



U.S. Securities and
Exchange Commission



FISCAL YEAR 2025

CONGRESSIONAL
BUDGET JUSTIFICATION
ANNUAL
PERFORMANCE PLAN

FISCAL YEAR 2023

ANNUAL
PERFORMANCE REPORT

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ABOUT THIS REPORT

The Congressional Budget Justification (CBJ) is the annual presentation to Congress that justifies the U.S. Securities and Exchange Commission's (SEC) budget request. This report also includes the Annual Performance Plan (APP) for fiscal year (FY) 2025 and the Annual Performance Report (APR) for FY 2023, focusing on the agency's strategic goals and performance results. This report provides information that satisfies requirements contained in the following laws and regulations listed below:

- Federal Information Technology Acquisition Reform Act
- Good Accounting Obligation in Government Act
- Government Management Reform Act of 1994
- GPRA Modernization Act of 2010
- Inspector General Act of 1978, as amended
- Office of Management and Budget (OMB) Circular A-11, *Preparation, Submission, and Execution of the Budget*
- OMB Circular A-136, *Financial Reporting Requirements*
- Reports Consolidation Act of 2000

This report is compliant with Section 508 of the Rehabilitation Act (29 U.S.C. § 794 (d)). For a machine readable format of the tables found on pages 12-15, download the report and open the Attachments panel in Adobe Acrobat.

An electronic version of this document and its components is available at [SEC.gov/cj](https://sec.gov/cj). To comment on the SEC's FY 2025 CBJ and APP and FY 2023 APR, email OFM_budget_formulation@sec.gov.

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EXECUTIVE SUMMARY

On behalf of the U.S. Securities and Exchange Commission (SEC), I am pleased to submit the fiscal year (FY) 2025 budget request of \$2.594 billion in support of 5,621 positions and 5,073 full-time equivalents. As the SEC's funding is deficit neutral, any amount appropriated to the agency will be offset by transaction fees.

The SEC is critical to the American public. For more than 90 years, the federal securities laws and our work to oversee them have played a crucial role in good times as well as times of stress. The core principles of U.S. securities markets regulation have contributed to America's economic success and geopolitical standing.

At this remarkable agency, we serve investors building for a better future and issuers raising money to fund innovation, while overseeing the \$110 trillion capital markets where they meet. The essence of this is captured in our work on behalf of investors, issuers, and the markets connecting them.

The SEC is the cop on the beat watching out for the investing and issuing public. The dedicated staff of this agency does extraordinary work with limited resources. In the face of significant growth in registrants, more involvement in our markets from individual investors, and increased complexity, the SEC's headcount actually shrank from FY 2016 through FY 2022. In FY 2023, we were approximately three percent larger than we were in FY 2016.

America is blessed with the largest, most sophisticated, and most innovative capital markets in the world. But we cannot take this for granted. Even a gold medalist must keep training.

That's why we're updating our rules for the technology and business models of the 2020s. We're updating our rules to promote the efficiency, integrity, and resiliency of the markets. We do so with an eye toward investors and issuers alike, to ensure the markets work for them and not the other way around. Further, we do so to help ensure the capital markets are worthy of the public's trust.

Moreover, our responsibility is vast. We oversee approximately 40,000 entities—including more than 13,000 registered funds, more than 15,400 investment advisers, more than 3,400 broker-dealers, 24 national securities exchanges, 103 alternative trading systems, 10 credit rating agencies, 33 self-regulatory organizations, and six active registered clearing agencies, among other external entities. In addition, the SEC oversees the Public Company Accounting Oversight Board (PCAOB), the Financial Industry Regulatory Authority (FINRA), the Municipal Securities Rulemaking Board (MSRB), the Securities Investor Protection Corporation (SIPC), and the Financial Accounting Standards Board (FASB).

Our FY 2025 budget request will allow the SEC to address several key priority areas that will affect our resource needs going forward:

Growth and Change in the Markets

We've seen significant growth and change in our markets. More people than ever are participating—trading and using tools and technologies that were unavailable even a few years ago.

For example, as of November 2023, the number of clients of registered investment advisers (RIAs) has grown 61 percent to over 54 million, up from over 33 million in 2018. Further, as of November 2023, the number of registered investment advisers has grown 17 percent to over 15,400, up from over 13,100 in 2018.

Looking at the private funds area, in the last five years, the number of funds has increased 54 percent to approximately 56,000. The assets managed by private fund managers, now at \$26 trillion in gross assets, surpasses the size of the entire U.S. commercial banking sector of approximately \$23 trillion.

Technology is rapidly transforming our markets and business models. These changes range from electronic trading and the cloud to artificial intelligence and predictive data analytics, just to name a few. There has been dynamic change in communications to and among investors, from Reddit forums to celebrity influencers. Further, we've seen the Wild West of the crypto markets, rife with noncompliance, where investors have put hard-earned assets at risk in a highly speculative asset class.

Such growth and rapid change also mean more possibility for wrongdoing. As the cop on the beat, we must be able to meet the match of bad actors. Thus, it makes sense for the SEC to keep pace with the expansion and increased complexity in the capital markets.

Economic and Data Analytics

As markets evolve and become more driven by data and technology, the SEC must remain focused on how it can best use technology and data analytics to surveil the markets, promote competition, and enforce the law.

The FY 2025 budget request will advance the SEC's ability to leverage new analytic techniques—including those derived from machine learning—to identify wrongdoing and understand market events. Such technology may detect possible fraud and misconduct as well as assess the effectiveness of our regulations. It will also benefit the SEC staff who may use this technology—as well as the findings and results it produces—to inform the agency's enforcement, compliance, and regulatory framework.

These tools, coupled with human expertise and evaluations, enable the SEC to further support economic analysis of proposed and adopted rules.

Technology and Data Security

Further, to carry out our mission in a modern digital age, the SEC continues to focus on matters of technology and data security, such as data analytics and management, cybersecurity, migration to the cloud, and modernization of key systems.

The FY 2025 budget request will enable the SEC to implement initiatives in our multi-year strategy, which includes (1) the improvement of information security and identity management practices, including compliance with new cybersecurity requirements and investments in a Zero Trust Architecture; (2) the migration of applications to the cloud and the continued development of secure cloud infrastructure; (3) the implementation of an IT Supply Chain and Vendor Security Program; and (4) modernization of key capabilities such as the Electronic Data Gathering, Analysis, and Retrieval system and enforcement and examinations systems. For FY 2025, the budget request seeks an additional \$60 million for these IT initiatives.

Financial Data Transparency Act

The SEC is also taking steps to implement the Financial Data Transparency Act of 2022, which will require the agency to devote significant time and resources to carry out the Act's directives. Among the directives is a requirement that the Commission and other covered agencies jointly propose rules for public comment that establish data standards for the collection of information reported to each covered agency by financial entities and on behalf of the Financial Stability Oversight Council (FSOC).

The data standards must meet specified criteria relating to openness and machine-readability as well as promote interoperability of financial regulatory data across members of the FSOC. The FY 2025 budget request supports staffing and technology initiatives to implement the Act's requirements.

* * *

The dedicated public servants of the SEC tackle a broad, deep, and impressive array of initiatives on behalf of the investing and issuing public. We do so in a complex and ever-growing marketplace.

America's capital markets are the finest in the world. Through the resources outlined in this FY 2025 Congressional Budget Justification, we at the SEC plan to keep it that way—advancing our mission on behalf of the American public.



GARY GENSLER
Chair
March 11, 2024

ABOUT US

Our Mission

To protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation.

Our Vision

To promote capital markets that inspire public confidence and provide a diverse array of financial opportunities to retail and institutional investors, entrepreneurs, public companies and other market participants.

Our Values

▶ INTEGRITY

We inspire public confidence and trust by adhering to the highest ethical standards.

▶ EXCELLENCE

We are committed to excellence in pursuit of our mission on behalf of the American public.

▶ ACCOUNTABILITY

We embrace our responsibilities and hold ourselves accountable to the American public.

▶ TEAMWORK

We recognize that success depends on a skilled, diverse, coordinated team committed to the highest standards of trust, hard work, cooperation, and communication.

▶ FAIRNESS

We treat investors, market participants, and others fairly and in accordance with the law.

▶ EFFECTIVENESS

We strive for innovative, flexible, and pragmatic regulatory approaches that achieve our goals and recognize the ever-changing nature of our capital markets.



STRATEGIC GOAL 1
Protect the investing public against fraud, manipulation, and misconduct

Strategic Initiative 1.1: Pursue enforcement and examination initiatives focused on identifying and addressing risks and misconduct that affects individual investors.

Strategic Initiative 1.2: Enhance the use of market and industry data, particularly to prevent, detect, and enforce against improper behavior.

Strategic Initiative 1.3: Modernize design, delivery, and content of disclosures so investors, including in particular retail investors, can access consistent, comparable, and material information to make informed investment decisions.



STRATEGIC GOAL 2
Develop and implement a robust regulatory framework that keeps pace with evolving markets, business models, and technologies

Strategic Initiative 2.1: Update existing SEC rules and approaches to reflect evolving technologies, business models, and capital markets.

Strategic Initiative 2.2: Examine strategies to address systemic and infrastructure risks faced by our capital markets and our market participants.

Strategic Initiative 2.3: Recognize significant developments and trends in our evolving capital markets and adjust our activities accordingly.



STRATEGIC GOAL 3
Support a skilled workforce that is diverse, equitable, and inclusive and is fully equipped to advance agency objectives

Strategic Initiative 3.1: Focus on the workforce to increase capabilities, leverage shared commitment to investors, and promote diversity, equity, inclusion, accessibility, and equality of opportunity.

Strategic Initiative 3.2: Promote collaboration within and across SEC offices, including through rotation and detail programs, and maximize telework opportunities.

Strategic Initiative 3.3: Enhance the agency's internal control and risk management capabilities, including by the development of a robust and resilient program for dealing with threats to the security, integrity, and availability of the SEC's systems and sensitive data.

Strategic Initiative 3.4: Modernize the SEC's technology to enable the mission in a cost-effective, secure, and resilient manner.

HISTORY AND PURPOSE

History

During the peak of the Great Depression, Congress passed the Securities Act of 1933¹ (Securities Act) and the Securities Exchange Act of 1934² (Securities Exchange Act), which established the SEC. These laws were designed to regulate the financial markets and restore investor confidence in U.S. capital markets by providing investors and the markets with reliable information and clear rules to ensure honest dealings. The main purpose of these laws was to ensure the following:

- Companies that publicly offer securities for investment dollars are forthcoming and transparent about their businesses, the securities they are selling, and the risks involved with investing; and
- People who sell and trade securities—brokers, dealers, and exchanges—treat investors fairly and honestly.

Purpose

The SEC is responsible for overseeing the nation’s securities markets and certain primary participants, including broker-dealers, investment companies, investment advisers, clearing agencies, transfer agents, credit rating agencies, and securities exchanges, as well as organizations such as FINRA, MSRB, and PCAOB. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010³ (Dodd-Frank Act), the agency’s jurisdiction was expanded to include certain participants in the derivatives markets, private fund advisers, and municipal advisors.

Each year, the SEC brings hundreds of civil enforcement actions against individuals and companies for violation of securities laws. Examples of infractions are insider trading, accounting fraud, market manipulation, and providing false or misleading information about securities and/or the issuing companies.

To help investors stay informed, the SEC offers the public a wealth of educational information on its website at [Investor.gov](https://www.investor.gov), as well as through an online database of disclosure documents that public companies and other market participants are required to file with the SEC. These can be found at: [SEC.gov/edgar/search/](https://www.sec.gov/edgar/search/).

¹ More information about the Securities Act of 1933 can be found at [SEC.gov/about/laws/sa33.pdf](https://www.sec.gov/about/laws/sa33.pdf).

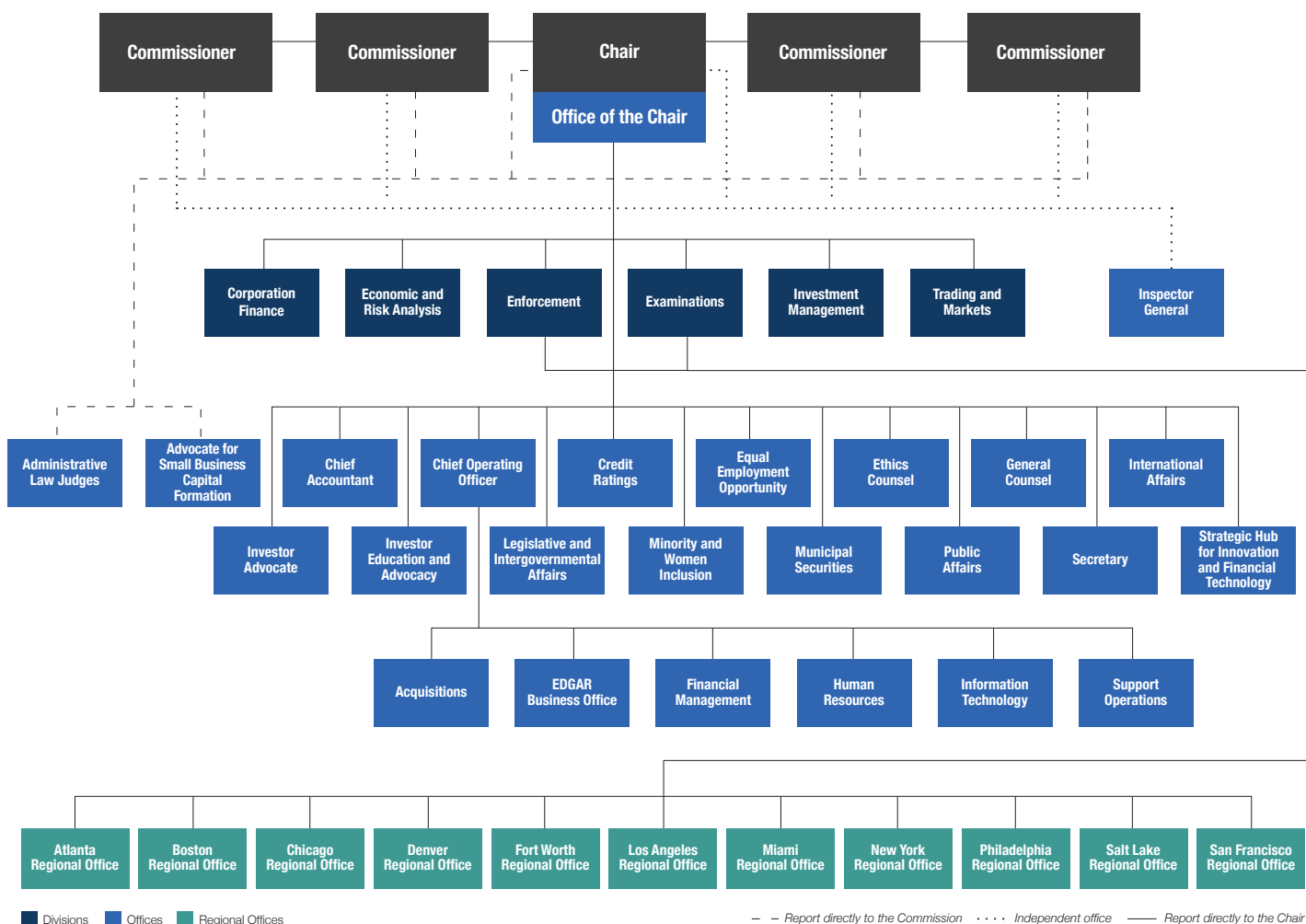
² More information about the Securities Exchange Act of 1934 can be found at [SEC.gov/about/laws/sea34.pdf](https://www.sec.gov/about/laws/sea34.pdf).

³ More information about the Dodd-Frank Act can be found at [SEC.gov/about/laws/wallstreetreform-cpa.pdf](https://www.sec.gov/about/laws/wallstreetreform-cpa.pdf).

ORGANIZATIONAL STRUCTURE AND RESOURCES

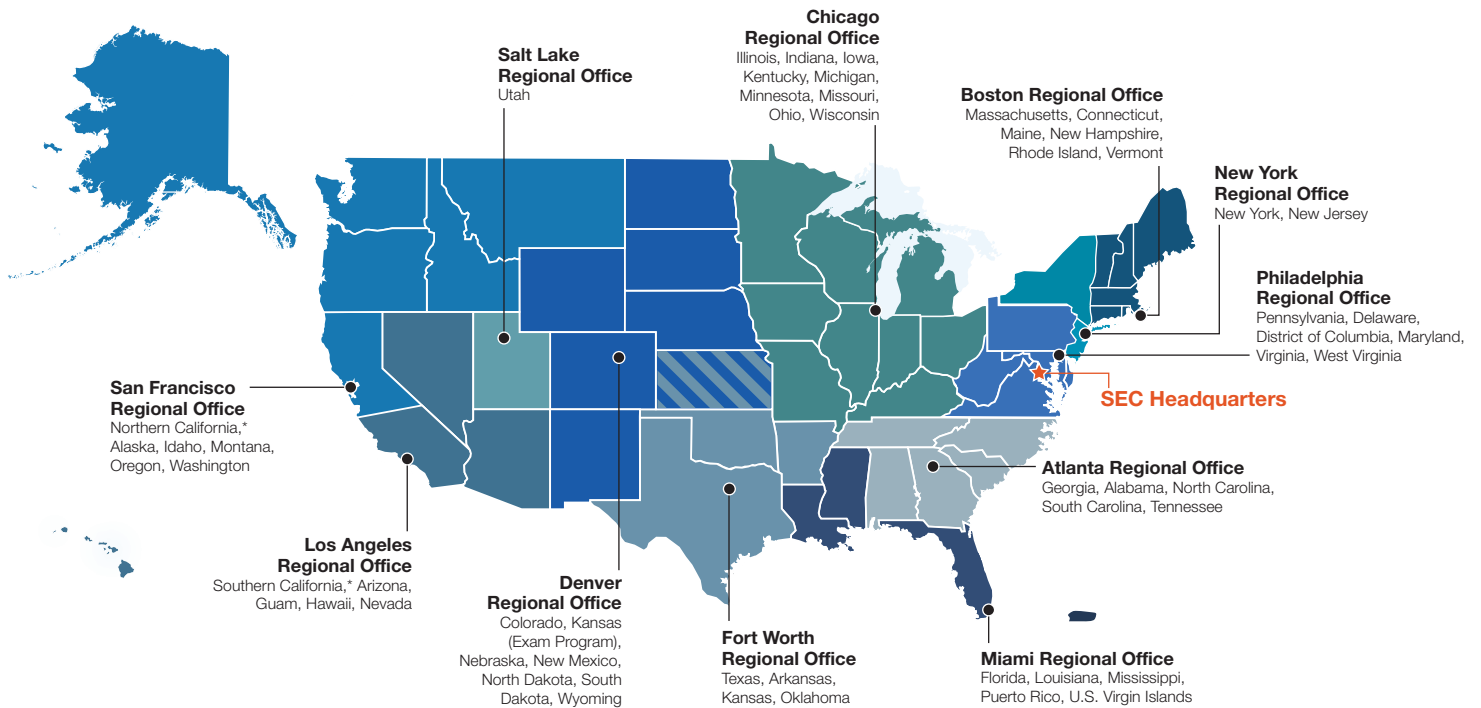
The SEC is an independent federal agency, established pursuant to the Securities Exchange Act of 1934, headed by a bipartisan, five-member Commission. The Commissioners are appointed by the President and confirmed by the Senate. The President designates one of the Commissioners as the Chair. The five Commission members act jointly to set and enforce the rules that govern the securities markets and its participants. The Chair is responsible for overseeing the executive and administrative functions of the agency and more than 4,600 permanent full-time equivalents.

The organization chart below is accurate as of March 2024.



Office Locations

The SEC's headquarters are in Washington, DC, and the agency has 11 regional offices located throughout the country. The regional offices are responsible for investigating and litigating potential violations of the securities laws. The regional offices also have enforcement and examination staff to inspect regulated entities such as investment advisers, investment companies, and broker-dealers. The following graphic illustrates the locations of, and specific areas within, each of the regional offices.



* Northern California includes ZIP codes 93600 and above, and 93200–93299
 Southern California includes ZIP codes 93599 and below, except 93200–93299

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POSITIONS AND FULL-TIME EQUIVALENTS (FTE) BY PROGRAM

	FY 2023 Actual		FY 2024 Continuing Resolution (Annualized)		FY 2025 Request	
	Positions	FTE	Positions	FTE	Positions	FTE
Enforcement	1,512	1,325	1,512	1,420	1,595	1,447
Examinations	1,222	1,064	1,224	1,136	1,267	1,156
Corporation Finance	478	405	479	431	494	447
Trading and Markets	321	263	321	279	332	293
Investment Management	249	209	250	228	267	237
Economic and Risk Analysis	208	168	208	195	230	196
General Counsel	173	147	173	159	180	167
Other Program Offices						
Chief Accountant	52	44	52	47	56	48
Investor Education and Advocacy	45	42	45	43	48	43
International Affairs	61	51	61	59	68	60
Administrative Law Judges	12	7	12	8	12	11
Investor Advocate	17	14	17	18	20	18
Credit Ratings	47	42	47	46	47	46
Municipal Securities	11	8	11	10	14	12
Advocate for Small Business Capital Formation	12	9	12	10	14	12
Strategic Hub for Innovation and Financial Technology	8	7	8	8	10	8
Subtotal	265	224	265	249	289	258
Agency Direction and Administrative Support						
Executive Staff	34	27	34	29	34	30
Public Affairs	26	25	26	25	31	26
Secretary	26	24	26	25	26	25
Chief Operating Officer	47	42	47	44	55	48
Financial Management	90	85	90	86	91	87
Information Technology	238	211	238	221	276	234
Human Resources	127	115	127	121	130	124
Acquisitions	61	57	61	59	64	60
Support Operations	95	89	95	92	95	92
EDGAR Business Office	40	34	40	34	43	37
Ethics Counsel	21	18	21	21	24	22
Minority and Women Inclusion	16	12	16	13	18	15
Equal Employment Opportunity	15	11	15	11	16	14
Subtotal	836	750	836	781	903	814
Inspector General	61	51	61	54	64	58
Subtotal Positions and FTE	5,325	4,606	5,329	4,932	5,621	5,073
SEC Scholars (Temporary FTE)	—	67	—	73	—	83
TOTAL Positions and FTE	5,325	4,673	5,329	5,005	5,621	5,156

OBLIGATIONS BY OBJECT CLASS

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual ¹	FY 2024 Continuing Resolution (Annualized)	FY 2025 Request
Personnel Compensation and Benefits			
Personnel Compensation (11.0)	\$ 1,018,396	\$ 1,137,507	\$ 1,226,133
Personnel Benefits (12.0)	389,733	444,024	471,432
Subtotal, Cost of Personnel Compensation and Benefits	\$ 1,408,129	\$ 1,581,531	\$ 1,697,565
Other Expenses			
Benefits for Former Personnel (13.0)	11	42	51
Travel and Transportation of Persons (21.0)	5,971	7,182	8,850
Transportation of Things (22.0)	109	194	263
Rent, Communications, and Utilities (23.0)	100,362	110,406	109,014
Printing and Reproduction (24.0)	8,363	6,891	7,846
Other Contractual Services (25.0)	628,348	437,268	750,781
Supplies and Materials (26.0)	921	940	1,162
Equipment (31.0)	37,015	36,534	41,735
Land and Structures (32.0)	3,212	637	819
Insurance Claims and Indemnities (42.0)	1,091	760	914
Subtotal, Cost of Other Expenses	\$ 785,402	\$ 600,855	\$ 921,435
Total, Obligations	\$ 2,193,530	\$ 2,182,386	\$ 2,619,000
Less: Anticipated Carryover of Prior Year Unobligated Balances		(3,386)	
Less: Anticipated Recoveries of Prior Year Obligations		(30,000)	(25,000)
Request for SEC Operations	\$ 2,193,530	\$ 2,149,000	\$ 2,594,000
Atlanta Regional Office Potential Buildout and Move-Related Costs		14,415	
Headquarters Move-Related Costs		25,243	
Replacement Leases for the Commission's Office Facilities			8,400
San Francisco Regional Office Move-Related Costs	1,506		

¹ Obligations reported here differ from those shown in the President's Budget Appendix because they include activity only in the stated fiscal year.

STRATEGIC GOAL AND PROGRAM

(DOLLARS IN THOUSANDS)

SEC Program	FY 2023 Actual ¹	FY 2024 Continuing Resolution (Annualized)	FY 2025 Request			
			Goal 1 Investors	Goal 2 Innovation	Goal 3 Performance	FY 2025 Request
Enforcement	\$ 689,306	\$ 675,638	\$ 747,406	\$ 32,496	\$ 32,496	\$ 812,397
Examinations	502,321	497,131	523,011	41,603	29,717	594,330
Corporation Finance	185,528	184,508	145,010	64,697	13,386	223,092
Trading and Markets	123,189	121,926	7,450	111,746	29,799	148,994
Investment Management	93,769	94,775	51,609	55,050	8,028	114,687
Economic and Risk Analysis	87,167	89,022	22,031	53,076	25,036	100,143
General Counsel	69,079	68,926	33,484	24,276	25,950	83,710
Other Program Offices	110,902	112,839	60,073	54,970	19,809	134,852
Agency Direction and Administrative Support	308,042	313,377	23,365	25,099	328,473	376,937
Inspector General	24,227	24,244	29,855	—	—	29,855
Total, Obligations	\$ 2,193,530	\$ 2,182,386	\$ 1,643,294	\$ 463,012	\$ 512,694	\$ 2,619,000
Less: Anticipated Carryover of Prior Year Unobligated Balances		(3,386)				
Less: Anticipated Recoveries of Prior Year Obligations		(30,000)				(25,000)
Request for SEC Operations		\$ 2,149,000				\$ 2,594,000
Atlanta Regional Office Potential Buildout and Move-Related Costs		14,415				
Headquarters Move-Related Costs		25,243				
Replacement Leases for the Commission's Office Facilities						8,400
San Francisco Regional Office Move-Related Costs	1,506					

¹ Obligations reported here differ from those shown in the President's Budget Appendix because they include activity only in the stated fiscal year.

REQUEST SUMMARY OF CHANGES

<i>(DOLLARS IN THOUSANDS)</i>	Positions	FTE	Amount
FY 2024 Continuing Resolution (Annualized)	5,329	4,932	\$ 2,182,386
FY 2025 Base Changes			
Annualization of Prior Year Staffing Actions	—	67	36,533
Other Compensation Adjustments			55,541
Net Changes in Non-Compensation Costs			259,295
Subtotal, Base Changes	—	67	\$ 351,369
FY 2025 Current Services Level	5,329	4,999	\$ 2,533,755
FY 2025 Program Increases			
Addition of 292 Positions (74 FTE):			
Enforcement	83	21	
Examinations	43	11	
Corporation Finance	15	4	
Trading and Markets	11	3	
Investment Management	17	4	
Economic and Risk Analysis	26	7	
General Counsel	7	1	
Other Program Offices	24	6	
Agency Direction and Administrative Support	63	16	
Inspector General	3	1	
Subtotal, Staffing Increases	292	74	\$ 25,245
Increase for Technology			\$ 60,000
Subtotal, Program Increases	292	74	\$ 85,245
FY 2025 Operational Budget Request	5,621	5,073	\$ 2,619,000
Less: Anticipated Carryover of Prior Year Unobligated Balances			
Less: Anticipated Recoveries of Prior Year Obligations			(25,000)
FY 2025 Request for SEC Operations	5,621	5,073	\$ 2,594,000
Replacement Leases for the Commission's Office Facilities			8,400

FY 2025 Appropriations Language

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed \$3,500 for official reception and representation expenses, \$2,594,000,000, to remain available until expended; of which not less than \$21,975,000 shall be for the Office of Inspector General; of which not to exceed \$275,000 shall be available for a permanent secretariat for the International Organization of Securities Commissions; and of which not to exceed \$100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations and staffs to exchange views concerning securities matters, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance including: (1) incidental expenses such as meals; (2) travel and transportation; and (3) related lodging or subsistence.

In addition to the foregoing appropriation, for move, replication, and related costs associated with replacement leases for the Commission's office facilities, not to exceed \$8,400,000, to remain available until expended: *Provided*, That any unobligated balances from funds made available under this heading in prior Acts for replacement leases for the Commission's headquarters and other regional office facilities may be used for such purposes at any Commission office facility, notwithstanding provisos in such Acts limiting use to particular office facilities, and notwithstanding provisos in such Acts requiring that de-obligated amounts derived from the general fund be returned to the general fund or that de-obligated amounts derived from fees or assessments be paid to national securities exchanges and national securities associations in proportion to any fees or assessments paid by such national securities exchange or national securities association.

