



# FY 2014 ANNUAL PERFORMANCE REPORT

## FY 2016 ANNUAL PERFORMANCE PLAN

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## A Reader's Guide to the SEC's Performance Information

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The following chapters comprise the agency's FY 2014 Annual Performance Report (APR) and FY 2016 Annual Performance Plan (APP), which explains how the SEC uses resources to achieve each of its four strategic goals. As part of the SEC Strategic Plan process for FY 2014-2018, the agency has developed a new set of Strategic Goals, Strategic Objectives, and Performance Goals and Performance Indicators.

The following outlines a brief description of each of the major components of the performance section:

**Strategic Goal Summary:** Each strategic goal section opens by reviewing the purpose of the goal, followed by information identifying the resources allocated toward achieving the goal.

**Strategic Objective:** This section provides a description of the SEC's strategic objectives that gauge the agency's performance within each strategic goal.

**FY 2014 Performance:** A brief summary is provided that spotlights the year's performance achievements, including resource data and an overall discussion of performance.

**Budgeting for the Future (FY 2016):** A brief discussion is provided on how the SEC plans to use the resources requested in FY 2016 to achieve the strategic goal.

**Performance Goals and Indicators:** Each strategic goal section includes a presentation of performance goals and performance indicators by outcome, comparing planned and actual performance levels for FY 2014. Four years of historical data is provided for performance goals and performance indicators where available. The APP will include an analysis of performance expectations for each goal.

## FY 2014 APR and FY 2016 APP Summary

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The SEC focuses its resources on (1) establishing and maintaining an effective regulatory environment, (2) fostering and enforcing compliance with the Federal securities laws, (3) facilitating access to the information investors need to make informed investment decisions, and (4) enhancing the agency's performance through effective alignment and management of human, information, and financial capital. In FY 2014, total SEC obligations were \$1.416 billion in support of 4,150 total full-time equivalents (FTE). Of 53 total performance targets, the agency met or exceeded 39, did not meet 11, and did not have FY 2014 targets established to report on for three.

The budget request for FY 2016 totals \$1.722 billion, an increase of about \$147.6 million (9 percent) over the agency's FY 2015 available funding amount of \$1.574 billion. The FY 2016 budget funds 4,859 full-time equivalents (FTE), an increase of about 399 FTE (9 percent) over the FY 2015 level, and increases the number of positions by 431 to a total of 5,249.

The additional resources requested for FY 2016 would bolster the SEC's efforts to achieve each of its four strategic goals, and improve the agency's ability to oversee the new markets and market participants that have been added to the SEC's

jurisdiction. Resources that directly support establishing an effective regulatory environment would increase approximately 8 percent from FY 2015 to FY 2016; resources utilized in fostering and enforcing compliance with the securities laws would increase by approximately 10 percent compared to FY 2015; and resources that support activities that aim to facilitate access to the information investors need to make informed investment decisions would receive an estimated 9 percent increase.

The agency is aware that increasing staffing in the program areas requires a commensurate increase in staff and funding for support offices. The requested funding will provide necessary resources for attracting and retaining a diverse and talented workforce, administering programs to enhance employee engagement and leadership development, and leveraging information technology that will improve the efficiency and effectiveness of agency programs.

To complement the FY 2014 APR, the agency also presents its FY 2014 budget by program (beginning on page 59). Each program chapter provides detailed information on program priorities, initiatives, and workload figures for the relevant divisions and offices.

## Verification and Validation of Performance Data

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The SEC's programs require accurate data to properly assess program performance and to make good management decisions. The SEC performs data verification and validation to evaluate whether data has been generated according to specifications, satisfies acceptance criteria, and is appropriate and consistent with its intended use. Data verification is a systematic process for evaluating a dataset compared to a series of standards regarding its completeness, correctness, and consistency, using the methods and criteria defined in the project documentation. Data validation follows the data verification process and uses information from the project documentation to ascertain the usability of the data in light of its objectives and to ensure that results obtained are scientifically defensible.

The SEC ensures that the performance data presented in this report is complete, reliable and accurate based upon the following assessment steps:

- (1) The agency develops performance measures through its strategic planning process.

- (2) The SEC's divisions and offices perform steps to ensure that data used in the calculation of performance measures is accurate and reliable, including adequately documenting:

- the sources of the underlying data elements, and the procedures used to gather the data;
- the procedures used to obtain assurance as to the accuracy and reliability of the data;
- the data definitions for reference, as well as the measure calculations.

- (3) The divisions and offices calculate and report the performance measures to the Office of Financial Management, and the measures are approved by division directors and office heads. This process ensures that the data used in the calculation of performance measures is accurate and reliable and that internal control is maintained through the approval process.

## Performance Summary by Strategic Goal and Strategic Objective

### Strategic Goal 1: Establish and Maintain an Effective Regulatory Environment

The Commission believes that its rules and regulations should be drafted to enable market participants to clearly understand their obligations under the Federal securities laws and to conduct their activities in compliance with law. Just as the securities laws require that disclosures be clear and precise, the Commission aims to promulgate rules that are clearly written, easily understood, and tailored toward specific ends. In addition, the agency recognizes that regular reviews of Commission regulations and rulemaking processes are necessary to confirm that intended results are being achieved.

In FY 2014, approximately \$151.3 million and 450 full-time equivalents (FTEs) were directed at achieving results in Goal 1. Of 10 performance targets, the agency met or exceeded seven, did not meet one, and did not have FY 2014 targets established to report on for two. During FY 2016, the SEC plans to pursue a vigorous investor-focused rulemaking agenda that will help protect investors and ensure that markets operate fairly. Under the Dodd-Frank Act the agency will continue to implement a more effective regulatory structure. In FY 2016, the agency is requesting a total of \$176.0 million and 519 FTEs toward achieving results in establishing an effective regulatory environment.

**Strategic Objective 1.1: The SEC establishes and maintains a regulatory environment that promotes high-quality disclosure, financial reporting, and governance, and prevents abusive practices by registrants, financial intermediaries, and other market participants.**

**Goal Leader(s):** Director, Office of Investor Education and Advocacy

#### FY 2014 Performance

Although the SEC did not conduct any investor testing research projects in FY 2014, the agency has future plans to gather feedback from individual investors that will help to advance the investor education program.

#### Budgeting for the Future (FY 2016)

The Federal securities laws entrust the SEC with authority to craft a regulatory framework that provides investors with high-quality disclosure about their investments. Understanding the needs and concerns of investors is therefore critical to executing the SEC’s investor protection mission. The Office of Investor Education and Advocacy (OIEA) will advance this mission by communicating daily with investors, responding to their complaints and inquiries, and providing educational programs and materials.

Current regulatory developments highlight the need to publicize educational resources that individual investors can use to make prudent investment decisions. In response, the agency plans to launch its first public awareness campaign in FY 2016 and engage in other investor education initiatives including publicizing online resources for researching investment advisers, investments, understanding fees, and identifying fraud. The agency plans to continue conducting research that will help assess OIEA’s investor education programs and inform future efforts.

#### PERFORMANCE INDICATOR (PROCESS) 1.1.1 Number of investor testing research projects

**Description:** This metric tracks the number of research initiatives used to gather feedback from investors on the usefulness of disclosures and other input on SEC rulemaking.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of projects	0	0	2	2	0	0

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** Microsoft Office Suite Tools

**Strategic Objective 1.2: The SEC promotes capital markets that operate in a fair, efficient, transparent, and competitive manner, fostering capital formation and innovation.**

**Goal Leader(s):** Director, Division of Trading and Markets

**FY 2014 Performance**

SEC’s rulemaking agenda prioritizes investor protection, market stability, and capital formation. Through rulemaking and other initiatives, the agency works to assure that investors have fair access to securities markets and that their orders are handled in an efficient and transparent manner from order to settlement.

Additionally, the SEC oversees self-regulatory organizations (SRO) to ensure that securities markets operate in a fair, efficient and orderly manner; that they are competitive; and that they promote capital formation. The SEC has authority over the rulemaking and other activities of SROs, which include national securities exchanges, the Financial Industry Regulatory Authority (FINRA) and clearing agencies. The SEC, in approving SRO rules, must determine that these rules are constructed to prevent fraudulent and manipulative practices, promote just and equitable principles of trade, and foster cooperation in the clearing and settling of trades, and that they do not impose an unnecessary or inappropriate burden on competition. During FY 2014, the SEC approved or disapproved 234 SRO rule changes filed pursuant to Section 19(b)(2) of the Exchange Act. Of that number, 75 percent were approved or disapproved within the 45 day standard for publication, exceeding the goal by 5 percentage points (**Performance Goal 1.2.1**).

**Budgeting for the Future (FY 2016)**

In FY 2016, the SEC will continue to assume the substantial new responsibilities required of it under the Dodd-Frank Act and the JOBS Act. In addition, the SEC must sustain and enhance its existing supervision of securities markets, securities market infrastructure, securities intermediaries, and other market participants.

The SEC supervises the major participants in the U.S. securities markets. As of FY 2014, these participants included 18 securities exchanges (equities and options), 87 alternative trading systems (ATs), nearly 4,500 broker-dealers, 8 active clearing agencies, approximately 450 transfer agents, the Financial Industry Regulatory Authority (FINRA), security futures product exchanges, the National Futures Association, and securities information processors (**Performance Indicator 1.2.2. and Performance Indicator 1.2.3**).

The scope of these supervisory responsibilities is expected to continue to increase. Since FY 2006, 9 new securities exchanges registered with the SEC, and the SEC anticipates a further increase in the number of registered securities exchanges in FY 2015 and FY 2016 (estimated at up to 4 additional new registrants) for a total of 13 new securities exchanges registered in recent years. During the next few years, the Division also anticipates a further increase in the number of active clearing agencies (estimated at up to seven new registrants). The SEC also expects a significant number of new registrants under the Dodd-Frank Act and the JOBS Act once registration requirements under those laws go into effect.

**PERFORMANCE GOAL 1.2.1  
Time to complete SEC review of SRO rules that are subject to SEC approval**

**Description:** The SEC reviews SRO rule proposals for consistency with the Exchange Act standards of investor protection, fair and orderly operation of the markets and market structure, as well as other statutory requirements. This metric gauges the timeliness of those reviews.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Within 45 days	Prior-year data not available	99%	82%	75%	74%	70%	75%	70%	70%

**Target:** Exceeded

**Analysis:** During FY 2014, the SEC approved or disapproved 234 SRO rule changes filed pursuant to Section 19(b)(2) of the Exchange Act. Of that number, 75 percent were approved or disapproved within the 45 day standard for publication exceeding the goal by 5 percent. The remaining SRO rule changes all met other statutory deadlines past the 45th day. The adoption of Dodd-Frank in July 2010 required the SEC to approve or disapprove within certain statutory time frames from the date of publication of a rule change. The staff must publish within 15 days from when the filing is received, otherwise the publication date reverts to the day the SRO publishes the filing on their website, (i.e., within two days of filing with the SEC). Once a rule filing is published for comment, the SEC must complete a review within 45 days, or other longer time periods noted in the statute.

