

FY 2021 Annual Performance Report (APR) and FY 2023 Annual Performance Plan (APP)

The SEC is responsible for overseeing the nation’s securities markets and certain primary participants, including broker-dealers, investment companies, investment advisers, clearing agencies, transfer agents, credit rating agencies, and securities exchanges, as well as organizations such as FINRA, MSRB, and PCAOB. Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), the agency’s jurisdiction was expanded to include certain participants in the derivatives markets, private fund advisers, and municipal advisors.

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U.S. Securities and Exchange Commission (SEC)

Description:

The SEC is an independent federal agency, established pursuant to the Securities Exchange Act of 1934, headed by a bipartisan, five-member Commission. The Commissioners are appointed by the President and confirmed by the Senate. The President designates one of the Commissioners as the Chair. The five Commission members act jointly to set and enforce the rules that govern the securities markets and its participants. The Chair is responsible for overseeing the executive and administrative functions of the agency and its more than 4,500 staff members.

Stakeholder(s):

SEC Headquarters :

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

The Division of Enforcement (ENF) :

The Division of Enforcement (ENF) is critical to the Commission's ability to fulfill its three-part mission: protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation. ENF's efforts to uncover misconduct and deter and punish securities law violators are critical to safeguarding millions of investors and instilling confidence in the integrity of the U.S. markets. Each year, on the basis of ENF investigations and recommendations, the Commission brings hundreds of civil and administrative enforcement actions against individuals and entities for fraud, financial and accounting irregularities and misstatements, misconduct by investment professionals and regulated entities, and other violations. The Commission also pursues enforcement actions against wrongdoers in new and emerging areas, including crypto-asset markets, cyber-related risks, the environmental, social, and governance space, and special purpose acquisition companies. The meaningful remedies that the Commission obtains through enforcement actions deter future wrongdoing and, when possible, deprive violators of the fruits of their misconduct. When the Commission obtains disgorgement of ill-gotten gains, it is often able to return such funds to harmed investors. ENF also seeks bars and suspensions that prevent wrongdoers from working in the securities industry or being officers and directors of public companies.

ENF brings meaningful cases that cover the entire securities waterfront, protect investors in new and emerging areas, hold wrongdoers accountable with meaningful remedies, and bolster the public's trust in financial markets. ENF is guided by five

core principles: (1) focus on protecting investors; (2) focus on individual accountability, including gatekeepers; (3) keep pace with technological change; (4) impose remedies that most effectively further enforcement goals; and (5) constantly assess the allocation of SEC resources. These principles drive ENF to address misconduct targeting investors; risks posed by cyber-related misconduct; issues raised by the activities of investment advisers, broker-dealers, and other registrants; financial reporting and disclosure issues involving public companies, their executives, and their auditors; misconduct by gatekeepers; and insider trading and market abuse. These areas are priorities for ENF, and the division will continue to pursue cases and advance efforts to protect investors and the integrity of the market.

Division of Examinations (EXAMS) :

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

The division's risk-based program is designed to focus its resources on those firms, market participants, and practices that pose the greatest potential risk of securities laws violations that can harm investors and the markets. During FY 2023, EXAMS will continue to emphasize the protection of working families, particularly seniors and individuals saving for retirement. The division will focus on key issues including cyber and information security and compliance with recently adopted rules related to standards of care (including Regulation Best Interest), as well as additional practices that represent significant risks to retail investors such as deceptive sales practices, conflicts of interest, and elder abuse.

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Stakeholders (continued)

At the beginning of FY 2023, EXAMS anticipates that roughly 1,000 exam staff will be responsible for overseeing:

- more than 15,000 investment advisers with approximately \$125 trillion in assets under management;
- over 750 investment company complexes managing nearly 15,000 investment company portfolios;
- over 3,500 broker-dealers with more than 150,000 branch offices;
- approximately 520 municipal advisors; and
- roughly 400 transfer agents.

