



Pension Benefit Guaranty Corporation

CHAMPS Privacy Impact Assessment

Version 1.0

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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.

II. PURPOSE AND SCOPE

Purpose: PBGC is responsible for ensuring the confidentiality, integrity, and availability of the information contained within its Corporate Finance Negotiation Division's (CFND) High-tech Actuarial & Financial Management information Pension (CHAMPS) system. A PIA is used to evaluate privacy vulnerabilities and risks and their implications on CHAMPS.

The PIA provides a number of benefits to Insurance Program Office/Department of Insurance Supervision and Compliance (IPO/DISC); 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 CHAMPS. 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.

Scope: A Privacy Impact Assessment was conducted on the CHAMPS application. CHAMPS is cited on the PBGC Sensitive System List and reported 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.

CHAMPS keeps an inventory of all corporate entities (called controlled groups) that sponsor defined benefit pension plans with more than \$50 million in aggregate under funding (aggregate means all the pension plans within the group) and aggregate participants over 5,000. CHAMPS data consists of information on companies such as credit ratings, stock symbols, corporate structure, related entities, risk classification, and a list of pension plans in accordance with most recent PBGC premium filing.

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 Impact Act of 1975, 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 CHAMPS 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 CHAMPS to discuss the questionnaire. Responses from the ISO and the SME of CHAMPS were obtained and used to fill in the final PIA and analysis.

IV. SYSTEM CHARACTERIZATION

CHAMPS is a Lotus Notes-based group of linked databases used for keeping track of the insured inventory and ongoing pre-termination cases for PBGC. The primary users of CHAMPS are financial analysts, actuaries, and managers in the Department of Insurance Supervision and Compliance (DISC) within PBGC. DISC has a goal to monitor the financial status of the companies that sponsor defined benefit pension plans and intervene when the companies propose or undergo corporate event (e.g., bankruptcies, mergers, divestitures, acquisitions, leveraged buy-outs, privatization, stock buy-backs, loan defaults, litigation, etc.) that may increase the risk to pension plan funding over the long run.

More specifically, CHAMPS keeps an inventory of all corporate entities (called controlled groups) that sponsor defined benefit pension plans with more than \$50 million in aggregate under funding (aggregate means all the pension plans within the group) and aggregate participants over 5,000. There are approximately 1,000 corporate entities (with approximately 4,000 pension plans) that meet this definition and each corporate entity is assigned to a financial analyst to monitor.

CHAMPS stores information on each controlled group, such as: credit ratings, stock symbols, corporate structure, related entities, risk classification, and a list of pension plans according to the most recent PBGC premium filing. When companies propose transactions, those transactions are documented in CHAMPS.

As the analysis of the transaction progresses, the DISC financial analyst documents progress and the eventual resolution of the transaction. CHAMPS stores the under funding estimations prepared by DISC actuaries, called a Pension Information Profile (PIP) and has a link to the most current ERISA Section 4010 filing information. DISC also receives, reviews, and responds to ERISA Section 4043 reportable events filed by the plan sponsor. A record of each reportable event received exists in CHAMPS as well as how each event was resolved. CHAMPS reporting capabilities enable managers of each of the 5 DISC Corporate Finance Groups to manage the workload (reportable events, transactions, and monitoring) of their staff.

All case-related incoming and outgoing correspondence (Form 10, Form 200, distress termination applications, requests for information, case close letters) are also scanned into CHAMPS and linked at the corporate level. CHAMPS also stores contact names of individuals by corporate entity.

The highest level of information accessed and processed on the system is considered "sensitive".

V. PIA RESULTS

The PIA evaluation revealed that the CHAMPS application does not contain PII, but does contain sensitive information. 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

CHAMPS does not contain PII. It does contain sensitive data 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 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.