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** SRO Rule Tracking System (SRTS)

**PERFORMANCE INDICATOR (PROCESS) 1.2.1**  
**Percentage of SRO rule filings that are submitted for immediate effectiveness**

**Description:** This indicator gauges the proportion of SRO rule proposals that can be submitted for immediate effectiveness, without Commission approval.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Percentage	Prior-year data not available	69%	77%	72%	78%	72%

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** SRO Rule Tracking System (SRTS)

**PERFORMANCE INDICATOR (PROCESS) 1.2.2**  
**Percentage of transaction dollars settled on time each year**

**Description:** This indicator measures the efficiency of the U.S. clearance and settlement system for equity securities.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Percentage	99%	99%	99%	99%	98%	99%

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** Depository Trust & Clearing Corporation and NYSE Technologies

**PERFORMANCE INDICATOR (PROCESS) 1.2.3**  
**Percentage of market outages at SROs and electronic communications networks (ECNs) that are corrected within targeted timeframes**

**Description:** Market outages reflect problems in the systems underlying the securities markets that could have an adverse effect on the markets' ability to function as required. The SEC assesses the reliability and resiliency of these systems to minimize the number and duration of outages. This metric gauges how quickly outages are resolved, so that market activity can resume.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Within 2 hours	87%	74%	88%	71%	80%	80%
Within 4 hours	98%	85%	94%	89%	86%	85%
Within 24 hours	98%	100%	100%	100%	98%	96%

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

**Data Source:** SROs

**Strategic Objective 1.3: The SEC adopts and administers regulations and rules that are informed by robust economic analysis and public comment and that enable market participants to understand their obligations under the securities laws.**

**Goal Leader(s):** Director, Division of Trading and Markets; Director, Division of Corporation Finance; Director, Division of Investment Management

**FY 2014 Performance**

In FY 2014, the SEC continued to pursue an investor-focused rulemaking agenda. The Commission’s rulemaking has been supported by detailed economic analysis provided by the Division of Economic and Risk Analysis (DERA). DERA has provided guidance that outlines a road map for the rulemaking divisions and offices, listing concepts that the analysis should cover and helping ensure that economic analysis is integrated throughout the entire rule development and rule writing process.

The SEC devotes resources to responding to no-action letters, and interpretive and other requests from regulated entities, public companies, and other outside parties. In FY 2014, the Divisions of Corporation Finance (CF), and Investment Management (IM) met or exceeded their response rate targets for **Performance Goal 1.3.1**.

**Budgeting for the Future (FY 2016)**

In FY 2016, the SEC plans to continue to devote staff resources to rulemaking and interpretive guidance, including preparing remaining rules to implement the Dodd-Frank Act and JOBS Act, considering the impact of SEC rules and regulations on small business capital formation, and continuing efforts to modernize and simplify disclosure requirements. In addition, the Division of Investment Management (IM) expects to recommend that the Commission issue a proposal to improve the reporting of information about fund operations and portfolio holdings. TM, IM and CF remain committed to exceeding timeliness goals in responding to written requests for no-action letters, exemptive applications, and written interpretive requests (**Performance Goal 1.3.1**).

**PERFORMANCE GOAL 1.3.1**

**Length of time to respond to written requests for no-action letters (NAL), exemptive applications, and written interpretive requests**

**Description:** The SEC staff responds to requests for guidance from individuals and market participants about specific provisions of the Federal securities laws. These queries may seek interpretations of the securities laws or regulations, or assurances that no enforcement action will be taken if the individual or market participant engages in a specified activity. The staff also reviews applications for exemptions from the securities laws. Written responses to such requests for guidance, when provided, generally are publicly available, as are applications and related notices and orders, when issued. This metric gauges the timeliness of initial comments issued by the Divisions of Trading and Markets, Investment Management, and Corporation Finance.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Trading and Markets: No-action letters, exemptive applications, and written interpretive requests (combined figure)									
Percentage within required timeframe	70%	91%	98.5%	89%	93%	85%	83%	85%	85%

**Target:** Not Met

**Analysis:** The SEC did not meet the established target for FY 2014. Our target is based on a fixed deadline for responses to written requests for no-action letters, exemptive applications, and written interpretive requests (collectively, "Requests"). Some requests are extremely complex and require extensive consideration and consultation both within and outside TM. TM's approach has been to allow these requests the thorough consideration they demand, even when that means the request is not closed within the targeted timeframe.

**Plan for Improving Program Performance:** The Division uses an electronic log that tracks the dates requests are submitted and closed. The Division will use periodic reporting generated from this log, to track written inquiries and reply to them in a timely manner. Some requests are extremely complex and require extensive consideration and consultation both within and outside TM. TM's approach has been to allow these Requests the thorough consideration they demand, even when that means the Request is not closed within the targeted timeframe.

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** TM Request Tracking Log

Investment Management									
No-action letters and interpretive requests	100%	100%	100%	100%	100%	90%	100%	80%	80%
Exemptive applications	95%	100%	100%	100%	99%	80%	99%	80%	80%

**Target:** No-action letters – Exceeded; Exemptive applications – Exceeded

**Analysis:** For the sixth year in a row, IM exceeded its target for initial comments on exemptive applications. The division considered but decided against raising its target percentage because the ability to meet the target is dependent on factors that could change materially during any fiscal year such as the total number of applications filed, concentration of filings at any particular time period (surges), and the types and complexity of the applications filed. For the sixth year in a row, IM processed 100 percent of initial comments on no-action letters within three weeks, surpassing its target of "90 percent within three weeks." IM has been able to achieve this level of success because providing initial comments within the targeted time frame has been a continuing priority.

**Responsible Division/Office:** Division of Investment Management

**Data Source:** OCC Letter Log, OICR and OIP Applications Tracking Systems (Access), Excel spreadsheet

Corporation Finance									
No-action letters and interpretive requests	85%	97%	97%	98%	98%	90%	97%	90%	90%
Shareholder proposals	100%	100%	100%	100%	100%	100%	100%	100%	100%

**Target:** No-action letters – Exceeded; Shareholder proposals – Met

**Analysis:** CF surpassed its FY 2014 target by providing initial comments on no-action letters within 30 days for 97 percent of requests. CF achieved its target of responding to 100 percent of shareholder proposal requests prior to the company's proxy filing date.

**Responsible Division/Office:** Division of Corporation Finance

**Data Source:** Division No-Action Letter database and Division Shareholder Proposal database



**PERFORMANCE GOAL 1.3.2**

**Timeliness of responses to requests for informal guidance received by the Trading and Markets dedicated hotline or email box**

**Description:** The Division of Trading and Markets maintains a dedicated phone line and an email account to provide market participants with avenues to request information and informal guidance regarding the Exchange Act and rules thereunder. This metric reflects the timeliness of the staff's responses to these requests.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Respond to or refer inquiries within 2 weeks		Prior-year data not available			N/A	95%	99%	95%	95%

**Target:** Exceeded

**Analysis:** The Division of Trading and Markets surpassed its FY 2014 target by responding to or referring inquiries within 2 weeks for 99 percent of inquiries.

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** Division of Trading and Markets Office of Interpretation and Guidance (OIG) Log and email box

**PERFORMANCE INDICATOR (CONTEXTUAL) 1.3.1**  
**Number of published economic reports**

**Description:** This indicator gauges the number of economic reports that staff of the Division of Economic and Risk Analysis publishes annually on the SEC's website.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of reports	N/A	N/A	N/A	N/A	23	15

**Responsible Division/Office:** Division of Economic and Risk Analysis

**Data Source:** [www.sec.gov](http://www.sec.gov)

**PERFORMANCE INDICATOR (PROCESS) 1.3.2**  
**Number of amendments to national securities exchange registrations (Form 1)**

**Description:** This indicator provides information about the volume of material filed with the SEC that involves amendments to exchange registrations.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of amendments		Prior-year data not available				117

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** Manual spreadsheets

**PERFORMANCE INDICATOR (PROCESS) 1.3.3  
Number of Alternative Trading System registrations (Form ATS)**

**Description:** This indicator provides information about the volume of material filed with the SEC that involves filings related to ATS registrations.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of registrations					Prior-year data not available	12

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** ATS Database

**PERFORMANCE INDICATOR (PROCESS) 1.3.4  
Number of new investment product submissions**

**Description:** This indicator provides information about the volume of material filed with the SEC that involves new product submissions pursuant to Rule 19b-4(e) of the Exchange Act.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of submissions					Prior-year data not available	2,047

**Responsible Division/Office:** Division of Trading and Markets

**Data Source:** Form 19b-4(e) Database

**Strategic Objective 1.4: The SEC engages with a multitude of stakeholders to inform and enhance regulatory activities domestically and internationally.**

**Goal Leader(s):** Director, Office of International Affairs

**FY 2014 Performance**

In today's markets, capital can cross jurisdictional boundaries with the tap of a screen. It is more important than ever to coordinate with other U.S. and foreign regulatory authorities and stakeholders on the best regulatory responses to the changing market landscape. Failure to effectively coordinate can significantly hamper the SEC's ability to achieve its policy objectives or avoid significant unintended consequences.

The Office of International Affairs (OIA) handled an increased volume of requests in cross-border supervisory cooperation matters, cross-border examinations, asset verifications and registrations. During FY 2014, OIA worked to streamline its processes to provide assistance in an efficient and timely way. During FY 2014, the SEC received 117 supervisory requests from foreign authorities and trained 2,382 non-U.S. regulators through the SEC technical assistance programs for regulators around the world **(Performance Goal 1.4.1 and Performance Goal 1.4.2)**.

**Budgeting for the Future (FY 2016)**

In FY 2016, the SEC Chair will continue to participate actively in the Financial Stability Oversight Committee (FSOC) with the heads of other FSOC member agencies, such as the Board of Governors of the Federal Reserve, the Department of the Treasury, and the CFTC. The SEC also will continue to actively participate in international multilateral organizations, including the International Organization of Securities Commissions (IOSCO), the Financial Stability Board, the Organization for Economic Cooperation and Development, and the Financial Action Task Force. These efforts will be complemented by direct bilateral consultations with foreign regulatory counterparts on enforcement and regulatory matters. In addition, the SEC continues to promote international coordination and cooperation through its technical assistance programs for foreign regulators **(Performance Goal 1.4.1 and Performance Goal 1.4.2)**.

**PERFORMANCE GOAL 1.4.1**

**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.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Supervisory cooperation requests from foreign authorities		Prior-year data not available			118	N/A	117	95	98
SEC requests for assistance on supervisory cooperation from foreign authorities		Prior-year data not available			25	N/A	96	99	102

**Target:** Supervisory cooperation – N/A; SEC requests – N/A

**Analysis:** The supervisory cooperation group handled a high number of requests in cross-border supervisory cooperation matters during FY 2014. During FY 2014, the group worked to streamline its processes to provide assistance in an efficient and timely way. The supervisory cooperation group handled a high volume of requests in cross-border supervisory cooperation matters, including cross-border examinations, asset verifications and registrations. FY 2014 was notable for its increase in supervisory cooperation assistance provided to OCR as well as to OCIE.