EXAMS will also oversee 24 national securities exchanges and at least 9 entities that provide clearing agency functions—including 4 that have been deemed systemically important—as well as funding portals, the Public Company Accounting Oversight Board (PCAOB), the Municipal Securities Rulemaking Board (MSRB), the Securities Investor Protection Corporation (SIPC), and the Financial Industry Regulatory Authority (FINRA). Finally, several new registrant categories, including security-based swap dealers, security-based swap data repositories, and security-based swap execution facilities, will be subject to examinations and will require resources.

Division of Corporation Finance (CF) :

In support of the Commission's mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation, the Division of Corporation Finance (CF) seeks to ensure that investors have access to material information in order to make informed investment decisions when a company offers its securities to the public and on an ongoing basis as companies continue to provide information to the marketplace. Through its selective review program, CF reviews company filings and provides comments to address possible material noncompliance with disclosure and accounting requirements under the federal securities laws and to enhance investor protection. CF also makes recommendations to the Commission for new or revised rules and the elimination of duplicative or outdated rules relating to the disclosure requirements for reporting companies and exemptions from registration and provides interpretive advice to companies on SEC rules and forms.

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

The division conducts its primary review responsibilities through seven specialized industry offices: Energy & Transportation; Finance; Life Sciences; Manufacturing; Real Estate & Construction; Technology; and Trade & Services.

Rulemaking and Interpretive Advice ~ CF continues to assist the Commission with implementing any rules to further investor protection, facilitate capital formation, and promote the fair and efficient function of the securities markets. As part of this effort, CF is proposing amendments to update disclosure requirements and continue the division's efforts to enhance efficient capital formation.

The division conducts its rulemaking and interpretive advice through the following policy offices: Office of Chief Accountant, Office of Chief Counsel, Office of Rulemaking, and Specialized Policy and Disclosure.

Division of Trading and Markets (TM) :

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

TM supervises self-regulatory organizations (SRO) and other major market participants in the U.S. securities markets, which, as of September 2021, included 24 national securities exchanges, 34 National Market System (NMS) stock alternative trading systems (ATS), 61 non-NMS stock ATSs, over 3,500 broker-dealers, 7 registered clearing agencies, roughly 404 transfer agents, the Financial Industry Regulatory Authority (FINRA), and various securities information processors.

Division of Investment Management (IM) :

The Division of Investment Management (IM) works to fulfill the SEC's mission by administering the Investment Company Act of 1940 and the Investment Advisers Act of 1940 and by developing regulatory policy for open-end management investment companies (commonly known as mutual funds), exchange-traded funds (ETF), closed-end funds, variable insurance products, other investment companies, and investment advisers. As of October 1, 2021, over 14,000 SEC-registered funds held approximately \$33 trillion in assets. The SEC also oversaw more than 14,500 SEC-registered investment advisers reporting more than \$110 trillion in regulatory assets under management. In addition, the SEC receives reports from nearly 5,000 SEC-exempt reporting advisers, who report advising over 23,000 private funds with over \$5 trillion in assets.

An important part of IM's mandate is to protect working families investing for their future. In FY 2023, IM will continue this work by recommending new rules and amendments to the Commission that modernize regulation and ensure investor protection.

The division is considering the following reforms:

- Augmented requirements for funds and investment advisers related to environmental, social, and governance factors as these investment strategies rapidly increase
- Enhanced reporting and disclosure about private funds or other possible reforms
- Tailored fund shareholder reports to highlight information that is particularly important for retail investors to assess and monitor their fund investments

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Stakeholders (continued)

IM will also continue to review existing rules to make sure they are providing appropriate protections in light of trends in the capital markets. For example, IM will consider potential reforms for asset managers to address their use of technology and for money market funds following events during the COVID-19 market disruption. In addition, the division will monitor implementation of recently adopted regulatory changes, including the enhanced frameworks for investment adviser marketing, fund valuation practices, and funds' use of derivatives.

In FY 2023, IM will continue to review and comment on the thousands of prospectuses, proxy statements, and other disclosure documents filed by registered investment companies and business development companies each year, with an emphasis on filings by new funds, novel and complex funds, and principal strategy and risk disclosures. In particular, the focus will be on ensuring appropriate protections when reviewing new investment products such as nontransparent ETFs and funds seeking investments in a limited set of crypto-assets.