For purposes of calculating the fee rate under section 31(j) of the Securities Exchange Act of 1934 (15 U.S.C. 78ee(j)) for fiscal year 2025, all amounts appropriated under this heading shall be deemed to be the regular appropriation to the Commission for fiscal year 2025: *Provided*, That fees and charges authorized by section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) shall be credited to this account as offsetting collections: *Provided further*, That not to exceed \$2,594,000,000 of such offsetting collections shall be available until expended for necessary expenses of this account and not to exceed \$8,400,000 of such offsetting collections shall be available until expended for move, replication, and related costs under this heading associated with replacement leases for the Commission's office facilities: *Provided further*, That the total amount appropriated under this heading from the general fund for fiscal year 2025 shall be reduced as such offsetting fees are received so as to result in a final total fiscal year 2025 appropriation from the general fund estimated at not more than \$0.

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DIVISION OF ENFORCEMENT

The Division of Enforcement (ENF) is critical to the Commission’s ability to fulfill its three-part mission: protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. ENF’s efforts to uncover misconduct and deter and punish securities law violators are critical to safeguarding millions of investors and instilling confidence in the integrity of the U.S. markets. As a result of ENF investigations and recommendations each year, the Commission brings hundreds of civil and administrative enforcement actions against individuals and entities for fraud; financial and accounting irregularities and misstatements; misconduct by investment professionals and regulated entities; and other violations. The meaningful remedies that the Commission obtains through enforcement actions deter future wrongdoing and, when possible, deprive violators of the fruits of their misconduct. The Commission often seeks to return funds obtained in enforcement actions to harmed investors. ENF also seeks bars and suspensions that prevent wrongdoers from working in the securities industry or being officers and directors of public companies.

ENF is focused on bringing meaningful cases that cover the entire securities waterfront, protect investors in new and emerging areas, hold wrongdoers accountable with meaningful remedies that shape market behavior, and bolster the public’s trust in financial markets. ENF focuses on addressing (1) misconduct targeting investors; (2) risks posed by cyber-related misconduct and related failures regarding technological controls; (3) the activities of investment advisers, broker-dealers, and other registrants; (4) financial reporting and disclosure issues involving public companies, their executives, and their auditors; (5) misconduct by gatekeepers; and (6) insider trading and other abusive market practices. Although these areas are priorities for ENF, the division also continues to pursue potential securities law violations in other areas as it seeks to protect investors and the integrity of the market.

FY 2023 was a successful year for ENF. The Commission, acting on recommendations by ENF, brought a broad mix of enforcement actions that addressed a wide variety of misconduct across the spectrum of the securities markets, charged several “first-of-their-kind” cases, and took significant action to protect investors in new and emerging areas, including cases charging misconduct involving cyber issues and crypto securities.

FY 2025 Request

For FY 2025, ENF requests 33 additional positions. These positions will enhance ENF’s ability to timely pursue the wide variety of misconduct within the SEC’s remit. They will also strengthen the division’s capabilities to investigate new and emerging issues. Because the number of litigated cases is likely to rise, ENF requires additional resources to ensure that it has an adequate number of attorneys to staff the increasing number of litigated cases.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	1,325	1,420	1,447
Cost:			
Salaries and Benefits	\$ 415,737	\$ 462,608	\$ 492,621
Non-Personnel Expenses	273,569	213,030	319,776
Total Costs	\$ 689,306	\$ 675,638	\$ 812,397

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Intelligence Analysis			
Investor Tips and Complaints	35,899	39,000	42,500
Matters Under Inquiry Opened	728	750	764
Investigations			
Opened	921	949	967
Ongoing at End of Year	1,479	1,523	1,553
Proceedings			
Administrative			
Opened	553	570	581
Pending at End of Year	1,378	1,419	1,447
Civil Litigation			
Opened	231	238	243
Pending at End of Year	2,145	2,209	2,252

DIVISION OF EXAMINATIONS

The Division of Examinations (EXAMS) maintains a critical presence among market participants by annually conducting thousands of examinations that provide timely, accurate, and reliable information that assists the SEC in fulfilling its mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. The results of the division's examinations are used by the SEC to identify and monitor risks, improve industry practices, pursue misconduct, and inform regulatory policy.

The division's risk-based program is designed to focus its limited resources on the firms, market participants, and practices that pose the greatest potential risk of securities law violations that can harm investors and the markets. During FY 2025, EXAMS will prioritize areas that pose emerging risks to investors or the markets as well as important core and perennial risk areas. More specifically, the program will place considerable emphasis on key risk areas, including information security and operational resiliency, crypto assets and emerging financial technology, compliance with recently adopted rules, and additional areas representing significant risks to individual investors, such as the custody and safekeeping of client assets, conflicts of interest, and the activities of advisers to private funds.

EXAMS remains significantly impacted by an industry that continues to evolve and grow at an increasingly rapid pace. Technological innovation and commercial developments continue to impact the way the markets operate and have introduced a variety of new and sophisticated products and services. During FY 2025, roughly 1,200 EXAMS staff will be responsible for examining and overseeing a growing registrant population that includes the following:

- Critical market participants interacting with individual investors, including more than 15,500 investment advisers with over \$115 trillion in assets under management; approximately 800 investment company complexes managing nearly 15,000 investment company portfolios; and approximately 3,500 broker-dealers with roughly 150,000 branch offices.
- Key entities responsible for critical market infrastructure, including 24 national securities exchanges, 315 transfer agents, and at least 9 entities that provide clearing agency functions—including 4 that have been deemed systemically important and additional registered entities that play important roles in the functioning of capital markets.

FY 2025 Request

For FY 2025, EXAMS requests 23 positions to focus on critical division priorities and further efforts to protect investors, including retail investors, working families, and those saving for retirement. The division remains significantly impacted by a rapidly evolving and growing industry, and additional resources are necessary to help EXAMS address key risk areas.

Most importantly, these additional resources will help to achieve the following:

- Strengthen the division's ability to address critical and evolving risks such as those associated with the resiliency of critical market infrastructure, cyber and information security, and crypto assets and emerging technologies.
- Address new regulatory responsibilities impacting the examination program. This includes addressing new entities that are now registered with the SEC, including those in the security-based swap market.
- Focus on conducting examinations of key market participants interacting with individual investors. This includes a continued emphasis on the growing population of investment advisers. In just the last five years, the population of advisers has grown by over 2,300, and the assets managed by these entities has increased by approximately \$30 trillion.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	1,064	1,136	1,156
Cost:			
Salaries and Benefits	\$ 325,376	\$ 363,309	\$ 387,575
Non-Personnel Expenses	176,945	133,822	206,755
Total Costs	\$ 502,321	\$ 497,131	\$ 594,330

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Investment Adviser Examinations	2,362	2,282	2,324
Investment Company Examinations (includes administrators)	72	100	107
Broker-Dealer Examinations	344	381	389
Transfer Agent Examinations	43	43	43
Municipal Advisor Examinations	46	47	47
Market Oversight Inspections ¹	220	234	238
Clearing Agency Examinations	22	23	23
Funding Portal Examinations	5	6	6
Security-Based Swap Entity Examinations	19	19	21

¹ Market Oversight Inspections primarily include inspections of the Financial Industry Regulatory Authority and national securities exchanges.

DIVISION OF CORPORATION FINANCE

In support of the Commission’s mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation, the Division of Corporation Finance (CF) seeks to ensure that investors have access to the information they need to make informed investment decisions when a company offers its securities to the public, and on an ongoing basis as companies continue to provide information to the marketplace. CF also makes recommendations to the Commission for new or revised rules relating to the disclosure requirements for reporting companies and exemptions from registration, and provides interpretive advice to companies on SEC rules and forms.

Disclosure Review Program

CF reviews filings made under the Securities Act of 1933 and Securities Exchange Act of 1934 to both monitor and enhance compliance with disclosure and accounting requirements. The division focuses its review resources on disclosures that appear to be inconsistent with Commission rules or applicable accounting standards, or that appear to be deficient in their rationale or in clarity.

CF conducts its primary review responsibilities through nine specialized industry offices: Crypto Assets, Energy and Transportation, Finance, Industrial Applications and Services, Life Sciences, Manufacturing, Real Estate and Construction, Technology, and Trade and Services.

Rulemaking and Interpretive Advice

CF assists the Commission with proposing and finalizing rules that protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. As part of this effort, CF drafts rules and rule amendments to update disclosure requirements under the U.S. federal securities laws and continuing to implement congressionally mandated rulemaking directives.

The division conducts its rulemaking and interpretative advice through the Office of Chief Accountant, the Office of Chief Counsel, and the Legal and Regulatory Policy Program, the latter of which includes the Office of Rulemaking, the Office of Mergers & Acquisitions, the Office of Structured Finance, the Office of International Corporation Finance, and the Office of Small Business Policy.

FY 2025 Request

For FY 2025, CF requests the following positions:

- Five attorney and accountant positions to support continued enhancements and innovations in the Disclosure Review Program and the division's support offices, including efforts to promote compliance with existing and new disclosure requirements such as disclosures under the Holding Foreign Companies Accountable Act and on other China-related matters. In particular, the additional positions will allow the division to bolster the number of the program's subject matter experts, which are needed to continue its current workload while eliciting enhanced disclosures for investors on important and developing topics and improving data-driven reviews intended to focus on evolving risks.
- Two attorney positions to better support and advance key rulemaking priorities being considered for recommendation, and to respond to market inquiries regarding compliance with existing and new regulatory requirements.
- Two analysts to support and improve existing disclosure review processes to efficiently deploy resources where they are needed and support the SEC's IT and data initiatives, as well as the division's efforts to support the agency's broader undertaking to leverage machine learning and artificial intelligence.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	405	431	447
Cost:			
Salaries and Benefits	\$ 125,374	\$ 139,253	\$ 151,005
Non-Personnel Expenses	60,154	45,255	72,087
Total Costs	\$ 185,528	\$ 184,508	\$ 223,092

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Review			
Reporting Company Reviews	3,290	3,300	3,300
Number of New Issuer Reviews			
IPO 1933 Act	375	375	375
New 1934 Act	85	85	85
Total Reviews	3,750	3,760	3,760
Rulemaking and Interpretive			
Rulemaking Actions	7	10	10
General Advice and Coordination			
No-Action Letters/Interpretive Requests	40	40	40
No-Action Letters (Shareholder Proposals)	190	190	190

DIVISION OF TRADING AND MARKETS

The Division of Trading and Markets (TM) strives to fulfill the SEC's mission by establishing and maintaining standards for fair, orderly, and efficient markets while fostering investor protection and confidence in the markets. To meet the mission requirements, TM is divided into different offices, each of which has specific functions and is focused on a specific part of the markets. These include: (1) Broker-Dealer Finance/Risk; (2) Chief Counsel; (3) Clearance and Settlement; (4) Derivatives Policy and Trading Practices; and (5) Market Supervision. In addition, TM has two groups that serve in market analytics and support functions: the Office of Analytics and Research and the Office of the Managing Executive.

TM supervises the self-regulatory organizations (SRO) and other major market participants in the U.S. securities markets, which, as of September 2023, includes 24 national securities exchanges; 33 National Market System (NMS) stock alternative trading systems (ATS); 70 non-NMS stock ATSs; over 3,400 broker-dealers (BD); 51 security-based swap dealers; 9 registered clearing agencies; over 300 transfer agents; 2 security-based swap data repositories; the Financial Industry Regulatory Authority (FINRA); and various securities information processors.

FY 2025 Request

For FY 2025, TM requests four positions to implement a variety of rulemakings. TM's rulemaking implementation work in FY 2025 will include recently adopted rules, as well as several additional new or revised rules proposed in prior fiscal years, all of which will require TM resources to complete and implement in FY 2025.

TM continues to enhance its supervisory, market monitoring, and data-driven work with several key objectives including identifying market risks, facilitating compliance, and informing policy. TM economists, statisticians, accountants, and data scientists evaluate risks associated with clearing agencies and BDs and analyze complex market structure trends across all securities markets overseen by TM, including the security-based swap, equity, fixed-income, options, and government securities markets.

In connection with all of TM's work, the division must commit resources to support and facilitate data access and internal sharing requirements, in addition to information technology transformation initiatives.

TM actively engages with its counterparts at other government and regulatory agencies—including the U.S. Commodity Futures Trading Commission, U.S. Department of the Treasury, Federal Reserve Board, and other financial and banking regulatory agencies—to enhance the protection of critical market infrastructure from physical and cyber threats and to implement protocols to address such threats or incidents. Through these collaborative efforts, TM works to find ways to further harmonize the agency's respective rules, increase effectiveness, and share critical information about securities markets to identify risks and inform policy. The SEC remains committed to consulting and coordinating with other respective agencies to protect the markets and market participants it oversees.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	263	279	293
Cost:			
Salaries and Benefits	\$ 81,487	\$ 90,339	\$ 99,522
Non-Personnel Expenses	41,702	31,587	49,472
Total Costs	\$ 123,189	\$ 121,926	\$ 148,994

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Securities Firm Supervision			
SRO Proposed Rule Changes Reviewed	122	105	97
SEC Rulemaking, Exemptive Orders, and Interpretive and Other Actions	14	14	14
Interpretive, Exemptive, and No-Action Request Letters Closed	4	4	4
Reviews of Potential Enforcement Actions	1,231	1,150	1,150
Security-Based Swaps — Commission Rule of Practice 194 (Rule 194) Notices and Applications	1	1	1
Notices Filed by SROs Relating to Applications for Admission or Continuance as or with an SRO Member Notwithstanding a Statutory Disqualification	30	31	31
Provision of Interpretation and Guidance and Responding to General Questions	16,530	17,000	17,000
Tips, Complaints, and Referrals (TCR)	135	150	150
Risk Assessment of Broker-Dealers Filing Form 17-H			
Firms Assessed	240	240	240
Filings Reviewed	240	240	240
Number of Form 17-H Filings Received	1,200	1,200	1,200
Risk Supervision of Alternative Net Capital Broker-Dealers			
Firms Assessed	5	5	5
Filings Reviewed	60	60	60
Risk Supervision of Over-the-Counter (OTC) Derivatives Dealers and Security-Based Swap Dealers			
Firms Assessed	50	52	55
Filings Reviewed	368	392	428
Applications Reviewed	2	4	3
Broker-Dealers			
Registrants	3,762	3,962	4,074
Registration Applications Filed	171	191	206
Registration Amendments Filed	9,244	9,294	9,344
Registrations Withdrawn or Canceled	291	341	350
Financial Reports Filed	3,976	4,076	4,101
Security-Based Swap Dealers			
Registrants	51	53	55
Registration Applications Filed	3	2	2
Major Security-Based Swap Participants			
Registrants	—	—	2
Registration Applications Filed	—	2	2

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Workload Data (continued)

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Funding Portals	92	100	100
Security-Based Swap Entities			
Substituted Compliance Orders — Proposed	—	2	2
Substituted Compliance Orders — Final	5	5	5
Substituted Compliance — Memorandums of Understanding (MOU)	6	6	6
Data Repository Access MOU	1	1	1
Securities Market and Infrastructure Supervision			
SRO Proposed Rule Changes and Advance Notices Reviewed	1,749	1,510	1,397
NMS and SRO Plan Amendments Filed	12	20	20
SEC Rulemaking, Exemptive Orders, and Interpretive and Other Actions	18	18	18
Interpretive, Exemptive, and No-Action Request Letters Closed	10	10	10
Securities Exchanges			
Registrants	24	26	28
Registration Applications Filed	1	3	1
Registration Amendments Filed	288	303	319
Registrations Withdrawn or Canceled	—	—	—
Alternative Trading Systems (ATSS)			
ATSS	70	74	111
Initial Operations Reports	21	10	47
Initial Operations Report Amendments	80	90	150
Cessations	11	6	10
Quarterly Reports	236	296	468
NMS Stock ATSS			
NMS Stock ATSS ¹	33	34	68
Initial Form ATS-N	—	2	35
Form ATS-N Amendments Filed	230	230	280
Notice of Cessations Filed	1	1	1
Form ATS-R Quarterly Reports	133	137	273
Security-Based Swap Execution Facilities			
Registrants	—	5	5
Registration Applications Filed	—	5	—
Proposed Rule Changes Filed	—	30	30
Clearing Agencies (Registered)			
Registrants	7	11	11
Registration Applications Filed	1	5	5

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¹ Actual number of NMS Stock ATSS with an effective Form ATS-N.

Workload Data (continued)

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Security-Based Swap Data Repositories			
Registrants	2	3	3
Registration Applications Filed	1	1	1
Transfer Agents			
Registrants ²	251	225	225
Registration Applications Filed ²	9	10	10
Registration Amendments Filed ²	198	200	200
Registrations Withdrawn or Canceled ²	63	10	10
Annual Reports Filed ³	304	275	275
Large Traders			
Registrants	12,092	13,599	15,293
Registration Applications Filed	1,206	1,392	1,607
Registration Amendments Filed	3,106	3,206	3,306
Terminated or Inactive	431	431	431
Annual Reports Filed	5,161	12,092	13,599

² These data include only SEC-registered transfer agents and omit data regarding the approximately 65 transfer agents registered with a bank regulatory agency, which the SEC also oversees.

³ These data only include Forms TA-2 and TA-2/A filed by SEC-registered transfer agents and omit Forms TA-2 and TA-2/A filed with respect to the approximately 65 transfer agents registered with a bank regulatory agency, which the Commission also oversees.

DIVISION OF INVESTMENT MANAGEMENT

The Division of Investment Management (IM) works to fulfill the SEC's mission by administering the Investment Company Act of 1940 and the Investment Advisers Act of 1940 and by developing regulatory policy for open-end management investment companies (commonly known as mutual funds), closed-end funds, variable insurance products, other investment companies, and investment advisers.

IM is responsible for regulating an expansive and growing industry that is the main mechanism through which American investors participate in the nation's capital markets. The division oversees approximately 14,000 mutual funds including money market funds and exchange-traded funds. IM also regulates certain investment advisers to private funds, including private equity, hedge, venture capital, and similar funds. These funds have also experienced dramatic growth over the past decade, tripling their population from approximately 30,000 to 90,000 funds. An important part of IM's mandate is to protect American investors in these products, many of whom are working families investing for their future.

In FY 2025, IM will continue this work by recommending new rules and amendments to the Commission that modernize regulation and ensure investor protection. IM will review existing rules and evaluate their efficacy at providing appropriate protections in light of market trends and developments. In addition, IM will monitor the implementation of recently adopted regulatory changes, such as amendments to the rules governing fund names.

Moreover, the division will continue to review and comment on the thousands of prospectuses, proxy statements, and other disclosure documents filed by registered investment companies and business development companies each year, with a focus on filings by new funds, novel and complex funds, and principal strategy and risk disclosures. In particular, IM will focus on ensuring appropriate protections when reviewing new investment products, such as funds seeking investments in a limited set of crypto-related assets. Finally, IM will continue to provide legal guidance to other parts of the agency, other regulators, and market participants; to consider requests for exemptions from certain regulatory requirements; and to engage with international regulators on issues important to the U.S. asset management industry.

IM is a small division regulating an over \$100 trillion industry that continues to grow. The division is committed to increasing the efficiency and effectiveness of its programs. In FY 2025, the division expects to continue the following efforts: increasing IM’s analytical capacities to enable more timely analysis of industry data, trends, and risks; building IM’s outreach capabilities to respond in real time to market events; and enhancing investment adviser policy to reflect growth in the private funds industry through targeted Form ADV¹ reviews and Form PF² data analysis.

FY 2025 Request

For FY 2025, IM requests four new positions. The requested positions will:

- Enhance capacity to perform rapid, detailed analysis of market and regulatory data to inform the Commission and inter-regulatory bodies;
- Meet increased demand for consultation and informal staff guidance on regulatory requirements; and
- Respond to the increased workload in the Disclosure Review and Accounting Office stemming from increased filings, deeper involvement in rulemakings, and substantially more complex products.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalent	209	228	237
Cost:			
Salaries and Benefits	\$ 62,963	\$ 72,056	\$ 78,503
Non-Personnel Expenses	30,806	22,719	36,184
Total Costs	\$ 93,769	\$ 94,775	\$ 114,687

Totals may not appear to sum from detail lines due to rounding of actual values

1 Form ADV is the mandatory uniform application reported to the SEC for both investment advisers and exempt reporting advisers.

2 Form PF is the reporting form for investment advisers to private funds and certain commodity pool operators and commodity trading advisors.

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Investment Companies			
Number of Investment Companies	2,723	2,750	2,750
Portfolios and Insurance Contracts	21,098	21,000	21,000
Assets (dollars in trillions)	\$ 31.1	\$ 31.0	\$ 31.0
Investment Advisers			
Number of Investment Advisers	15,575	15,600	15,600
Assets Under Management (dollars in trillions)	\$ 114.0	\$ 115.0	\$ 115.0
Disclosure and Accounting Reviews			
New Portfolios and Insurance Contracts Filed on Registration Statements	2,644	2,650	2,650
New Portfolios and Insurance Contracts Reviewed	1,831	1,875	1,875
Existing Portfolios and Insurance Contracts Filed on Post-Effective Amendments ³	17,659	17,600	19,800
Existing Portfolios and Insurance Contracts Reviewed ⁴	1,995	2,200	4,400
Portfolios and Insurance Contracts Filed on Proxy Statements	600	625	625
Portfolios and Insurance Contracts Filed on Proxy Statements Reviewed	600	625	625
Annual and Periodic Reports Filed	13,526	13,628	13,628
Annual and Periodic Reports Reviewed	4,209	4,543	4,543
Total Portfolios and Insurance Contracts Reviewed	8,635	9,243	11,443
Disclosure and Accounting Guidance	—	2	2
Informal Requests for Accounting Guidance	171	176	176
Interpretive Guidance			
Informal Requests for Guidance	674	680	680
Formal Guidance Issued ⁵	6	6	6
Total Applications Concluded	211	210	210
Exemptive Applications Concluded	121	120	120
Deregistration Matters Reviewed	90	90	90
Tips, Complaints, and Referrals (TCR)	48	48	48
Meetings/Calls/Reviews Related to International Issues	403	375	375
Rulemaking Assistance	25	25	25

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³ Included in post-effective amendments are open-end, closed-end, and unit investment trust (UIT) portfolios.

⁴ With respect to post-effective amendments, historically, over 90 percent of open-end and closed-end portfolios that contain material changes in disclosure or in fund operations are reviewed. Amendments to UIT portfolios, because of their repetitive nature, generally are not reviewed.

⁵ As of FY 2023, the No-Action Letters Issued line item will no longer be included in this Workload Data table. The new Formal Guidance Issued line item has been added to better reflect the staff's current workload. It includes a broad array of guidance types such as frequently asked questions, staff bulletins, and guidance updates, as well as no-action and interpretive letters.

Workload Data (continued)

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Supervision and Monitoring			
EXAMS- and ENF-Related Matters Reviewed	912	950	950
Analytics Office Outreach	301	300	300
Analytics Office Reports	717	700	700
Data Analysis Requests	254	250	250
Rulemaking			
Rulemaking Actions	18	16	16
Business Solutions			
Filer and Staff Correspondence Disseminated ⁶	9,568	10,069	9,843
EDGAR Filer Support Requests Processed	1,400	1,431	1,440
Investment Adviser Regulation Depository (IARD) Filer Support Requests Processed	707	659	708

⁶ Includes correspondence disseminated for IM and the Division of Corporation Finance.

DIVISION OF ECONOMIC AND RISK ANALYSIS

The Division of Economic and Risk Analysis (DERA) advances the Commission's statutory mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation through sound economic analysis and rigorous data analytics.

DERA engages across the entire range of the Commission's functions, including rulemaking, examination, and enforcement. Its multi-disciplinary analyses are informed by research insights and rely on knowledge of institutions and practices when examining regulatory and risk-related matters. DERA assists the Commission in its efforts to identify, analyze, and respond to economic and market issues, including those related to new financial products, investment and trading strategies, systemic risk, and fraud. DERA's data analytics work develops a variety of financial and market data analysis tools and supplies economic statistics.

Organizationally, DERA has four mission areas staffed with experts in economics, data science, statistics, accounting, law, and risk analysis.

- *Policy Support.* DERA conducts quantitative and qualitative economic analyses informed by research insights in support of the SEC's rulemaking agenda.
- *Risk Analysis.* DERA performs domestic and international risk analyses of the capital markets.
- *Examination and Enforcement Support.* DERA provides economic and data expertise in support of the Commission's examination- and enforcement-related activities.
- *Data Analysis and Management.* DERA develops analytic tools and manages economic data in support of the entire Commission.

Looking ahead to FY 2025, DERA is positioned to continue (1) providing high-quality economic analyses of Commission rules; (2) analyzing risks facing the capital markets; (3) producing up-to-the-minute analyses of the impact of market-wide events; (4) collaborating with the Division of Enforcement, focusing on penalties and distributions; and (5) producing technological solutions that increase staff productivity.

FY 2025 Request

For FY 2025, DERA requests 14 new positions, of which 10 (6 economists and 4 research associates) will directly support the Commission’s rulemaking agenda. These positions will allow DERA to increase its capacity to produce high-quality economic analyses of policy matters and rulemakings across the agency. Additional staff will allow the division to meet agency demand for its expertise, keep pace with rapidly changing markets, and analyze unusual market events and other risks.

In addition to rule writing and risk analysis work, DERA’s economists are instrumental in assessing ill-gotten gains in enforcement matters and in working to return funds to harmed investors. Demand for DERA’s services in this area have been increasing due to legal developments. DERA requests four financial economists for the Office of Litigation Economics to support decisions on disgorgement, penalties, and distributions.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	168	195	196
Cost:			
Salaries and Benefits	\$ 50,839	\$ 61,517	\$ 64,847
Non-Personnel Expenses	36,328	27,505	35,296
Total Costs	\$ 87,167	\$ 89,022	\$ 100,143

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Reviews of Commission Rules	106	108	108
Reviews of Self-Regulatory Organization (SRO) Rules and Public Company Accounting Oversight Board (PCAOB) Filings	51	52	52
Advice on Regulatory, Enforcement, and Risk Assessment Issues	3,175	3,200	3,200
Interactive Data Compliance Monitoring	10,035	10,313	10,599
Interactive Data Programs Supported	17	21	24

OFFICE OF THE GENERAL COUNSEL

The General Counsel serves as the chief legal officer of the Commission and heads the Office of the General Counsel (OGC). OGC provides independent legal analysis and advice to the Chair, Commissioners, and operating divisions and offices on all aspects of the Commission's activities. OGC also defends the Commission in federal district courts, represents the Commission in appellate matters and *amicus curiae* filings, and oversees the SEC's Bankruptcy Program. In addition, OGC represents the Commission and its members and employees at the trial and appellate levels when they are parties or witnesses in civil or administrative litigation arising from the performance of official functions. OGC also performs a wide variety of other legal functions in support of the Commission's operations.

OGC will continue its work on initiatives to reform the existing regulatory structure for the securities markets and the financial services industry. The staff of experienced attorneys will handle complex administrative and securities law issues, provide legal advice on rulemakings and other regulatory initiatives, address legal challenges to rulemakings, respond to emerging crypto asset issues, and work to protect the Commission's identity against cyber-impersonation and other deceptive practices. OGC also expects to provide technical assistance to Congress and other financial regulatory agencies on numerous legislative initiatives and other matters. OGC will continue to manage the agency's appellate litigation, including appeals related to complex enforcement cases and challenges to new rulemakings. OGC will also continue to assist the Commission in resolving SEC administrative proceedings and petitions seeking review of actions taken by self-regulatory organizations and the Public Company Accounting Oversight Board. The staff will also continue to provide assistance and advice in responding to congressional requests for information and documents, as well as provide the Commission and operating divisions and offices with independent analysis and advice on all enforcement activities, rulemaking releases, and whistleblower claim adjudications.