**Responsible Division/Office:** Office of International Affairs

**Data Source:** International Program Oversight Database and Business Objects reports

**PERFORMANCE GOAL 1.4.2**  
**Number of non-U.S. regulators trained**

**Description:** This metric shows the reach of the SEC’s technical assistance programs for regulators around the world. The SEC conducts these training sessions to assist countries in developing and maintaining robust protections for investors and promoting cross-border enforcement and supervisory assistance.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Number of non-U.S. regulators	Prior-year data not available	1,997	1,765	1,785	1,716	1,400	2,382	1,800	2,000

**Target:** Exceeded

**Analysis:** FY 2014 actual figures exceeded FY 2014 target by 70 percent. The significant increase in regulatory and law enforcement officials trained can be attributed in part to: (1) a single large training program, and (2) undertaking an additional Institute – the Foreign Bribery and Corruption Conference, in collaboration with the Division of Enforcement, DOJ and FBI. The increase was facilitated by the authorization to hire additional staff, and technological improvements to automate certain functions.

**Responsible Division/Office:** Office of International Affairs

**Data Source:** International Program Oversight Database and Business Objects reports

## Strategic Goal 2: Foster and Enforce Compliance with the Federal Securities Laws

Fostering compliance with Federal securities laws is interwoven through all of the SEC's programs and is central to fulfilling the critical mission of the agency. Through disclosure reviews and examinations of broker-dealers, investment advisers, self-regulatory organizations (SROs) and other market participants, the SEC seeks both to detect violations of the securities laws and rules and to foster strong compliance and risk management practices within these firms and organizations. The SEC's Enforcement program also investigates and prosecutes violations of the law, with the aims of holding wrongdoers accountable, returning funds to harmed investors whenever possible, and building deterrence against future violations. In FY 2014, approximately \$785.4 million and 2,341 full-time equivalents (FTEs) were directed at achieving results in Goal 2. Of 12 performance targets, the agency met or exceeded eight and did not meet four.

In FY 2016, the agency is requesting a total of 2,797 FTE for Goal 2. The additional resources will allow the SEC to continue building out the agency's new responsibility areas, and begin addressing the disparity between the reach of the exam staff and the growing number and complexity of registered firms. Additionally, the Commission will be able to take prompt action to halt misconduct, sanction wrongdoers effectively, and return funds to harmed investors. In all, the agency plans to devote approximately \$960.5 million to enforcing compliance with the Federal securities laws.

### Strategic Objective 2.1: The SEC fosters compliance with the Federal securities laws.

**Goal Leader(s):** Director, Office of Compliance Inspections and Examinations

#### FY 2014 Performance

The SEC seeks to encourage within firms that participate in the securities markets a strong culture of compliance that fosters ethical behavior and decision-making. As part of its efforts

to promote compliance within the industry, OCIE conducted 63 outreach and educational programs events during the year, including Compliance Outreach seminars, targeted sessions with never before examined advisers, and various other outreach initiatives with registrants and other regulators. As part of this work, the National Examination Program also issued two National Risk Alerts and published other significant materials during the year (**Performance Goal 2.1.1**).

OCIE works to enforce and foster compliance with Federal securities laws through its examination and inspection program. During examinations in FY 2014, the staff identified a number of areas where firms appeared not to be in compliance with Federal securities laws. In response to deficiency letters that were sent to firms by the staff, 89 percent of registrants have continued to assert that they are taking corrective action in response to all staff findings. In order to achieve this level of performance, the staff made concerted efforts during the year to improve dialogue and communication with firms, including at the most senior levels (**Performance Goal 2.1.2**).

#### Budgeting for the Future (FY 2016)

In FY 2016, the National Examination program will continue its focus on high-risk entities and activities. The additional resources requested will serve to: (1) address the disparity between the number of exam staff and the growing number and complexity of registered firms, particularly in the investment management industry; (2) continue implementation of certain legislative changes, including provisions of the Dodd-Frank and JOBS Acts; (3) enhance and expand quantitative and data analytic efforts; and, (4) more effectively risk target, monitor, and examine market participants. OCIE will also enhance training and expertise of examiners in data analysis, fraud detection and prevention, technology, new products and trading strategies, and other critical areas. Also, in FY 2016, OCIE will continue its efforts to promote industry compliance efforts through initiatives such as the Compliance Outreach program (**Performance Goal 2.1.1**).

**PERFORMANCE GOAL 2.1.1**

**Number of industry outreach and education programs targeted to areas identified as raising particular compliance risks**

**Description:** Targeted communication with industry participants on topics shaping the examination program is intended to enhance compliance practices and prevent violations before they occur. This metric identifies the number of major outreach efforts conducted including the SEC's national and regional compliance outreach events, published risk alerts, and other educational programs and initiatives.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Number of major outreach efforts	Prior-year data not available	6	5	12	15	16	63	65	70

**Target:** Exceeded

**Analysis:** The SEC seeks to encourage a strong culture of compliance among organizations, to foster ethical behavior and decision-making. As part of its efforts to promote compliance within the industry, OCIE conducted 63 outreach and educational programs events during the year, including Compliance Outreach seminars, targeted sessions with never before examined advisers, and various other outreach initiatives with registrants and regulators. As part of this work, the NEP also issued two National Risk Alerts and published other significant materials during the year. In addition to these efforts, staff from throughout the program participated in a number of other outreach efforts, including speaking at more than 240 industry conferences and related engagements that are not reflected in the above numbers. The program will continue to expand and improve on these efforts during FY 2015 and 2016 as these are critical elements in fostering and promoting compliance with Federal securities laws.

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

**Data Source:** Internal tracking, although many of the events noted above are referenced in the SEC's website

**PERFORMANCE GOAL 2.1.2**

**Percentage of firms receiving deficiency letters that take corrective action in response to all exam findings**

**Description:** At the conclusion of examinations, the staff communicates identified deficiencies to registrants in the form of a deficiency letter. Registrants are then given a chance to respond to staff findings and often take action to remedy any problems and potential risks, including monetary compensation to clients and enhancements to disclosures, policies and procedures. Most often, registrants respond that they have corrected the deficiencies and implemented measures to prevent recurrence.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage	94%	90%	93%	92%	86%	87%	89%	89%	89%

**Target:** Exceeded

**Analysis:** OCIE works to enforce and foster compliance with Federal securities laws through its examination and inspection program. During examinations in FY 2014, the staff reviewed a variety of books and records and identified a number of areas where firms appeared not to be in compliance with Federal securities laws. In response to deficiency letters that were sent to firms by the staff, the vast majority of registrants have continued to assert that they are taking corrective action in response to the staff's findings. In order to achieve this level of performance, the staff made concerted efforts during the year to improve dialogue and communication with firms, including at the most senior levels. These efforts have helped to ensure that there is a clear understanding of issues and concerns between the staff and registrants. Overall, this measure continues to show that registrants are using examination results to improve operations and compliance with Federal securities laws.

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

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

## **Strategic Objective 2.2: The SEC promptly detects and deters violations of the Federal securities laws.**

**Goal Leader(s):** Director, Office of Compliance Inspections and Examinations

### **FY 2014 Performance**

The National Examination Program continued to exert considerable time and effort during the year on enhancing its risk assessment and surveillance capabilities, to ensure that the program is spending its limited time and resources on those firms presenting the highest risk. Examinations of high risk firms often take significant time to complete and are frequently of large and complex entities. For example, although the staff examined 10 percent of investment advisers in FY 2014, these advisers represented more than 30 percent of the overall assets under management. In addition, examination resources were allocated during the past year to other efforts intended to improve the long-term performance of the program, including industry outreach initiatives, rule-making efforts and other program improvement efforts **(Performance Goal 2.2.1)**.

### **Budgeting for the Future (FY 2016)**

If the requested funds are granted, then the National Examination Program will be hiring 225 additional staff in

FY 2016, which would directly and significantly affect the proportion of registered entities that would be examined each year. Since these staff would be hired during the course of FY 2016, the coverage rates would only begin to rise in that year, but would not reach their new steady state levels until the staff are all on board, trained, and conducting examinations for a full fiscal year. Once that occurs, the percentage of investment advisers and investment companies examined is expected to reach approximately 12 percent and 14 percent, respectively **(Performance Goal 2.2.1)**.

The National Exam program will continue to identify and communicate potential issues to firms to ensure that compliance problems and issues are corrected quickly. In FY 2016, the SEC will continue to complete all examinations within the statutory deadline. Overall, this helps the SEC to ensure that deficiencies are promptly detected and resolved by firms **(Performance Goal 2.2.2)**.

In FY 2016, the SEC will continue to focus on improving coordination with other regulators on areas of mutual interest, both to share expertise and to address key areas of risk. In that regard, the exam program continued to conduct coordinated exams and meetings with other regulators and also maintained a number of agreements with these regulators to help ensure that information could be shared in an appropriate and timely manner **(Performance Goal 2.2.3)**.

**PERFORMANCE GOAL 2.2.1**

**Percentage of investment advisers, investment companies, and broker-dealers examined during the year**

**Description:** This metric indicates the number of registrants examined by the SEC or an SRO as a percentage of the total number of registrants. This metric includes all types of examinations: risk priority examinations, cause inspections to follow up on tips and complaints, limited-scope special inspections to probe emerging risk areas, and oversight examinations of broker-dealers to test compliance and the quality of examinations by FINRA.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Investment advisers	10%	9%	8%	8%	9%	9%	10%	10%	12%
Investment companies	29%	10%	13%	12%	11%	12%	10%	12%	14%
Broker-dealers (exams by SEC and SROs)	54%	44%	58%	49%	46%	48%	49%	50%	50%

**Target:** Investment advisers – Exceeded; Investment companies – Not Met; Broker-dealers – Exceeded

**Analysis:** Building and maintaining sufficient coverage of the industry helps the Commission promptly detect violations of Federal securities laws and promote compliance with such laws. The staff continued to exert considerable time and effort during the year on enhancing its risk assessment and surveillance capabilities to ensure that the program is spending its limited time and resources on those firms presenting the highest risk. Examinations of high risk firms often take significant time to complete and are frequently of large and complex entities. For example, the investment advisers examined in FY 2014 represent more than 30 percent of the overall assets under management of currently registered advisers. In addition, examination resources were allocated during the past year to other efforts intended to improve the long-term performance of the program, including industry outreach initiatives, rulemaking projects, and other program improvement efforts.