The division will also continue to: (1) provide legal guidance to other parts of the agency, other regulators, and market participants; (2) consider requests for exemptions from certain regulatory requirements; and (3) engage with international regulators on issues important to the U.S. asset management industry.

IM is a small division regulating a \$110 trillion industry and is committed to increasing the efficiency and effectiveness of its programs. In FY 2023, IM expects to do this by: (1) increasing analytical capacities to enable more timely analysis of industry data, trends, and risks; (2) augmenting outreach capabilities to respond in real-time to market events; and (3) enhancing investment adviser policy to reflect growth in the private funds industry through targeted Form ADV reviews and Form PF data analysis.

Division of Economic and Risk Analysis (DERA) :

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

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

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

- **Policy Support.** DERA conducts quantitative and qualitative economic analyses informed by research insights in support of the SEC's rulemaking agenda.

- **Risk Analysis.** DERA performs domestic and international risk analyses of the capital markets.
- **Examination and Enforcement Support.** DERA provides economic and data expertise in support of the Commission's investigations and enforcement-related activities.
- **Data Analysis and Management.** DERA develops analytic tools and manages economic data in support of the entire Commission.

Looking ahead to FY 2023, DERA is positioned to continue: (1) providing high-quality economic analyses of Commission rules; (2) analyzing risks facing the capital markets; (3) producing up-to-the-minute analyses of the impact of market-wide events; (4) collaborating with the Division of Enforcement, focusing on penalties and distributions; and (5) producing technological solutions that increase staff productivity.

Office of the General Counsel (OGC) :

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

In FY 2023, OGC anticipates continued work on legislative initiatives to reform the existing regulatory structure for the securities markets and the financial services industry. The staff of experienced attorneys will handle complex agency and securities law issues, provide legal advice on rulemakings and other regulatory initiatives, address legal challenges to rulemakings, advise on novel operational issues presented by COVID-19, respond to emerging crypto-asset issues, and work to protect the Commission's identity against cyber-impersonation and other deceptive practices. OGC also expects to provide technical assistance to Congress and other financial regulatory agencies on numerous legislative initiatives and other matters. OGC will continue to manage the agency's appellate litigation, including appeals related to complex enforcement cases and challenges to new rulemakings. OGC will also continue to assist the Commission in resolving litigated administrative proceedings set before the Commission, appeals from initial decisions issued by the SEC's administrative law judges, and petitions seeking review of actions taken by self-regulatory organizations (SRO). The staff will also continue to provide assistance and advice in responding to Congressional requests for information and documents, as well as providing the Commission and operating divisions and offices with independent analysis and advice on all enforcement activities, rulemaking releases, and whistleblower claim adjudications.

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Stakeholders (continued)

Office of the Chief Accountant (OCA) :

The Office of the Chief Accountant (OCA) is responsible for establishing and interpreting accounting and auditing policy to enhance the transparency and relevancy of financial reporting for investors. The Chief Accountant serves as the principal advisor to the Commission on accounting and auditing matters. OCA works to improve the performance of public company financial statement preparers, auditors, and audit committees to ensure that financial reporting is decision-useful, relevant, and transparent for the benefit of investors. High-quality financial statements are the bedrock of the financial reporting system, establishing a consistent and enforceable framework that protects investors; contributing to the fair and efficient operation of markets; and promoting capital formation.

OCA works to assist the SEC's efforts to oversee accounting standard-setting by the Financial Accounting Standards Board (FASB) and help administer the SEC's statutory obligations to provide oversight with respect to the Public Company Accounting Oversight Board (PCAOB), including administering the Commission's selection and appointment of PCAOB Board members and administering the Commission's approval of the PCAOB annual budget and accounting support fee. OCA also provides oversight of the Commission's approval for any PCAOB standard-setting or rulemaking. OCA also monitors international standard-setting by the International Accounting Standards Board, International Sustainability Standards Board, the International Auditing and Assurance Standards Board, and the International Ethics Standards Board for Accountants, through participation in the Monitoring Board and Monitoring Group, respectively. The office also participates in the activities of the International Organization of Securities Commissions (IOSCO) through its leadership role on the Committee on Issuer Accounting, Auditing, and Disclosure.

OCA achieves its mission in the following ways.

