



Pension Benefit Guaranty Corporation

IPVFB Privacy Impact Assessment

Version 1.0

March 2007

Prepared by:

PBGC Office of Information Technology (OIT)
Enterprise Information Security Office (EISO)
1200 K Street NW
Washington, DC 20005

Executive Summary Report

I. INTRODUCTION

Federal agencies are required by law to ensure the protection of the personally identifiable information (PII) they collect, store, and transmit. The Pension Benefit Guaranty Corporation (PBGC) is responsible for ensuring proper protections of the information contained within its information systems, including PII. To that end, PBGC developed a Privacy Impact Assessment (PIA) to evaluate whether a system that contains PII meets legal privacy requirements.

PBGC is responsible for ensuring the confidentiality, integrity, and availability of the information contained within its Integrated Present Value of Future Benefits (IPVFB) system. A PIA is used to evaluate privacy vulnerabilities and risks to PII and their implications regarding the IPVFB system.

The PIA provides a number of benefits to Benefit Administration Payment Division (BAPD); including enhancing policy decision-making and system design, anticipating the public's possible privacy concerns, and generating confidence that privacy objectives are addressed in the development and implementation of IPVFB. The PIA Questionnaire provides a framework by which agencies can ensure that they have complied with all relevant privacy policies, regulations, and guidance, both internal and external to PBGC.

II. PURPOSE AND SCOPE

Purpose: The IPVFB system is used to determine PBGC's Present Value of Future Benefits (PVFB) liability for financial reporting purposes.

Scope: A Privacy Impact Assessment was conducted on the IPVFB system. IPVFB is cited on the PBGC Sensitive System List and reported on either the PBGC's Exhibit 53 or via capital asset plans and business cases (Exhibit 300s). It is also listed as a Major Application on the Information Systems Inventory Report. The system is a custom-developed application that is owned by PBGC.

III. PIA APPROACH

A questionnaire was developed in accordance with the FIPS 199 - Standards for Security Categorization of Federal Information and Information Systems, Office of Management and Budget (OMB) requirements, The Privacy Act of 1974, The National Institute of Standard and Technology (NIST) recommendations, and the Federal Enterprise Architecture Business Reference Model (BRM). The questionnaire was developed in order to identify any Personal Identifiable Information (PII).

The questionnaire was given to the Information System Owner (ISO) and Subject Matter Expert (SME) of the IPVFB application for their response. An Information Security Analyst from the TechGuard Security, LLC and the Enterprise Information Security Office (EISO)

staff met with the ISO and SME of the IPVFB to discuss the questionnaire. Responses from the ISO and the SME of IPVFB were obtained and used to fill in the final PIA and analysis.

IV. SYSTEM CHARACTERIZATION

IPVFB is a custom-developed application that is owned by the PBGC. The IPVFB system is used to determine the PBGC's Present Value of Future Benefits (PVFB) liability for financial reporting purposes. The PVFB is defined as the actuarial present value of future pension plan benefits and expenses that the PBGC is, or may be, obligated to pay. There are currently two general methods of estimating this liability for future benefits: the seriatim method and the nonseriatim method.

The seriatim method is used for those plans for which the PBGC has sufficient individual participant data to value each participant's benefit payable by the PBGC. For plans that do not have sufficient individual participant data, the nonseriatim method is used to estimate the PVFB on a plan-by-plan basis. The IPVFB system provides an integrated approach to valuing all PBGC plans through either the seriatim or nonseriatim method.

V. PIA RESULTS

The PIA evaluation revealed that the IPVFB MA system contains PII and only those who are authorized to use the application have access to it and the information contained therein. The users are utilizing the information for the sole purpose of performing their assigned duties. No discrepancies have been discovered.

VI. SUMMARY

IPVFB contains PII in secure online databases. Security is consistent and the servers where the applications and data are stored are physically secured and password protected. Only staff who are authorized to use the application have access to it and the information contained therein. Staff utilizes the information for the sole purpose of performing their assigned duties. Further information can be requested by contracting PBGC's Disclosure Officer.