**Plan for Improving Program Performance:** During FY 2015, the staff will continue to implement improved processes and procedures, particularly in the areas of strategy, people, processes, and technology. The agency expects that these improvements, which include enhancements to the exam program’s risk assessment processes, will lead to more effective coverage of registered entities. Furthermore, certain targeted initiatives aimed at high risk firms and activities have already been implemented, and it is anticipated that these efforts will result in improved coverage levels in FY 2015. For example, in the investment company industry, the NEP launched a focused initiative in FY 2014 on alternative investment companies; however, these examinations will not be completed until FY 2015.

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

**Data Source:** Tracking and Reporting Exam National Documentation System (TRENDS) (IA, IC, and BD SEC data) and SRO Databases (BD SRO Data)

**PERFORMANCE GOAL 2.2.2**

**Percentage of compliance exams that are timely concluded in accordance with the Office of Compliance Inspections and Examination’s (OCIE) statutory deadline**

**Description:** The staff conducts examinations each year of registered entities, including investment advisers, investment company complexes, transfer agents, and broker-dealers. The staff strives to complete its examinations and communicate findings in the most efficient and effective manner and within its statutory deadline. This metric reflects the percentage of examinations concluded within the statutory deadline.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage	Prior-year data not available				100%	100%	100%	100%	100%

**Target:** Met

**Analysis:** The staff’s goal is to identify and communicate potential issues to firms to ensure that compliance problems and issues are corrected quickly. During FY 2014, OCIE met its goal of completing 100 percent of examinations within OCIE’s statutory deadline. Overall, this measure helps the SEC to ensure that deficiencies are promptly detected and resolved by firms.

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

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

**PERFORMANCE GOAL 2.2.3**  
**Number of joint exams, information sharing agreements, and formal meetings with other regulators**

**Description:** The SEC attempts to coordinate and collaborate with other regulators on areas of mutual interest. This helps to ensure that all regulators are informed of on-going risks and issues related to broad market practices as well as specific entities of mutual interest. This cooperation is critical to the exam program to ensure that certain higher risk firms and activities are addressed in the most efficient and effective manner. This metric tracks critical cooperation activities that are occurring between the SEC’s exam program and other regulators.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate	
Number of joint exams, active sharing agreements, and formal meetings		Prior-year data not available					85	391	395	400

**Target:** Exceeded

**Analysis:** The SEC is focused on improving coordination and collaboration with other regulators on areas of mutual interest. This type of communication helps to ensure that expertise is shared and that areas of risk are addressed in an efficient and effective manner. In that regard, the exam program continued to conduct joint/coordinated exams and meetings with other regulators and also maintained a number of sharing agreements with these regulators to help ensure that information could be shared in an appropriate and timely manner.

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

**Data Source:** Various (including internal tracking and TRENDS)

**PERFORMANCE INDICATOR (CONTEXTUAL) 2.2.1**  
**Percentage of exams that identify deficiencies, the percentage that result in a “significant finding,” and the percentage referred to the Division of Enforcement**

**Description:** Examiners find a wide range of deficiencies during examinations. Some of the deficiencies are more technical in nature, such as failing to include all information that is required to be in a record. However, other deficiencies may cause harm to customers or clients of a firm, have a high potential to cause harm, or reflect recidivist misconduct. The latter deficiencies are among those categorized as “significant.” This indicator identifies the percentage of exams that identified deficiencies, that resulted in significant deficiency findings, and that were referred to Enforcement.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Percentage that identify deficiencies	Prior-year data not available	72%	82%	80%	80%	76%
Percentage that result in a “significant finding”	Prior-year data not available	42%	42%	42%	35%	30%
Percentage referred to the Division of Enforcement	Prior-year data not available				13%	12%

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

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

**PERFORMANCE INDICATOR (OUTPUT) 2.2.2**  
**Number of cause exams that result from tips, complaints and referrals**

**Description:** Analysis of a tip can support the request for a cause exam. This indicator would identify the number of SEC cause exams that result from tips collected through outreach efforts.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of cause exams	Prior-year data not available				222	149

**Responsible Division/Office:** Office of Compliance Inspections and Examinations

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



**PERFORMANCE INDICATOR (OUTPUT) 2.2.3**  
**Number of rule-making initiatives assisted by the National Exam Program**

**Description:** The examination program interacts with registrants on a regular basis and this work provides critical feedback to ensuring effective and practical rulemaking and policy efforts. This indicator tracks how frequently the examination program assists with rulemaking initiatives.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of rule-making initiatives assisted by the NEP		Prior-year data not available				30
<b>Responsible Division/Office:</b> Office of Compliance Inspections and Examinations						
<b>Data Source:</b> Internal tracking						

**PERFORMANCE INDICATOR (OUTPUT) 2.2.4**  
**Number of investigations or inquiries originating from a tip or complaint**

**Description:** Analysis of a tip or complaint can result in the need for further enforcement investigation. The indicator identifies the volume of SEC investigations that result from tips and complaints received by the SEC.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of investigations	Prior-year data not available	303	349	296	289	291
<b>Responsible Division/Office:</b> Division of Enforcement						
<b>Data Source:</b> HUB case management and tracking system for the Division of Enforcement						

**PERFORMANCE INDICATOR (OUTPUT) 2.2.5**  
**SEC investigations in which requests for access to information were granted by the SEC to other authorities, such as SROs or other state, Federal, and foreign enforcement authorities**

**Description:** The SEC works closely with other regulators and authorities. This measure identifies the number of investigations in which the SEC granted one or more authorities access to information concerning an investigation during the fiscal year. This may include requests for access to SEC investigative files concerning investigations that the SEC continues to pursue, as well as those in which the SEC has completed its investigation.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of investigations	Prior-year data not available	492	586	515	504	501
<b>Responsible Division/Office:</b> Division of Enforcement						
<b>Data Source:</b> HUB case management and tracking system for the Division of Enforcement						

**PERFORMANCE INDICATOR (OUTPUT) 2.2.6**  
**Requests from foreign authorities for SEC assistance and SEC requests for assistance from foreign authorities**

**Description:** Each year, the SEC makes hundreds of requests for enforcement assistance to foreign regulators, while responding to hundreds of such requests from other nations. To facilitate this type of assistance, and encourage other countries to enact laws necessary to allow regulators to cooperate with their foreign counterparts, the SEC has entered into bilateral information sharing arrangements, as well as the Multilateral Memorandum of Understanding, an information-sharing arrangement negotiated through the International Organization of Securities Commissions (IOSCO).

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of requests from foreign authorities	408	457	492	450	508	541
Number of SEC requests	774	605	772	718	717	966

**Responsible Division/Office:** Office of International Affairs

**Data Source:** International Program Oversight Database and Business Objects reports

**Strategic Objective 2.3: The SEC prosecutes violations of Federal securities laws and holds violators accountable through appropriate sanctions and remedies.**

**Goal Leader(s):** Director, Division of Enforcement

**FY 2014 Performance**

A key part of investor protection is for those who choose to prey on investors to be swiftly and appropriately sanctioned. The Division of Enforcement strives to obtain swift and firm judgments and orders, while remaining fair and reasonable. The Division has implemented controls and strategies to resolve actions quickly and on a favorable basis, while at the same time, it does not hesitate to file matters on a contested basis where a favorable settlement was unavailable before filing **(Performance Goal 2.3.1)**.

Filing enforcement actions in a timely manner is an important component of the Division’s effectiveness. In FY 2014, the percentage of first enforcement actions filed within two years of the opening of the matter under investigation (MUI) or investigation was 64 percent, which is an improvement over the prior year result of 58 percent and the highest since FY 2010. In addition, in FY 2014, the average months between opening a MUI or Investigation and commencing an enforcement action was 21 months, which is the same as the prior fiscal year. Timely actions have an increased deterrent impact. However, many of the Division’s cases are complex and can take extended periods of time to develop successfully,

which will negatively impact the timeliness of actions. Indeed, many of the cases filed by the Division in FY 2014 involved complex financial products, market transactions, and other types of conduct that are difficult to investigate. The Division continued to focus on complex areas of the marketplace, including emerging threats involving new trading technologies such as high-frequency and algorithmic trading, large volume trading, systemic insider trading and manipulation schemes, and financial disclosure, among other areas **(Performance Goal 2.3.2 and 2.3.3)**.

**Budgeting for the Future (FY 2016)**

For FY 2016, the Division of Enforcement has requested an additional 93 staff positions. These new staff, along with its new methods, initiatives, and organizational reforms, will help the program bring successful cases on a timely basis. To improve the quality and efficiency of its investigations, the SEC has put seasoned investigators on the front lines, created specialized units focused on specific programmatic priorities, enhanced case management systems, and increased coordination efforts with other offices and divisions in the agency and other regulators. In FY 2016, the SEC plans to obtain relief on one or more claims from approximately 92 percent of enforcement actions **(Performance Goal 2.3.1)**. The agency also plans to reduce in FY 2015 the average number months between the opening of an investigation and the commencement of an enforcement action arising out of that investigation **(Performance Goal 2.3.3)**.

**PERFORMANCE GOAL 2.3.1**  
**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.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage	92%	92%	93%	89%	93%	92%	94%	92%	92%

**Target:** Exceeded

**Analysis:** The Division has implemented controls and strategies to resolve actions on a favorable basis, while at the same time, it will not hesitate to file matters on a contested basis when a favorable settlement was unavailable before filing.

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE GOAL 2.3.2**  
**Percentage of first enforcement actions filed within two years of the opening of an investigation**

**Description:** This metric concerns the pace of investigations that lead to the filing of enforcement actions. Specifically, this metric captures the rate at which the first enforcement action arising out of an investigation was filed within two years of the opening of the investigation. If the investigation was preceded by a matter under inquiry, the metric draws on the date of the opening of the matter under inquiry. In conducting investigations, the Enforcement program continually strives to balance the need for complete, effective and fair investigations with the need to file enforcement actions in as timely a manner as possible.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage	70%	67%	61%	63%	58%	65%	64%	65%	65%

**Target:** Not Met

**Analysis:** In FY 2014, the percentage of first enforcement actions filed within two years of the opening of the MUI or Investigation was 64 percent, which is an improvement over the prior year result of 58 percent and the highest since FY 2010. Timely actions have an increased deterrent impact. However, many of the Division's cases are complex and can take extended periods of time to develop successfully, which will negatively impact the timeliness of actions. Indeed, many of the cases filed by the Division in FY 2014 involved complex financial products, market transactions, and other types of conduct that are difficult to investigate. The Division continues to focus on complex areas of the marketplace, including emerging threats involving new trading technologies such as high-frequency and algorithmic trading, large volume trading, systemic insider trading and manipulation schemes, and financial disclosure, among other areas.

**Plan for Improving Program Performance:** To achieve its goal of 65 percent on this metric, the Division will continue to look for ways to manage investigations effectively in order to promote speed and efficiency while maintaining an appropriate degree of thoroughness and completeness. The Division will focus on effective management of cases, as well as efforts to promote efficiencies in investigations, such as technology, training, and regular case assessments. Division leadership also will encourage appropriate use of tools such as subpoena enforcement actions in order to ensure that investigations proceed on an appropriate timeframe.