The Accounting Group (AG) oversees accounting standard-setting by the FASB, addresses emerging accounting issues through consultations and stakeholder engagement, and supports rulemaking. The FASB has a robust agenda-setting process and post-implementation review process. In the past several years, the FASB has issued significant new accounting standards on leases, financial instruments, and revenue recognition that significantly impact most registrants. The AG is focused on working with the FASB through its consultation process to ensure these standards are implemented by registrants in an effective and timely manner. The AG also advises the Commission on accounting and auditing matters in SEC rulemaking including, most recently, on climate; executive compensation clawbacks; special purpose acquisition companies; and on private funds.

The Professional Practice Group (PPG) provides expert advice related to auditing, independence, and internal controls over financial reporting. The PPG provides this advice in rulemaking support by overseeing the PCAOB and through consultations on auditor independence and internal control over financial reporting. The Professional Practice Group (PPG) provides expert advice related to auditing, independence, and internal controls over financial reporting. The PPG provides this advice in rulemaking support by overseeing the PCAOB and through consultations on auditor independence and internal control over financial reporting.

The International Group (IG) leads OCA's efforts to engage and promote high-quality financial reporting and auditing globally, which is a significant Commission priority. The Chief Accountant serves as Co-Chair of IOSCO's Monitoring Group, which works to advance the public interest in international audit-related standard-setting and implement the Monitoring Group's reform recommendations.

The Office of the Chief Counsel (OCC) provides legal counsel to OCA related to legal policy with respect to Commission rulemaking and OCA's oversight activities related to standard-setting and rulemaking by the PCAOB. OCC also provides OCA with legal advice relating to administrative responsibilities, principally with respect to budget, accounting support fees, and appointments at the FASB and the PCAOB. In addition, OCC leads OCA's process of advising the Commission on enforcement matters related to accounting, auditing, and auditor independence, including administering the Commission's Rule 102(e) program for accountants.

Office of Investor Education and Advocacy (OIEA) :

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

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

Office of International Affairs (OIA) :

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

The Regulatory Policy and Supervisory Cooperation (RP/SC) Group will advise the Chair, Commissioners, and staff on strategies for advancing the Commission's objectives in international organizations, including the Financial Stability Board and the International Organization of Securities Commissions, as well as coordinate the Commission's participation in these bodies. In addition, the RP/SC Group will support the Commission's engagement in work streams on sustainable finance, asset management, outsourcing, financial technology (fintech) and crypto-assets, and data consolidation. Also, the RP/SC Group will advance the Commission's bilateral relationships with other jurisdictions and collaborate with foreign authorities to address cross-border policy issues that may have an impact on U.S. market participants (i.e., crypto-asset and other fintech

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Stakeholders (continued)

issues, sustainable finance, cybersecurity, cross-border audit oversight inspections, substituted compliance, and data privacy). The RP/SC Group will also continue to collaborate with other divisions and offices to develop and operationalize SEC rulemakings or other policy initiatives with cross-border aspects, in particular rules on climate, money market funds, and open-end funds.

Further, the RP/SC Group will assist SEC exam staff in the Division of Examinations and Office of Credit Ratings on cross-border supervisory issues, and assist foreign regulators with supervisory matters involving globally active regulated entities. This work will include facilitating cooperation between SEC staff and staff from foreign authorities under the recently completed substituted compliance Memoranda of Understanding (MOU). The RP/SC Group will also develop and implement additional information-sharing MOUs and other supervisory cooperation arrangements with foreign regulatory authorities, including arrangements related to data protection.

The Enforcement Cooperation and Technical Assistance (ENF/TA) Group will assist the Division of Enforcement (ENF) in conducting investigations and enforcement proceedings with international aspects, including where perpetrators, evidence or the proceeds of fraud are located abroad. Similarly, the ENF/TA Group also assists and advises foreign authorities with their investigations and litigation. The ENF/TA Group will continue to advance the Commission's policy objectives for international cooperation, including promoting best practices and overcoming obstacles with respect to cross-border enforcement-related information sharing. Consistent with the agency's enforcement priorities, which include a focus on investor protection and keeping pace with technological change, the ENF/TA Group will continue to advance initiatives to address frauds that affect retail investors, such as cross-border pump-and-dump frauds. Further, the ENF/TA Group will assist ENF to combat cyber-enabled misconduct.