FY 2025 Request

For FY 2025, OGC requests two additional positions: one position to address continued increases in civil and administrative litigation brought against the Commission, and one position to support the Commission and the Office of the Whistleblower in adjudicating an increased number of whistleblower claims as a result of a significantly higher volume of tips, complaints, and referrals.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	147	159	167
Cost:			
Salaries and Benefits	\$ 46,619	\$ 52,542	\$ 57,419
Non-Personnel Expenses	22,460	16,384	26,291
Total Costs	\$ 69,079	\$ 68,926	\$ 83,710

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Appellate Matters			
Open Matters	455	460	475
Adjudicatory Matters			
Pending Beginning of Year	327	270	224
Received	179	180	180
Completed	236	226	226
Pending End of Year	270	224	178
Legislation			
Testimony	6	10	10
Correspondence with Congress and Others	432	180	250
Legislative Analysis and Technical Assistance	197	250	250
Other	109	110	110
Hearing Prep.	23	25	25
Advisory Services			
SEC Statutes			
Analysis of Enforcement Memoranda and Other Projects	2,260	2,300	2,300
Review of Rulemaking and Other Projects	530	550	550
Review of Articles and Speeches	345	300	300
Non-SEC Statutes			
Freedom of Information Act (FOIA) — Internal Appeals	633	635	635
Personnel Matters	365	380	380
Procurement Matters	836	840	840
Labor Matters	30	30	30
Attorney Misconduct Matters	555	560	565
Corporate Reorganization			
Petitions Involving Public Investor Interest	48	40	40
Chapter 11 Cases: Appearances			
Filed	28	20	20
Closed	20	20	20
Chapter 11 Cases: Monitored			
Filed	20	20	20
Closed	8	10	10
Disclosure Statement Reviews	114	85	85
Disclosure Statements Commented On	65	50	50

OTHER PROGRAM OFFICES

This section describes the responsibilities and activities of the agency's smaller program offices:

- Office of the Chief Accountant
- Office of Investor Education and Advocacy
- Office of International Affairs
- Office of Administrative Law Judges
- Office of the Investor Advocate
- Office of Credit Ratings
- Office of Municipal Securities
- Office of the Advocate for Small Business Capital Formation
- Strategic Hub for Innovation and Financial Technology

OFFICE OF THE CHIEF ACCOUNTANT

The Office of the Chief Accountant (OCA) is responsible for establishing and interpreting accounting and auditing standards and related requirements to enhance the transparency and relevancy of financial reporting for investors. The Chief Accountant serves as the principal advisor to the Commission on accounting and auditing matters under the federal securities laws. OCA works to improve financial reporting undertaken by preparers, auditors, and audit committees to ensure that financial reporting is decision-useful, relevant, and transparent for the benefit of investors. High-quality financial statements are the bedrock of the financial reporting system, establishing a consistent and enforceable framework that protects investors, maintains fair, orderly, and efficient markets, and facilitates capital formation.

OCA achieves its responsibilities for the Commission through the following internal divisions of workflows.

The Accounting Group (AG) oversees accounting standard-setting by the Financial Accounting Standards Board (FASB), addresses emerging accounting issues through consultations and stakeholder engagement, and supports Commission rulemaking. A significant focus of the group is on oversight of the FASB, which has a standard-setting agenda and post-implementation review process. The AG is focused on working with the FASB through its consultation process to ensure that amended and new accounting standards are implemented effectively and timely by registrants. The AG also advises the Commission on accounting and auditing matters in SEC rulemaking including, for example most recently, climate, special purpose acquisition companies, and private funds. Finally, the AG supports the Division of Enforcement on cases involving potential violations of U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) in the financial statements of SEC registrants.

The Professional Practice Group (PPG) provides expert advice related to auditing, independence, and internal control over financial reporting (ICFR). The PPG also monitors audit and independence standard-setting by other bodies (e.g., the American Institute of Certified Professional Accountants and the International Auditing and Assurance Standards Board [IAASB]) to help identify where convergence in Public Company Accounting Oversight Board (PCAOB) standards should be considered by the PCAOB. The PPG provides consultative advice to accounting firms, registrants, and Division of Corporation Finance staff on questions relating to auditor independence and ICFR, and provides SEC staff with technical advice on rulemakings and enforcement matters pertaining to auditing matters, ICFR, and auditor independence.

The International Group (IG) leads OCA’s efforts to engage and promote high-quality financial reporting and auditing globally, which is a significant priority. The IG works to advance public interest in international audit-related standard-setting and implement the Monitoring Group’s reform recommendations. In addition, the IG leads the Monitoring Group’s overall oversight over the activities of the Public Interest Oversight Board, the IAASB, and the International Ethics Standards Board for Accountants; serves in a leadership role on the International Organization of Securities Commissions’ (IOSCO) Committee on Issuer Accounting, Audit, and Disclosure; and leads the oversight of the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB) through its participation on the Monitoring Board, IFRS Advisory Council, IFRS Interpretations Committee, and direct interaction with the IASB, ISSB, and their staff.

The Office of the Chief Counsel (OCC) provides legal counsel to OCA with respect to Commission rulemaking and its oversight activities related to standard-setting for both the FASB and the PCAOB. In addition, OCC leads OCA’s process of advising the Commission on enforcement matters related to accounting, auditing, and auditor independence, including administering the Commission’s Rule 102(e) program for accountants.

FY 2025 Request

For FY 2025, OCA requests two additional positions: a staff accountant for the PPG and a staff accountant for the IG. During a critical period of navigating challenging market conditions, these positions will help the Chief Accountant continue to support the agency’s mission and facilitate continued leadership and collaboration with other national securities regulators, domestic and international standard-setters, and other international organizations, in addition to supporting rulemaking and enforcement actions by the Commission.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	44	47	48
Cost:			
Salaries and Benefits	\$ 15,325	\$ 17,032	\$ 17,955
Non-Personnel Expenses	7,310	5,683	8,954
Total Costs	\$ 22,635	\$ 22,715	\$ 26,909

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Development of Commission Accounting and Auditing Rules, etc.			
Rule Amendments, Proposed Amendments, and Commission Guidance Developed by OCA	1	1	1
OCA SEC Staff Announcements, Bulletins, and Statements	1	4	5
Consultation Arising from the Work of Other SEC Divisions and Offices	9	10	10
IOSCO Documents Related to Issuer Accounting, Audit, and Disclosure	3	3	3
IOSCO Documents Related to Sustainable Finance Matters	1	3	3
Monitoring and Oversight of Standard-Setters			
SEC Designated U.S. Accounting Standard-Setter Trustee and Board Appointments	6	6	6
U.S. Auditing Regulator (PCAOB) Board Appointments	1	1	1
U.S. Auditing Regulator Budget and Accounting Support Fee Approval	2	2	2
Monitoring and Oversight of Standard-Setting and Other Technical Work			
U.S. Accounting Standard-Setting Projects	21	22	22
Rules Adopted by the U.S. Auditing Regulator and Approved by the SEC	2	8	10
Interpretation of Accounting and Auditing Standards, Policies, and Positions			
Resolution of Accounting Issues of SEC Registrants	88	94	99
Engagement on Accounting Issues with Non-U.S. Regulators	88	94	99
Engagement on Auditing Issues with Non-U.S. Regulators	111	117	123
External Speaking Engagements	62	62	68
Recommendations and Questions Relating to the Qualification of Accountants			
Auditor Independence Consultations	149	157	163
Activities in Support of the Enforcement of the Securities Laws			
Consultation on Enforcement Investigations of SEC Registrants	88	94	103
Rule 102(e) Accountant Reinstatement Applications	9	9	9
Activities in Support of International Accounting, Auditing, and Independence Standard-Setting			
International Accounting Standard-Setting Projects	12	15	15
International Auditing Standard-Setting Projects	8	8	10
International Ethics and Independence Standard-Setting Projects	4	6	6
Public Interest Oversight Board Standard-Setting Projects	20	22	22
Monitoring Group Oversight of International Auditing, Ethics, and Independence Standard-Setting	4	4	6
Monitoring Board Oversight of IFRS Foundation	2	2	2

OFFICE OF INVESTOR EDUCATION AND ADVOCACY

The Office of Investor Education and Advocacy (OIEA) seeks to provide individual investors with the information they need to make sound investment decisions.

OIEA promotes this mission through two primary functions: (1) assisting investors with complaints and questions about the securities markets and market participants, and (2) conducting educational outreach to individual investors. OIEA also helps to inform Commission policy by advising the Commission and Commission staff on various issues from the perspective of individual investors, including with respect to rulemakings, Investor Advisory Committee recommendations, and through the International Organization of Securities Commissions’ Committee on Retail Investors.

OIEA will continue these activities in FY 2025 with an emphasis on providing a high-quality experience to individuals using [Investor.gov](https://investor.gov)’s content, tools, and resources, and conducting investor education outreach to underserved communities.

FY 2025 Request

For FY 2025, OIEA requests one additional position to support its investor assistance function. This position will focus primarily on handling questions and complaints related to fraud involving crypto asset securities.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	42	43	43
Cost:			
Salaries and Benefits	\$ 13,304	\$ 14,272	\$ 14,798
Non-Personnel Expenses	8,669	6,658	9,883
Total Costs	\$ 21,973	\$ 20,930	\$ 24,681

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Investor Assistance			
Total Investor Assistance Matters Closed	28,853	30,000	30,000
Percentage of Investor Assistance Matters Closed Within:			
7 Days	51%	50%	50%
30 Days	82%	80%	80%
Investor Education			
Page Views on OIEA Web Pages	28,400,000	29,000,000	29,500,000
In-Person Investor Events	209	210	210
Number of Investor Alerts and Bulletins Issued	24	24	24
Number of Active Partnerships Focused on Underserved Communities	8	8	8

OFFICE OF INTERNATIONAL AFFAIRS

The Office of International Affairs (OIA) advances the SEC's mission by promoting international enforcement and supervisory cooperation; developing and implementing strategies to further SEC policy interests in the regulation and oversight of cross-border securities activities; managing and executing the SEC's participation in international regulatory bodies; engaging in regulatory dialogues with international counterparts; and providing technical assistance to strengthen partnerships with foreign authorities. OIA will continue to serve as the primary coordinator for the SEC on significant international initiatives and developments.

The Regulatory Policy and Supervisory Cooperation (RP/SC) Group advises the Chair, Commissioners, and staff on international regulatory policy matters, policy developments in overseas capital markets with implications for U.S. markets, and regulatory reform efforts in foreign jurisdictions. In FY 2025, the RP/SC Group will continue to support the implementation of Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act and standing up the Commission's substituted compliance regime. The RP/SC Group will also facilitate cross-border cooperation with foreign authorities related to the examination and supervision of globally active firms.

The Enforcement Policy and Cooperation (EPC) Group assists the Division of Enforcement (ENF) in conducting investigations by championing cross-border cooperation with foreign authorities related to enforcement investigations and litigation as well as partnering with ENF and trial unit staff. In FY 2025, the EPC Group will continue to advance the Commission's policy objectives for international cooperation and develop best practices in enforcement cooperation, including in crypto-related and anticorruption matters.

The Technical Assistance, Legal Compliance, and Planning (TLP) Group advances the agency's mission by building the capacity of, and establishing strong working relationships with, the SEC's international regulatory and law enforcement counterparts. SEC staff experts share their perspectives on best practices in securities regulation and enforcement, and share lessons learned from practical experience in overseeing securities markets. The TLP Group's Technical Assistance Program covers a range of topics, including creating robust examination and enforcement programs and establishing effective disclosure regimes for public companies and market participants, which are foundational elements of effective capital markets oversight, as well as key to market development. In addition, the TLP Group oversees OIA's core legal compliance and planning functions.

FY 2025 Request

For FY 2025, OIA requests three positions.

The first is a branch chief to assist the assistant director with managing the regulatory policy portfolio, which has increased exponentially in recent years, including in the area of new technologies impacting securities markets. The second position is an assistant director to oversee the Technical Assistance Unit, which continues to expand based on new technological improvements to facilitate virtual training programs, the increase in foreign and domestic training programs, and the rising global demands for training in new regulatory, supervisory, and enforcement areas. The third is an attorney position in the Regulatory Policy and Supervisory Cooperation Group. This position will help manage the continued increase in international regulatory policy work in areas such as new technologies facing the securities markets, financial stability risk in the non-bank sector, and climate risk.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	51	59	60
Cost:			
Salaries and Benefits	\$ 15,471	\$ 18,392	\$ 19,428
Non-Personnel Expenses	7,766	5,804	9,164
Total Costs	\$ 23,237	\$ 24,196	\$ 28,592

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
ENF Requests to SEC OIA for International Assistance	1,318	1,547	1,585
Responses to Foreign Requests for SEC Enforcement Assistance	510	479	457
Number of International Regulatory and Law Enforcement Officials Trained	3,113	2,205	2,315
SEC Requests for Supervisory Cooperation Assistance	393	412	432
Responses to Foreign Requests for SEC Supervisory Cooperation Assistance	386	405	425
International Regulatory Initiatives (including regulatory initiatives)	879	896	914

OFFICE OF ADMINISTRATIVE LAW JUDGES

The Office of Administrative Law Judges supports the SEC’s mission by conducting hearings, issuing initial decisions, and adjudicating ancillary matters in administrative proceedings. When the Commission orders that a proceeding be heard by an administrative law judge, the judge serves as an independent adjudicator who determines whether the allegations against one or more respondents are true. The judges conduct public hearings in a manner similar to federal bench trials. Among other actions, they issue subpoenas, hold conferences with parties, and rule on motions and the admissibility of evidence. Following the hearing, the judge prepares an initial decision setting forth their factual findings and legal conclusions and determining whether sanctions are warranted. Certain proceedings may be resolved without a hearing, such as when the judge decides that summary disposition is appropriate or finds a respondent in default. Pursuant to interagency agreements, the judges also hear cases from other federal agencies.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	7	8	11
Cost:			
Salaries and Benefits	\$ 1,659	\$ 2,140	\$ 3,197
Non-Personnel Expenses	821	608	931
Total Costs	\$ 2,480	\$ 2,748	\$ 4,128

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Proceedings Inventory			
Pending Disposition Beginning of Year	9	2	2
Ordered for Hearing	2	5	5
Disposed	9	5	5
Canceled Before Hearing	6	—	—
Canceled After Hearing	—	—	—
Initial Decision Issued	3	5	5
Pending Disposition End of Year	2	2	2

OFFICE OF THE INVESTOR ADVOCATE

The mission of the Office of the Investor Advocate (OIAD) is to ensure that the concerns of investors are appropriately considered as decisions are being made and policies are being adopted at the Commission, at self-regulatory organizations (SRO), and in Congress. As required by statute, OIAD analyzes the potential impact on investors from proposed rules and regulations, identifies areas in which investors will benefit from changes in rules and regulations, and proposes policies to resolve problems that investors have with financial service providers and investment products.

The office has four core functions: (1) Provide a voice for investors; (2) Assist retail investors; (3) Study investor behavior; and (4) Support the SEC's Investor Advisory Committee. OIAD carries out these functions in the ways listed below.

Investor Advocacy

Consistent with the requirements of Section 4(g) of the Securities Exchange Act of 1934, OIAD is responsible for identifying problems that investors have with financial service providers and investment products; analyzing the potential investor-focused impact of proposed regulations and rules; identifying areas in which investors will benefit from changes in SEC regulations or SRO rules; and proposing changes in regulations, legislation, or the administration of programs that may mitigate identified problems.

Ombuds

The Ombuds acts as a confidential liaison between the SEC and retail investors who have questions, suggestions, or concerns about the SEC and/or any SRO subject to SEC oversight. The Ombuds provides investors with tailored information and resources to help resolve the issues raised in their submission. The Ombuds may also engage in fact-finding, escalate matters with significant investor impact, and advocate for fair and equitable processes. The Ombuds reports to Congress biannually about the volume and types of investor submissions, the objectives for the following fiscal year, and the effectiveness of the Ombuds' activities.

Investor Testing

The Investor Advocate is required to examine the potential impact on investors of SEC and SRO rulemakings, advise the Commission and SROs on potential changes to existing rules, identify problematic products and practices that harm investors, and generate related reports with substantive statistical analysis. To accomplish these objectives, OIAD utilizes investor testing and other research efforts, as appropriate, to gather input from investors on rulemaking initiatives and better understand their informational needs.

Investor Advisory Committee

The Investor Advisory Committee advises and consults with the SEC on regulatory priorities and protection of investors. OIAD provides support and assistance to help this advisory committee fulfill its statutory mission.

FY 2025 Request

For FY 2025, OIAD requests two attorney positions to assist the Ombuds Team with an increasing portfolio of responsibilities and investor complaints. The attorneys will assist the Ombuds with complex investor matters and monitor the Ombuds Matters Management System to ensure that investor records are input and updated accordingly. They will also assist with researching and drafting the information required for submission to the Investor Advocate and Congress.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	14	18	18
Cost:			
Salaries and Benefits	\$ 4,613	\$ 6,166	\$ 6,476
Non-Personnel Expenses	4,075	3,478	4,831
Total Costs	\$ 8,688	\$ 9,644	\$ 11,307

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Ombuds			
Investor Matters ¹	2,605	2,700	3,000
Investor Contacts ²	2,828	2,900	3,000
Outreach Events/Speeches	30	20	20
SRO Rulemakings Reviewed	5	5	5
Policy Recommendations to SEC, SROs, or Congress	2	2	2
Investor Advocacy			
SEC Rulemakings Reviewed	38	42	41
SRO Rulemakings Reviewed	127	130	130
Policy Recommendations to SEC, SROs, or Congress	—	5	4
Investor Engagement Activities ³	142	100	150
Investor Advisory Committee Support			
Committee Meetings	4	4	4

¹ Investor Matters are defined as an investor's first contact with the Ombuds Office.

² Investor Contacts are the subsequent emails, phone calls, and other forms of correspondence that relate to a specific investor matter.

³ Investor Engagement Activities include consultations with individual investors; small business investors; institutional investors; representatives from organizations that are comprised of, and/or represent the interests of, investors; and other market participants and industry experts. This also includes a number of public events such as investor roundtables, public meetings, and academic engagement.

OFFICE OF CREDIT RATINGS

The Office of Credit Ratings (OCR) is charged with administering Commission rules with respect to the practices of nationally recognized statistical rating organizations (NRSRO). These rules are aimed toward promoting accuracy in credit ratings issued by NRSROs, ensuring that credit ratings are not unduly influenced by conflicts of interest, and helping to ensure that firms provide greater disclosure to investors. In support of this mission, OCR conducts examinations of NRSROs to assess and promote compliance with statutory and Commission requirements, monitors the activities of NRSROs, develops and administers rules affecting NRSROs, and provides guidance generally with respect to the Commission’s regulatory initiatives related to NRSROs.

The examination and monitoring of NRSROs for compliance with the federal securities laws and Commission rules will continue to account for the most significant portion of OCR’s workload in FY 2025. OCR is required by statute to conduct an examination of each NRSRO at least annually, covering eight specific review areas. OCR uses a risk-based approach to determine additional areas of inquiry for NRSRO examinations. OCR’s Legal and Policy Group will continue to provide legal support for examinations, send referrals to the Division of Enforcement, and develop rule recommendations for the Commission’s consideration. It will also continue to review requests for Commission exemptive relief or staff “no-action” relief from existing rule requirements and formulate staff guidance and other interpretive positions for OCR. Additionally, the Legal and Policy Group will continue to review initial applications for NRSRO registration and applications from existing NRSROs for registration in additional ratings classes.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	42	46	46
Cost:			
Salaries and Benefits	\$ 13,270	\$ 15,326	\$ 15,571
Non-Personnel Expenses	7,159	5,550	8,552
Total Costs	\$ 20,429	\$ 20,876	\$ 24,123

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Examinations	11	11	14
Rulemaking, Exemptive Orders, and Interpretative and Other Actions	6	6	7
Reports and Studies	3	3	3
Reviews of Potential Enforcement Actions	12	12	12
Tips, Complaints, and Referrals (TCR)	17	14	14
NRSRO Registrations — Filed Applications, Amendments, Withdrawals, and Cancellations	43	46	46

OFFICE OF MUNICIPAL SECURITIES

The Office of Municipal Securities (OMS) coordinates the Commission's activities relating to the \$4 trillion municipal securities market and administers the Commission's rules pertaining to municipal securities brokers and dealers, municipal advisors, investors in municipal securities, and municipal issuers. OMS' responsibilities include three primary areas: municipal advisor regulation, municipal securities market structure initiatives, and municipal securities disclosure initiatives. OMS advises the Commission on policy matters and current market issues relating to the municipal securities market and is responsible for policy development, coordination, and implementation of Commission initiatives to improve the municipal securities market, including working with other divisions on cross-fixed income market issues. OMS is also responsible for oversight of the Municipal Securities Rulemaking Board (MSRB), which includes reviewing and processing proposed rule changes filed by MSRB as well as assisting with examinations of MSRB. OMS works closely with the municipal securities industry to educate state and local officials and conduit borrowers about the Commission's rules. OMS also acts as the Commission's liaison to the Financial Industry Regulatory Authority (FINRA), the Internal Revenue Service, bank regulators, the U.S. Department of the Treasury, and a wide variety of investor and industry groups on municipal securities issues.

In FY 2025, OMS will continue to monitor current issues in the municipal securities market and report developments to the Commission. OMS will continue to coordinate with MSRB on rulemaking and review and process all MSRB proposed rule changes on behalf of the Commission. In addition, OMS will develop recommendations for updated Commission interpretive guidance for municipal issuers and municipal advisors. OMS will also plan and host outreach events such as a Municipal Securities Market Conference and Municipal Advisor Outreach Event with the SEC's Division of Examinations (EXAMS), MSRB, and FINRA to educate market participants about the federal securities laws applicable to the municipal securities market.

In FY 2023, the OMS workload substantially increased due to its role in implementing the Federal Data Transparency Act (FDTA). The FDTA includes a section directing the SEC to promulgate rules regarding structured data in the municipal securities market, and OMS has primary rule writing responsibility for that section. This rulemaking will commence in earnest in FY 2025 and will necessitate greater-than-average rulemaking work for OMS through at least the end of calendar year 2026.

FY 2025 Request

For FY 2025, OMS requests one attorney-advisor and one financial analyst to effectively engage and monitor the municipal securities market, particularly with respect to longstanding and emerging issues with market structures and practices that negatively affect investors and municipal governments. Due to increased rulemaking activity from the Commission and MSRB, an additional attorney-advisor is needed to review rulemakings that impact or could possibly impact the municipal securities market. The financial analyst position will play a key role in monitoring market activity and evaluating market structure to address the risk of problematic structures proliferating and causing market harm. Both positions will be essential in implementing the FDTA.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	8	10	12
Cost:			
Salaries and Benefits	\$ 2,497	\$ 2,907	\$ 3,669
Non-Personnel Expenses	1,051	846	1,408
Total Costs	\$ 3,548	\$ 3,753	\$ 5,077

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
SRO Proposed Rule Changes Reviewed ¹	14	14	14
SEC Rulemaking and Exemptive and Interpretive Actions ²	9	7	7
Interpretive, Exemptive, No-Action, and Confidential Treatment Request Letters Closed	—	1	1
Reviews of Potential ENF Actions and EXAMS Examinations	38	40	40
Congressional, Governmental, Industry, and Public Correspondence and Inquiries	228	200	200
Public Awareness and Market Outreach	75	75	75
Municipal Advisors (MA)			
Registrants ³	439	450	450
Registration Applications Filed	13	10	10
Registration Amendments Filed ⁴	934	675	675
Registrations Withdrawn or Canceled ⁵	24	35	35

1 This data includes filings, pre-filings, and amendments reviewed.

2 For some of these activities in FY 2023, OMS served in a supporting role to another SEC division or office. OMS expects to serve in a supporting role to other SEC divisions and offices on SEC rulemakings and exemptive and interpretive actions in FY 2024 and FY 2025.

3 These figures reflect all active MA registrations as of September 30.

4 Estimate and request figures assume approximately 1.5 amendment filings per registrant per year.

5 These figures reflect the number of registration withdrawals or cancellations effective as of September 30.

OFFICE OF THE ADVOCATE FOR SMALL BUSINESS CAPITAL FORMATION

The Office of the Advocate for Small Business Capital Formation (OASB) advocates for solutions to address challenges faced by small businesses and their investors raising and deploying capital. OASB champions pragmatic solutions so that small businesses from startups to smaller public companies and their investors can build great companies together using the U.S. capital markets. Congress established the office via the bipartisan SEC Small Business Advocate Act of 2016 as an independent office within the SEC that reports to the entire Commission as well as to multiple committees of Congress.

FY 2025 Request

For FY 2025, OASB requests one new attorney position for the Legal and Policy Team. The attorney will assist the office in meeting its statutory mandate to analyze the potential impact of proposed SEC regulations and self-regulatory organization (SRO) rules on small businesses and their investors and propose regulatory and legislative changes to the SEC and Congress to mitigate problems identified with small business capital formation. The position will also identify areas in which small businesses and their investors will benefit from changes in SEC regulations and SRO rules.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	9	10	12
Cost:			
Salaries and Benefits	\$ 2,741	\$ 3,025	\$ 3,804
Non-Personnel Expenses	1,807	1,362	2,022
Total Costs	\$ 4,548	\$ 4,387	\$ 5,826

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Assistance with Small Business Capital Formation Inquiries ¹	164	150	150
Outreach Events and Speeches	31	30	30
Government-Business Forum on Small Business Capital Formation	1	1	1
Reports on Small Business Forum and OASB Activities	2	2	2
Small Business Capital Formation Advisory Committee Meetings	4	4	4

¹ Inquiries include solicitation of support from OASB by marketplace participants with compliance obligations, access to capital formation resources, or policy recommendations. It is not intended to capture the totality of touchpoints with the public through outreach and other events but instead substantive issue resolution or resource navigation directly with affected parties.

STRATEGIC HUB FOR INNOVATION AND FINANCIAL TECHNOLOGY

The Strategic Hub for Innovation and Financial Technology (FinHub) supports the SEC’s mission—protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation—by serving as a central hub for issues and initiatives related to developments in financial technology (FinTech). FinHub helps coordinate the agency’s oversight of, and responses to, emerging FinTech, including in the areas of distributed ledger technology (e.g., crypto asset markets), automated investment advice, digital marketplace financing, and artificial intelligence (AI) and machine learning. FinHub is often the initial and central point of contact for internal and external engagement with market participants, thereby helping to shape the agency’s approach to, and understanding of, technological changes in the financial industry. FinHub staff work with a wide range of market participants, policymakers, regulators, and organizations to advance the SEC’s mission.

FinHub staff regularly engage with domestic and foreign governmental partners on a bilateral and multilateral basis to actively monitor and understand emerging issues. These partners and counterparts include U.S. federal and state financial regulators, the International Organization of Securities Commissions, the Financial Stability Board, and other federal, state, and global authorities. FinHub also serves as an internal resource within the Commission, engaging with staff in other divisions and offices on new issues as they arise, and helping staff integrate expertise on financial industry innovations into their work.

Looking forward to FY 2025, FinHub anticipates that FinTech will continue to evolve rapidly in both prevalence and complexity. New products and services, such as decentralized finance in the blockchain space and computer-assisted financial activities in the AI space, are being introduced on a compressed timeframe and have an immediate impact on the financial industry. Financial developments and innovations will continue to present challenges to the Commission, as they tend to raise new or heightened regulatory concerns and introduce new technological hurdles. In FY 2025, FinHub will continue to identify, study, and build expertise on innovative FinTech that impacts the Commission’s mission and help the staff understand these advancements and the challenges that they present.

FY 2025 Request

For FY 2025, FinHub seeks one data scientist position. The data scientist will bolster FinHub’s ability to respond to emerging technologies by developing new analytics tools and interpreting the code behind industry FinTech projects, both of which are necessary for FinHub to respond to requests inside the agency and in domestic and international workstreams.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	7	8	8
Cost:			
Salaries and Benefits	\$ 2,349	\$ 2,723	\$ 2,831
Non-Personnel Expenses	1,014	869	1,378
Total Costs	\$ 3,363	\$ 3,592	\$ 4,209

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
External Inquiries	257	277	277
International Regulatory Initiatives	10	12	12
No-Action Requests/Interpretative Requests	2	2	2
Outreach Events/Speeches	37	35	37
Rulemakings Reviewed	5	6	7

AGENCY DIRECTION AND ADMINISTRATIVE SUPPORT

This section details the SEC's agency-wide executive activities, operations, and administrative functions.

Agency Direction includes:

- Executive Staff, which is comprised of the Chair's Office, the Commissioners' Offices, and the Office of Legislative and Intergovernmental Affairs
- Office of Public Affairs
- Office of the Secretary

Administrative Support includes:

- Office of the Chief Operating Officer and its component offices
- Office of the Ethics Counsel
- Office of Minority and Women Inclusion
- Office of Equal Employment Opportunity

EXECUTIVE STAFF

The Executive Staff is comprised of the Chair, the Commissioners, their staff, and the Office of Legislative and Intergovernmental Affairs (OLIA).

The Chair serves as the agency’s senior responsible executive, overseeing all aspects of agency operations and setting the agency’s substantive policy and rulemaking agenda. In addition, the Chair and Commissioners are jointly responsible for interpreting and enforcing the federal securities laws; issuing new rules and amending existing rules; overseeing the inspection of securities firms and other regulated entities; and coordinating U.S. securities regulation with federal, state, and foreign authorities. The staff in the Chair’s Office and in each Commissioner’s Office assist with these functions.