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE GOAL 2.3.3**  
**Average months between opening a matter under inquiry or an investigation and commencing an enforcement action**

**Description:** This metric captures the average number of months between the opening of an investigation and the filing of the first enforcement action arising out of that investigation. If the investigation was preceded by a matter under inquiry, the metric draws on the date of opening of the matter under inquiry. In conducting investigations, the enforcement program continually strives to balance the need for complete, effective, and fair investigations with the need to file enforcement actions in as timely a manner as possible. While not all investigations result in the filing of enforcement actions, this metric provides information concerning the pace of investigations that do lead to such actions and supplements the previous goal, which measures the percentage of first enforcement actions filed within two years.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Months	Prior-year data not available		22	21	21	20	21	20	20

**Target:** Not Met

**Analysis:** In FY 2014, the average months between opening a MUI or Investigation and commencing an enforcement action was 21 months, the same as the prior fiscal year. Timely actions have an increased deterrent impact. However, many of the Division's cases are complex and can take extended periods of time to develop successfully, which will negatively impact the timeliness of actions. Indeed, many of the cases filed by the Division in FY 2014 involved complex financial products, market transactions, and other types of conduct that are difficult to investigate. The Division continues to focus on complex areas of the marketplace, including emerging threats involving new trading technologies such as high-frequency and algorithmic trading, large volume trading, systemic insider trading and manipulation schemes, and financial disclosure, among other complex areas.

**Plan for Improving Program Performance:** To achieve its goal of 20 months on this metric, the Division will continue to look for ways to manage investigations effectively in order to promote speed and efficiency while maintaining an appropriate degree of thoroughness and completeness. The Division will strive to improve through effective management of cases, as well as by leveraging various processes and initiatives designed to promote efficiencies in investigations, such as technology, training, and regular case assessments. Division leadership also will encourage appropriate use of tools such as subpoena enforcement actions in order to ensure that investigations proceed on an appropriate timeframe.

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE GOAL 2.3.4**  
**Percentage of debts where either a payment has been made or a collection activity has been initiated within 180 days of the due date of the debt**

**Description:** The SEC can seek a wide range of remedies for failure to comply with the securities laws. These remedies include civil monetary penalties and disgorgement. When the remedies are imposed by the SEC or the Federal district court, payments must be made by a certain date. This metric identifies the percentage of debts where debtors have made payments or the SEC has initiated a collection activity within 180 days of the due date. Such collection activities include, among other things, demand letters, negotiation of payment plans, enforcing the payment of the debt through the courts, or other judicial remedies.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage	90%	86%	91%	92%	95%	95%	92%	92%	92%

**Target:** Not Met

**Analysis:** In FY 2014, collections activities on delinquent debt of the Commission were centralized within one office. The Division's intent is to leverage this centralized collections function to consistently meet or exceed this goal going forward.

**Plan for Improving Program Performance:** The Division will continue to promote prompt and effective collections efforts through such means as streamlining processes, leveraging of technology and other measures.

**Responsible Division/Office:** Division of Enforcement

**Data Source:** DELPHI, HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE GOAL 2.3.5**

**Percentage of Fair Fund and disgorgement fund plans that have distributed 80 percent of the available funds for distribution within twenty four (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 of the Sarbanes-Oxley Act and the Dodd-Frank Act, 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 twenty four (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.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage	Prior-year data not available			80%	73%	78%	81%	80%	80%

**Target:** Exceeded

**Analysis:** In FY 2014, the Division exceeded the target by three percentage points. Going forward, the Division will seek to maintain this higher performance by continuing our efforts to prioritize the timeliness and efficiency of distributing funds, which we have enhanced through such efforts as centralizing the function and implementing various process improvements.

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE INDICATOR (CONTEXTUAL) 2.3.1**

**Percentage of filed enforcement actions reflecting characteristics that present enhanced risk to investors and markets, as measured by the nature of the investigation, conduct, parties and impact**

**Description:** This indicator assesses the quality of the cases filed by the Division of Enforcement. The indicator focuses on cases filed by the SEC that involve factors reflecting enhanced risk to investors and markets. Such cases may involve: (i) those identified through risk analytics and cross-disciplinary initiatives to reveal difficult-to-detect or early stage misconduct, thus minimizing investor loss and preventing the spread of unlawful conduct and practices; (ii) particularly egregious or widespread misconduct and investor harm; (iii) vulnerable victims; (iv) a high degree of scienter; (v) involvement of individuals occupying substantial positions of authority, or having fiduciary obligations or other special responsibilities to investors; (vi) involvement of recidivists; (vii) high amount of investor loss prevented; (viii) misconduct that is difficult to detect due to the complexity of products, transactions, and practices; (ix) use of innovative investigative or analytical techniques; (x) effective coordination with other law enforcement partners; and/or (xi) whether the matter involves markets, transactions or practices identified as an enforcement priority, or that advances the programmatic priorities of other SEC Divisions or Offices.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Percentage	Prior-year data not available					62%

**Responsible Division/Office:** Division of Enforcement

**Data Source:** Qualitative Index Spreadsheet

**PERFORMANCE INDICATOR (CONTEXTUAL) 2.3.2**

**Total amount distributed within the fiscal year, and the number of Fair Funds from which those distributions came**

**Description:** In its enforcement actions, the SEC may seek to return funds to harmed investors through disgorgement of ill-gotten gains or through the Fair Funds provision of the Sarbanes-Oxley Act. This provision permits the SEC to combine amounts paid as penalties with disgorged funds, or to create a Fair Fund from penalties only, to reduce losses to injured parties. This reflects the SEC’s efforts to return funds to injured investors. This indicator identifies the total amount distributed within the fiscal year, and the number of Fair Funds from which those distributions came. This indicator may increase or decrease in dollar amount and number of distribution funds based on the number of SEC enforcement actions brought involving distributions, amounts ordered and paid in those actions, and other factors. Due to the variation in reporting timelines established for each individual distribution, reported amounts are based on the agency’s best available information. Reported amounts do not include those funds distributed through receiverships. 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 Commission’s own expenses.

<b>Fiscal Year</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014 Actual</b>
Amount distributed (in millions)	Prior-year data not available			815	251	424
Number of Fair Funds	Prior-year data not available			31	22	28

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement Distributions Management System

**PERFORMANCE INDICATOR (OUTPUT) 2.3.3**

**Percent of enforcement actions filed that arose out of national priority investigations**

**Description:** The Division of Enforcement conducts many enforcement actions each year that can be characterized as high impact and of national priority. High impact or national priority investigations include those investigations which are significant for one or more of the following reasons – the matter: (i) presents an opportunity to send a particularly strong and effective message of deterrence, including with respect to markets, products and transactions that are newly developing, or that are long established but which by their nature present limited opportunities to detect wrongdoing and thus to deter misconduct; (ii) involves particularly egregious or extensive misconduct; (iii) involves potentially widespread and extensive harm to investors; (iv) involves misconduct by persons occupying positions of substantial authority or responsibility, or who owe fiduciary or other enhanced duties and obligations to a broad group of investors or others; (v) involves potential wrongdoing as prohibited under newly-enacted legislation or regulatory rules; (vi) concerns potential misconduct that occurred in connection with products, markets, transactions or practices that pose particularly significant risks for investors or a systemically important sector of the market; (vii) involves a substantial number of potential victims and/or particularly vulnerable victims; (viii) involves products, markets, transactions or practices that the Enforcement Division has identified as priority areas; and/or (ix) provides an opportunity to pursue priority interests shared by other law enforcement agencies on a coordinated basis.

<b>Fiscal Year</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014 Actual</b>
Percentage	Prior-year data not available		10%	20%	15%	16%

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE INDICATOR (CONTEXTUAL) 2.3.4**  
**Criminal actions related to conduct under investigation by the SEC**

**Description:** In some instances, conduct may involve both civil and criminal violations and may be investigated by both the SEC and the criminal authorities. This indicator identifies the number of criminal actions that are related to conduct under investigation by the SEC.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Number of criminal investigations	Prior-year data not available	139	134	126	126	127

**Responsible Division/Office:** Division of Enforcement

**Data Source:** HUB case management and tracking system for the Division of Enforcement

**PERFORMANCE INDICATOR (OUTPUT) 2.3.5**  
**Disgorgement and penalties ordered and the amounts collected**

**Description:** In addition to other types of relief, the SEC may seek orders requiring parties to disgorge any money obtained through wrongdoing. The SEC is also empowered to seek civil penalties for violations of the securities laws. In some cases, the SEC will seek to obtain large monetary sanctions even in instances where the prospects of collecting on a judgment are slight. The rationale for seeking monetary relief in these circumstances is that such relief, even when likely uncollectible, might become collectible in the future based on the defendant's changed circumstances, and also because such relief can serve to deter others from violating the securities laws. Where appropriate, the SEC has sought to return disgorged funds to harmed investors. Funds not returned to investors are sent to the Treasury or the Investor Protection Fund established pursuant to Section 21F(g) of the Securities Exchange Act of 1934. This indicator lists disgorgement and penalties ordered as a result of SEC cases in each fiscal year and the amounts collected in those actions as of the end of FY 2014. The indicator for collected amounts could change over time based on various factors.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
Ordered amounts (in millions)	2,442	2,846	2,806	3,104	3,424	4,166
Collected amounts (in millions)	1,695	1,793	1,454	1,069	1,919	2,109

**Responsible Division/Office:** Division of Enforcement

**Data Source:** DELPHI

## Strategic Goal 3: Facilitate Access to the Information Investors Need to Make Informed Investment Decisions

The SEC promotes informed investment decisions through two main approaches. The first is to require that investors have accurate, adequate, and timely public access to disclosure materials that are easily understood and analyzed. The second is to implement a variety of investor education initiatives aimed at giving investors a better understanding of the operations of the nation's securities markets.

In FY 2014, the agency dedicated approximately \$217.5 million and 712 FTEs toward achieving results in Goal 3. Of 12 performance targets, the agency met or exceeded all 12. The agency is requesting in FY 2016 a total of \$219.0 million and 678 FTEs towards achieving results in Strategic Goal 3.

### Strategic Objective 3.1: The SEC works to ensure that investors have access to high-quality disclosure materials that facilitate informed investment decision-making.

**Goal Leader(s):** Director, Division of Trading and Markets; Director, Division of Corporation Finance; Director, Division of Investment Management

#### FY 2014 Performance

An educated investing public ultimately provides the best defense against fraud and costly mistakes. The Federal securities laws place great emphasis on assuring that corporations, investments companies, and other entities provide investors with timely, clear, complete and accurate financial and non-financial information, allowing investors to make wise investment decisions. Consistent with Section 408 of the Sarbanes Oxley-Act of 2002, the SEC completed its review of disclosures made by certain public issuers, including issuers' financial statements, no less frequently than once every three years (**Performance Goal 3.1.1**).