In addition, the ENF/TA Group will continue to build capacity and strong relationships with the foreign counterparts the SEC relies on for assistance in SEC enforcement cases and overseas examinations. In response to increased requests from foreign securities authorities, the ENF/TA Group will provide technical advice and virtual training; review regulatory oversight regimes and suggest improvements; and consult with foreign securities authorities on draft legislation and regulations and operational processes.

Office of Administrative Law Judges :

The Office of Administrative Law Judges supports the SEC's mission by conducting hearings, issuing initial decisions, and adjudicating ancillary matters in administrative proceedings. When the Commission orders that a proceeding be heard by an administrative law judge, the judge serves as an independent adjudicator who determines whether the allegations against one or more respondents are true. The judges conduct public hearings at locations throughout the United States, in a manner similar to federal bench trials. Among other actions, they issue subpoenas, hold conferences with parties, and rule on motions and the admissibility of evidence. Following the hearing, the judge prepares an initial decision setting forth his or her factual findings and legal conclusions and determining whether sanctions are warranted. Certain proceedings may be resolved without an in-person hearing, such as when the judge decides

that summary disposition is appropriate or finds a respondent in default.

Office of the Investor Advocate (OIAD) :

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

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

Investor Advocacy ~ Consistent with the requirements of Section 4(g), OIAD is responsible for identifying problems that investors have with financial service providers and investment products; analyzing the potential impact on investors of proposed regulations and rules; identifying areas in which investors would benefit from changes in SEC regulations or SRO rules; and proposing changes in regulations, legislation, or administration of programs that may mitigate problems identified.

Reports to Congress ~ OIAD is responsible for submitting two reports to Congress per year.

1. A Report on Objectives is due no later than June 30 of each year, and its purpose is to set forth the objectives of the Investor Advocate for the following fiscal year.

2. A Report on Activities is due no later than December 31 of each year, and it describes the activities of the Investor Advocate during the immediately preceding fiscal year. Among other things, the Report on Activities must summarize the most serious problems encountered by investors during the reporting period, identify any Commission or SRO action that was taken to address those problems, and recommend, as appropriate, any administrative and legislative actions to resolve problems encountered by investors.

Ombudsman ~ The Investor Advocate is required to appoint an Ombudsman to act as a liaison between the SEC and any retail investor in resolving problems that retail investors may have with the SEC or SROs. The Ombudsman must also review policies and procedures and make recommendations to encourage the investing public and other interested persons to submit questions to the Investor Advocate regarding compliance with the securities laws, and establish safeguards to maintain the confidentiality of communications between the investing public and the Ombudsman. The Ombudsman must also evaluate the effectiveness of this program and submit semiannual reports to the Investor Advocate for inclusion in the reports to Congress.

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

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to gather input from investors on rulemaking initiatives and better understand their informational needs. The office anticipates that additional research projects will develop in FY 2023 related to the Commission's Strategic Plan by providing data that gives the Commission insight into the needs of investors.

Investor Advisory Committee ~ The Investor Advocate serves as a member of the Investor Advisory Committee, which is authorized by Section 39 of the Exchange Act. This committee advises and consults with the SEC on regulatory priorities and protection of investors. OIAD provides support and assistance to this advisory committee to assist it with fulfilling its statutory mission.

Office of Credit Ratings (OCR) :

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

During FY 2023, the majority of OCR's staff will continue to be dedicated to conducting examinations of NRSROs for compliance with the federal securities laws and Commission rules. OCR is required by statute to conduct an examination of each NRSRO at least annually, covering eight specific review areas. Additionally, OCR uses a risk-based approach to determine additional areas of inquiry for each NRSRO examination and for monitoring NRSRO activities and industry developments. OCR will continue to provide legal support for examinations and any referrals to the Division of Enforcement, providing interpretive guidance, and developing rule recommendations for the Commission's consideration. OCR also reviews requests for Commission exemptive relief or staff "no-action" relief from existing rule requirements and formulates staff guidance and other interpretive positions related to NRSRO regulations. Additionally, OCR reviews initial applications for NRSRO registration and applications from existing NRSROs for registration in additional ratings classes.