OLIA serves as the liaison between the SEC and Congress and is responsible for responding to requests from Congress for information related to agency programs and legislation affecting the SEC or its mission. Specifically, OLIA coordinates testimony and witness preparation for SEC officials appearing at congressional hearings; responds to requests by members of Congress and their staff for meetings, briefings, and technical assistance on legislation and other matters affecting the SEC or its mission; responds to requests from members of Congress and their staff for information concerning the operations and activities of the SEC; and assists in responding to congressional correspondence. OLIA also serves as the agency’s official liaison to other federal government agencies such as the U.S. Department of the Treasury, the U.S. Commodity Futures Trading Commission, and other federal financial regulatory agencies.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	27	29	30
Cost:			
Salaries and Benefits	\$ 13,678	\$ 15,284	\$ 16,205
Non-Personnel Expenses	6,030	4,689	7,593
Total Costs	\$ 19,708	\$ 19,973	\$ 23,798

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Commission Meetings	74	75	75
Calendar Items	427	431	436
Seriatim Actions	698	705	712
Congressional Testimonies	10	10	10

OFFICE OF PUBLIC AFFAIRS

The Office of Public Affairs (OPA) assists the Commission in making the work of the SEC open to the public, understandable to investors, and accountable to taxpayers. OPA communicates the agency's work and delivers the agency's data and other information to the public, market participants, and other stakeholders. The office manages external communications, media relations, internal communications, public engagement, digital engagement, speechwriting, and [SEC.gov](#).

OPA leverages technology and multimedia to deliver news, data, and other information to inform investors and facilitate internal and external audiences' interactions with the SEC. The office maintains the SEC's digital platforms, including The Exchange, the agency's intranet, and [SEC.gov](#)—which received more than 1.1 billion page views in FY 2023.

FY 2025 Request

For FY 2025, OPA requests two additional positions: one supervisory management and program analyst to manage the Design Team and The Exchange and one internal communications specialist to identify, conceptualize, and create content for digital, visual, print, and other messaging platforms.

OPA will continue to expand and improve its digital efforts to meet increasing demand. Initiatives related to [SEC.gov](#) and The Exchange will include continued enhancement of the site search engines, content management workflows, caching strategies for page loading improvements, and automation of certain functions, as well as content enhancement to make relevant information more consumable. Additionally, OPA will continue enhancements to [SEC.gov](#) to provide publishing and file/media operation efficiencies, solutions for identification of stale content and managed links, data visualization enhancements to benefit market participants, multilingual support, and supporting division and office web development requests. OPA will continue to focus on complying with federal government requirements and digital standards.

The office will also continue to respond to media inquiries, write and edit news releases and other materials, and facilitate media interactions with agency officials to promote understanding of the agency's work in an increasingly dynamic marketplace.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	25	25	26
Cost:			
Salaries and Benefits	\$ 6,820	\$ 7,252	\$ 8,146
Non-Personnel Expenses	3,025	2,338	3,786
Total Costs	\$ 9,845	\$ 9,590	\$ 11,932

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
News Releases and Chair Speeches and Statements	360	350	350
Email and Mobile Bulletins	5,828	5,000	5,500
Social Media Posts	1,406	1,200	1,200
Number of SharePoint Top-Level Sites or Applications Created and/or Administered ¹	44	40	45
Number of Internal Communications Artifacts, including Articles, Reminders, and Daily Emails Distributed	3,150	3,500	3,200
SEC.gov Website Content Updates	52,799	44,000	44,000
The Exchange Intranet Content Updates	1,886	2,500	2,000
Number of Digital Signage Slides, Posters, Kiosk, and Social Media Graphics	567	1,200	610
Reports and Publications Production	32	23	34
Video and Other Media Production	58	71	65
Public Engagements/Event Production	167	200	170

¹ Number only represents the top-level (i.e., first level/parent) sites. Nearly 500 subsites, pages, document libraries, and/or workflows comprise these sites.

OFFICE OF THE SECRETARY

The Office of the Secretary (OS) is critical in ensuring the effective processing of all Commission business. OS reviews orders and releases issued by the Commission for legal and factual sufficiency; schedules and coordinates Commission meetings; prepares and maintains records of Commission actions; receives and tracks administrative proceeding filings; and advises the Commission and staff about practice and procedure. OS is responsible for the public dissemination of Commission documents such as notices, orders, and rulemakings, and oversees the comment letter intake process.

Because all Commission enforcement and regulatory actions flow through OS, the agency’s rulemaking agenda and enforcement program will continue to have a significant impact on OS workload in FY 2025. In recent years, OS has experienced significantly increased workload levels, consistent with the agency’s increased enforcement actions and rulemaking activity. In addition, OS will continue to improve business operations and further enhance its current information technology systems. OS will continue to focus resources on enhancing its internal and outward-facing processes so expedited and efficient access is experienced by all customers, including the public.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	24	25	25
Cost:			
Salaries and Benefits	\$ 6,400	\$ 7,018	\$ 7,404
Non-Personnel Expenses	2,824	2,194	3,553
Total Costs	\$ 9,224	\$ 9,212	\$ 10,957

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Releases and Orders Processed			
Enforcement	1,956	1,955	2,015
Regulatory	1,581	1,613	1,629
Other	297	303	306
Federal Register Submissions			
Self-Regulatory	1,241	1,266	1,278
Rulemaking/Other	486	496	501
Public Comment Letters Processed	34,310	34,996	35,346
Documents Posted on SEC.gov	4,383	4,471	4,515
Administrative Proceedings Items Processed	5,589	5,701	5,758
Service of Process — Administrative Proceedings	3,677	3,751	3,788
Commission Correspondence Processed — Chair Signature	84	86	87
Commission Correspondence Processed — All Other	776	792	799

OFFICE OF THE CHIEF OPERATING OFFICER

The Office of the Chief Operating Officer (OCOO) provides strategic leadership and operational oversight of the SEC's core mission-support activities and compliance with administrative requirements from Congress and the Executive Branch.

There are seven offices within OCOO:

- Office of the Chief Operating Officer's Front Office
- Office of Financial Management
- Office of Information Technology
- Office of Human Resources
- Office of Acquisitions
- Office of Support Operations
- EDGAR Business Office

OFFICE OF THE CHIEF OPERATING OFFICER (FRONT OFFICE)

The front office of the Office of the Chief Operating Officer (OCOO) oversees and coordinates the activities of the six other component offices. In addition, the front office manages several key functions, as detailed below.

Chief Data Officer

The Office of the Chief Data Officer (OCDO) ensures the secure, effective, and efficient use of data in service of the agency's mission. OCDO will continue to coordinate the ongoing refinement and execution of the SEC Data Strategy; lead the design and implementation of the Commission's data architecture; support identity and access management and the move toward a Zero Trust Architecture; develop and deploy enterprise data standards; maintain the agency's inventory of data assets via the SEC Data Catalog; oversee compliance with internal data policies and standards governing access, use, and sharing, as well as licensing and terms of use; and coordinate implementation of open data requirements under the OPEN Government Data Act and Financial Data Transparency Act. OCDO will also continue to promote effective management of the agency's Library and third-party research and data resources.

Chief Risk Officer

The Office of the Chief Risk Officer (OCRO) strives to provide reliable, timely, and decision-useful information on agency risks to promote risk-informed decision-making. OCRO will augment the SEC's operational risk and internal control programs through consultative collaboration with SEC divisions and offices and enhanced documentation of SEC processes. OCRO will also leverage the information gathered through its role as coordinator for the Office of Inspector General and U.S. Government Accountability Office audits to hone its understanding of the SEC's risk environment and work with SEC leadership to improve SEC programs. OCRO will continue to strengthen the SEC's Enterprise Risk Management Program through refined risk management standards, risk identification surveys of senior officers, and leadership of the Risk Management Oversight Committee. Finally, OCRO will continue to support implementation of programs to address recent mandates and management initiatives such as the Operations Security Program and the agency's climate risk management and reporting.

Managing Executive for Small Offices

The Office of the Managing Executive for Small Offices (MESO) provides vital business operations, planning, and management services to support 13 small offices throughout the agency. MESO works collaboratively with the small offices' senior leadership to manage their offices' financial and human resources, acquisitions management, and technology initiatives to achieve organizational goals and objectives. MESO recently established a new Information Management Services (IMS) Program to provide enhanced data management and records management support to the small offices. In addition to the IMS Program, MESO is committed to providing enhanced technical support and project liaison services to support the small offices' operations.

Strategic Planning and Program Management

The Office of Strategic Planning and Program Management (SPPM) supports effective program and project management; maturation of Agile methodologies, practices, tools, and expertise throughout the agency; and strategic initiatives to improve agency operations. Specifically, SPPM focuses on cross-agency areas such as: (1) enterprise program and project management; (2) business process improvement; (3) management of agency performance metrics; (4) delivery of strategic cross-agency projects and programs; and (5) cross-agency processes such as assigning and tracking agency obligations associated with new laws and regulations, submitting congressional reports to the U.S. Government Printing Office, promoting document compliance with Section 508, coordinating personnel exits, and managing internal administrative regulations.

FY 2025 Request

For FY 2025, OCOO requests one additional position for OCDO. This position will support the SEC's implementation of government-wide requirements to shift to a zero trust security architecture, as well as data governance and data-sharing agreements.

(DOLLARS IN THOUSANDS)	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	42	44	48
Cost:			
Salaries and Benefits	\$ 12,131	\$ 13,587	\$ 14,313
Non-Personnel Expenses	4,631	4,165	6,744
Total Costs	\$ 16,762	\$ 17,752	\$ 21,057

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Auditor Engagements Facilitated	50	50	50
New Laws and Regulations Tracked by OCOO	56	88	102
SEC Policies Created or Revised	59	62	22
Projects to Improve Agency Business Processes	19	22	22
Small Offices Supported	13	13	13
OCDO Data Management			
Data-Related System Development Sprints Completed	6	25	25
Data Insights/Visualizations Developed and Deployed	52	52	52
Information Services			
Library Subscription Management — Account Actions Taken	6,427	6,250	6,250
Library Acquisitions — Contracts Managed	121	120	120
Library Acquisitions — Invoices Reviewed/Paid	524	550	550
Library Reference — In-Depth Research Requests	391	375	375
Library Reference — Quick Reference Requests	1,386	1,375	1,375

OFFICE OF FINANCIAL MANAGEMENT

The Office of Financial Management (OFM) administers the financial management and budget functions of the SEC. The office formulates budget and authorization requests, monitors the utilization of agency resources, and develops, oversees, and maintains SEC financial systems, statements, and reports. These activities include cash management, accounting, fee collections, travel policy development, and oversight of budget justification and execution.

OFM has made significant strides in improving financial data quality and efficiency. In FY 2025, OFM plans to continue its efforts to streamline registration fee data, improve financial reporting, and continue work to integrate and automate financial management processes. OFM also plans to continue efforts to integrate robotic process automation alternatives to generate efficiencies with financial data and to enhance internal controls.

FY 2025 Request

For FY 2025, OFM requests an accountant position for the Enforcement Treasury Operations Branch to support increased workload in the areas of collections and the whistleblower fund. OFM is responsible for managing the balance of the investor Protection Fund, which is reported annually within the SEC’s Agency Financial Report.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	85	86	87
Cost:			
Salaries and Benefits	\$ 23,345	\$ 25,110	\$ 26,361
Non-Personnel Expenses	10,847	7,999	12,952
Total Costs	\$ 34,192	\$ 33,109	\$ 39,313

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Accounting and Finance			
Quarterly/Annual Financial Statements Issued ¹	36	36	36
Financial Transactions Analyzed	9,022,983	9,800,000	10,600,000
Analysis and Reconciliation Reports Prepared	7,547	7,622	7,699
Planning and Budget			
Number of Conference Requests Submitted in the Automated Event Request System	53	85	85
Percentage of Reserve Fund Letters Delivered to Congress On Time	100%	100%	100%

¹ This activity includes the five required financial statements—the Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, Statement of Budgetary Resources, and Statement of Custodial Activity—on a quarterly and annual basis (20 statements total), and the four Investor Protection Fund financial statements, as required by the Dodd-Frank Act, on a quarterly and annual basis (16 statements total).

OFFICE OF INFORMATION TECHNOLOGY

Information technology (IT) plays a critical role in the mission of the SEC and its ability to digitally receive data from registrants, enabling SEC employees to analyze and derive insights and share data with the agency's government partners and the public while also maintaining the security of its systems and protecting the integrity and privacy of the sensitive information the public entrusts to the Commission. Today's global, interconnected, and increasingly technologically sophisticated U.S. financial markets require that the SEC continue leveraging technology to keep pace with the growth in data volumes and variety that the agency is required to securely receive, process, analyze, and make available to the investing public.

The Office of Information Technology (OIT) devotes resources to deliver critical new data analytic technologies while enhancing and modernizing technology systems to keep pace with commercial best practices and rapidly evolving cyber threats. In particular, the SEC will continue prioritizing the cybersecurity investments in SEC systems with the focus on Zero Trust Architecture (ZTA); modernizing the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system; securely using Consolidated Audit Trail (CAT) data; and complying with the Financial Data Transparency Act of 2022 (FDTA). Additionally, to derive value from the increasing volumes of data the Commission receives, the SEC will continue to invest in artificial intelligence/machine learning (AI/ML) applications and their governance and mature the agency's IT Supply Chain Risk Management Program.

OIT supports the Commission and staff of the SEC in all aspects of IT. The office has overall management responsibility for the SEC's IT program, including application development, data engineering and management, infrastructure operations and engineering, end-user support, IT program management, capital planning, security, privacy, and enterprise architecture. OIT operates the EDGAR system, which electronically receives, processes, and disseminates more than 500,000 financial statements every year. In addition, OIT maintains a dynamic and robust website that contains a wealth of information about the Commission and the securities industry and hosts the EDGAR database for free public access.

Efficient, effective, and responsible use of data and IT is a crucial focus of the SEC. The agency continues to make progress in key areas such as cybersecurity, including ZTA, AI/ML, secure cloud infrastructure, and data management. In addition, the SEC must continuously adapt and build new expertise and capabilities to address the growing volume of data it receives, processes, analyzes, and makes available to the investing public.

FY 2025 Request

For FY 2025, OIT requests 10 positions, which will permit the office to hire Continuous Integration and Continuous Deployment pipeline experts to support risk management, compliance, and application lifecycle for cloud-based applications; attorney-advisers to expand the scope of policy and guidance with focus on legal perspectives; and change management support analysts to support a range of disciplines, including AI/ML, cloud migration, cybersecurity, supply chain risk management, and agile development.

This budget request will enable the SEC to implement initiatives in its multi-year strategy, including: (1) expanding AI/ML into data accessibility and analysis for policy makers, examiners, and enforcement staff; (2) increasing efforts to mature the agency's zero trust posture and other compliance with new cybersecurity requirements; (3) continuing the modernization and migration of applications to the cloud; (4) maintaining the security and usability of EDGAR for filers and the public; (5) maintaining the security of CAT; (6) maintaining operations and maintenance of SEC systems and infrastructure 24 hours a day; (7) maturing the agency's IT Supply Chain Risk Management Program; and (8) implementing the Commission's responsibilities under the FDTA.

In addition, the budget request also will allow OIT to continue to strengthen cybersecurity controls and the IT Supply Chain Risk Management Program to meet the requirements expressed in Cybersecurity Executive Order 14028, *Improving the Nation's Cybersecurity* (May 12, 2021), and associated Office of Management and Budget memoranda.

Reserve Fund

In FY 2025, the SEC intends to continue using its Reserve Fund to fund multi-year, mission-critical technology modernization and enhancement projects that enhance the agency's security posture, expand the use of risk and data analytics, and migrate legacy applications to modern enterprise solutions. This funding supports long-term IT initiatives that would otherwise be more difficult to execute due to year-over-year budget challenges.

The SEC plans to use the Reserve Fund for the following programs:

- Cybersecurity
- Data Analytics (includes CAT)
- EDGAR Modernization
- Enforcement Investigation and Litigation Support
- Examination Management
- Tips, Complaints, and Referrals (TCR) Modernization
- Business Process Improvements

These key priorities will enhance the SEC’s ability to improve service to registrants and the public, integrate and analyze large amounts of data, and improve SEC business and operational processes.

The multi-year effort of overhauling EDGAR will continue, making it easier for registrants to file through the system, improve system security, and enhance the usability of EDGAR data by the public through [SEC.gov](https://www.sec.gov).

The phased launch of CAT reporting and regulator functionality is ongoing. The final phase of reporting is expected to be complete by summer of 2024, with the development of additional required functionality to follow. The SEC will continue maturing its environment and applications to use CAT data as it becomes available while maintaining appropriate security controls.

Continuous investment in cybersecurity—including ZTA and new technologies such as AI/ML—in the SEC’s environment will enhance cybersecurity readiness, optimize and modernize existing processes, and facilitate focus on higher-value activities. The SEC will continue to set and maintain technology standards for development and operations in the cloud and will continue to invest in automation to implement inherited security controls and improve delivery time. The SEC will also establish disaster recovery and continuity of operations capabilities in its cloud environment that are necessary for the migration of mission-critical applications such as EDGAR. These efforts will allow the SEC to remain robust and dynamic within evolving financial markets and technologies.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	211	221	234
Cost:			
Salaries and Benefits	\$ 62,693	\$ 70,429	\$ 77,951
Non-Personnel Expenses	28,470	21,488	34,792
Total Costs	\$ 91,163	\$ 91,917	\$ 112,743

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Internal Process Improvements and Employee Productivity			
User Requests for Helpdesk Assistance	180,057	198,063	217,869
Amount of Network-Based Storage (terabytes)	24,900	23,800	22,000
Network Users	7,059	7,200	7,350
Information Security and Disaster Recovery			
Percentage of Major Systems Certified and Accredited	100%	100%	100%

OFFICE OF HUMAN RESOURCES

The Office of Human Resources (OHR) is responsible for the strategic management of the SEC’s human capital. OHR consults with management, establishes and administers human capital programs and policies, and ensures compliance with federal regulations and negotiated agreements.

Programs and policies under OHR’s purview include those listed below.

- Recruitment, Staffing, and Retention
- Position Management and Classification
- Compensation Administration
- Benefits Counseling and Processing
- Leave Programs
- Leadership and Employee Development
- Performance Management and Awards
- Labor Relations
- Disability Program
- Work-Life Programs
- Telework
- Employee Records Processing and Maintenance

FY 2025 Request

For FY 2025, OHR requests a total of two additional positions to reflect the additional workload resulting from the array of new and expanded benefits programs created under the 2023 Collective Bargaining Agreement. The positions will also help to respond to increased demands on OHR's front-line customer support/inquiries management functions.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	115	121	124
Cost:			
Salaries and Benefits	\$ 29,695	\$ 38,120	\$ 39,098
Non-Personnel Expenses	12,931	10,182	16,487
Total Costs	\$ 42,626	\$ 48,302	\$ 55,585

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
AskHR Inquiries ¹	25,091	25,000	25,000
Personnel Actions Processed ¹	19,806	19,668	19,692
Recruitment Actions ¹	1,429	1,300	1,140
Training Sessions Held	1,684	1,700	1,700
Training Session Attendees	35,650	35,000	35,000
Studies and Reviews	837	848	860
Classification Assessments and Federal Staffing Policy Reviews ²	73	74	75
Applications Processed for Students and Special Programs ³	5,702	6,202	6,202
On-Boards for Students and Special Programs ⁴	532	532	537

1 Actual figures will depend on the appropriations enacted by Congress. They also account for personnel actions processing for regular and recurring actions associated with current employees, e.g., career ladder promotions, career tenure changes, and awards. AskHR Inquiries are based on cases received that were not canceled.

2 This metric captures workload related to classification studies, desk audits, office re-organizations, and the review and update of SEC Administrative Regulations and Operating Procedures related to federal staffing.

3 This metric captures the number of applications submitted and processed by OHR for the SEC Scholars Program, Upward Mobility Program, and Chair's Attorney Honors Program.

4 This metric captures the number of applications that are further evaluated and result in a selection and on-board for the SEC Scholars Program, Upward Mobility Program, and Chair's Attorney Honors Program. This metric also includes on-boarding for the Intergovernmental Personnel Act Mobility Program and intra-agency details.

OFFICE OF ACQUISITIONS

The Office of Acquisitions (OA) develops and executes the SEC’s acquisitions policy; procurement and contract planning, execution, administration and management, contract closeout; acquisitions workforce training and certification; government purchase cards (GPC), and other related federal procurement activities.

OA is responsible for procuring services and products—except real property and training programs—for the SEC. OA provides oversight of the GPC Program and certification programs for OA staff, Contracting Officer’s Representatives (COR), and program/project managers. OA is responsible for maintaining the on-site/off-site contractor database; managing contracts and contractors; ensuring performance is monitored; adjusting contracts as needed; closing out contracts; and implementing and enforcing specific congressional legislation, executive mandates, and other directives relating to procurement.

OA reports detailed information on expenditures and assures contract-related data is properly reported to federal systems and SEC financial systems. OA tracks and reports a broad range of information, in addition to financial data, required by the SEC for its financial reporting. Examples include Buy American Act and Federal Activities Inventory Reform Act information; awards by congressional district, state, vendor, business type, and competition information; and small business and other data necessary to ensure transparency and accountability for federal programs such as the Small Business Act.

Procurement budgets increased to their highest levels in FY 2023 and are anticipated to continue growing over time. OA’s workload is expected to increase due to an increase in project funding from other offices/divisions, risk management initiatives, current efforts supporting continuous improvement in processes, oversight, and through technology changes and enhancements, focused oversight and compliance, and other interested stakeholders. OA has committed to improvements in contract management affecting not only OA but also CORs located throughout the SEC. OA will continue to develop and improve upon its mechanisms for acquisition planning, contract management and oversight, and vendor risk management.

FY 2025 Request

For FY 2025, OA requests the addition of two contract specialists for continued sustainment of operations to meet a growing increased demand. The positions will provide focused attention on (1) contract management risks including specific cyber and IT security risks, supply chain management risks, and vendor management risks; (2) continued support of diversity, equity, inclusion, and accessibility (DEIA), agile, and other special initiatives and management challenges across offices/divisions; and (3) oversight/compliance to improve overall quality and management of procurement/contracting. The additional resources will provide technical expertise, contract strategy/planning, and risk management for agency acquisitions through a very wide range of procurement and contracting processes, procedures, and policies.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	57	59	60
Cost:			
Salaries and Benefits	\$ 14,609	\$ 16,258	\$ 16,921
Non-Personnel Expenses	6,762	5,006	8,106
Total Costs	\$ 21,371	\$ 21,264	\$ 25,027

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Procurement Actions (contracts and purchase orders)	1,628	1,579	1,531
Total Dollars Obligated of Contracts with Business Funded by SEC	\$ 741,774,231	\$ 764,027,458	\$ 786,948,282
Additional Value of Interagency Agreements Obligated (in dollars)	\$ 12,749,787	\$ 13,132,281	\$ 13,526,249
GPC Cardholder Statements Audited	110	110	110
Closeout Actions Processed	353	342	332
Dollars Recovered for Reuse (closeouts and unliquidated obligation de-obligations)	\$ 34,929,522	\$ 35,977,407	\$ 37,056,730
CORs in Acquisition Workforce	503	543	583
Small Business Actions Processed	872	950	950
Dollars Spent with Small Business	\$ 383,280,578	\$ 385,000,000	\$ 412,500,000
Percentage of Small Business Dollars (23% federal-wide minimum goal)	55%	55%	55%
Multi-Agency Collaborative Actions	278	286	295
Multi-Agency Contract Value Awarded (in dollars)	\$ 115,764,636	\$ 119,237,575	\$ 122,814,702

OFFICE OF SUPPORT OPERATIONS

The Office of Support Operations (OSO) implements a variety of programs to oversee the agency's facilities and assets. OSO is responsible for processing requests made under the Freedom of Information Act (FOIA) and Privacy Act (PA), ensuring the management of all agency records in accordance with the Federal Records Act, maintaining the security and safety of SEC facilities, and managing property, equipment, and overall building operations.

Office of FOIA Services (OFS) is responsible for receiving and responding to requests for non-public records under FOIA (5 U.S.C. § 552) and PA (5 U.S.C. § 552a). The office's primary objective is to foster openness and transparency in government. Congressional interest in the Commission's mission and activities remains high, as does public demand for SEC records. OFS estimates it will receive approximately 9,500 FOIA requests in FY 2025.

Office of Records Management Services (ORMS) maintains SEC records schedules and develops policies and procedures under the Federal Records Act and other records requirements. The office also coordinates the retrieval of non-active records from records storage facilities. The update to the Office of Management and Budget's *Transition to Electronic Records* (M-23-07) drives the increased demands on the program. ORMS employs the Capstone approach methodology to manage permanent and temporary electronic message records. ORMS is leading the agency's modernization of records management business practices by encouraging the utilization of technology, such as M365, to automate how electronic information is maintained, managed, dispositioned, and safeguarded.

Office of Security Services (OSS) is responsible for physical and personnel security, emergency management, and the safety of SEC personnel and facilities. OSS develops policies and procedures to implement federal security-related statutes and regulations. OSS also manages the Homeland Security Presidential Directive (HSPD)-12 and National Security programs for the SEC in accordance with federal mandates. OSS oversees the SEC Insider Threat Program and operates the Sensitive Compartmented Information Facility with secure communication capabilities.

Office of Building Operations (OBO) provides a wide range of services. The office supports the SEC's headquarters and 11 regional office locations and oversees property and facilities management, office lease acquisitions and administration, space renovation, furniture management, greenhouse gas reporting, transportation, and printing and mail services.

Business Management Office (BMO) is responsible for the oversight and management of all business functions within the OSO organization, ensuring that the most efficient and effective business practices are followed. BMO serves as the conduit for OSO offices to plan, manage, and execute mission requirements, and also provides essential organizational management support. BMO serves the SEC by providing Continuity of Operations Planning (COOP). The COOP Branch manages an extensive range of programs directly related to ensuring the continuity of SEC’s operations and essential functions across a spectrum of emergencies.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	89	92	92
Cost:			
Salaries and Benefits	\$ 21,909	\$ 24,045	\$ 24,800
Non-Personnel Expenses	9,923	7,509	12,159
Total Costs	\$ 31,832	\$ 31,554	\$ 36,959

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
FOIA			
FOIA Requests Carried Forward from Prior FYs	1,436	1,400	1,300
New FOIA/PA Requests Received	9,481	9,500	9,500
FOIA/PA Requests Completed	9,022	9,536	9,600
Records Management			
Document Requests	543	275	275
Security Services			
Interim Suitability Determinations Made	2,357	2,400	2,400
HSPD-12 Credentials Issued	1,763	2,500	2,500
HSPD-12 Credential Certificates Updated	137	300	300
Building Operations			
Print Production (millions of pages)	0.77	0.80	0.80

EDGAR BUSINESS OFFICE

The EDGAR Business Office (EBO) provides centralized and effective management of all aspects of the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system. Among other things, EBO governs strategic improvements to EDGAR; oversees EDGAR development for SEC rulemakings and other matters; provides Filer Support; maintains responsibility for rulemaking related to the administration of EDGAR; and communicates with the public and SEC staff about EDGAR matters.

EBO strives to improve and simplify the filer experience, streamline the ability of companies and individuals to meet filing and disclosure requirements, and empower investors with accurate, consolidated, and user-friendly data and information to make informed investment decisions.

EBO will implement relevant agency rulemaking timely and effectively in EDGAR. EBO will further provide at least one EDGAR Beta environment for filers to test upcoming changes, including but not limited to the adopted filing fee modernization changes.

EBO anticipates recommending that the Commission adopt proposed EDGAR Next rule amendments and related technical changes, including those that have been available for testing in the EDGAR Next Beta environment, that will:

- add individual user accounts and multi-factor authentication to the access process;
- enhance the ability of filers to securely maintain access to their EDGAR accounts;
- facilitate responsible filer management of EDGAR credentials; and
- simplify procedures for accessing EDGAR.

Furthermore, EBO anticipates that it will add Application Programming Interfaces for submissions to EDGAR, and for other purposes.

FY 2025 Request

For FY 2025, EBO requests one position in its Office of the Chief Counsel to support EBO's legal demands with reviewing and providing legal advice on filer issues.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	34	34	37
Cost:			
Salaries and Benefits	\$ 9,172	\$ 9,767	\$ 11,417
Non-Personnel Expenses	4,167	3,144	5,090
Total Costs	\$ 13,339	\$ 12,911	\$ 16,507

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
EDGAR Filings, Disclosure, and Review			
Online Searches for EDGAR Filings (in millions)	21,730	22,817	23,957
Number of Electronic Filings Received (in millions)	2.43	2.50	2.58
EDGAR Development			
EDGAR Agile Development Releases	15	12	12
Division/Office Rulemaking Implementation to EDGAR	10	15	17
EBO Rulemaking Activities	6	5	5
EDGAR Filer Support			
Filer Support and Escalations — Internet and Email Inquiries	6,622	6,754	6,890
Filer Support and Filer Technical Support — Telephone Inquiries	64,871	66,168	67,491
EDGAR Form IDs Processed	103,193	105,257	107,362
EDGAR Internal System Access Requests Processed	1,907	1,945	1,984
Rule 15 Actions Processed	130	143	157

OFFICE OF THE ETHICS COUNSEL

The Office of the Ethics Counsel (OEC) is responsible for administering the Commission's Ethics Program as well as interpreting the SEC's Supplemental Ethics Rules and federal government-wide ethics laws, rules, and regulations. OEC provides independent legal analysis and advice to the Chair, Commissioners, and divisions and offices on ethics issues. In addition, the OEC Compliance Team manages personal trading requests for staff across the Commission in compliance with the SEC's Supplemental Ethics Rules and provides training and counseling on personal trading questions. OEC is also the SEC's liaison with the U.S. Office of Government Ethics (OGE). OEC expects its workload and responsibilities to increase as the overall workforce of the SEC increases; as the office manages the development and implementation of multiple significant IT systems, including automating the process for receiving and reviewing compliance data; and as the number of enforcement matters increases in FY 2025.