The SEC strives to review all significant disclosures made by registrants in Commission filings under the Investment Company Act, including initial registration statements and post-effective amendments with material changes. The SEC does not set a target for the number of filings that are reviewed in a fiscal year because the SEC does not dictate the number of filings that registrants make. The timeliness of filings reviewed by the SEC improved slightly between FY 2013 and FY 2014 and the number of filings reviewed also increased modestly from FY 2013 to FY 2014. The improvement in the timeliness of filings reviewed may be attributable to the reorganization of Division of Investment Management, which allocated greater staff resources to the disclosure review process (**Performance Goal 3.1.3**).

#### Budgeting for the Future (FY 2016)

Investors who have access to information and know what questions to ask are more likely to invest wisely, and to choose professional intermediaries that will best meet their objectives. The SEC understands that not all investors need the same information and that those needs are affected by their backgrounds, resources and goals. In FY 2016, the SEC will continue to structure disclosure requirements so that investors are armed with timely and useful information they need to make informed investment decisions (**Performance Goal 3.1.1**).

As technology and the complexity of financial instruments change, so too do the needs of modern day investors. Providing investors with information in concise, easy-to-use formats that are tailored to their needs helps investors to help themselves. In FY 2016, the Commission will continue to examine its filing review program to explore whether its disclosure requirements, review criteria, approach to comments, and professional and technology resources provide maximum impact to benefit investors.



**PERFORMANCE GOAL 3.1.1**  
**Percentage of public companies and investment companies with disclosures reviewed each year**

**Description:** The Sarbanes-Oxley Act requires that the SEC review, at least once every three years, the disclosures of all companies and investment company portfolios reporting under the Exchange Act. These reviews help improve the information available to investors and may identify possible violations of the Federal securities laws. This metric gauges the number of public companies and investment companies reviewed each year.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Division of Corporation Finance									
Corporations	40%	44%	48%	48%	52%	33%	52%	33%	33%

**Target:** Exceeded

**Analysis:** CF exceeded its planned level of companies reviewed in FY 2014. This review level is expected to deter fraud in public securities transactions and should help investors receive accurate material information about the companies they invest in.

**Responsible Division/Office:** Division of Corporation Finance

**Data Source:** Electronic, Data Gathering, Analysis, and Retrieval (EDGAR)/Filing Activity Tracking System (FACTS)

Division of Investment Management									
Investment company portfolios	35%	35%	33%	36%	34%	33%	35%	33%	33%

**Target:** Exceeded

**Analysis:** Consistent with Section 408 of the Sarbanes Oxley-Act of 2002, IM strives to review disclosures made by certain public issuers, including issuers' financial statements, no less frequently than once every three years. The targeted number of annual reviews assumes that IM meets this goal.

**Responsible Division/Office:** Division of Investment Management

**Data Source:** Microsoft Office Suite Tools

**PERFORMANCE GOAL 3.1.2**  
**Time to issue initial comments on Securities Act filings**

**Description:** The target of 30 days or less has become a de facto industry standard for the maximum time to receive initial comments.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Days	25.3 days	24.1 days	24.4 days	24.9 days	25.6 days	<30 days	25.8 days	<30 days	<30 days

**Target:** Met

**Analysis:** CF achieved its goal of having an average response time for initial comments of less than 30 days. The Division's timely review allows companies to raise capital and to build offering schedules around this de facto standard.

**Responsible Division/Office:** Division of Corporation Finance

**Data Source:** Division of Corporation Finance Management Dashboards

**PERFORMANCE GOAL 3.1.3**  
**Percentage of investment company disclosure reviews for which initial comments are completed within timeliness goals**

**Description:** For initial registration statements, the SEC’s goal is to issue initial comments within 30 days after they are filed (60 days for registration statements of insurance product separate accounts and related mutual funds). The SEC also aims to comment on post-effective amendments within 45 days and preliminary proxy statements within 10 days after they are filed.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Initial registration statements	95%	93%	92%	96%	98%	85%	98%	85%	85%
Post-effective amendments	97%	94%	94%	95%	99%	90%	99%	90%	90%
Preliminary proxy statements	99%	99%	98%	100%	98%	99%	99%	99%	99%

**Target:** Initial registration statements – Exceeded; Post-effective amendments – Exceeded; Preliminary proxy statements – Met

**Analysis:** IM strives to review all significant disclosures made by registrants in Commission filings under the Investment Company Act, including initial registration statements and post-effective amendments with material changes. IM may limit the scope of a review, through selective review procedures, to a review of only the disclosure in a filing that has not been previously reviewed. During periods of increased filings, IM is able to handle the increased workload largely through the use of such selective review procedures. IM generally does not set a target for the number of filings that are reviewed in a fiscal year because IM does not dictate the number of filings that registrants make. Instead, other factors, such as registrant business decisions or the implementation of new disclosure requirements, typically drive whether investment companies make filings and the type of filings that they make. IM sets targets for the timeliness of reviews. The timeliness percentages improved slightly between fiscal years 2013 and 2014 and the number of filings reviewed also increased modestly from 2013 to 2014. The improvement in timeliness percentages may be attributable to the reorganization of Division of Investment Management, which allocated greater staff resources to the disclosure review process.

**Responsible Division/Office:** Division of Investment Management

**Data Source:** Electronic, Data Gathering, Analysis, and Retrieval (EDGAR)

**PERFORMANCE INDICATOR (CONTEXTUAL) 3.1.1**  
**Total digital audience including website, social media and mobile media**

**Description:** Digital media has become the dominant channel for investors seeking to access information. These statistics will help evaluate the extent to which investors are turning to the SEC, identify the channels they use, and quantify the amount of information they receive.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Actual
SEC.gov page views	Prior-year data not available				3.72B	5.57B
Social media followers	1,608	83,141	193,837	236,700	258,733	308,261
Total email/mobile subscriptions	Prior-year data not available		519,602	631,839	740,318	799,055
Total email bulletins sent	875,518	12.80M	23.97M	33.44M	40.85M	47.01M
Total mobile bulletins sent	6,001	62,324	107,848	150,303	238,815	366,302

**Responsible Division/Office:** Office of Public Affairs

**Data Source:** Akamai Technologies, Google Analytics, GovDelivery, Hootsuite, Social Media Channels

**Strategic Objective 3.2: The SEC works to understand investor needs and educate investors so they are better prepared to make informed investment decisions.**

**Goal Leader(s):** Director, Office of Investor Education and Advocacy

**FY 2014 Performance**

Understanding the interests and concerns of investors is critical to carrying out the Commission’s investor protection mission. The SEC advances this mission by regularly communicating with investors, responding to their complaints and inquiries, and providing educational programs and materials. The SEC serves thousands of investors each year who contact the SEC with investment-related complaints and questions. During FY 2014, the SEC closed out 62 percent of new investor assistance matters within 7 days and 92 percent of new investor assistance matters in 30 days. The Office of Investor Education and Advocacy (OIEA) was able to achieve these levels in part by identifying and referring key investor assistance matters to the agency’s Tips, Complaints and Referrals (TCR) system (Performance Goal 3.2.2). During FY 2014, the SEC had 22.2 million page views of online investor education content and OIEA participated in 51 in-person events (**Performance Goal 3.2.1**).

**Budgeting for the Future (FY 2016)**

In FY 2016, the SEC will continue to gather feedback on OIEA’s investor education programs and materials and to explore ways to encourage investor input by presenting investors with clear, easily understandable explanations of Commission rules and rule proposals and other activities through a variety of communication channels, including social media (**Performance Goal 3.2.3**). These efforts will complement those of the Investor Advisory Committee, which was constituted to present the views and experience of a broad spectrum of investors, and which will serve as an additional source of information concerning investors’ priorities and perspectives on the Commission’s regulatory agenda.

In FY 2016, the SEC will continue to seek more comprehensive data about investors and build upon the Commission’s investor education efforts. Working in partnership with other Federal and state agencies, financial industry associations, consumer groups and educational organizations, the SEC will develop investor education initiatives that are targeted to specific audiences that will prevent future victims of fraud (**Performance 3.2.4**).

**PERFORMANCE GOAL 3.2.1**  
**Number of page views of online investor education content, and number of in-person events, including those with specifically targeted communities and organizations**

**Description:** The Office of Investor Education and Advocacy (OIEA) initiates investor education campaigns on key strategies for making informed investment decisions, including publicizing online resources for researching investment professionals and investments, understanding fees, and identifying fraud. OIEA staff also participates in in-person events for investors generally and those targeted to specific investors, such as seniors, service members, and other affinity groups. This metric tracks page views of SEC online investor education materials and the number of investor events in which OIEA staff participated.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Number of page views (in millions)		Prior-year data not available			12.1	15	22.2	20	30
Number of “in-person” events		Prior-year data not available			52	50	51	50	60

**Target:** Number of page views – Exceeded; Number of “in-person” events – Exceeded

**Analysis:** OIEA exceeded its target for in-person events by identifying new outreach opportunities, including events targeting affinity groups. Use of tools and calculators on Investor.gov helped OIEA exceed its goal of page views of online investor education content.

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** Google Analytics, Microsoft Office Suite Tools

**PERFORMANCE GOAL 3.2.2**  
**Timeliness of responses to investor contacts**

**Description:** OIEA serves the tens of thousands of investors each year who contact the SEC with investment-related complaints and questions. The staff aims to close out as many new investor assistance matters as possible within seven and thirty business days.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Closed within 7 days	70%	72%	67%	54%	62%	60%	62%	60%	60%
Closed within 30 days	90%	93%	92%	93%	93%	90%	92%	90%	90%

**Target:** Closed within 7 days – Exceeded; Closed within 30 days – Exceeded

**Analysis:** OIEA continued to focus its efforts on identifying and referring key investor assistance matters to the agency’s Tips, Complaints and Referrals (TCR) system and exceeded its seven-day and thirty-day targets for FY 2014.

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** Internal log using IRIS data

**PERFORMANCE GOAL 3.2.3**  
**Customer satisfaction rating of OIEA’s online investor education resources**

**Description:** This metric gauges the effectiveness, helpfulness, and usability of OIEA’s online investor education resources.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Satisfaction index	Prior-year data not available				81	Benchmark score for Federal government websites (73 for FY 2014)	83	Benchmark score for Federal government websites (TBD)	Benchmark score for Federal government websites (TBD)

**Target:** Exceeded

**Analysis:** During FY 2014, Investor.gov was recognized by a popular global business magazine on its list of “5 Federal websites people use (and actually work)” based on the website’s high customer satisfaction scores, which significantly exceeded Federal government benchmarks.

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** ForeSee results online portal

**PERFORMANCE GOAL 3.2.4**  
**Number of new investor education materials designed specifically to help investors protect themselves from fraud**

**Description:** Through OIEA, and often in conjunction with other organizations, the staff issues Investor Alerts and other forms of educational material that inform investors about different permutations of fraud, new investment products, and other topical issues. This metric measures the number of new investor education materials issued by OIEA.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Number of education materials	Prior-year data not available	16	24	24	26	26	28	26	26

**Target:** Exceeded

**Analysis:** In FY 2014, the SEC published 28 investor alerts and bulletins to exceed its goal, warning investors of possible fraudulent schemes, including affinity fraud and schemes involving virtual currencies, and educating them on investment-related matters.