Office of Municipal Securities (OMS) :

The Office of Municipal Securities (OMS) coordinates the Commission's activities relating to the \$4 trillion municipal securities market and administers the Commission's rules pertaining to municipal securities brokers and dealers, municipal advisors, investors in municipal securities, and municipal issuers. OMS advises the Commission on policy matters and current market issues relating to the municipal securities market and is responsible for policy development, coordination, and implementation of Commission initiatives to improve the municipal securities market, including working with other divisions on cross-fixed income market issues. OMS is also responsible for reviewing and processing proposed rule changes filed by the Municipal Securities Rulemaking Board (MSRB) with the Commission. OMS provides technical assistance to other SEC divisions and offices, including the Division of Enforcement (ENF) and the Division of Examinations (EX-

AMS). OMS' responsibilities include three primary areas: municipal advisor regulation, municipal securities market structure initiatives, and municipal securities disclosure initiatives.

OMS monitors current issues in the municipal securities market and reports developments to the Commission. In addition, OMS coordinates with MSRB on rulemaking and enforcement actions and reviews all MSRB proposed rule changes on behalf of the Commission. OMS also develops recommendations to improve transparency and efficiency in the municipal securities market. OMS organizes outreach events such as a municipal securities market conference and municipal advisor outreach event with EXAMS, MSRB, and the Financial Industry Regulatory Authority (FINRA) to educate market participants about the federal securities laws applicable to the municipal securities market

Office of the Advocate for Small Business Capital Formation (OASB) :

The Office of the Advocate for Small Business Capital Formation (OASB) was established pursuant to the SEC Small Business Advocate Act (P.L. 114-284) as an independent office dedicated to advancing the interests of small businesses and their investors at the SEC and in the capital markets. OASB reports to the entire Commission as well as to multiple committees of Congress. OASB advocates for solutions to address challenges faced by small businesses and their investors raising and deploying capital. "Small business" for the office spans from early-stage start-ups raising seed capital, to later-stage private companies whose founders and investors are seeking liquidity in the public markets, all the way to smaller public companies.

In FY 2023, the office will focus on four key goals in accordance with its FY 2021 – 2025 Strategic Plan.

1. Engage with small businesses and their investors to solicit views on relevant capital raising issues.

- *Conduct outreach with diverse audiences*
- *Host the SEC's annual Small Business Forum*

2. Educate small businesses and their investors about capital raising rules to reduce barriers to entry and increase compliance.

- *Develop accessible educational materials about capital raising*
- *Optimize content and delivery based upon changes in market needs and preferences*

3. Collaborate on pragmatic policy solutions to address capital raising challenges faced by small businesses and their investors.

- *Assist small businesses and their investors in resolving issues encountered with the SEC or self-regulatory organizations*
- *Analyze data on capital raising to identify trends and gaps in funding, including for underrepresented and rural founders, and in areas affected by natural disasters*
- *Promote practical policy solutions for Commission or Congressional action to address capital raising challenges*

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- *Deliver annual reports to Congress and the Commission that advocate for capital raising solutions*
- *Support the SEC's Small Business Capital Formation Advisory Committee in providing advice to the Commission on capital raising policy*

4. Empower a mission-driven team to leverage varied perspectives to solve the complex problems of an evolving and increasingly diverse capital market.

- *Advance diversity, equity, and inclusion throughout office operations*
- *Foster a culture of connectivity, collegiality, and collaboration among office staff*

Strategic Hub for Innovation and Financial Technology (FinHub) :

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

FinHub became an independent office in 2020. Since then, FinHub has served as an internal and external resource for developing financial technologies, most notably distributed ledger technology. FinHub staff regularly engages with domestic and foreign governmental partners on a bilateral and multilateral basis to actively monitor and understand emerging issues, including U.S. federal and state financial regulators, the Financial Stability Oversight Council, the International Organization of Securities Commissions, the Financial Stability Board, and other federal and state authorities. FinHub also serves as an internal resource within the Commission, engaging with staff in other divisions and offices on new issues as they arise, and helping staff integrate financial industry innovations into their work.