OEC will continue to advise and counsel all Commission employees and members on personal and financial conflicts of interest; post-employment restrictions; securities holdings and transactions of Commission employees and their immediate families; gifts; seeking and negotiating other employment; outside activities; and financial disclosure. Additionally, OEC will continue to review Commission memoranda for potential conflicts of employees with complex financial holdings. Further, the office will continue to develop and enhance IT systems for employee trading and financial disclosure.

FY 2025 Request

For FY 2025, OEC requests two additional positions: one financial disclosure attorney to advise and assist financial disclosure programs and ethics advice training in support of prospective and current SEC employees and Presidential appointees with financial disclosure to the U.S. Senate and OGE; and one compliance attorney to assist with the review of financial holdings reports, pre-trade requests, and financial statements under the agency’s Supplemental Ethics Rules. Both positions are necessary due to an increased focus on the development and implementation of multiple significant IT systems, including a new effort to automate the process for receiving and reviewing compliance data through an electronic broker feeds (eFeeds) system via a proposed revision to the agency’s Supplemental Ethics Rule.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	18	21	22
Cost:			
Salaries and Benefits	\$ 5,406	\$ 6,340	\$ 6,914
Non-Personnel Expenses	2,480	1,853	3,000
Total Costs	\$ 7,886	\$ 8,193	\$ 9,914

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Ethics Counseling Inquiries	10,421	10,733	11,054
Review of Public Financial Disclosure Forms	331	340	350
Commission Memoranda Review	1,074	1,106	1,139
Review of Confidential Financial Disclosure Forms	4,041	4,162	4,268
Clearance of 8B Requests	355	365	376
Pre-Clearance of Requests for Trading	65,707	67,678	69,000
Employees Trained in Ethics	5,157	5,311	5,470
Review of SEC Forms 682 Financial Disclosure Forms	570	587	604
Testing of Employee Compliance Data	400	400	400

OFFICE OF MINORITY AND WOMEN INCLUSION

The Office of Minority and Women Inclusion (OMWI) provides leadership and guidance for the SEC's efforts to leverage diversity and inclusion throughout the agency to enhance mission performance and impact. OMWI's efforts include building and maintaining a diverse workforce and cultivating an inclusive work environment; promoting business diversity with the SEC's regulated entities and stakeholders; and fostering diversity in the agency's network of suppliers, including by promoting diversity and inclusion with those suppliers.

OMWI actively supports the SEC's [FY 2023 – 2026 Diversity, Equity, Inclusion, and Accessibility \(DEIA\) Strategic Plan](#) by assisting with the implementation of actions that support the goals set forth by the DEIA Strategic Plan. In addition, OMWI monitors and evaluates the progress and performance of those actions.

OMWI will continue to guide and assist the SEC in its focus on attracting, hiring, developing, and retaining highly qualified, diverse talent for all levels of the workforce. Specifically, OMWI will continue its outreach activities with women and other minority-serving high schools, colleges, and universities through career fairs, networking events, and recruiting opportunities. OMWI's workforce outreach activities will be increasingly targeted toward communities and groups whose education and experience align with the specific hiring needs of the SEC.

Internally, OMWI will continue to provide diversity and inclusion training; assist with and promote professional development programs; and aim to provide career advancement opportunities for diverse candidates through early-career programs and paid internships. Additionally, OMWI's efforts will focus on providing customized consultations to individual SEC divisions and offices in addition to sharing overall recommendations and guidance on enhancing DEIA. This will include the agency-wide implementation of the DEIA Assessment Program, which will assess the maturity of participating organizations' DEIA efforts and offer recommendations.

OMWI will be increasingly focused on fully integrating diversity and inclusion in the strategic decision-making of the agency and promoting business diversity with the SEC's regulated entities and stakeholders. This will include a variety of external initiatives designed to further the principles of diversity and inclusion in the financial services industry and in the marketplace, including in the areas of asset management, access to capital, and investor access. OMWI's SEC mission-related activities will focus on working with the SEC advisory committees for mission effectiveness, including promoting diverse participation, expanding partnerships with professional organizations with minority constituencies, and promoting diversity and inclusion efforts with the SEC's regulated entities.

To support diversity in the SEC's business activities, OMWI works to introduce minority-owned and women-owned businesses (MWOB) to opportunities at the SEC and will continue to collaborate with the SEC's Office of Acquisitions to promote equitable access to contracting and sub-contracting opportunities through extensive outreach activities. For example, OMWI promotes awareness of, and access to, contract vehicles focused on the SEC's information technology needs. OMWI will continue to present at business conferences focused on MWOBs and meet one-on-one with potential contractors at OMWI-hosted Vendor Outreach Days.

FY 2025 Request

For FY 2025, OMWI requests one diversity specialist to support the DEI Strategy Team, which focuses on internal SEC DEIA initiatives. This encompasses everything from supporting Employee Affinity Groups (EAG) to assisting offices as they embed diversity into their missions and operations. The diversity specialist will manage the day-to-day tactical efforts of the team, primarily as they pertain to EAG support (e.g., researching/developing resources for trending DEIA issues and providing consultative guidance to EAGs), which will allow the senior strategists and program manager to focus on strategic advice and development of innovative ways to meet the needs of the Commission, including continuing to mature DEIA programs.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	12	13	15
Cost:			
Salaries and Benefits	\$ 3,530	\$ 3,977	\$ 4,624
Non-Personnel Expenses	1,540	1,210	1,960
Total Costs	\$ 5,070	\$ 5,187	\$ 6,584

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Workplace Diversity and Inclusion			
Diversity and Inclusion Trainings, Events, and Initiatives	70	60	60
Diversity, Equity, Inclusion, and Accessibility Consultations	17	20	20
Diversity and Inclusion Outreach			
Mission-Related Activities and Targeted Outreach	63	45	45
Targeted Employment Advertisements	233	100	100
Supplier Diversity and Business Engagement			
Good Faith Effort Contract Reviews	18	20	20
Vendor Matchmaking and Outreach Events	49	50	50
Diversity (Biennial) Assessment of Regulated Entities ¹	—	50	50

¹ FY 2023 was non-collection year.

OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

The Office of Equal Employment Opportunity (OEEO) leads the agency's equal employment opportunity (EEO) program. OEEO enforces anti-discrimination laws, regulations, and policies while continually advancing model workplace practices. OEEO is a neutral office that works with other SEC organizations and offices to embed equal opportunity, equity, fairness, diversity, inclusion, and accessibility within the SEC's mission and culture. OEEO enables the SEC's mission by proactively preventing discrimination in employment and provides redress for workforce concerns relating to EEO. The director of OEEO reports directly to the Chair of the SEC and is the designated decision-maker who adjudicates formal administrative EEO complaints. The office also conducts intake of EEO concerns, engages in counseling and alternative dispute resolution, and investigates allegations of workplace discrimination.

OEEO is organized in two main functions: Compliance and Resolutions, and Proactive Prevention.

The Compliance and Resolutions function applies legal principles to the processing and adjudication of complaints of discrimination under applicable anti-discrimination laws, regulations, and Executive Orders. This function also provides opportunities to resolve concerns through alternative dispute resolution, analyzes program efficiency, and publishes transparency reports.

The Proactive Prevention function collects and analyzes quantitative and qualitative data to determine whether a policy, practice, or procedure presents a potential barrier to EEO and leads approaches for improvement.

A diverse team of EEO professionals is leveraged to achieve organizational outcomes, including attorneys, EEO specialists, management and program analysts, a data scientist, and an industrial organizational psychologist. The OEEO workforce is blended with support from contractors.

In FY 2023, OEEO updated its strategic plan priorities to include three strategic goals:

1. Lead Compliance with EEO Laws and Proactively Remove Barriers to Equal Employment Opportunity
2. Promote a People-Centered Culture at all Levels and Locations
3. Position Internal Operations and Expertise to Optimize Service-Delivery

OEE0 has benchmarked areas for improvement within the SEC’s EEO Program, drawing on new government-wide initiatives and Executive Orders, legal updates including the Elijah E. Cummings Federal Employee Anti-Discrimination Act of 2020, and other leading industry practices that focus on eradication of discrimination and equity, to include a focus on the needs of underserved communities. In addition, OEE0 conducted a zero-based review of the SEC’s Harassment Prevention and Response Program, which concluded in FY 2023 and necessitated program enhancements.

Strategic priorities include creating new approaches to strengthen investigative outcomes and assessments; formalizing protocols; increasing outreach and education opportunities available for all SEC staff; in-sourcing EEO complaint-related services to enhance trust, quality, and efficiency; enhancing the Dispute Resolution Program to provide additional proactive services; understanding better the customer experience of those filing EEO complaints; and building a knowledge management infrastructure to increase efficiency and compliance with federal record retention requirements and support succession planning.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	11	11	14
Cost:			
Salaries and Benefits	\$ 3,447	\$ 3,232	\$ 4,650
Non-Personnel Expenses	1,578	1,181	1,913
Total Costs	\$ 5,025	\$ 4,413	\$ 6,563

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Equal Employment Complaint Program (29 CFR 1614)			
Contacts to Office	44	70	80
Informal Complaints	38	38	45
Formal Complaints	32	23	35
Final Agency Decisions/Final Agency Orders	12	10	15
Harassment Prevention Program			
Inquiries and Program Contacts	52	66	—
Affirmative Employment Program			
Affirmative Employment/Barrier Research Studies	1	2	2
Research Studies	6	8	8
Formal Consultation on Programs, Policies, and Practices	6	6	6
Analytic Briefings	15	15	15
Workforce Training, Outreach, and Education			
Harassment Prevention	8	15	16
New Employee Orientation	26	26	26
Supervisory Outreach and Coaching Services	100	150	157
Workforce Events and Educational Outreach	16	16	20
Web-Based Training	2	2	2
Mandatory External Reporting			
No FEAR Act (Quarterly + Annual)	5	5	5
Management Directive 715 Benchmark Assessment	1	1	1
Agency Statistical Report on Complaint Activity (Form 462)	1	1	1

OFFICE OF INSPECTOR GENERAL

The Office of Inspector General (OIG) is an independent office that conducts audits of programs and operations of the SEC and investigations into allegations of misconduct involving the SEC's programs and operations. The mission of the OIG is to detect fraud, waste, and abuse and to promote integrity, economy, efficiency, and effectiveness in the SEC's programs and operations. The rapid pace of significant internal and external changes impacting the work of the SEC in turn drives the work of the OIG. The OIG supports the efforts of Congress and the SEC to fulfill their responsibilities and achieve their goals and objectives with respect to oversight of the securities industry and investor protection.

In FY 2025, the OIG will continue to fulfill its core oversight mission to strengthen agency programs and operations and to reduce fraud, waste, and abuse through investigations, audits, evaluations, and reviews. This includes statutory mandates regarding cybersecurity and privacy, review of purchase and travel card risks, and operation of the Employee Suggestion Program (ESP). As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), the ESP collects recommendations from employees for improving the SEC's work efficiency, effectiveness, and productivity.

Through discretionary audit and evaluation work, set forth in an annual audit plan, the OIG will focus on the SEC's management challenges and emerging risks and issues to support the SEC's three-part mission of protecting investors, maintaining fair, orderly, and efficient markets, and facilitating capital formation. To support the integrity and accountability of the SEC and its staff and contractors, the OIG will continue to investigate allegations of fraud, waste, and abuse, as well as individual misconduct. The OIG's oversight workload remains high due to a variety of factors including sustained congressional interest in the oversight of the SEC and the number of tips and complaints received by the OIG. The office expects workload levels to remain high through FY 2025.

The OIG anticipates a continuing need to support coordination of oversight across the federal financial regulatory structure. The SEC IG currently serves on the Council of Inspectors General on Financial Oversight (CIGFO), established by Section 989E of the Dodd-Frank Act, through which the OIG collaborates with other OIGs to provide a comprehensive oversight of the financial sector. The OIG contributes to an annual analysis and report on trends and crosscutting issues, in addition to participating in special projects determined by CIGFO.

Increased coordination and initiatives undertaken by the Council of Inspectors General on Integrity and Efficiency have increased demands on OIG resources, and this trend is expected to continue for the foreseeable future. Examples of these demands include responding to proposed and enacted legislation containing new oversight mandates; active participation in crosscutting issues that enhance oversight of the SEC; and a variety of initiatives that promote the professional development of SEC OIG staff. Collaborative work and resource sharing promote consistency of oversight throughout the federal government and enhance learning opportunities that contribute to the OIG's mission. This office has much to contribute and much to gain from active engagement in the oversight community, and will enhance its IG community engagement in FY 2025.

FY 2025 Request

The SEC has requested additional staff positions for FY 2025. The increase in agency staff requested in FY 2025 will result in the need for more OIG resources. To continue effective oversight, the OIG will need additional personnel to accommodate this increased workload.

Currently, the OIG has 61 authorized positions. For FY 2025, the OIG plans to add two positions, as discussed below.

To increase investigative capabilities, the OIG requests one additional investigative attorney position to provide dedicated support to the OIG Office of Investigations. This attorney will focus on the development of complex cases and liaise with criminal and civil prosecutors to ensure appropriate remedies for fraud and other serious misconduct, as well as assist in complex and sensitive employee misconduct investigations. With this additional resource, the OIG should be able to take on investigations that it has previously declined to pursue.

The OIG also requests one additional auditor to expand the quality assurance function and re-balance workload in that area. This will provide the Office of Audits with a two-person team that, among other things, will be responsible for performing required Audit and Inspections and Evaluations peer reviews of other OIGs on behalf of the SEC OIG, and coordinating similar peer reviews of the SEC. The additional position will also help the OIG to better comply with pending revisions to the Government Auditing Standards, which update and create expanded quality control and peer review requirements.

Regulatory Requirement

The Inspector General Act of 1978 (as amended) requires that each Inspector General (IG) submit a budget estimate and request each fiscal year (FY) to the head of the agency to which the IG reports. The Act requires that the request include:

- The aggregate amount of funds requested for the operations of the Office of Inspector General (OIG);
- The portion of that amount requested for OIG training, including a certification from the IG that the amount requested satisfies all OIG training requirements for that fiscal year; and
- The portion of that amount necessary to support the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

As required by the Act, the IG of the U.S. Securities and Exchange Commission (SEC) submits the following information for the OIG's budget estimate and request for FY 2025.

- The aggregate budget request for the operations of the OIG is \$21,974,064.
- This sum will suffice to support the operations of the OIG for FY 2025.
- The OIG's FY 2025 request includes OIG specialized training costs of \$128,000 in addition to the general training costs (training common to all SEC employees) traditionally funded from the Commission's training budget, which is estimated at \$18,000. The aggregate funding for specialized and general training will satisfy the OIG's training requirements for FY 2025.
- For FY 2025, the OIG's contribution to CIGIE will be 0.40 percent of the budget request, or \$87,546, which is included in the OIG's aggregate request.

<i>(DOLLARS IN THOUSANDS)</i>	FY 2023 Actual	FY 2024 Annualized CR	FY 2025 Request
Full-Time Equivalents	51	54	58
Cost:			
Salaries and Benefits	\$ 15,670	\$ 17,509	\$ 19,539
Non-Personnel Expenses	8,558	6,735	10,316
Total Costs	\$ 24,228	\$ 24,244	\$ 29,855

Totals may not appear to sum from detail lines due to rounding of actual values

Workload Data

Activity	FY 2023 Actual	FY 2024 Estimate	FY 2025 Request
Audits/Evaluations¹			
Pending Beginning of Year	6	6	3
Opened	10	9	11
Completed	10	12	12
Pending End of Year	6	3	2

¹ Represents data collected from the Office of Audits.

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RISKS, INTERNAL CONTROLS, AND MANAGEMENT CHALLENGES

The SEC serves investors building for a better future and issuers raising money to fund innovation by overseeing the approximately \$100 trillion capital markets. The agency's responsibilities include overseeing approximately 33,000 registered entities and reviewing the disclosure and financial statements of more than 8,300 reporting companies. To maximize the impact of the resources provided to the SEC and ensure its resources are deployed in a manner that efficiently and effectively meets agency priorities, the agency continually evaluates its operations to identify emerging risks and, where appropriate, implement effective internal controls.

Risk Management

The SEC's Office of the Chief Risk Officer, which is within the Office of the Chief Operating Officer, leads the agency's enterprise risk management (ERM) program, as required under the Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility of Enterprise Risk Management and Internal Control* and OMB Circular A-11, *Preparation, Submission, and Execution of the Budget*. ERM assists the agency in achieving its strategic and operational objectives by providing an enterprise-wide approach for managing risk. With input from the Risk Management Oversight Committee, the ERM program coordinates the development and implementation of risk management frameworks and methodologies; produces and maintains the agency's risk profile; collaborates with risk owners to help ensure risks are sufficiently and consistently managed; and provides reports that assist senior management in making risk-informed decisions.

Management Assessments of Internal Control

The SEC remains committed to maintaining a strong system of internal control, which is integral to effective agency management and obtaining reasonable assurance that the SEC's operational, reporting, and compliance objectives will be achieved. The Federal Managers' Financial Integrity Act of 1982 (FMFIA), along with its implementing guidance in OMB Circular A-123, establishes management's responsibility to establish, maintain, assess, and report on internal accounting and administrative controls. Such controls include program, operational, and administrative areas as well as accounting and financial management. The FMFIA also requires agencies to annually assess whether financial management systems conform to related requirements. Finally, the FMFIA requires that the head of each Executive Agency annually submit to the President and Congress: (1) a statement on whether there is reasonable assurance that the agency's controls are achieving their intended objectives; and (2) a report on material weaknesses in the agency's controls.

The SEC’s process and methodology for conducting the required annual assessment of internal control and the assurance statements based on this assessment is discussed in the SEC’s Agency Financial Report (AFR), which can be found at [SEC.gov](https://www.sec.gov).

Management Challenges Identified by the Office of Inspector General

The SEC’s FY 2023 AFR provides a summary of the most significant management and performance challenges facing the SEC, as identified by the Office of Inspector General (OIG), in the *Other Information* section. The AFR also details the actions being taken to address these challenges. The following table describes how the resources requested for FY 2025 will help address the challenges identified by the Inspector General.

Management Challenge Identified by the Inspector General	How the FY 2025 Budget Addresses the Challenge
<p>Meeting Regulatory and Oversight Responsibilities</p>	<p>Given that the population of registered investment advisers has grown over 17 percent in the last five years—with a more than 35 percent increase in assets managed by these firms—the Division of Examinations’ (EXAMS) and Division of Enforcement’s (ENF) budget requests for FY 2025 include requests for a significant number of new positions. EXAMS will use new positions to: (1) further address critical and evolving risks such as those associated with emerging technology (e.g., crypto) and cyber/information security; (2) review and examine for compliance with a variety of new regulatory requirements that are intended to better protect investors; (3) increase oversight and examinations of entities responsible for critical market infrastructure; and (4) increase the capacity of the program to examine the growing number of registered investment advisers, including those that advise private funds.</p> <p>ENF will deploy additional positions to: (1) enhance its ability to detect and investigate misconduct, including in emerging risk areas; (2) bolster litigation and trial resources; (3) increase operational support for the investigative and trial functions; and (4) continue to develop and acquire tools and technology for purposes such as case management and analysis of data obtained during investigations.</p>
<p>Recruiting and Retaining a Skilled Workforce</p>	<p>The agency shares the OIG’s interest in ensuring effective human capital management at the SEC, which includes tending to the important areas identified in its statement: retention, attrition, recruitment, and hiring. The SEC is carefully monitoring turnover experience and attrition, which decreased to 4.8 percent in FY 2023, as well as other data such as the results from the Federal Employee Viewpoint Survey, which can help provide insights into areas where further attention may be needed. In the areas of recruitment and hiring, the agency is continuing to take steps to ensure its talent needs are met. During FY 2023, the SEC successfully executed its fiscal year hiring plan. Accounting for attrition and backfills, the agency filled a total of 825 positions, including 32 Senior Officer positions. These activities, along with an expanded focus on recruitment and outreach, as detailed in the Office of Human Resources’ FY 2022 – 2024 Recruitment and Outreach Strategic Plan, will help position the agency to meet its ongoing and anticipated talent acquisition needs.</p>

continued on next page

Management Challenge Identified by the Inspector General	How the FY 2025 Budget Addresses the Challenge
<p>Protecting Systems and Data</p>	<p>Protecting information systems and data is a top priority that must meet the challenges introduced by new technology, new threats, and new business drivers. SEC management remains mindful that governmental agencies, financial market participants, and private sector entities must remain vigilant because they are subject to frequent attempts by unauthorized actors to disrupt public-facing systems, access data, or otherwise damage technology infrastructure.</p> <p>In FY 2023, the Office of Information Technology (OIT) worked to make enhancements in several areas and continued to prioritize addressing and mitigating the cybersecurity risks identified by the OIG and the U.S. Government Accountability Office (GAO). During FY 2023, the OIG closed 24 information technology-related audit recommendations, and GAO closed 1 cybersecurity-related audit recommendation. In FY 2024, OIT will continue to allocate resources to addressing outstanding prior year audit recommendations.</p> <p>OIT is also focused on implementing new requirements from Executive Order 14028, <i>Improving the Nation's Cybersecurity</i> (May 12, 2021); recent OMB Memoranda published in FY 2022 and FY 2023; and Department of Homeland Security Binding Operational Directives. With its FY 2025 budget request, OIT will increase its efforts to mature the agency's zero trust posture, implement additional data loss prevention capabilities, increase protections around the Commission's supply chains, protect against quantum decryption, and move more systems into a continuous authorization state.</p>
<p>Synopsis and Trends in Contracting</p>	<p>As noted in the OIG's statement, the SEC relies on contractor support to accomplish its mission, and staff from nearly all SEC offices and divisions play key roles in planning, managing, and overseeing these contracts as an agency-wide effort. The FY 2025 budget helps the Office of Acquisitions (OA) in its efforts to promote effective contract management throughout the agency by: (1) strengthening coordination between OA and the Commission's Contracting Officer's Representatives for effective administration of SEC contracts and proper vendor oversight; (2) maintaining compliance and oversight functions in reviewing contract actions and files; and (3) remaining focused on reporting and automation capabilities for improved tracking and documentation of procurement actions.</p>

CROSS-AGENCY COLLABORATION

The SEC values its many partnerships with other federal agencies, financial regulators, and foreign governments. Collaborating across regulatory boundaries, market segments, and national borders furthers the SEC's ability to achieve its mission. The securities markets are large and dynamic, and the SEC understands that cooperation is essential to meet its strategic goals. Some examples of cross-agency collaboration efforts during FY 2023 – FY 2025 are highlighted below.

Strategic Goal 1

Protect the investing public against fraud, manipulation, and misconduct

The SEC's Division of Enforcement prioritizes effective coordination with criminal authorities in bringing parallel enforcement actions seeking to hold wrongdoers accountable and remove bad actors from the markets. In more than 425 SEC enforcement investigations in FY 2023, other regulators and law enforcement offices requested and obtained access to materials contained in the SEC's investigative files. In many of these cases, the SEC and its criminal law enforcement counterparts employed complementary tools to further a shared goal of investor protection. Frequently, this entailed collaboration with overseas regulatory and law enforcement counterparts.

The SEC's Division of Examinations (EXAMS) frequently works with other regulators, both domestically and abroad, to ensure that critical issues and risks impacting investors are addressed in an efficient and effective manner. This includes coordinated examinations, information sharing, periodic meetings, and other strategic efforts with domestic regulators such as the Financial Industry Regulatory Authority (FINRA), the U.S. Commodity Futures Trading Commission (CFTC), the National Futures Association, the Financial Crimes Enforcement Network (FinCEN), the U.S. Department of Labor, the Federal Reserve, and state regulators. Further, given the increasingly global marketplace, EXAMS continues to work with the SEC's Office of International Affairs (OIA) to protect investors through frequent discussions and collaboration with foreign financial regulatory authorities from around the globe. These efforts have proven to be an effective way to oversee registered entities outside of the United States and address issues that impact retail investors across national borders.

The SEC's Division of Economic and Risk Analysis (DERA) provides testimony and other litigation support to the U.S. Department of Justice (DOJ) on cases related to securities fraud and the capital markets. This work leverages the expertise of DERA's economists to help authorities hold wrongdoers accountable and remove bad actors from the markets. The division also collaborates with other agencies on economic issues related to the capital markets.

The SEC also collaborates with external partners to protect the financial well-being of American seniors. The SEC works closely with the Elder Justice Interagency Working Group (EJWG), the Elder Justice Coordinating Council (EJCC), and the Federal Trade Commission's (FTC) Scams Against Older Adults Advisory Group to safeguard their interests. The EJWG is responsible for carrying out elder justice activities, including elder abuse prevention; research, grant, and program funding; and prosecution. The EJCC is a federal entity charged with identifying and proposing solutions to the problems surrounding elder abuse, neglect, and financial exploitation. Pursuant to the 2022 Fraud and Scam Reduction Act, the FTC-led Advisory Group brings together federal agency partners, consumer advocates, and industry representatives to focus on ways to better identify and stop scams that affect older adults.

The SEC's Office of Investor Education and Advocacy (OIEA) also participates on the Advisory Committee to the North American Securities Administrators Association's (NASAA) Senior Issues Committee and FINRA's Senior Investor Roundtable. Among other roles, OIEA helps inform these advisory groups and committees about the SEC's initiatives to protect all Americans from investment fraud and abusive sales practices.

OIEA also represents the SEC on the Financial Literacy and Education Commission (FLEC), which was established under the Fair and Accurate Credit Transactions Act of 2003. FLEC is chaired by the Secretary of the Treasury and made-up of the heads of more than 20 additional federal agencies. The Commission was tasked with developing a national financial education website ([MyMoney.gov](https://www.mymoney.gov)) and a national strategy on financial education. In addition, OIEA is a national partner of Jump\$start and participates on Jump\$start's board of directors (ex officio). Jump\$start is a coalition of diverse education stakeholders, including federal agencies, non-profits, and financial firms, that work together to educate and prepare young Americans for life-long financial success.

Strategic Goal 2

Develop and implement a robust regulatory framework that keeps pace with evolving markets, business models, and technologies

The SEC is a member of the Financial Stability Board (FSB), which promotes international financial stability by coordinating with national financial authorities and international standard-setting bodies as they work toward developing strong regulatory, supervisory, and other financial sector policies. FSB fosters a level playing field by encouraging coherent implementation of these policies across sectors and jurisdictions. In addition to its monitoring functions, the Division of Trading and Markets (TM) assists the Commission with its work in various domestic and international regulatory groups, including FSB, the Financial Stability Oversight Council (FSOC), the International Organization of Securities Commissions (IOSCO), and the Senior Supervisors Group, by providing technical expertise on market and risk management developments and emerging financial issues. TM cooperates and collaborates with CFTC, the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), Federal Reserve Banks, the Bank of England, the Financial Conduct Authority, the Japanese Financial Services Agency, Canadian securities regulators, and other regulators. This collaboration spans several areas including operations and risk management practices of financial market infrastructures, as well as the capital, liquidity, internal controls, funding sources, and financial condition of firms and their holding companies that are supervised by the SEC. It also includes regulatory and supervisory areas of mutual interest. In addition, SEC staff continued to work with other U.S. and foreign regulators on significant issues related to the cessation of LIBOR (London Interbank Offered Rate).

In late 2023, Commission staff participated in the preparation and publication of the report by the staff of the Inter-Agency Working Group (IAWG) for Treasury Market Surveillance entitled *Enhancing the Resilience of the U.S. Treasury Market: 2023 Staff Progress Report* (IAWG 2023 Report). The IAWG Report presents the views of the IAWG, which consists of staff from the SEC, CFTC, the U.S. Department of the Treasury (Treasury), the Board of Governors of the Federal Reserve System, and the Federal Reserve Bank of New York. The purpose of the IAWG Report is to summarize the IAWG's activities (i.e., rule proposals, studies, data collections, and statements) relating to the U.S. Treasury market since the IAWG's 2022 Report. IAWG staff collaborated over several months to draft the report.