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** [www.sec.gov](http://www.sec.gov) and [www.investor.gov](http://www.investor.gov)

**PERFORMANCE INDICATOR (PROCESS) 3.2.1**  
**Number of investor testing research projects**

**Description:** This indicator tracks the number of research initiatives used to gather feedback from investors on the usefulness of disclosures and other input on SEC rulemaking.

<b>Fiscal Year</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014 Actual</b>
Number of projects	0	0	2	2	0	0

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** Microsoft Office Suite Tools

**PERFORMANCE INDICATOR (PROCESS) 3.2.2**  
**Number of sets of recommendations prepared by the investor advisory committee**

**Description:** This indicator tracks the recommendations from the Investor Advisory Committee regarding investors' perspectives and priorities.

<b>Fiscal Year</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014 Actual</b>
Number of sets of recommendations	Prior-year data not available			0	4	4

**Responsible Division/Office:** Office of Investor Education and Advocacy

**Data Source:** [www.sec.gov](http://www.sec.gov)

## Strategic Goal 4: Enhance the Commission's Performance through Effective Alignment and Management of Human, Information, and Financial Capital

Given the immense size of the securities markets the SEC regulates, the agency's success in fulfilling its mission is highly dependent upon its ability to continually direct its resources towards the most productive uses for investors and the public. The SEC also is extremely mindful of its responsibility to maximize the impact of public funds.

In FY 2014, approximately \$261.6 million and 647 full-time equivalents (FTEs) were directed at achieving results in Goal 4. Of 19 performance targets, the agency met or exceeded 13, did not meet five, and did not have a FY 2014 target established for one. During FY 2016, the agency will continue to focus on recruiting and retaining high-performing staff, and updating the expertise of SEC employees so they are abreast of the latest developments in the industry. Furthermore, the SEC will continue to strengthen internal controls. The agency is requesting a total of \$366.4 million and 865 FTEs in FY 2016 to achieve results in Strategic Goal 4.

**Strategic Objective 4.1: The SEC promotes a results-oriented work environment that attracts, engages, and retains a technically proficient and diverse workforce, including leaders who provide motivation and strategic direction.**

**Goal Leader(s):** Director, Office of Human Resources; Director, Office of Minority and Women Inclusion

### FY 2014 Performance

The SEC's employees are its most vital strategic resource. The agency is committed to being an employer of choice by consistently attracting, hiring, developing, and retaining a high-quality, diverse, and results-oriented workforce. In FY 2014, the SEC continued to refine a series of programs aimed at enhancing employee engagement and to help maintain the agency's turnover rate at well below 8 percent (**Performance Goal 4.1.1**). In order to improve the SEC's ranking in the

survey of best places to work in the Federal government (**Performance Goal 4.1.4**), the agency has continued to focus on improving communications, working constructively on key issues with the National Treasury Employees Union, and other initiatives.

### Budgeting for the Future (FY 2016)

The SEC is committed to being an employer of choice by consistently attracting, hiring, developing, and retaining a high-quality, diverse, and results-oriented workforce. In FY 2016, the SEC will continue to refine a series of programs to enhance its human capital, such as rewarding high performance, promoting high employee satisfaction and updating staff skills. In FY 2016, the SEC will continue to implement an effective training program to deepen the expertise of its employees in the rapidly evolving markets and the areas of new responsibility for the Commission. The training supports employees directly involved in examinations, investigations, fraud detection, litigation, and other core mission responsibilities of the SEC. Such training can focus on new trends in the securities industry and changing market conditions, as well as analytics and forensics. It also allows staff to obtain certain specialized financial certifications and regulatory credentials, as well as the advanced continuing education credits required for maintaining legal and financial credentials (**Performance Goal 4.1.2**).

The SEC's success at meeting its mission depends upon effective leadership at all levels. From branch chiefs to the Commission's senior leadership, the SEC's leaders must motivate, manage employees effectively, and play a critical role in identifying the key areas on which staff should focus their attention to generate the greatest benefit for investors. Through leadership and employee development programs, the SEC will continue to maintain a diverse group of technically proficient leaders that can conduct their supervisory responsibilities effectively and meet the dynamic challenges of market oversight (**Performance Goal 4.1.5**).

**PERFORMANCE GOAL 4.1.1**  
**Turnover**

**Description:** When employee morale and engagement are high, high-performing employees tend to remain in the organization. Although turnover can fluctuate based on a variety of factors, the SEC aims to keep its turnover rate relatively low, below 8 percent per year.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percent turnover	3.7%	5%	6.4%	6.58%	6.58%	<8%	5.6%	<8%	<8%

**Target:** Met

**Analysis:** In FY 2014, retirements increased 35 percent from FY 2013, largely driven by SEC's VERA/VSIP offerings that saw 67 employees accept the early retirement authority. This increase in retirements was offset by decreases in voluntary resignations (down 16 percent from FY 2013) and transfers to other Federal agencies (down 44 percent from FY 2013).

**Responsible Division/Office:** Office of Human Resources

**Data Source:** The National Business Center at Department of Interior (DOI)

**PERFORMANCE GOAL 4.1.2**  
**Expanding staff expertise**

**Description:** Internal training and hiring programs are designed to help the agency recruit and develop a diverse and qualified staff with the key skills, industry knowledge, and expertise to support the SEC mission. In particular, there is a need to train examiners, attorneys, economists, and other experts for subject matter expertise relevant to the marketplace and investment and trading practices. This metric tracks whether certain areas requiring significant training are being addressed. The agency will track the number of SEC staff participants in mission-focused training and development programs and will report on specific items through the use of post-course evaluations to assess the impact and results of this training on a five-point scale.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Mission-focused training attendance		Prior year data not available				12,000	16,270	17,000	18,000
Post-course evaluations of mission-focused training		Prior year data not available				4.5	4.14	4.25	4.35

**Target:** Mission-focused training attendance – Exceeded; Post-course evaluations of mission-focused training – Not Met

**Analysis:** SEC University will continue to improve upon the quality of its training programs to ensure that the learner receives the skills and knowledge to perform more effectively. This improved quality will be reflected in increased post-course evaluations. At the same time, SEC University will diversify its methods of delivery to a more blended learning approach. This will result in more learning items, at times delivered in smaller, more focused chunks, aimed at specific knowledge or skill areas.

**Plan for Improving Program Performance:** Work more closely with internal stakeholders to identify specific learning needs. Revise content of training materials and programs to better address needs.

**Responsible Division/Office:** Office of Human Resources

**Data Source:** Course Attendance Identified in LEAP (Instructor-led courses only) and End of Course Evaluation Report Summary provided by Metrics that Matter

**PERFORMANCE GOAL 4.1.3**  
**Number of diversity-related partnerships/alliances**

**Description:** Increased numbers of diversity-related partnerships or alliances with professional associations and educational organizations provide opportunities to educate students about the SEC's work and to recruit career professionals from all segments of society. The SEC will track the number of partnerships and/or alliances with diverse professional associations and educational organizations.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Number of partnerships/alliances	Prior-year data not available	2	10	12	13	15	18	15	18

**Target:** Exceeded

**Analysis:** OMWI met and exceeded its goal for the number of partnerships/alliances in FY 2014. OMWI achieved this by building upon its FY 2013 relationships with various diverse organizations and associations and by seeking to develop additional partnerships.

**Responsible Division/Office:** Office of Minority Women and Inclusion

**Data Source:** Office of Minority Women and Inclusion Internal Records and Section 342 of DFA

**PERFORMANCE GOAL 4.1.4**  
**Survey rankings**

**Description:** Annual and other rankings, together with other metrics and indicators of Federal government agencies will be used as one kind of metric to determine the SEC's overall success in improving employee morale and employee engagement.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
<i>Best Places to Work</i> ranking	Ranked #11	Ranked #24	Ranked #27	Ranked #19	Ranked #15	Ranked #5	Ranked #14	Ranked #12	Ranked #10
Average of employee engagement and global satisfaction index	Prior-year data not available				61%	75%	66%	67%	68%

**Target:** *Best Places to Work* ranking – Not Met; Average of satisfaction index – Not Met

**Analysis:** In FY 2014, the achievement of 66 percent is a reflection of the work and collaboration between SEC's Managers, Leaders and NTEU toward improving SEC's organizational culture. The "Labor Management Forums" and "All Invested" program served as the primary venues for collaboration and helped drive improvements in measures of employee work-life and organizational culture.

In FY 2014, the SEC was recognized by OPM and the Partnership for Public Service as the "Most Improved Agency" via a gain of 5 percent.

**Plan for Improving Program Performance:** Continue to build a collaborative environment primarily by supporting the work of the Labor Management Forums and promoting activities that enhance internal communication and employee engagement.

**Responsible Division/Office:** Office of Human Resources

**Data Source:** Annual Partnership for Public Service calculated ranking based on Annual Employee Viewpoint Survey (EVS) administered by OPM and Average of Employee Engagement and Global Satisfaction Index from OPM Employee Viewpoint Survey (EVS)



**PERFORMANCE GOAL 4.1.5**  
**Bench strength**

**Description:** To maintain mission effectiveness, it is essential that attrition in the leadership ranks is quickly addressed by having a highly qualified and diverse pool of internal candidates ready to assume those critical roles. Success is measured by the percentage of key leadership positions for which the SEC has identified a pool of qualified internal candidates.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage		Prior-year data not available				N/A	68%	85%	100%

**Target:** N/A

**Analysis:** The FY 2014 percentage is the actual and serves as the baseline. Each year we expect to send more eligible employees through leadership training which will increase the number of employees prepared to assume Senior Officer positions thus increasing our bench strength.

**Responsible Division/Office:** Office of Human Resources

**Data Source:** Course Attendance Identified in LEAP (Instructor-led courses only) and End of Course Evaluation Report Summary provided by Metrics that Matter

**Strategic Objective 4.2: The SEC encourages a collaborative environment across divisions and offices and leverages technology and data to fulfill its mission more effectively and efficiently.**

**Goal Leader(s):** Director, Office of Information Technology

**FY 2014 Performance**

The SEC’s divisions and offices collaborate in a variety of ways to advance the Commission’s mission. Such coordination is critical for any organization as large and complex as the SEC to bring together different perspectives, decide on the best course of action, and implement that course in the most effective way. Given the importance and complexity of the SEC’s mission, it is imperative that the Commission continuously improve its ability to break down silos, share information and work jointly towards a common purpose through enhanced information technology.