Looking forward to FY 2023, FinHub anticipates that financial technology will continue to evolve at an incredibly rapid pace and grow increasingly more complex. New products and services, such as those offered in the decentralized finance space, are being introduced on a compressed timeframe and having an immediate impact on the financial industry. These developments and innovations will continue to present challenges to the Commission, as they tend to raise new or heightened regulatory concerns. FinHub is uniquely positioned to help the Commission and its staff understand and assimilate these advancements and the challenges that they present.

Executive Staff :

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

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

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

Office of Public Affairs (OPA) :

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

OPA leverages technology and multimedia to deliver news, data, and other information to inform investors and facilitate internal and external audiences' interactions with the SEC. The office maintains the SEC's digital platforms, including The Exchange—the agency's intranet—and SEC.gov, which received more than one billion page views in FY 2021. OPA will continue to expand and improve its digital efforts to meet increasing demand. For example, OPA will enhance the search engine, webcast media, content management workflows, caching strategies for page loading improvements, and automation of certain functions to SEC.gov and The Exchange. Planned improvements will also include content enhancement to make relevant information more consumable. The office will also continue to respond to media inquiries, write and edit news releases and other materials, and facilitate media interactions with agency officials to promote understanding of the SEC's work in an increasingly dynamic marketplace.

OPA will continue these and other activities in FY 2023, with a heightened emphasis on innovative digital and visual communication capabilities that support the emerging needs of an increasingly mobile workforce and enable the SEC to convey its work in a compelling and relevant manner. The challenge, however, is making sure that the office is deploying its resources effectively given the proliferation of digital channels and diverse audiences.

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Stakeholders (continued)

Office of the Secretary (OS) :

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

Because all Commission enforcement and regulatory actions flow through OS, the agency's rulemaking agenda and enforcement program will continue to have a significant impact on OS workload in FY 2023. In recent years, OS has generally experienced significantly increased workload levels. The higher workload OS has taken on is consistent with the agency's increased enforcement actions and rulemaking activity. In addition, OS will continue to improve business operations and further enhance its current IT systems. OS intends to focus resources on enhancing its internal and outward-facing processes to allow for expedited and efficient access by all customers, including the public.

Office of the Chief Operating Officer (OCOO) :

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

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

Office of the Chief Operating Officer's Front Office :

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

Chief Data Officer ~ The Office of the Chief Data Officer (OCDO) is committed to enabling the secure, effective, and efficient use of data in service of the agency's mission. As required by the Foundations for Evidence-Based Policymaking Act of 2018 and the Federal Data Strategy, OCDO will coordinate the ongoing refinement and execution of the SEC Data Strategy; lead the design and collaborate on the implementation of the Commission's data architecture, including supporting the areas of identity and access management and zero trust; develop and deploy enterprise data standards governing data definition, ingestion, and migration; lead additional agency initiatives related to data (e.g., Controlled Unclassified Information program); categorize and maintain its inventory of data assets, including metadata, via continued development of the SEC Data Catalog; develop, implement, and monitor com-

pliance with organization-wide data policies and standards governing access, use, and sharing, as well as licensing and terms of use; and coordinate implementation of open data requirements governing rulemaking and information dissemination, as required by the OPEN Government Data Act. OCDO will also continue to promote effective management of the agency's library and third-party research and data resources via the Library and Information Services function.

Chief Risk Officer ~ The Office of the Chief Risk Officer (OCRO) strives to provide reliable, timely, and current information on agency risks, to enable SEC leadership to make risk-informed decisions on strategy, as well as mission and operational objectives. OCRO will continue to strengthen the SEC's Enterprise Risk Management (ERM) governance and procedures to better capture and analyze risk information. OCRO will also broaden ERM engagement within the SEC to improve information flows and collaboration among divisions and offices. Finally, OCRO will strengthen operational capabilities of its tracking tool and better leverage it to improve SEC's risk management processes, internal controls, and audit management.