SEC staff regularly coordinate with Treasury and other Financial and Banking Information Infrastructure Committee agencies to enhance the protection of critical market infrastructure from physical and cyber threats and to implement protocols to address such threats or incidents. TM also coordinates and monitors joint self-regulatory organization efforts to improve the resilience of critical market infrastructure and single points of failure, as well as explore greater harmonization of risk mitigation functionality and rules to address trading issues after they occur (e.g., trade halts and trade breaks).

Additionally, DERA staff lead or serve on several FSB and IOSCO committees, bringing valuable economic and technical expertise to these international bodies that helps to promote informed and effective financial sector policies. DERA staff also work with other U.S. financial regulators in support of FSOC’s focus on market risk, and the division’s data experts collaborate with international and domestic regulators on issues related to data and data quality to ensure that key market data is readily available to market participants.

The Division of Investment Management (IM) participates in various workstreams related to FSOC, including monthly meetings of the FSOC Systemic Risk Committee. On occasion, IM presents before FSOC or its committees on matters relating to the securities markets—including issues or concerns with potential implications for systemic risk—or otherwise provides input or advice. In addition, IM staff coordinate with other U.S. and foreign regulators on analysis and monitoring of activity in the fund industry and the markets in which funds participate. IM staff are also active participants in international securities standards-setting bodies such as IOSCO and FSB, where they lead or serve on various workstreams. The Commission proposed rules relating to the regulation of money market funds in December 2021. IM expects to continue to coordinate with FRB, Federal Reserve Banks, Treasury’s Office of Financial Research, and the Consumer Financial Protection Bureau (CFPB) on the rule amendments. In August 2022, the Commission also jointly with CFTC proposed amendments to Form PF, a systemic risk reporting form related to private funds, and consulted with FSOC in formulating the proposed form amendments. This proposal was in addition to amendments the Commission proposed to Form PF in January 2021, on which the Commission also consulted with FSOC.

The SEC’s oversight of broker-dealers is, in many ways, a coordinated effort with FINRA. The SEC and FINRA regularly discuss strategic initiatives, examination coordination, risk assessment efforts, rulemaking issues, and evolving industry risks. Examples of the discussions include the implementation of T+1, the oversight of firms participating in the security-based swap market, and emerging crypto and financial technology (FinTech). EXAMS and FINRA may also coordinate on specific examinations and exam initiatives. For instance, FINRA and the SEC exchange monthly data on firms and activities of interest, which is supplemented with a quarterly call.

The SEC also coordinates with foreign regulators in connection with its oversight of the security-based swap market and related market participants. For example, pursuant to a recent Memoranda of Understanding, staff from EXAMS, TM, and OIA (among others) coordinate with certain European authorities to enhance the agency’s oversight of security-based swap dealers and major security-based swap participants. Since a number of security-based swap dealers rely on substituted compliance orders that the SEC has granted for certain foreign regulations deemed comparable to SEC rules, this coordination is critical.

The Division of Corporation Finance’s Office of Rulemaking is working with DOJ, the Federal Bureau of Investigation (FBI), the U.S. Department of Homeland Security, and the Cybersecurity and Infrastructure Security Agency (CISA) regarding potential recommendations for final rule amendments to enhance issuer disclosure around cybersecurity risk governance.

The SEC’s Strategic Hub for Innovation and Financial Technology (FinHub) helps coordinate the agency’s oversight and response regarding emerging technologies in financial, regulatory, and supervisory systems, including in the areas of distributed ledger technology (including crypto asset markets), automated investment advice, digital marketplace financing, and artificial intelligence/machine learning. FinHub staff serve as SEC liaisons to other regulators on FinTech matters, including CFTC, FRB, OCC, FDIC, CFPB, FinCEN, DOJ, Treasury, and the Internal Revenue Service. FinHub staff also collaborate with international partners through, for example, participation in a number of ongoing initiatives by international bodies such as IOSCO, FSB, the Financial Action Task Force, the European Securities and Markets Authority, the Organization for Economic Cooperation and Development, and the Global Financial Innovation Network.

Also, to enhance credit rating agency oversight and foster more effective supervision, the SEC’s Office of Credit Ratings meets quarterly with foreign regulators in the Supervisory Colleges for Credit Rating Agencies to share information related to internationally active credit rating agencies. The office also meets regularly with certain foreign regulators to share information regarding credit rating agency activities.

Strategic Goal 3

Support a skilled workforce that is diverse, equitable, and inclusive and is fully equipped to advance agency objectives

As a Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) agency, the SEC’s Office of Human Resources (OHR) participates in quarterly discussions with FDIC, FRB, OCC, CFPB, CFTC, the Farm Credit Administration (FCA), the Federal Housing Finance Agency, the National Credit Union Administration, and Treasury’s Office of Financial Research to benchmark compensation and benefits offerings, share information about human capital management practices, and explore industry best practices. Additionally, the SEC and the FIRREA agencies collectively participate in a biennial survey to benchmark total rewards programs. The survey is conducted by a third party, with the FCA compensation team managing the contract and interagency agreements.

OHR participates in the Enterprise Data & Analytics Community of Practice—a collaborative effort led by the SEC that includes NASAA, OCC, the U.S. General Services Administration (GSA), and the U.S. Department of Veterans Affairs—to share human capital analytics and data visualization best practices. OHR also collaborates with other financial regulatory agencies to discuss labor relations issues such as safety protocols and workplace flexibilities.

The Office of the General Counsel (OGC) meets quarterly with labor law attorneys and labor relations specialists from the FIRREA agencies to discuss labor law issues. OGC also participates in a community practice group of attorneys representing federal agencies in employment law matters. Participants regularly schedule speakers from across the federal government to present on new developments in federal employment law. Members also participate in an active listserv to address issues of common concern.

The Office of Information Technology works with the U.S. Office of Personnel Management on managing the performance capability of the SEC. This collaboration allows the SEC to leverage a more federalized performance management solution to provide an effective user experience to SEC employees.

The Office of the Chief Data Officer (OCDO) helps the SEC advance its capabilities and gain efficiencies by participating in regular meetings with other chief data officers from across the federal government, including via the Federal CDO Council, to share best practices and standards and discuss government-wide data issues and priorities. OCDO also actively promotes cross-agency collaboration by interacting with other federal agencies through data-related working groups, information-sharing sessions, demos, and discussions of standards and best practices.

For example, in 2023, Commission staff participated in an interagency working group focused on the implementation of the Financial Data Transparency Act of 2022 (FDTA). This effort requires the Commission and other financial regulators to jointly issue proposed rules for public comment that establish data standards for the collections of information reported to each agency by financial entities and for the data collected on behalf of FSOC. In addition, Commission staff contributed to an [interagency data inventory](#), which is a publicly available catalog of the data collected by FSOC member organizations.

The Office of Support Operations (OSO) works closely with GSA to conduct lease procurements and manage most SEC facilities. Since 2011, OSO has collaborated with GSA to achieve annual rent savings estimated at \$8.5 million via rightsizing existing leases upon expiration. In FY 2023, OSO received a Delegation of Authority from GSA to extend two of its three leases for the current SEC headquarters (HQ) location; the SEC leveraged new working norms to vacate its third lease, reducing the HQ footprint by 16 percent and saving over \$14.9 million in annual rent. OSO is actively coordinating with GSA on two prospectus lease procurement actions—HQ and the San Francisco Regional Office—and two non-prospectus lease procurement actions for the Fort Worth Regional Office and the Atlanta Regional Office. In addition to rightsizing its new lease footprints, OSO is working with GSA to rightsize the SEC's existing GSA lease footprint, including proposed actions in New York, Philadelphia, Miami, and Los Angeles.

EVIDENCE BUILDING

Internal and external evaluations play a significant role in monitoring and improving SEC program performance. Through objective measurement and analysis, agency managers determine the extent to which programs are achieving mission objectives, allowing them to direct SEC resources accordingly. In FY 2023, there were 11 U.S. Government Accountability Office reports and 9 Office of Inspector General reports or management letters issued related to agency operations. Beyond this, examples of reviews and evaluations the agency initiated and plans to continue are listed below.

The SEC's Division of Economic and Risk Analysis (DERA) provides insight into numerous aspects of the Commission's operations and mission. With respect to rulemaking, DERA leverages the SEC's robust processes for obtaining public input and performs rigorous economic analyses of the agency's rules at both the proposal and adoption stages. These efforts are critical to identifying the benefits and costs of regulatory actions, including situations in which a rule's effects may not be consistent with expectations. For the Commission's enforcement activities, DERA provides economic analysis that helps staff in the Division of Enforcement analyze and quantify potential misconduct. DERA also provides evidence-based analysis to other Commission programs, including the Enforcement program, which allows for insight into areas of potential risk.

DERA facilitates data availability that allows the public and private sectors to monitor markets and develop a deeper and more comprehensive view of market trends and dynamics. This helps to maintain market integrity and inform policy. To facilitate consistent data collection, DERA publishes taxonomies that allow both the Commission and market participants to better analyze and understand critical data collected pursuant to Commission rules. In addition, DERA publishes numerous data sets on topics including capital formation, short-selling, and mutual fund disclosures, among many others. These data sets are used by the public to better understand the capital markets.

DERA's staff are key contributors and lead authors of numerous research reports and publications. This research facilitates a better understanding of market risk, market dynamics, investor behavior, capital formation, and new products and markets.

In addition, the agency conducted surveys focused on improving the experience and satisfaction of investors using the agency's online resources and tools. The Office of Investor Education and Advocacy and the Office of the Investor Advocate will continue to gather information regarding the behavior of individual investors, the type of information they need and use when making investment decisions, and the usefulness of the SEC's investor education efforts and related programs.

Section 763(i) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) added Section 13(m)(2) of the Securities Exchange Act of 1934¹ (Exchange Act), which requires the Commission to issue a written report on a semiannual and annual basis to make available to the public information relating to: (1) trading and clearing in the major securities-based swaps categories; and (2) market participants and developments in new products. Since November 8, 2021, market participants have been required to submit security-based swaps data to security-based swaps data repositories. Division of Trading and Markets (TM) staff published the first report on security-based swaps, pursuant to Section 13(m)(2) of the Exchange Act, on July 15, 2022.

In late 2023, TM staff participated in the preparation and publication of the annual report by the staff of the Inter-Agency Working Group (IAWG) for Treasury Market Surveillance entitled *Enhancing the Resilience of the U.S. Treasury Market: 2023 Staff Progress Report* (2023 IAWG Report). The 2023 IAWG Report presents the views of the IAWG, which consists of staff from the U.S. Department of the Treasury, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the Commodity Futures Trading Commission, and the SEC. The 2023 IAWG Report summarizes the Treasury market-related activities—i.e., rule proposals, studies, data collections, and statements—that have occurred since the publication of the IAWG 2022 Report. IAWG staff collaborated over several months to draft the report.

On a quarterly basis, TM staff query and analyze market data to develop market metrics for publication on the Commission’s Market Structure Analytics web page. This data and analysis are used by public and private sectors, including the Commission, to monitor markets and develop a deeper and more comprehensive view of market trends and dynamics, which helps to maintain market integrity and inform policy.

Commission staff also have developed processes to ensure compliance with recently adopted disclosure rules—in particular, the 2022 amendments that modernize open-end fund annual and semiannual shareholder reports. Funds will have to comply with the new requirements on or after July 24, 2024. The requirements represent a significant change in the disclosure that open-end funds provide to their shareholders, who are primarily retail investors. In anticipation of this compliance date, these processes will help ensure that the tailored shareholder reports promote the anticipated investor protection benefits of the new disclosure approach.

¹ 15 U.S.C. 78m(m)(2); Exchange Act § 13(m)(2).

With respect to rulemaking, the SEC continues to follow its robust processes for obtaining public input and performing rigorous economic analyses of the agency’s rules at both the proposal and adoption stages. These efforts are critical to identifying the benefits and costs of regulatory actions, including situations in which a rule’s effects may not be consistent with expectations. For example, in connection with its 2023 proposed amendments to provide a tailored form to register the offerings of registered index-linked annuities (RILA), the Commission published a Feedback Flyer to seek input from the retail investor community about their experiences with annuities in general and RILAs in specific. The Commission also reviews its rules retrospectively by listening to investors and others about how rules are—or are not—functioning as intended.

With respect to guidance, the SEC continuously engages with interested parties to identify topics and developments that affect the markets and investing public and where guidance from the staff may be helpful. For example, staff in the Division of Investment Management (IM) issued an updated version of frequently asked questions (FAQ) concerning both the recently adopted Investment Adviser Marketing Rule and Form ADV. In each case, the FAQs addressed questions the staff had received from the public. As another example, IM issued an information update regarding the expedited review procedure for exemptive and other applications under the Investment Company Act of 1940, which the Commission adopted in 2020. In the update, IM shared its experience with this procedure and provided applicants with tips to assist them in filing applications.

IM’s Analytics Office, which includes staff with a wide range of backgrounds and training, is devoted to providing IM and the SEC with practical reviews and actionable analyses of the asset management industry. Specifically, this office carries out its mission by:

- conducting ongoing financial and other analysis of asset management industry data to monitor and assess issues, trends, patterns, and innovations;
- gathering and analyzing information directly from participants in the asset management industry, such as through the office’s examinations or voluntary industry engagement, in support of agency outreach efforts; and
- maintaining general expertise in specialty subject matters relevant to the asset management industry and contributing that expertise to initiatives throughout IM and to other offices and divisions in the SEC.

As part of the SEC’s continued effort in furtherance of its statutory mission, the Division of Corporation Finance (CF) has enhanced the disclosure review program to support the staff’s review of issuer offering documents and periodic reports, with the primary goal to ensure company compliance with disclosure, reporting, accounting, and other obligations under the federal securities laws. CF has taken several actions designed to improve compliance, ensure that investors receive information to make informed investment decisions about complex investments, and promote capital formation and market efficiency. This will reduce information asymmetries between issuers and investors and thus lower the cost of capital.

To improve disclosure and enhance investor protection, the Commission adopted final rules based on CF's recommendations related to, among other matters:

- how insiders buy and sell company stock;
- listing standards related to clawbacks of senior executives' compensation when based on materially misstated financials (a rule required by the Dodd-Frank Act); and
- cybersecurity disclosures by public companies.

In addition, CF continued to evaluate public comment on rules proposed in FY 2022, including proposals focused on climate-related disclosures, special purpose acquisition companies, and shareholder proposals. Over the course of FY 2023, the division developed—and in FY 2024, the Commission adopted—a set of final rules to shorten the deadlines by which beneficial owners must inform the public of their beneficial ownership interests, as well as a set of final rules on conflicts of interest in securitizations (another rule required by the Dodd-Frank Act).

CF has undertaken efforts to evaluate and provide comments and guidance on a number of significant and timely disclosure considerations for public companies, including data-tagging of public disclosures and disruptions in crypto asset markets. The division also reviewed disclosures made under recently implemented rules, such as the pay versus performance rules that became effective in FY 2023.

The division continued to play an integral role in the agency's efforts to ensure investors have the information they need to make informed investment decisions with respect to investments in China-based issuers and Commission-identified issuers under the Holding Foreign Companies Accountable Act (HFCAA). During the year, the division issued guidance to assist China-based issuers with their disclosure obligations. The division continued to issue comments designed to obtain enhanced disclosure for investors about key China-related matters, such as variable interest entity structures and risks. In addition, the division led the Commission's efforts to identify public companies affected by the HFCAA and to ensure that the disclosures required by that statute were made by those issuers.

The SEC reviews performance goal data on a quarterly basis. Each quarter, the Office of the Chief Operating Officer reviews the status of performance goals and indicators to determine whether the agency is on target for achieving these goals for the fiscal year. An internal report is generated that includes the quarterly result for each performance goal and the progress achieved toward meeting the target for the fiscal year. This review process is in line with the Office of Management and Budget and the Performance Improvement Council recommendations for frequent data-driven reviews.

LINKS TO ADDITIONAL INFORMATION AND RESOURCES

Reference	URL
Strategic Plans, Agency Financial Reports, and Congressional Budget Justifications	SEC.gov/about/offices/ofm/ofm-documents.htm
Investor.gov	Investor.gov
Office of the Whistleblower	SEC.gov/whistleblower
Enforcement Actions, Commission Opinions, SEC Staff Briefs, Trading Suspensions, and Notices Concerning the Creation of Investor Claims' Funds in Specific Cases	SEC.gov/page/litigation
Laws that Govern the Securities Industry	SEC.gov/about/laws.shtml
Fast Answers – Key Topics	SEC.gov/fast-answers

FY 2023 Annual Performance Report (APR) and FY 2025 Annual Performance Plan (APP)

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A READER'S GUIDE TO SEC PERFORMANCE INFORMATION

The SEC's strategic and performance planning framework is based on the FY 2022 – FY 2026 Strategic Plan, which is available at [SEC.gov/strategic-plan](https://www.sec.gov/strategic-plan). The Strategic Plan outlines the agency's mission, vision, values, strategic goals, and strategic initiatives. The SEC's work is structured around 3 strategic goals that also serve as its strategic objectives, as well as 10 strategic initiatives the agency plans to achieve in support of those goals and objectives.

This section comprises the agency's FY 2023 APR and FY 2025 APP, which explain how the SEC uses resources to achieve each of its three strategic goals. For each strategic goal, this section presents the following information:

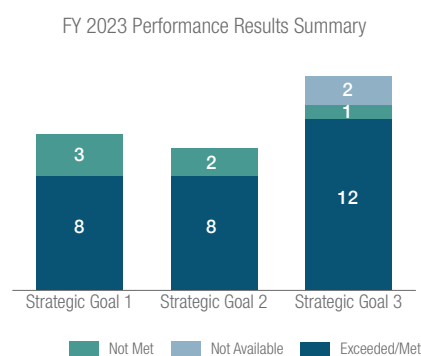
A Strategic Goal Summary: Reviews the purpose of each strategic goal and provides additional information to identify the resources allocated toward achieving the goal.

Performance Goals and Indicators: Presents the performance goals and performance indicators by strategic goal, comparing planned and actual performance levels for FY 2023. Five years of historical data is provided for performance goals and performance indicators where available.

FY 2023 APR AND FY 2025 APP SUMMARY

The SEC dedicates its resources to: (1) protecting the investing public against fraud, manipulation, and misconduct; (2) developing and implementing a robust regulatory framework that keeps pace with evolving markets, business models, and technologies; and (3) supporting a skilled workforce that is diverse, equitable, and inclusive and is fully equipped to advance agency objectives. In FY 2023, total SEC obligations were \$2.194 billion in support of 4,606 total full-time equivalents (FTE). Of 36 total performance targets, the agency met or exceeded 28; did not meet 6; and data was not available for 2.

The budget request for FY 2025 totals \$2.619 billion, an increase of about \$425 million relative to the agency's FY 2023 obligations of \$2.194 billion. The FY 2025 budget request funds 5,073 FTEs and 5,621 positions, an increase of about 467 FTEs and 296 positions compared to the FY 2023 level.



PERFORMANCE SUMMARY BY STRATEGIC GOAL

Strategic Goal 1

Protect the investing public against fraud, manipulation, and misconduct

- 1.1 Pursue enforcement and examination initiatives focused on identifying and addressing risks and misconduct that affects individual investors.
- 1.2 Enhance the use of market and industry data, particularly to prevent, detect, and enforce against improper behavior.
- 1.3 Modernize design, delivery, and content of disclosures so investors, including in particular retail investors, can access consistent, comparable, and material information to make informed investment decisions.

In FY 2023, the SEC remained focused on protecting the investing public against fraud, manipulation, and misconduct. The Division of Enforcement (ENF) supports the SEC in achieving this goal by recommending enforcement actions to the Commission and bringing enforcement actions that help ensure the securities markets are worthy of the public's trust. These actions address a wide range of misconduct, including affinity frauds and Ponzi schemes that threaten the safety of retail investors' investment funds; financial and accounting irregularities and misstatements that impede investors from making informed investment decisions; abusive trading practices such as insider trading, front-running, and market manipulation that threaten public trust in the securities markets; and misconduct by gatekeepers such as investment professionals, accountants, and auditors who form the first line of defense against misconduct and share responsibility for protecting investors. Through holding wrongdoers accountable for violating the federal securities laws, ENF works to help ensure the markets are worthy of the public's trust.

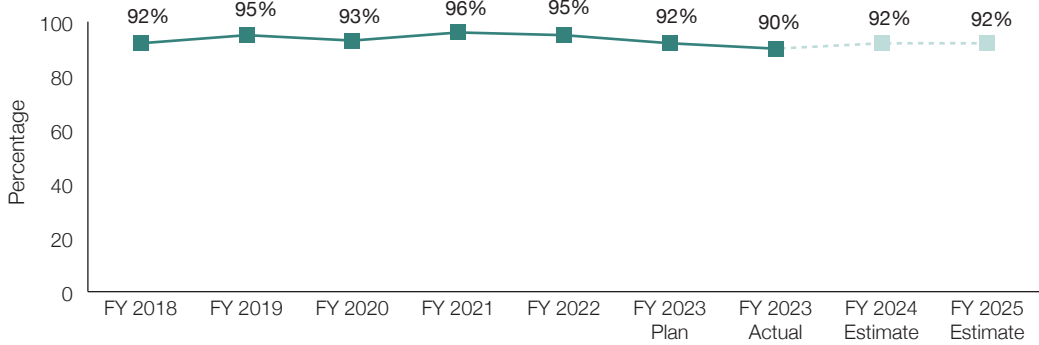
The Division of Examinations (EXAMS) serves on the front lines to help ensure market participants comply with the securities laws. Through its examinations, the division provides the Commission with valuable information to inform rulemaking, identify and monitor risks, improve industry practices, and pursue misconduct. The SEC conducted examinations covering 15 percent of all registered investment advisers and, together with broker-dealer self-regulatory organizations, 49 percent of all registered broker-dealers. In FY 2023, approximately \$1.376 billion and 2,890 FTEs were directed at achieving results in Strategic Goal 1. Of the 11 performance targets, the agency met or exceeded 8 and did not meet 3.

In FY 2025, the SEC will continue initiatives to proactively identify and investigate recurring and widespread violations in the securities industry; take strong action to protect whistleblowers' rights and ability to report potential securities laws violations to the Commission; and reward meaningful cooperation with ENF investigations to encourage firms to self-police, self-report, and remediate potential securities laws violations. Additionally, the SEC will continue to focus on (1) seeking individual accountability, including for gatekeepers and investment professionals; (2) holding accountable fraudsters who prey on individual investors; (3) addressing inaccurate accounting and other disclosures by public companies; (4) detecting and punishing abusive market practices; and (5) keeping pace with developments in growing and evolving areas of the securities markets, including crypto asset securities, cybersecurity, and environmental, social, and governance disclosures. ENF will continue to use every tool in its toolbox to identify misconduct and pursue enforcement actions to protect investors and the integrity of the securities markets. For FY 2025, the agency is requesting a total of \$1.643 billion and 3,183 FTEs toward achieving Strategic Goal 1.

The SEC's Divisions of Corporation Finance, Investment Management, and Trading and Markets will continue their work on regulatory initiatives that will improve investor disclosures. In addition, the agency will continue to implement the Open, Public, Electronic, and Necessary Government Data Act and the Financial Data Transparency Act (FDTA), related to modernizing the delivery of corporate disclosures. For example, the SEC will collaborate with other financial regulators on joint rulemaking to create data standards, engage in rulemaking related to data standards in specific market segments regulated by the SEC in accordance with the FDFTA, and consider further structuring of disclosure data through Commission rulemaking initiatives.

Goal Leader(s): Director, Office of the Investor Advocate; Director, Division of Corporation Finance; Director, Division of Investment Management; Director, Division of Trading and Markets; Director, Division of Enforcement; Director, Division of Examinations

PERFORMANCE GOAL 1
Percentage of enforcement actions in which the Commission obtained relief on one or more claims



Description: This metric identifies, as to all parties to enforcement actions that were resolved in the fiscal year, the percentage against whom the Commission obtained a judgment or order entered on consent, a default judgment, a judgment of liability on one or more charges, and/or the imposition of monetary or other relief.

Target: Not Met

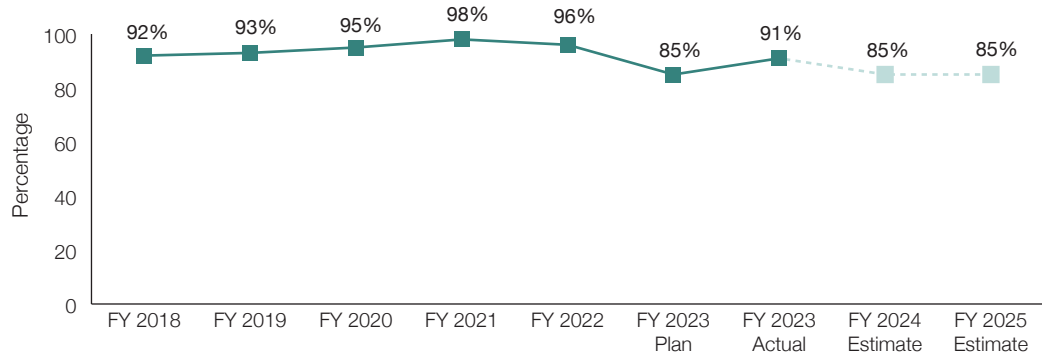
Analysis: The SEC did not meet its FY 2023 target for this metric due to the impact of the Commission’s [June 2, 2023 Order](#) dismissing multiple proceedings due to a control deficiency. These dismissals were unrelated to the merits of the underlying claims and defenses, but nevertheless contributed to the agency falling below the goal for this metric. See *In re Pending Administrative Proceedings*, SEC Release Nos. 33-11198; 34-97640; IA-6323; IC-34933; AAER-4413 (available at [SEC.gov/files/litigation/opinions/2023/33-11198.pdf](https://www.sec.gov/files/litigation/opinions/2023/33-11198.pdf)).

Plan for Improving Program Performance: In light of the remedial efforts referenced in the Commission’s June 2, 2023 Order, the SEC does not anticipate that meeting the goal for this metric will be impacted in the future by the circumstances that gave rise to the dismissals.

Responsible Division/Office: Division of Enforcement

Data Source: Case Tracking System for the Division of Enforcement

PERFORMANCE GOAL 2
Percentage of Fair Fund and disgorgement fund plans that have distributed 80 percent of the available funds for distribution within 24 months of the approval of the distribution plan



Description: In addition to other types of relief, the SEC may seek orders requiring parties to disgorge any money obtained through wrongdoing. The SEC also is empowered to seek civil penalties for violations of the securities laws. Where appropriate, the SEC has sought to return disgorged funds to harmed investors and, as a result of the Fair Funds provisions in law, to combine amounts paid as penalties with disgorged funds, or to create a Fair Fund from penalties only, to reduce losses to injured parties and to maximize funds available for distribution. This metric identifies the percentage of distribution plans that reached a critical mass during the fiscal year and within 24 months of the approval of the distribution plan. The distribution plan includes the timeline and procedures required to return the funds to injured investors. This reflects Commission-wide efforts to implement plans to return money to investors quickly. Any funds not returned to investors are sent to the U.S. Treasury or the Investor Protection Fund established pursuant to Section 21F(g) of the Securities Exchange Act of 1934. Neither disgorgement nor penalties are used for the SEC’s own expenses.

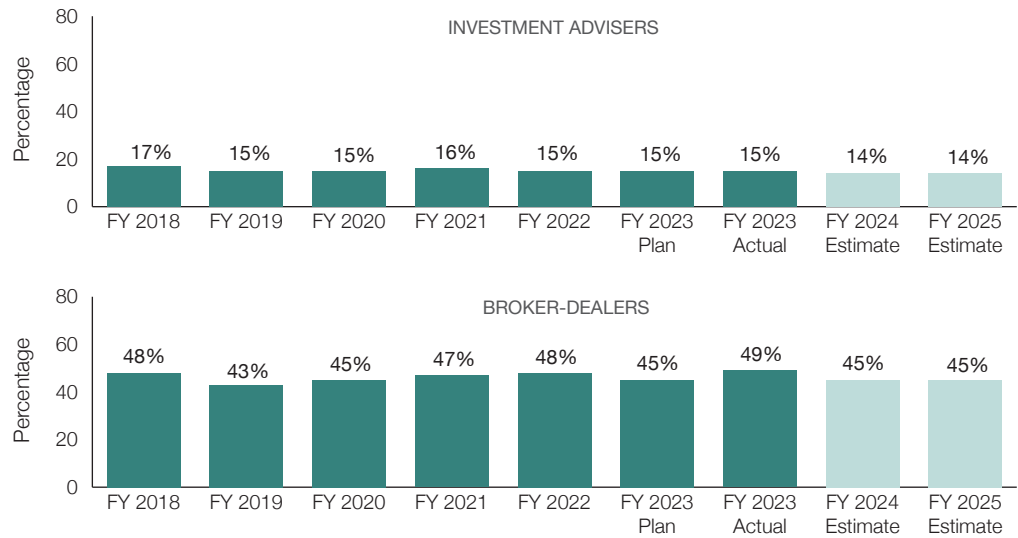
Target: Exceeded

Analysis: In FY 2023, the Division of Enforcement exceeded the target by 6 percentage points. In FY 2023, the target percentage of Fair Funds and disgorgement funds that have distributed was increased from 80 percent to 85 percent of available funds for distribution within 24 months of the approval of the distribution plan to better serve the investing public. Going forward, the division will continue its efforts to prioritize the timeliness and efficiency of distributing funds, which have been enhanced through such efforts as centralizing certain functions and implementing various process improvements.

