve the targets described above?

- Conduct entity-wide risk assessment
- Work with business owners to identify and review key risk indicators and emerging risks
- Integrate enterprise risk management with strategic planning and organizational performance processes
- Include risks as a consideration and decision criteria for budget decisions

Procurement and Acquisition activities support Strategic Objective 13 (Strengthen contractor oversight to reduce enterprise-wide risks) by providing resources for the PBGC acquisition community to strengthen contractor oversight. Results are measured through the following Performance Goals, Strategies, and Measures.

Performance Goal(s):	Performance Strategy:				
<ul style="list-style-type: none"> • Ensure 100 percent of contract actions marked “applicable” undergo legal review 	<ul style="list-style-type: none"> • Identify root causes and incorporate lessons-learned to improve future acquisitions • Improve accountability of acquisition processes 				
Performance Measures and Targets	FY 2019 Actual (Target)	FY 2020 Actual (Target)	FY 2021 Actual (Target)	FY 2022 Actual (Target)	FY 2023 Actual (Target)
Number of activities and streamlined guidance implemented	16 (5)	6 (5)	5 (5)	N/A (5)	N/A (5)
Percentage of contract actions marked “Applicable” undergo legal review	N/A (N/A)	N/A (N/A)	N/A (N/A)	N/A (New Measure)	N/A (100%)
Percentage of requirements originating within OMA sent to CMO for review	N/A (N/A)	N/A (N/A)	N/A (N/A)	N/A (New Measure)	N/A (100%)

What actions will you take in FY 2023 to achieve the targets described above?

- Launching the new Acquisition Lifecycle Management System (ALMS) requirements. ALMS will be preceded by streamlining the Procurement Department’s website, processes, documentation, and reporting

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FY 2021 OPERATIONS IN BRIEF ⁶			
	2022 Target	2021 Actual	2020 Actual
GOAL 1: Preserve Plans and Protect Pensions			
Single-Employer Plan Participants Protected – Employers Emerging from Bankruptcy During the Year		99,345	127,000
Single-Employer Plan Standard Termination Audits: Additional Payments		\$2.6M paid to 1,462 participants	\$1.9M paid to 1,909 participants
Single-Employer Benefit Payments for Terminated Plans			
<ul style="list-style-type: none"> • Participants Receiving Benefits 		970,000	984,000
<ul style="list-style-type: none"> • Benefits Paid 		Over \$6.4B	Over \$6.1B
<ul style="list-style-type: none"> • Participants Expected to Receive Future Benefits 		525,000	552,000
Multiemployer Plan Financial Assistance (FA)			
<ul style="list-style-type: none"> • FA Payments for Facilitated Mergers 		\$230M to 109 plans \$9M	\$173M to 95 plans \$9M
Multiemployer Participants in Insolvent Plans			
<ul style="list-style-type: none"> • Total Participants in Plans Receiving FA 		117,958	107,200
<ul style="list-style-type: none"> ○ Participants in Plans that have Received SFA 		n/a	n/a
<ul style="list-style-type: none"> ○ Participants Expected to Receive Future FA Benefits 		37,172	27,600
<ul style="list-style-type: none"> ○ Participants in Plans Receiving Regular FA 		80,786	79,600
<ul style="list-style-type: none"> • Total Amount of FA Paid to ME Plans 		\$230M	\$173M
<ul style="list-style-type: none"> ○ SFA Payments 		n/a	n/a
<ul style="list-style-type: none"> ○ Regular FA Payments 		\$221M	\$164M

⁶ Numbers in this report have been rounded.

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FY 2021 OPERATIONS IN BRIEF⁶

GOAL 2: Pay Timely and Accurate Benefits

Estimated Benefits Within 10% of Final Calculation	95%	98%	96%
Average Time to Provide Benefit Determinations (Years)	4.5	5.9	5.3
Improper Payment Rates Within OMB Threshold⁷	<1.5%	Yes	Yes

GOAL 3: Maintain High Standards of Stewardship and Accountability

Retiree Satisfaction – ACSI⁸ Score	90	88	89
Participant Caller Satisfaction – ACSI Score	83	76	81
Premium Filer Satisfaction – ACSI Score	74	77	76
Single-Employer - Financial Net Position		\$30.9B	\$15.5B
Multiemployer - Financial Net Position		\$0.5B	(\$63.7B)
Unmodified Financial Statement Audit Opinion	Yes	Yes	Yes
Achieve “Managing Risk” on OMB’s Annual FISMA Report Cybersecurity Risk Management Assessment (RMA)	Yes	Yes	Yes

⁷The OMB threshold for significant improper payment reporting is as follows: amounts that exceed (1) both 1.5 percent and \$10 million in improper payments, or (2) \$100 million in improper payments.

⁸ The American Customer Satisfaction Index (ACSI) uses a 0-100 scale; 80 or above is considered excellent.