In FY 2014, the SEC continued to consolidate and centralize its collaborative technologies to a commonly used enterprise set and met its target of 35 percent of the SEC’s offices and divisions utilized the centralized enterprise collaboration solutions. The Technology Center of Excellence made continued progress supporting SEC division and offices, including improvement in the ability to share innovation across the SEC **(Performance Goal 4.2.2)**.

**Budgeting for the Future (FY 2016)**

In FY 2016, information technology will continue to play a crucial role in the mission of the SEC and its ability to share information and data both internally and externally. The SEC will continue to gather a wide variety of data from corporate disclosures, equity exchange feeds, investigations and examinations, tips, complaints, and referrals, and commercial vendors. The SEC will continue to work to develop systems that will allow more of this information to be quickly shared, analyzed, and combined with other information about the same entity or individual. These efforts should save staff time, provide better information about the firms the SEC regulates, and enhance the ability to uncover hidden risks to investors **(Performance Goal 4.2.2 and Performance Goal 4.2.3)**.

The increasing size and complexity of the U.S. markets require that the SEC continue to leverage technology to improve its productivity, as well as identify and address the most significant threats to investors and eliminate down time to SEC systems **(Performance Goal 4.2.1)**.

**PERFORMANCE GOAL 4.2.1**  
**Ensure SEC's systems and applications are available**

**Description:** The SEC aims to enhance its computing infrastructure to eliminate down time if systems at one site fail, among other objectives. This metric will capture the percentage of systems and applications that can fail over within 8 hours.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percentage of servers virtualized	12%	22%	38%	79%	93%	94%	95%	95%	95%
Percentage fail over within 8 hours	Prior-year data not available					100%	100%	100%	100%

**Target:** Percentage of servers virtualized – Exceeded; Percentage fail over within 8 hours – Met

**Analysis:** OIT recognizes that with increased system growth, the percent of servers virtualized will be impacted in future years.

**Responsible Division/Office:** Office of Information Technology

**Data Source:** OIT Network Operations Center (NOC) – automated network monitoring tools

**PERFORMANCE GOAL 4.2.2**  
**Equip the SEC with an enhanced technology infrastructure to support enterprise infrastructure**

**Description:** The SEC aims to promote collaboration and information sharing across the enterprise. To improve efficiency and knowledge management, the SEC will consolidate and centralize its collaborative technologies to a commonly used enterprise set by 2020. This metric will measure the percentage of the SEC's offices and divisions that utilize centralized enterprise collaboration solutions.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Number of enterprise solutions	Prior-year data not available	10%	20%	25%	30%	35%	35%	40%	45%

**Target:** Met

**Analysis:** In FY 2014, OIT produced cost savings and efficiencies by reducing telecommunications cost, enhanced infrastructure through technology refresh and increased overall bandwidth. As a result of better contract management OIT produced significant savings by changing the contract vehicle for the MI-FI data contract. The Technology Center of Excellence made continued progress supporting SEC division and offices, including improvement in the ability to share innovation across the SEC. In FY 2015, OIT will achieve greater efficiency through expanded WI-FI to allow users to have secure wireless access anywhere in the SEC.

**Responsible Division/Office:** Office of Information Technology

**Data Source:** Approved software applications list

**PERFORMANCE GOAL 4.2.3**  
**Expand the SEC's video teleconferencing (VTC) capabilities to support an increasingly geographically dispersed workforce**

**Description:** The SEC seeks to develop a state of the art video teleconference solution that allows users to conduct a video/teleconference meeting between HQ, regional offices and multiple endpoints simultaneously; collaborate and share presentation materials; and use VoIP technology to host video teleconferences from their offices/workspaces with other SEC users or conference rooms. This metric will measure the average “uptime” or availability of all VTC systems.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Availability rate for VTC solutions	Prior-year data not available				80%	99.99%	99.99%	99.99%	99.99%

**Target:** Met

**Analysis:** By the end of FY 2014, 99.99 percent of SEC users had the ability to use High Definition video conferencing capability and VoIP technology to host video teleconferences from their workspaces. Attendees were able to participate from their individual workspaces or from a conference room.

OIT monitors the availability of the SEC's video bridges on a 24/7/365 basis as well as the number of VTC sessions which terminate abnormally (as a percentage of the total number of VTC sessions). These metrics indicate that the VTC infrastructure has a consistent 99.99 percent uptime and availability rating. The VTC infrastructure resides on the redundant network architecture, which is being monitored by various tools.

**Responsible Division/Office:** Office of Information Technology

**Data Source:** Telecommunications monitoring system

**PERFORMANCE GOAL 4.2.4**  
**Pursue continuous technology cost reductions and efficiencies**

**Description:** Recent technology enhancements – e.g., data center consolidation, virtualization and maintenance contract reductions – are producing technical efficiencies and cost savings. This metric will measure the amount of these costs savings.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Percent reduction in operational run cost leveraging technology and process efficiencies	Prior-year data not available				18.7% cost reduction in steady state run costs	1% reduction in run costs	1% reduction in cost	1% reduction in cost	1% reduction in cost

**Target:** Met

**Analysis:** OIT will continue its cost reduction strategies, and will monitor costs in light of new program and customer growth.

**Responsible Division/Office:** Office of Information Technology

**Data Source:** OIT Network Operations Center (NOC)

**PERFORMANCE GOAL 4.2.5**  
**Enhance the SEC’s enterprise data warehouse infrastructure and performance**

**Description:** The Enterprise Data Warehouse (EDW) infrastructure will enable the provisioning of data to Commission staff for search and analysis through a virtual data warehouse platform. This metric will measure the availability of EDW and data sources.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Availability rate for the EDW infrastructure components in production		Prior-year data not available				99%	99%	99%	99%

**Target:** Met

**Analysis:** The implementation of the Enterprise Data Warehouse provides various capabilities and efficiencies including: delivers enhanced business intelligence; save times by allowing users to quickly search and access critical data from a single place; enhance data quality and consistency; and provides historical intelligence by allowing users to analyze different time periods and performance trends in order to make future predictions.

**Responsible Division/Office:** Office of Information Technology

**Data Source:** OIT Network Operations Center (NOC) – automated network monitoring tools

**Strategic Objective 4.3: The SEC maximizes the use of agency resources by continually improving agency operations and bolstering internal controls.**

**Goal Leader(s):** Chief Financial Officer, Chief Operating Officer

**FY 2014 Performance**

Given the SEC’s role in overseeing the securities markets, it is important that the agency maintain strong internal controls and sound financial management practices in its own operations. In FY 2014, the SEC successfully received an unqualified audit opinion with no material weaknesses (**Performance Goal 4.3.1 and Performance Goal 4.3.2**).

**Budgeting for the Future (FY 2016)**

In FY 2016, the SEC will continue to maintain strong financial management practices and robust internal controls (**Performance Goal 4.3.1**). The SEC will continue to focus on enhancing its processes and systems in its budgeting, accounting, and internal controls over operations (**Performance Goal 4.3.2**). In addition, the SEC will continue delivering complete, concise, and meaningful information about the financial and operating performance of the Commission that supports management decision-making.

As an agency of the Federal government entrusted with public funds, the SEC must always strive to enhance the value for investors it creates from every budget dollar. In FY 2016, the SEC will continue to strive to allocate the resources approved by Congress and the President towards the highest and best uses for the agency’s mission (**Performance Goal 4.3.3**). The SEC also constantly reevaluates its operations to identify cost savings and maximize their benefit.

**PERFORMANCE GOAL 4.3.1**  
**Financial audit results**

**Description:** Under the Accountability of Taxpayer Dollars Act of 2002, the agency is required to meet all proprietary and budgetary accounting guidelines for Federal agencies and to undergo annual audits. The SEC's audits are conducted by the Government Accountability Office.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Unqualified opinion	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Material weaknesses	1	2	0	0	0	0	0	0	0
Significant deficiency	6	0	4	2	1	0	1	0	0

**Target:** Unqualified opinion – Met; Material weaknesses – Met; Significant deficiency – Not Met

**Analysis:** The SEC received no material weaknesses in FY 2014, the fourth year in a row. The FY 2014 audit did identify one significant deficiency, in the area of disgorgements and penalties. As described further below, the SEC will focus its energies on improving controls on this critical area, as well as improving its internal controls program and upgrading or replacing key financial systems.

**Plan for Improving Program Performance:** In FY 2015, the SEC is undergoing assessments of the controls, processes, and systems supporting the agency's accounting for disgorgements and penalties. Among other goals, these efforts are aimed at improving the agency's ability to accurately capture new accounting events resulting from the SEC's enforcement cases on a timely basis. In order to strengthen controls in other aspects of the agency's finances, the SEC will focus on modernizing the systems supporting property and equipment and filing fees, and will look to enhance its program for internal control assessments.

**Responsible Division/Office:** Office of Financial Management

**Data Source:** GAO SEC Financial Audit Report

**PERFORMANCE GOAL 4.3.2**  
**Assurance statement on internal control over operations**

**Description:** In accordance with OMB A-123 and Section 961 of the Dodd-Frank Act, the SEC conducts an annual assessment of the effectiveness of internal controls. The SEC will continue to develop its Operational Risk program and enhance cross-organizational processes to support all division and office management assurance statements. Success is measured by the quality of risk and control assessments and management self-identification and resolution of improvement opportunities.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
Unqualified opinion	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Material weakness	0	0	0	0	0	0	0	0	0

**Target:** Unqualified opinion – Met; Material weakness – Met

**Analysis:** Performance goals were met with an unqualified opinion and no material weaknesses. The Office of the Chief Operating Officer will continue to focus on enhancing management assurance reviews of internal controls over operations, including by augmenting division/office risk control inventories and enhanced testing of controls.

**Responsible Division/Office:** Office of the Chief Operating Officer

**Data Source:** SEC Financial Audit Report

**PERFORMANCE GOAL 4.3.3**  
**Timely completion of corrective action on Office of Inspector General (OIG) and the GAO audit recommendations<sup>1</sup>**

**Description:** Timely completion of audit recommendations is an important SEC priority. This metric measures how well the Commission is doing in completing corrective action on OIG audit recommendations within established timeframes.

Fiscal Year	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 Plan	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate
OIG recommendations completed in less than one year		Prior-year data not available			78%	80%	76%	76%	76%

**Target:** Not Met

**Analysis:** SEC policy requires that corrective actions to respond to recommendations should proceed as rapidly as possible, and shall be completed within one year of the issuance of a final OIG report. However, in some cases, final action could be delayed as some recommendations could be challenging to address.

**Plan for Improving Program Performance:** The OCOO will continue to receive regular reports from all SEC divisions and offices with open audit recommendations, and to hold meetings with appropriate offices to ensure timeliness of resolution decisions and corrective actions.

**Responsible Division/Office:** Office of the Chief Operating Officer

**Data Source:** Audit Recommendation Tracking System

<sup>1</sup> This measure was developed as part of the FY 2014-2018 SEC strategic planning process. Currently there is no methodology in place to capture data for tracking all GAO Audit recommendations. OCOO will determine a timeframe for establishing a methodology during FY 2015.