Responsible Division/Office: Division of Enforcement

Data Source: Case Tracking System for the Division of Enforcement

PERFORMANCE GOAL 3
Percentage of investment advisers and broker-dealers examined during the year



Description: Investment advisers (IA) and broker-dealers (BD) are critical market participants in terms of their interactions with retail investors. This metric indicates the percentage of IAs and BDs examined by the SEC or a self-regulatory organization (SRO) as a percentage of the total number of registrants. This metric takes into account all types of examinations, including, for example, risk priority examinations, cause inspections to follow up on tips and complaints, and limited scope special inspections to probe emerging risk areas.

Target: Investment Advisers – Met; Broker-Dealers – Exceeded

Analysis: FY 2023 examination priorities focused on both investment advisers and broker-dealers in an effort to protect investors and address critical risks in the marketplace. Overall, coverage rates in FY 2023 by the Division of Examinations (EXAMS) and broker-dealer self-regulatory organizations met expectations and reflect the continued emphasis on these important market participants. Going forward, EXAMS will continue to prioritize outreach and examinations of investment advisers and broker-dealers as more individual investors rely on these market participants.

Responsible Division/Office: Division of Examinations

Data Source: Tracking and Reporting Examination National Documentation System (TRENDS) (IA and BD SEC Data) and SRO Databases (BD SRO Data)

PERFORMANCE GOAL 4
Number of regulatory initiatives to improve investor disclosure

Description: Number of regulatory initiatives (i.e., concept, requests for comment, proposing, and adopting releases) that could assist investors in making informed investment or voting decisions, or that are designed to improve investors' ability to access or analyze registrants' disclosures.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Division of Corporation Finance (CF)		Prior-year data not available				10	4	10	10
Division of Investment Management (IM)		Prior-year data not available				15	13	15	3
Division of Trading and Markets (TM)		Prior-year data not available				2	6	2	2

Target: CF – Not Met; IM – Not Met; TM – Exceeded

Analysis: In FY 2023, the Divisions of Corporation Finance, Investment Management, and Trading and Markets worked diligently on regulatory initiatives that aim to improve investor disclosure. Eight of the final rule adoptions under this goal will improve disclosure for investors on, among other things, registered funds' shareholder reports and proxy voting records, as well as private fund performance, fees, and expenses. The five rule proposals under this performance goal will, among other things, provide investors with additional information about registered funds' portfolios and provide timely notification to individuals affected by certain types of data breaches that may put them at risk of harm.

Plan for Improving Program Performance: The SEC did not meet every target because several regulatory initiatives during this period did not involve investor disclosures, including amendments to improve private fund adviser reporting on Form PF, rules to address certain conflicts of interest associated with the use of predictive data analytics by investment advisers, and amendments to modernize the internet adviser exemption. These regulatory initiatives were designed to achieve other Commission goals. In FY 2025, the SEC will continue to prioritize rulemaking and enhancing certain aspects of the rulemaking process. Future performance will be dependent on market conditions and the Commission's agenda.

Responsible Division/Office: Division of Corporation Finance; Division of Investment Management; Division of Trading and Markets

Data Source: Releases Posted on Commission Website (CF); Internal Logs (IM); Internal Logs (TM)

PERFORMANCE GOAL 5

Percentage of disclosure-based regulatory initiatives that consider whether it would be appropriate to include a provision to structure disclosures (to the extent that the benefits justify the economic costs) to enhance comparability

Description: Percentage of disclosure-based regulatory initiatives that consider structuring disclosure would provide a measure of the Commission’s efforts to provide the investing public with machine-readable data (where economically justified), which will help the investing public analyze disclosure and compare investment choices across different issuers.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Division of Corporation Finance (CF)		Prior-year data not available				100%	100%	100%	100%
Division of Investment Management (IM)		Prior-year data not available				75%	92%	75%	90%
Division of Trading and Markets (TM)		Prior-year data not available				50%	72%	50%	50%

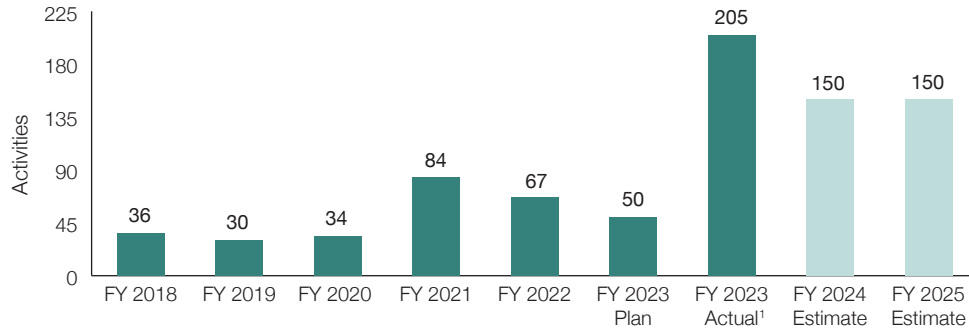
Target: CF – Met; IM – Exceeded; TM – Exceeded

Analysis: In FY 2023, the Commission met or exceeded all targets for regulatory initiatives that consider whether it would be appropriate to include a provision to structure those disclosures (to the extent that the benefits justify the economic costs) to enhance comparability. Specifically, the consideration of structuring investor disclosures, and the relative benefits and costs of such structuring, occurred in most of the regulatory initiatives concerning investor disclosure, reflecting the Commission’s continued efforts to provide the investing public with machine-readable data to help investors compare information across different issuers. Going forward, when appropriate, the SEC will continue to prioritize consideration of whether and how to include structured data elements while developing regulatory initiatives.

Responsible Division/Office: Division of Investment Management; Division of Corporation Finance; Division of Trading and Markets

Data Source: Releases Posted on Commission Website (CF); Internal Logs (IM); Internal Logs (TM)

PERFORMANCE GOAL 6
Investor Engagement Activities



Description: Organize investor-focused meetings, events, and activities that are designed primarily to engage directly with investors and receive feedback about policy questions, investing challenges, regulatory policy and rulemaking, investment products and services, investor issues, and/or potential misconduct.

Investor Engagement Activities, defined above, include consultations with individual investors; small business investors; institutional investors; representatives from organizations that are comprised of, and/or represent the interests of, investors; and other market participants and industry experts. This also includes a number of public events such as investor roundtables, public meetings, and academic engagement.

Target: Exceeded

Analysis: In FY 2023, the SEC continued to engage with a wide-range of investors by hosting or participating in events with retail investors, veterans, seniors, minorities, and Native American communities. The Office of the Investor Advocate and other SEC divisions conducted 205 in-person and virtual outreach events.

Responsible Division/Office: Office of the Investor Advocate

Data Source: Office of the Investor Advocate Client Relationship Management System; Reporting from Other Divisions and Offices

¹ In FY 2023, the metric data collection methodology changed to also capture Investor Engagement Activities from other SEC divisions and offices.

Strategic Goal 2

Develop and implement a robust regulatory framework that keeps pace with evolving markets, business models, and technologies

- 2.1 Update existing SEC rules and approaches to reflect evolving technologies, business models, and capital markets.
- 2.2 Examine strategies to address systemic and infrastructure risks faced by our capital markets and our market participants.
- 2.3 Recognize significant developments and trends in our evolving capital markets and adjust our activities accordingly.

The SEC regulates the major securities market participants—broker-dealers, transfer agents, securities information processors, securities exchanges, clearing agencies, and other self-regulatory organizations such as the Financial Industry Regulatory Authority—and staying up-to-date with market trends and developments is critical to the agency’s ability to remain an effective regulator. In FY 2023, the SEC made several rulemaking recommendations to enhance efficiency and competition in the asset management space. As one example, the Commission adopted final rules to require private fund advisers registered with the Commission to provide detailed disclosure to investors regarding fees, expenses, and performance. The final rules also addressed certain sales practices, conflicts, and compensation schemes of advisers to private funds. The SEC also made rulemaking recommendations to enhance the resiliency in the financial system. In FY 2023, the Commission adopted final rules to enhance money market funds’ liquidity and investor protection. The final rules will enhance these funds’ resiliency and ability to protect against dilution. As another example, the Commission finalized a rule amending Form PF to improve visibility into private funds, which will help protect investors and promote financial stability. In FY 2023, approximately \$388 million and 814 FTEs were directed at achieving results in Strategic Goal 2. Of the 10 performance targets, the agency met or exceeded 8 and did not meet 2.

In FY 2025, the SEC will remain focused on ensuring that regulated market participants are actively and effectively engaged in managing cyber and information security risks. For example, the examination program intends to continue its significant cyber and information security examination work in future years. Also, the agency understands that rulemaking does not stop at rule adoption and will continue to strive to ensure that as technology and business practices evolve, so too will the regulatory framework needed to identify and respond effectively to market developments. The agency will continue to identify outdated Commission rules that may not be functioning as intended in today’s markets. To support these efforts, the SEC will continue to leverage its robust processes for obtaining public input and performing rigorous

economic analyses of rules at both the proposal and adoption stages to provide greater depth in economic analysis and policymaking support. The SEC will continue identifying the benefits and costs of regulatory actions, including situations in which a rule's effects may not be consistent with expectations. For FY 2025, the agency is requesting a total of \$463 million and 897 FTEs to direct toward achieving results in developing and implementing a robust regulatory framework that keeps pace with evolving markets, business models, and technologies.

Goal Leader(s): Director, Division of Trading and Markets; Director, Division of Corporation Finance; Director, Division of Investment Management; Director, Division of Examinations; Director, Office of International Affairs; Director, Office of Investor Education and Advocacy

PERFORMANCE GOAL 7

Number of regulatory initiatives that enhance transparency in private markets or update the disclosure framework to reflect evolving technologies, business models, and capital markets

Description: This metric captures the number of regulatory initiatives (i.e., concept, requests for comment, proposing, and adopting releases) that increase or improve information in, or available about, offerings that are exempt from registration under the Securities Act of 1933 or update the disclosure framework to reflect evolving technologies, business models, and capital markets.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Division of Corporation Finance (CF)		Prior-year data not available				2	4	2	2
Division of Investment Management (IM)		Prior-year data not available				20	15	20	5
Division of Trading and Markets (TM)		Prior-year data not available				2	8	2	2

Target: CF – Exceeded; IM – Not Met; TM – Exceeded

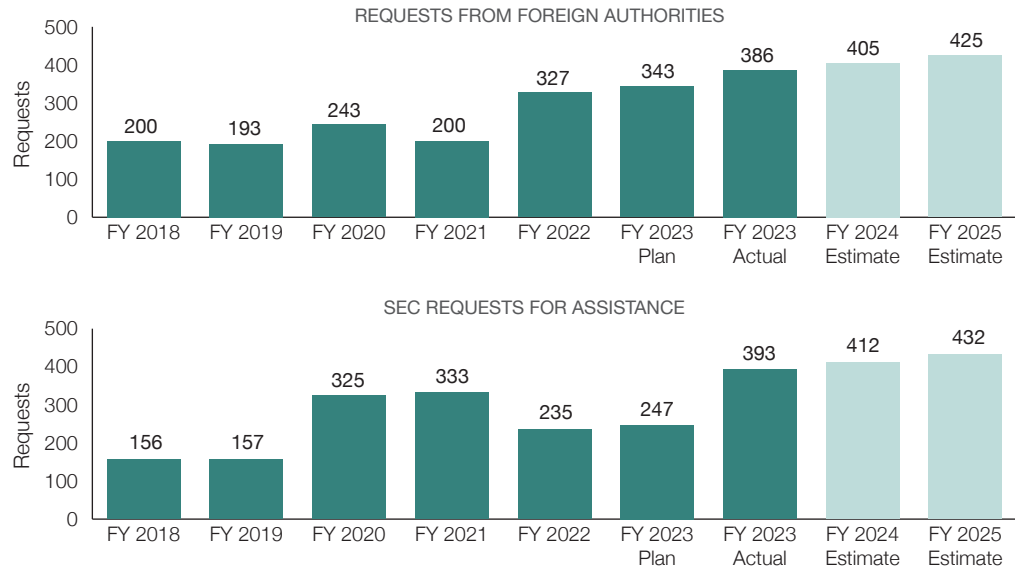
Analysis: The SEC did not meet its planned level with respect to rulemaking related to the Division of Investment Management. In this area in FY 2023, the SEC worked to enhance transparency in private markets and update the disclosure framework to reflect evolving technologies, business models, and capital markets. The regulatory initiatives and 10 final rule adoptions under this performance goal will, among other things, require reporting by certain private fund advisers regarding events that could raise investor protection issues, modernize requirements for registered fund names, and amend money market fund regulations to enhance transparency and resilience. Also, the five rule proposals under this performance goal will, among other things, strengthen requirements for investment advisers to safeguard client assets and provide investors with disclosures tailored to registered index-linked annuities.

Plan for Improving Program Performance: The SEC did not meet one of the targets because some of the items on the Commission's agenda focused on other Commission goals, and because fewer joint releases were acted on during FY 2023 compared to prior years. In FY 2025, the SEC will prioritize rulemaking and enhancing certain aspects of the rulemaking process. Future performance will depend on market conditions and the Commission's agenda.

Responsible Division/Office: Division of Corporation Finance; Division of Investment Management; Division of Trading and Markets

Data Source: Internal Logs

PERFORMANCE GOAL 8
Number of supervisory cooperation requests from foreign authorities for SEC assistance and SEC requests for assistance on supervisory cooperation from foreign authorities



Description: The SEC makes requests to foreign authorities for supervisory cooperation assistance and responds to such requests from foreign regulators through both formal mechanisms, such as supervisory memoranda of understanding, and on an ad hoc basis.

Target: Requests from Foreign Authorities – Exceeded; SEC Requests for Assistance – Exceeded

Analysis: The supervisory cooperation workload continued to grow with respect to coordination with foreign regulators. In connection with the Office of International Affairs’ support of the SEC’s divisions and offices, there was an increase of approximately (1) 18 percent in requests from foreign authorities for SEC assistance, and (2) 67 percent in SEC staff requests for assistance on supervisory cooperation from foreign authorities from FY 2022 to FY 2023.

Responsible Division/Office: Office of International Affairs

Data Source: SECOIA – Salesforce

PERFORMANCE GOAL 9
Percentage of supervisory engagements with broker-dealers and clearing agencies to address systemic and infrastructure risks

Description: Monitoring broker-dealers' and clearing agencies' compliance and risk management practices is critical to the operation of the financial markets. As a result, the SEC will ensure that a portion of its inspections each year assess whether regulated entities are monitoring, managing, and appropriately addressing these types of risks. The results of these important reviews will inform the SEC about industry developments and future work in this area.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Percentage	Prior-year data not available					50%	100%	50%	50%

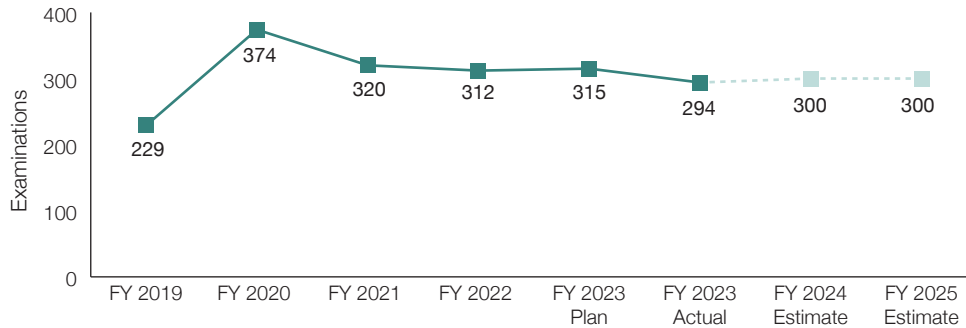
Target: Exceeded

Analysis: In FY 2023, all of the Division of Trading and Markets' (TM) supervision and monitoring of broker-dealers and clearing agencies included a focus on the operation of financial markets. TM's supervisory and monitoring work evolves to reflect emerging trends and market conditions. TM may adjust the content and priorities of supervisory and monitoring activities in the future.

Responsible Division/Office: Division of Trading and Markets

Data Source: Internal Logs

PERFORMANCE GOAL 10
Number of examinations that request information related to an entity's information security



Note: Data for FY 2018 is not available.

Description: Managing cyber and information risks is critical to the operation of the financial markets. As a result, the SEC's risk-based examination program ensures that a portion of its exams each year assess whether regulated entities are monitoring, managing, and appropriately addressing these types of risks. The results of these important reviews inform the SEC regarding industry developments and future work in this area. Overall, this metric reflects the continued focus of the SEC's examination program in this area by measuring the number of examinations reviewing critical cyber and information risks.

Target: Not Met

Analysis: The SEC remains focused on ensuring that regulated market participants are actively and effectively engaged in managing cyber and information security risks. The SEC protects and monitors developments in this area through examinations of market participants conducted by the Division of Examinations. During FY 2023, nearly 300 examinations specifically requested information related to an entity's information security, the results of which helped to evaluate whether market participants are monitoring and addressing critical cybersecurity risks. These examinations also helped the SEC monitor industry developments to ensure future oversight efforts can be appropriately planned and executed. The examination program intends to continue its significant cyber and information security examination work in future years.

Plan for Improving Program Performance: The performance target for this measure was set at an approximate level and the deviation from the target was minimal. Information security will be a continued focus for the Commission and the division during FY 2024 and FY 2025.

Responsible Division/Office: Division of Examinations

Data Source: Tracking and Reporting Examination National Documentation System (TRENDS)

PERFORMANCE GOAL 11
Percentage of Systemically Important Financial Market
Utilities examined by the examinations program

Description: A Systemically Important Financial Market Utility (SIFMU) is an organization that is vital to the U.S. financial system. A failure of, or disruption to, services provided by a SIFMU could threaten the stability of the U.S. markets. The SEC is designated as the supervisory agency for four SIFMUs and is required by Title VIII of the Dodd-Frank Act to conduct at least one exam annually of each SIFMU that meets the requirements set forth in the Act.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Percentage	Prior-year data not available					100%	100%	100%	100%

Target: Met

Analysis: As in prior years, the examination program continued to prioritize SIFMU exams that meet the requirements of Title VIII of the Dodd-Frank Act. During FY 2023, the program achieved its goal of conducting at least one such examination of each SIFMU.

Responsible Division/Office: Division of Examinations

Data Source: Tracking and Reporting Examination National Documentation System (TRENDS)

PERFORMANCE GOAL 12
Number of new investor education materials on emerging and popular investment topics

Description: Through the Office of Investor Education and Advocacy (OIEA), and often in conjunction with other organizations, the SEC issues Investor Alerts and Bulletins to inform investors about different permutations of fraud, new investment products, and other topical issues. This metric measures: (a) the number of new investor education materials issued by OIEA; and (b) the percentage of users who indicated that the investor education materials may positively impact their behavior in the future.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
New Investor Education Materials Issued	Prior-year data not available				16	16	24	16	16
Users Indicating a Positive Change	Prior-year data not available				94%	90%	91%	90%	90%

Target: New Investor Education Materials Issued – Exceeded; Users Indicating a Positive Change – Exceeded

Analysis: In FY 2023, OIEA continued to inform investors about different permutations of fraud, new investment products, and other topical issues, including crypto asset securities, ways they can hold their securities, and investment scams relating to natural disasters. OIEA published 24 Investor Alerts and Bulletins, exceeding its performance target for new materials issued. With 91 percent of respondents to Investor.gov's customer satisfaction survey indicating that the information from Investor Alerts and Bulletins may impact them positively in the future, OIEA also exceeded its user experience performance target.

Responsible Division/Office: Office of Investor Education and Advocacy

Data Source: Investor.gov; Qualtrics Experience Management Platform

Strategic Goal 3

Support a skilled workforce that is diverse, equitable, and inclusive and is fully equipped to advance agency objectives

- 3.1 Focus on the workforce to increase capabilities, leverage shared commitment to investors, and promote diversity, equity, inclusion, accessibility, and equality of opportunity.
- 3.2 Promote collaboration within and across SEC offices, including through rotation and detail programs, and maximize telework opportunities.
- 3.3 Enhance the agency's internal control and risk management capabilities, including by the development of a robust and resilient program for dealing with threats to the security, integrity, and availability of the SEC's systems and sensitive data.
- 3.4 Modernize the SEC's technology to enable the mission in a cost-effective, secure, and resilient manner.

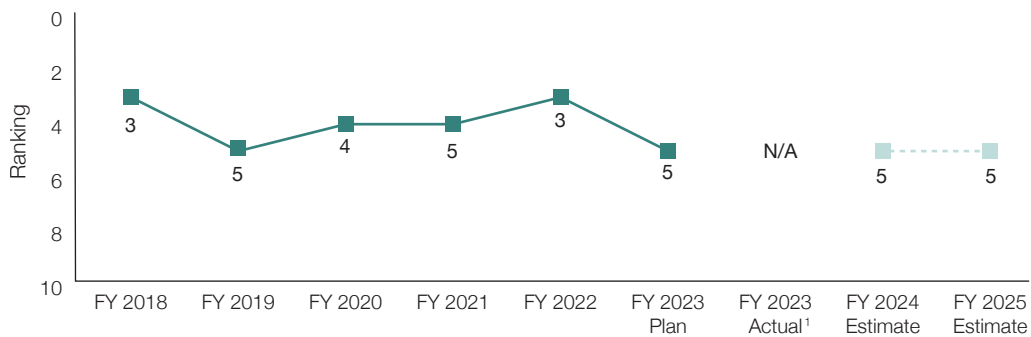
The SEC recognizes that people are the agency's most important asset and maintaining a high level of staff engagement, performance, and morale is critical to executing its mission. In FY 2023, the agency remained committed to its employees as it implemented a hybrid work environment by providing work-life and employee assistance programs to help employees maintain a safe and effective workspace at home and in the office. As proven by the FY 2022 Federal Employee Viewpoint Survey results, the SEC continues to achieve high scores. In addition, the Partnership for Public Service's *Best Places to Work* rankings recognized the SEC as one of the best agencies in the federal government, which further illustrates the Commission's commitment to supporting its talented staff. In FY 2023, approximately \$430 million and 902 FTEs were directed at achieving results in Strategic Goal 3. Of the 15 performance targets, the agency met or exceeded 12; did not meet 1; and data was not available for 2. The FY 2023 *Best Places to Work* rankings will be released in the summer 2024.

In FY 2025, the SEC will continue to focus on matters of technology and data security, such as data analytics and management, cybersecurity, migration to the cloud, and modernization of key systems. The agency will focus on the following initiatives: (1) The improvement of information security and identity management practices, including compliance with new cybersecurity requirements and investments in a Zero Trust Architecture; (2) The migration of applications to the cloud and the continued development of secure cloud infrastructure; (3) The implementation of an IT Supply Chain and Vendor Security Program; and (4) The modernization of key capabilities such as the Electronic Data Gathering, Analysis, and Retrieval system as well as enforcement and examinations systems.

Moreover, the SEC seeks to conduct hiring in critical areas such as enforcement and examinations, market oversight, and cybersecurity. The SEC understands it must continue to add highly skilled individuals who have the experience and expertise necessary to enhance market oversight and improve the agency’s ability to serve investors. The SEC does not take the remarkable staff for granted and understands the importance of enhancing its diversity and continuing to attract, hire, develop, and retain high-quality, diverse talent. For FY 2025, the agency is requesting a total of \$513 million and 993 FTEs toward achieving results in elevating the SEC’s performance by enhancing its analytical capabilities and human capital development.

Goal Leader(s): Chief Operating Officer; Director, Office of Human Resources; Director, Office of Minority and Women Inclusion; Director, Office of Equal Employment Opportunity; Director, Office of Information Technology

PERFORMANCE GOAL 13
Results of Federal Employee Viewpoint Survey



Description: The data gathered via the Federal Employee Viewpoint Survey (FEVS) will be used to determine the SEC’s overall success in improving employee morale. Specifically, this performance goal will be measured via the Partnership for Public Service’s *Best Places to Work* ranking for mid-size federal agencies.

Target: N/A

Analysis: The SEC continues to maintain a top 5 ranking because of the efforts of hundreds of managers, frontline staff, and union representatives who work together to improve employee satisfaction and engagement.

Responsible Division/Office: Office of Human Resources

Data Source: Annual Partnership for Public Service Calculated Ranking based on Annual Employee Viewpoint Survey administered by the Office of Personnel Management

¹ FY 2023 rankings are expected to be available in summer 2024.

PERFORMANCE GOAL 14
Index Results from SEC Federal Employee Viewpoint Survey:
Diversity, Opportunity, and Employee Inclusion

Description: The Diversity, Equity, Inclusion, and Accessibility (DEIA) indices generated via the Federal Employee Viewpoint Survey (FEVS) will be used to determine the SEC's overall success in promoting diversity and inclusion. Specifically, this performance goal will be measured via the two indices: Diversity and Opportunity, and Employee Inclusion.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Diversity and Opportunity	Prior-year data not available				79.1%	70%	80.1%	70%	75%
Employee Inclusion	Prior-year data not available				87.5%	70%	87.9%	70%	80%

Target: Diversity and Opportunity – Exceeded; Employee Inclusion – Exceeded

Analysis: The SEC recognizes that DEIA is the cornerstone of the SEC's three-part mission. As such, the Office of Minority and Women Inclusion and the Office of Human Resources continued to champion and advance the ongoing efforts to educate the SEC workforce about DEIA, further embed DEIA into all aspects of the SEC's work, and create an environment of belonging and respectfulness. The 2023 FEVS index results for Diversity and Opportunity were, on average, 80.1 percent positive, which is a 1 percent improvement compared to the 2022 results. In addition, the SEC achieved a positive percentage of 87.9 for Employee Inclusion, which was a 0.5 percent improvement compared to the 2022 FEVS results for this performance goal.

Responsible Division/Office: Office of Human Resources; Office of Minority and Women Inclusion

Data Source: FEVS Results for DEIA Indices

PERFORMANCE GOAL 15
Diversity Outreach

Description: This metric captures the number of SEC-wide diversity outreach recruitment events.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual ¹	FY 2024 Estimate	FY 2025 Estimate
Events	Prior-year data not available					60	105	60	60

Target: Exceeded

Analysis: In pursuit of further diversifying the SEC's talent pool, the Office of Minority and Women Inclusion (OMWI) took proactive measures during this year's critical hiring surge. The expansion of strategic diversity partnerships from the previous year enabled OMWI to utilize these relationships effectively, ensuring that its outreach and promotional efforts reached a broader yet more precisely targeted audience. Most notable was the inaugural Diversity Career Fair for attorneys, hosted at the SEC's headquarters, which provided an opportunity for candidates from the partner organizations to directly engage with hiring managers and staff from various SEC divisions and offices. As a result of this and countless other efforts in FY 2023, the SEC exceeded its outreach goal. OMWI played a pivotal role in coordinating, participating, and/or facilitating the SEC's involvement in more than 60 outreach events with a clear focus on cultivating a diverse talent pool for careers within the SEC.

Responsible Division/Office: Office of Minority and Women Inclusion

Data Source: Office of Public Engagement Workforce Diversity Recruitment Tracker; Office of Minority and Women Inclusion Outreach Reporting Tracker

¹ FY 2023 Actual data reported here differs from the FY 2023 Agency Financial Report (AFR) due to the submission of additional entries post AFR publication.

PERFORMANCE GOAL 16
Equal Employment Opportunity Compliance – Sentiment and Assessment

Description: This compliance metric tracks two readily-available data points captured in the Federal Employee Viewpoint Survey (FEVS) related to federal sector Equal Employment Opportunity (EEO) programs:

- 1). The overall rating and the percentage difference by protected group category on FEVS Q8: “I can disclose a suspected violation of any law, rule or regulation without fear of reprisal.” Tracking whether employees feel empowered to raise concerns across all protected EEO groups (e.g., race, color, national origin, sex, age, disability) without fear of retaliation is an indication of the health of SEC culture as it relates to operationalizing equality of opportunity in the SEC’s everyday operations. This culture, in turn, impacts SEC’s ability to attract, develop, and retain the best diverse talent to perform SEC’s mission.
- 2). The percentage of “yes” (or N/A) responses to 156 questions prescribed by the Equal Employment Opportunity Commission (EEOC) related to a Model EEO Program. EEOC has established criteria for evaluating whether agencies have in place policies and procedures necessary to support a Model EEO Program. Reviewing whether SEC has such infrastructure in place communicates progress related to equality of opportunity at SEC by identifying gaps and areas for continuous improvement.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Positive Rating on FEVS Q8	77%	76%	79%	80.6%	82.6%	70%	82.6%	70%	75%
Percentage of “Yes” (or N/A) Responses to EEOC Questions	Prior-year data not available					100%	N/A ¹	100%	100%

Target: Positive Rating on FEVS Q8 – Exceeded; Percentage of “Yes” (or N/A) Responses to EEOC Questions – N/A

Analysis: The mission of the SEC’s Office of Equal Employment Opportunity is to create and apply best practices to achieve EEO in the workplace and support compliance with anti-discrimination laws. This performance goal helps the SEC be an employer-of-choice that fosters an inclusive workplace dedicated to the SEC’s mission. More than 3,000 employees answered Q8 in the FY 2023 FEVS, and 82.6 percent provided a positive response.

Responsible Division/Office: Office of Equal Employment Opportunity

Data Source: Annual FEVS Results; Annual Management Directive-715 Report

¹ FY 2023 Actual data is expected to be released in May 2024.

PERFORMANCE GOAL 17
Employee Views on Intra-Agency Collaboration

Description: To assess employee views on collaboration, this metric tracks the SEC's performance on the Federal Employees Viewpoint Survey (FEVS) questions related to cooperation (Q14: "The people I work with cooperate to get the job done") and sharing work knowledge (Q17: "Employees in my work unit share job knowledge").

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Cooperation (Q14)	86%	85%	89%	88.8%	88.8%	70%	88.7%	70%	75%
Knowledge Share (Q17)	84%	83%	87%	86.8%	86.5%	70%	85.7%	70%	75%

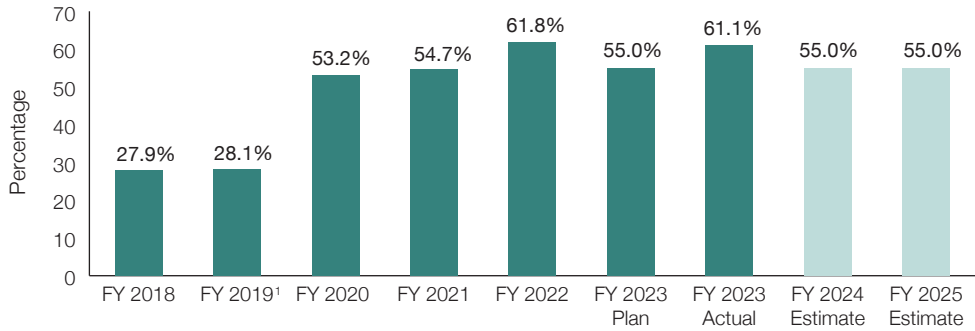
Target: Cooperation (Q14) – Exceeded; Knowledge Share (Q17) – Exceeded

Analysis: In FY 2023, the SEC continued to harness the expertise of the SEC workforce and facilitate strong collaboration across organizational lines. Among other initiatives, the SEC focused on fostering an inclusive culture and evaluating improvements in knowledge management. The latter initiatives are focused on making the deep expertise of the agency's workforce accessible as an appropriate reference when faced with novel or emerging issues. For Q14 and Q17 in the FY 2023 FEVS, the SEC achieved 88.7 percent and 85.7 percent positive scores, respectively. Over 3,400 employees responded to these questions.

Responsible Division/Office: Office of the Chief Operating Officer

Data Source: Annual FEVS Results

PERFORMANCE GOAL 18
Percentage of Plan of Action and Milestones (POA&Ms)
closed within six months from identification



Description: POA&Ms are corrective action plans for tracking and planning the resolution of vulnerabilities and risks associated with information security and privacy. They detail resources required to accomplish the elements of the plan, any milestones in meeting the tasks, and scheduled completion dates for the milestones to address threats to the security, integrity, and availability of the SEC’s systems and sensitive data. Organizations implement a consistent process for developing POA&Ms that uses a prioritized approach to risk mitigation that is uniform across the organization. A risk assessment guides the prioritization process for items included in the POA&Ms. Risk mitigation resources include, for example, personnel, new hardware or software, and tools. (NIST SP 800-37, Rev 2)

Target: Exceeded

Analysis: The continued improvement of POA&Ms closure performance during FY 2023 was the result of several reporting enhancements implemented by the Office of Information Technology (OIT), including: (1) adding this and several other POA&Ms performance metrics to status reports; (2) tracking POA&Ms submission due date changes and failed POA&Ms closure attempts to support more proactive identification of challenging POA&Ms; (3) tracking additional information about upcoming POA&Ms due dates; and (4) providing statistics related to common risks identified by POA&Ms to support root cause analysis. OIT presented these expanded POA&Ms reports to the Chief Operating Officer, Chief Information Officer, and other key management stakeholders consistently on a biweekly basis to improve situational awareness and support a risk-based approach to prioritizing mitigation efforts. OIT anticipates even further improved POA&Ms closure performance in future years due to a continuation of the actions described as well as new automated reminder messages and an enhanced extension request approval process.

Responsible Division/Office: Office of Information Technology

Data Source: Information Securities — Enterprise Governance, Risk, and Compliance Capability

¹ Beginning in FY 2019, the percentage is based on the new calculation methodology. POA&Ms are identified within a 12-month period, where the end of that 12-month period is 6 months prior to the reporting period.

PERFORMANCE GOAL 19
Percentage of SEC information systems encrypting data-at-rest and encrypting data-in-transit, as reported per FISMA

Description: Compliance with the Federal Information Security Modernization Act (FISMA) requires that agency information systems encrypt data-at-rest and data-in-transit, and that agencies report certain of those systems to the Cybersecurity and Information Security Agency (CISA) and the Office of Management and Budget (OMB) as part of their annual agency FISMA Chief Information Officer (CIO) Metrics. Accordingly, encryption both of data-at-rest and data-in-transit for these systems are standard baseline controls and are reflected in the System Security Plan for each SEC system. The SEC submits its CIO Metrics, including its FISMA-reportable information systems that encrypt data, on an annual basis.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Data-at-Rest		Prior-year data not available				95%	96.6%	95%	95%
Data-in-Transit		Prior-year data not available				95%	95.0%	95%	95%

Target: Data-at-Rest – Exceeded; Data-in-Transit – Met

Analysis: In FY 2023, the Office of Information Technology (OIT) led the efforts to ensure that the agency met both performance targets of at least 95 percent of encrypting data-at-rest and data-in-transit. The SEC’s CIO led the agency to continue to meet its reporting requirements to the Cybersecurity and Information Security Agency and OMB on its annual FISMA CIO Metrics.

Responsible Division/Office: Office of Information Technology

Data Source: System Security Plan; Annual FISMA CIO Metrics Report

PERFORMANCE GOAL 20
Timely completion of corrective actions responsive to audit findings

Description: This metric consists of two data points measuring the SEC’s ability to timely develop, complete, and submit for closure corrective actions responsive to Government Accountability Office (GAO) or Office of Inspector General (OIG) recommendations: (1) the percent of GAO and OIG audit recommendations submitted for closure within 12 months of the date of the recommendations’ issuance; and (2) the percent of GAO and OIG audit recommendations not yet submitted for closure that are within 12 months of the recommendations’ issuance.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Submitted Within 12 Months		Prior-year data not available				65%	68%	65%	65%
Not Yet Submitted Within 12 Months		Prior-year data not available				60%	83%	60%	60%

Target: Submitted Within 12 Months – Exceeded; Not Yet Submitted Within 12 Months – Exceeded

Analysis: In FY 2023, the SEC continued to monitor its ability to timely develop, complete, and submit for closure corrective actions responsive to Government Accountability Office (GAO) or Office of Inspector General (OIG) recommendations. The SEC exceeded both performance targets for the percent of GAO and OIG audit recommendations submitted for closure within 12 months of the date of the recommendations’ issuance, as well as for those not yet submitted for closure that are within 12 months of the recommendations’ issuance. For example, the Office of Information Technology (OIT) successfully closed 24 OIG prior-year IT-related audit recommendations in FY 2023.

Responsible Division/Office: Office of the Chief Risk Officer

Data Source: Audit Management System (Archer)

PERFORMANCE GOAL 21
Number of innovative or analytical models, tools, capabilities, platforms, and other solutions deployed or made available to SEC staff

Description: New or enhanced innovative or analytical models, tools, capabilities, platforms, and other information technology solutions will further enable the SEC’s mission and allow the agency to gain new or enhanced insights into the markets it oversees, uncover frauds, help agency programs generate more value for the public, and increase work efficiencies. This metric captures the number of models, tools, capabilities, platforms, and other solutions deployed or made available to SEC staff.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Number	Prior-year data not available					20	18	20	20

Target: Not Met

Analysis: In FY 2023, the Office of Information Technology (OIT) completed the development of 18 out of the 20 originally estimated new and innovative analytical models, tools, capabilities, and solutions. OIT was not able to meet the target goal due to limited funding and resources.

Plan for Improving Program Performance: OIT understands that in the current budgeting environment, it will need to be ever vigilant and innovative to enhance its ability to complete new models, tools, and solutions. OIT will continue to coordinate with leadership to ensure the SEC is constantly looking at new solutions to better serve the agency in its mission.

Responsible Division/Office: Office of Information Technology

Data Source: Office of Information Technology Artificial Intelligence and Innovation Inventory and Technology Catalog

PERFORMANCE GOAL 22
Percentage of FISMA-reportable systems that are current (not legacy systems)

Description: A legacy system refers to outdated computer systems, programming languages, or application software that are used instead of more modern alternatives. A legacy system may be problematic due to compatibility issues, obsolescence, or the lack of support. Systems shall be determined to be legacy by the Chief Information Officer (CIO) or CIO designee.

Fiscal Year	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Plan	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Percentage	Prior-year data not available					90%	93%	90%	90%

Target: Exceeded

Analysis: In FY 2023, the Office of Information Technology (OIT) continued to consistently evaluate the agency’s legacy systems. OIT exceeded its performance target by 3 percent to ensure that 93 percent of FISMA¹-reportable systems are current. Ensuring that the agency is not operating with outdated computer systems, programming languages, or application software continues to be a priority for the SEC.

Responsible Division/Office: Office of Information Technology

Data Source: Office of Information Technology Archer (list of FISMA-reportable systems)

¹ Federal Information Security Modernization Act

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APPENDIX A: VERIFICATION AND VALIDATION OF PERFORMANCE DATA

The SEC's programs require accurate data to properly assess program performance and make sound management decisions. To ensure data is correct, a system of data verification and validation is used. Data verification is a systematic process for evaluating a set of data against a set of standards to ascertain its completeness, correctness, and consistency using the methods and criteria defined in the project documentation. Data validation follows the data verification process in an effort to ensure that performance data is free of systematic error or bias, and that what is intended to be measured is actually measured. Together, these processes are used to evaluate whether the information has been generated according to specifications, satisfies acceptance criteria, and is appropriate and consistent with its intended use.

Below is a list of steps taken to ensure the performance data presented in this report is complete, reliable, and accurate.

1. The agency develops performance goals through its strategic planning process.
2. The SEC's divisions and offices provide:
 - The procedures used to obtain assurance as to the accuracy and reliability of the data;
 - The data definitions for reference;
 - Documentation and explanation of the performance goal calculations; and
 - The sources of the underlying data elements.
3. The performance data is approved by the division directors and office heads. This process ensures that the data used in the calculation of performance goals is accurate and reliable, and that internal control is maintained throughout the approval process.

APPENDIX B: SEC'S RESPONSES TO GOVERNMENT ACCOUNTABILITY OFFICE REPORTS

The following are copies of the SEC's responses sent to the Committees on Appropriations of both Houses of Congress. Substantially similar responses were sent to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, the congressional committees with jurisdiction over the agency program or activity that is the subject of the recommendation, the Office of Management and Budget, and the Government Accountability Office.

GAO Report: “Additional Guidance Needed for Assessing Staff Procedures”
(GAO-23-105465, dated November 2022)



OFFICE OF THE CHAIR

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

May 16, 2023

The Honorable Patty Murray
Chairwoman
Committee on Appropriations
United States Senate
S-128, The Capitol
Washington, DC 20510

The Honorable Susan Collins
Vice Chair
Committee on Appropriations
United States Senate
S-128, The Capitol
Washington, DC 20510

The Honorable Kay Granger
Chairwoman
Committee on Appropriations
U.S. House of Representatives
H-307, The Capitol
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
Committee on Appropriations
U.S. House of Representatives
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Washington, DC 20515

The Honorable Chris Van Hollen
Chairman
Subcommittee on Financial Services and
General Government
United States Senate
730 Hart Senate Office Building
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The Honorable Bill Hagerty
Ranking Member
Subcommittee on Financial Services and
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United States Senate
251 Russell Senate Office Building
Washington, DC 20510

The Honorable Steve Womack
Chairman
Subcommittee on Financial Services and
General Government
U.S. House of Representatives
2412 Rayburn House Office Building
Washington, DC 20515

The Honorable Steny Hoyer
Ranking Member
Subcommittee on Financial Services and
General Government
U.S. House of Representatives
1705 Longworth House Office Building
Washington, DC 20515

Dear Chairpersons/Ranking Members:

I am pleased to provide you with an update on the progress the U.S. Securities and Exchange Commission (SEC) has made in implementing the recommendations of the U.S. Government Accountability Office (GAO) in its November 2022 report, “Additional Guidance Needed for Assessing Staff Procedures” (GAO-23-105465). We appreciated the GAO’s review of the controls and processes governing SEC examinations of registered entities, enforcement investigations, and reviews of corporate financial securities filings.

GAO Report: “Additional Guidance Needed for Assessing Staff Procedures”
(GAO-23-105465, dated November 2022) *(continued)*

Page 2

We are pleased the GAO’s review found that the SEC’s internal supervisory controls in these program areas generally were consistent with federal internal control standards. The GAO’s report identified three recommendations to improve the SEC’s internal processes. The SEC made it a priority to implement these recommendations, and, as summarized below, have completed the actions to implement all three.

The GAO’s first recommendation asked that the SEC’s Division of Enforcement ensure that its memorandum regarding certification under Section 961 include a summary of the work performed for and results of the assessment of the effectiveness of staff procedures. The Division of Enforcement took corrective action in December 2022 by revising its annual Section 961 memorandum to include the requested additional documentation. Accordingly, GAO concurred with the SEC’s request to close this recommendation in late April 2023.

The remaining two GAO recommendations asked that the SEC update its Section 961 Reference Guide to include guidance on how offices should use program data and information from periodic program manual reviews in the Section 961 assessment. To address these two recommendations, the SEC’s cross-agency Section 961 Working Group developed revisions to the Section 961 Reference Guide, which were finalized in March 2023. The SEC recently submitted a formal request seeking GAO concurrence that these two recommendations also can be closed.

I hope this status report and summary of our work is helpful to you. If you have any questions or would like to discuss this response in more detail, please contact me at (202) 551-2100 or have a member of your staff contact Kevin Burris, Director of the Office of Legislative and Intergovernmental Affairs, at (202) 551-2010.

Sincerely,



Gary Gensler
Chair

GAO Report: “Securities and Exchange Commission: Employee Views of Personnel Management Improved, but Action Needed on Measuring Diversity and Inclusion Goals” (GAO-23-105459, dated December 2022)



OFFICE OF THE CHAIR

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

June 8, 2023

The Honorable Patty Murray
Chairwoman
Committee on Appropriations
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Washington, DC 20510

The Honorable Susan Collins
Vice Chair
Committee on Appropriations
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S-128, The Capitol
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The Honorable Kay Granger
Chairwoman
Committee on Appropriations
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The Honorable Rosa DeLauro
Ranking Member
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The Honorable Bill Hagerty
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The Honorable Steve Womack
Chairman
Subcommittee on Financial Services and
General Government
U.S. House of Representatives
2412 Rayburn House Office Building
Washington, DC 20515

The Honorable Steny Hoyer
Ranking Member
Subcommittee on Financial Services and
General Government
U.S. House of Representatives
1705 Longworth House Office Building
Washington, DC 20515

Dear Chairpersons /Ranking Members:

I am pleased to respond to the recommendation made by the U.S. Government Accountability Office (GAO) in its report entitled “Securities and Exchange Commission: Employee Views of Personnel Management Improved, but Action Needed on Measuring Diversity and Inclusion Goals” (GAO-23-105459). Consistent with Section 962 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the report reviews the SEC’s personnel management. In particular, the report focuses on the competence of professional

GAO Report: “Securities and Exchange Commission: Employee Views of Personnel Management Improved, but Action Needed on Measuring Diversity and Inclusion Goals” (GAO-23-105459, dated December 2022) (*continued*)

Page 2

staff, the effectiveness of supervisors and issues related to employee performance assessments, promotion and intra-agency communication. As part of its review, GAO examined (1) employees’ views on the SEC’s personnel management, (2) personnel management practices that the SEC implemented since GAO’s 2019 report, and (3) the SEC’s diversity and inclusion efforts related to personnel management and its diversity strategic planning.

In this report, GAO discusses the SEC’s diversity and inclusion efforts, including a number of new diversity and inclusion efforts since GAO’s last review. The report also notes that according to its 2022 survey, mission-critical SEC employees generally had favorable views on the SEC’s diversity and inclusion efforts.

For the SEC’s upcoming diversity, equity, inclusion, and accessibility strategic plan for fiscal years 2023-2026 (DEIA Strategic Plan), GAO recommended that the Director of the SEC’s Office of Minority and Women Inclusion (OMWI) ensure that performance measures align with the DEIA Strategic Plan’s goals and are clear, measurable, objective, and reliable. In drafting the plan, OMWI has worked to ensure that its performance measures reflect GAO’s recommendation.

We plan to complete the internal stakeholder reviews of the DEIA Strategic Plan and accompanying performance measures ahead of finalizing the document before the end of the fiscal year.

If you have any questions or would like to discuss this response in more detail, please contact me at 202-551-2100 or have a member of your staff contact Kevin Burris, Director of the Office of Legislative and Intergovernmental Affairs, at 202-551-3435.

Sincerely,



Gary Gensler
Chair

GAO Report: "Blockchain in Finance: Legislative and Regulatory Actions Are Needed to Ensure Comprehensive Oversight of Crypto Assets" (GAO-23-105346, dated July 2023)



OFFICE OF THE CHAIR

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

January 9, 2024

The Honorable Patty Murray
Chairwoman
Committee on Appropriations
United States Senate
S-128, The Capitol
Washington, DC 20510

The Honorable Susan Collins
Vice Chair
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S-128, The Capitol
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The Honorable Kay Granger
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The Honorable Steny Hoyer
Ranking Member
Subcommittee on Financial Services and
General Government
U.S. House of Representatives
1705 Longworth House Office Building
Washington, DC 20515

Dear Chairperson/Ranking Members:

I am pleased to respond to the recommendation made by the U.S. Government Accountability Office (GAO) in its report entitled "Blockchain in Finance: Legislative and Regulatory Actions Are Needed to Ensure Comprehensive Oversight of Crypto Assets" (GAO-23-105346). The report reviews federal oversight of crypto assets. In particular, the report focuses on the challenges of regulating so-called stablecoins as well as spot markets for crypto assets that are not securities. As part of its review, GAO examined (1) key blockchain-related financial products and services, including their potential

GAO Report: “Blockchain in Finance: Legislative and Regulatory Actions Are Needed to Ensure Comprehensive Oversight of Crypto Assets”
(GAO-23-105346, dated July 2023) (*continued*)

Page 2

benefits and risks, (2) federal financial regulators’ jurisdiction over blockchain-related products and services, (3) gaps in regulatory authority, and (4) regulators’ coordination on and response to risks posed by blockchain-related products and services.

In this report, GAO’s findings underscore the importance of the Securities and Exchange Commission’s role to safeguard market integrity, resiliency, and financial stability with respect to risks emerging from non-compliance among crypto asset securities platforms. This role, consistent with the SEC’s mission, helps to protect investors, issuers, and the markets connecting them.

To identifying risks of blockchain-related products and services as well as to coordinate regulatory response, GAO recommended that the Chair of the SEC jointly establish or adapt an existing formal coordination mechanism with the Consumer Financial Protection Bureau (CFPB), Commodity Futures Trading Commission (CFTC), Federal Deposit Insurance Corporation (FDIC), the Federal Reserve, National Credit Union Administration (NCUA), and Office of the Comptroller of the Currency (OCC). In March 2023, the Financial Stability Oversight Council (FSOC) established such a formal coordination mechanism through the creation of the Digital Asset Working Group (DAWG). The DAWG generally meets monthly to promote information sharing and enhance interagency coordination in identifying potential risks in the digital assets space. FSOC member agencies—including the CFPB, CFTC, FDIC, the Federal Reserve, NCUA, and OCC—participate in the DAWG. The SEC plans to submit an overview of DAWG processes and procedures to the GAO by summer 2024.

If you have any questions or would like to discuss this response in more detail, please contact me at 202-551-2100 or have a member of your staff contact Kevin Burris, Director of the Office of Legislative and Intergovernmental Affairs, at 202-551-3435.

Sincerely,



Gary Gensler
Chair

APPENDIX C: SEC'S GOOD ACCOUNTING OBLIGATION IN GOVERNMENT ACT (GAO-IG ACT) REPORT

The following information is provided pursuant to Section 2(b) of the GAO-IG Act relating to U.S. Government Accountability Office (GAO) and SEC Office of Inspector General (OIG) recommendations. Specifically, the following information is being submitted within the SEC's annual budget justification submitted to Congress:

- Status of public GAO recommendations outstanding for longer than one year, along with whether they have a clear budget implication and the estimated completion date (Section 1);
- Status of public OIG recommendations outstanding for longer than one year, status of corrective actions being taken, and the estimated completion date (Section 2);
- A reconciliation of the GAO recommendations listed in this report with the recommendations listed on the GAO website (Section 3);
- A reconciliation of the OIG recommendations listed in this report with the recommendations listed in the latest OIG Semiannual Report (Section 4); and
- A statement by the agency regarding implementation of corrective actions for recommendations outstanding for less than one year (Section 5).

Section 1: Status of public GAO recommendations outstanding for longer than one year that are designated by GAO as “open” or “closed, unimplemented” and the estimated timeframe for completion¹

There were no GAO recommendations in this category as of March 1, 2024.

Section 2: Status of public OIG recommendations outstanding for longer than one year, recommendation status, and estimated timeframe for completion

There were three OIG recommendations in this category as of March 1, 2024.

SECTION 2 Status of Public OIG Recommendations with No Final Action Taken		
Report Number, Title, and Date	Recommendation	Recommendation Status (Estimated Completion)
546 Audit of SEC’s Compliance with the Federal Information Security Modernization Act for Fiscal Year 2017 (dated 3/30/2018)	Redacted Text	Corrective Actions in Progress (Q2 FY 2024)
562 Opportunities Exist To Improve the SEC’s Management of Mobile Devices and Services (dated 9/30/2020)	Redacted Text	Corrective Actions in Progress (Q2 FY 2024)
574 Fiscal Year 2022 Independent Evaluation of the SEC’s Implementation of the Federal Information Security Modernization Act of 2014 (dated 11/15/2022)	Redacted Text	Corrective Actions in Progress (Q4 FY 2025)

¹ The SEC is not reporting on closed recommendations that are greater than five years old. The SEC does not have any recommendations designated by GAO as “closed, unimplemented” that are less than five years old.

Section 3: GAO.gov Recommendation Database Reconciliation

The [GAO.gov](#) Recommendation Database lists five open recommendations as of March 1, 2024, that are not listed in Section 1 of this report. The recommendations are not listed in Section 1 because they have been outstanding for less than one year. The table below provides more detailed information on the five recommendations listed as “open” on [GAO.gov](#).

SECTION 3 Analysis of Discrepancies Between Recommendations in Section 1 Table and GAO.gov Recommendation Database		
Report Number, Title, and Date	Recommendation	Recommendation Status (Estimated Completion)
GAO-23-105346 Blockchain in Finance: Legislative and Regulatory Actions Are Needed to Ensure Comprehensive Oversight of Crypto Assets (dated 7/24/2023)	The Chair of the Securities and Exchange Commission should jointly establish or adapt an existing formal coordination mechanism with CFPB, CFTC, FDIC, the Federal Reserve, NCUA, and OCC for collectively identifying risks posed by blockchain-related products and services and formulating a timely regulatory response. To facilitate these objectives, this mechanism could include formal planning documents that establish the frequency of meetings and processes for identifying risks and responding to them within agreed-upon time frames.	Corrective Actions in Progress (Q3 FY 2024)
GAO-24-106635 Financial Technology: SEC Should Prepare a Workforce Plan, Document Oversight Controls, and Set Goals for Innovation Office (dated 1/16/2024)	The Chair of SEC should ensure that the Chief Human Capital Officer prepares a new workforce planning strategy that is aligned with the agency's 2022–2026 strategic and performance plans.	Corrective Actions in Progress (Q3 FY 2024)
	The Chair of SEC should ensure that the Director of the Strategic Hub for Innovation and Financial Technology document its policies and procedures supporting its internal controls.	Corrective Actions in Progress (Q3 FY 2024)
	The Chair of SEC should ensure that the Director of the Strategic Hub for Innovation and Financial Technology develop performance goals and measures that are objective, measurable, and targeted.	Corrective Actions in Progress (Q3 FY 2024)
GAO-24-106589 Sexual Harassment: Actions Needed to Improve Prevention Training for Federal Civilian Employees (dated 2/26/2024)	The Chair of the Securities and Exchange Commission should develop and implement a plan to evaluate the agency's required sexual harassment prevention training to identify needed improvements. The evaluation plan should include an assessment of training content and implementation to determine whether revisions are needed to better align with management practices to enhance the effectiveness of sexual harassment prevention training.	Corrective actions in Progress (Q2 FY 2025)

Section 4: OIG Semiannual Report Reconciliation

The OIG Semiannual Report dated April 1, 2023 – September 30, 2023 (OIG Report) listed eight recommendations that are not listed in Section 2 of this report. The recommendations are not listed in Section 2 because they have been outstanding for less than one year or closed since the release of the OIG Report. The table below provides more detailed information on the eight recommendations.

SECTION 4 Analysis of Discrepancies Between Recommendations Listed in Section 2 Table and OIG Semiannual Report		
Report Number, Title, and Date	Recommendation	Recommendation Status (Estimated Completion)
574 Fiscal Year 2022 Independent Evaluation of the SEC's Implementation of the Federal Information Security Modernization Act of 2014 (dated 11/15/2022)	Redacted Text	Closed by Auditors
	Redacted Text	Closed by Auditors
	Redacted Text	Closed by Auditors
	Redacted Text	Closed by Auditors
576 Enforcement Investigations: Measures of Timeliness Showed Some Improvement But Enforcement Can Better Communicate Capabilities for Expediting Investigations and Improve Internal Processes (dated 2/15/2023)	Review its processes for communicating across ENF information on data analytics capabilities, best practices, training opportunities, and available tools that help expedite investigations to ensure, to the maximum extent practicable, all ENF employees are made aware of available measures to expedite investigations, where possible and appropriate.	Closed by Auditors
	Review and consider the OIG survey results and develop a plan to address noted concerns, including feedback on potential inefficiencies in the action memo process, information technology improvements, and staffing and workload concerns.	Closed by Auditors
	Perform a detailed review of Division-wide (a) procedures for timely processing matters under inquiry and (b) controls that ensure investigations that are not anticipated to lead to an enforcement action are timely closed, and then disseminate across ENF any best practices identified.	Closed by Auditors

continued on next page

SECTION 4
Analysis of Discrepancies Between Recommendations Listed in
Section 2 Table and OIG Semiannual Report

Report Number, Title, and Date	Recommendation	Recommendation Status (Estimated Completion)
577 The SEC Supported Federal Small Business Contracting Objectives, Yet Could Make Better Use of Data and Take Other Actions To Further Promote Small Business Contracting (dated 2/28/2023)	Implement a process to ensure the SEC's small business reported achievements submitted to the U.S. Small Business Administration are supported (or traceable to detailed transaction level contracting data).	Closed by Auditors

Section 5: Recommendations outstanding for less than one year

The GAO-IG Act requires an agency to provide information about any public recommendation that is less than one year old if the agency has not yet determined whether to implement the recommendation. Since the SEC has agreed to implement all 28 recommendations the agency has received since March 1, 2023, there are no GAO or OIG recommendations in this category as of March 1, 2024.

The SEC's FY 2025 Congressional Budget
Justification/Annual Performance Plan
and FY 2023 Annual Performance Report
was successfully produced through the
efforts of our talented staff. To these
individuals, we offer our sincerest
appreciation. To comment on this report,
please send an email to
OFM_budget_formulation@sec.gov.



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