Managing Executive Support for Small Offices ~ The Office of the Managing Executive for Small Offices (MESO) provides vital business operations planning and management services to support 13 small offices throughout the agency. In particular, MESO works collaboratively with small offices' senior leadership to manage their offices' financial and human resources and IT initiatives to achieve organizational goals and objectives. MESO is committed to expanding IT technical support and project liaison services to ensure the technological capabilities available to the small offices effectively support their operations.

Strategic Planning and Program Management ~ The Office of Strategic Planning and Program Management (SPPM) promotes effective program and project management throughout the agency, and supports strategic initiatives to improve agency operations. Specifically, SPPM focuses on these distinct cross-agency areas: (1) enterprise program and project management; (2) business process improvement; (3) management of agency performance metrics; (4) enterprise knowledge management; (5) strategic projects and programs; and (6) cross-agency processes such as supporting crisis management, tracking agency requirements under new laws and regulations, and coordinating personnel exits.

Strategic Planning and Program Management ~ The Office of Strategic Planning and Program Management (SPPM) promotes effective program and project management throughout the agency, and supports strategic initiatives to improve agency operations. Specifically, SPPM focuses on these distinct cross-agency areas: (1) enterprise program and project management; (2) business process improvement; (3) management of agency performance metrics; (4) enterprise knowledge management; (5) strategic projects and programs; and (6) cross-agency processes such as supporting crisis management, tracking agency requirements under new laws and regulations, and coordinating personnel exits.

Office of Financial Management (OFM) :

The Office of Financial Management (OFM) administers the financial management and budget functions of the SEC. The office assists the Chief Operating Officer in formulating budget

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Stakeholders (continued)

and authorization requests; monitors the utilization of agency resources; and develops, oversees, and maintains SEC financial systems, statements, and reports. These activities include cash management, accounting, fee collections, travel policy development, and oversight of budget justification and execution.

OFM is focused on strengthening financial management within the agency through a coordinated effort involving the modernization and integration of financial systems, the improvement of financial reporting and accountability, and the enhancement of efficient and effective internal controls. Specific initiatives will seek to generate efficiencies with financial data, automate key reports, and evaluate current processes to reduce costs and strengthen the integrity of SEC financial systems and processes. Additionally, OFM supports ongoing efforts to further automate and streamline registration fee data. Finally, OFM will take steps to implement the recently enacted budget transparency reporting requirements.

Office of Information Technology (OIT) :

IT plays a critical role in the mission of the SEC and its ability to digitally receive data from registrants, analyze and derive insights, and share data with its government partners and the public while also maintaining the security of the agency's systems and the privacy of sensitive information entrusted to the Commission. The increasing size and complexity of U.S. markets requires that the SEC continue leveraging technology to keep pace with the increases in data volumes and variety it receives, processes, analyzes, and makes available to the investing public.

The Office of Information Technology (OIT) is focused on enhancing and modernizing technology systems, migrating applications to the cloud, continuing to strengthen the cybersecurity of SEC systems, and accelerating the deployment of data analytics tools across the Commission.

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

Efficient, effective, and responsible use of data and IT is a crucial focus of the SEC. The agency continues to make progress in key areas such as cybersecurity, secure cloud infrastructure, and data management.

Office of Human Resources (OHR) :

The Office of Human Resources (OHR) is responsible for the strategic management of the SEC's human capital. OHR consults with management, establishes and administers human capital programs and policies, and ensures compliance with federal regulations and negotiated agreements. Programs and policies under OHR's purview include those listed below.

- Recruitment, Staffing, and Retention

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

Office of Acquisitions (OA) :

The Office of Acquisitions (OA) develops and executes programs for the SEC's acquisitions policy; procurement and contract administration; acquisitions workforce training and certification; and government purchase cards (GPC).

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

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

Procurement budgets increased to their highest levels in FY 2021 and are anticipated to continue growing over time. OA has committed to improvements in contract management affecting not only OA but also the hundreds of CORs located throughout the SEC. OA will continue to develop and improve upon its mechanisms for contract oversight and vendor risk management. OA will also continue to support diversity in the SEC's business contracting activities, collaborating with the SEC's Office of Minority and Women Inclusion to review equity barriers in FY 2022 and continuing to promote access to contracting and subcontracting opportunities through outreach activities.

Office of Support Operations (OSO) :

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

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Stakeholders (continued)

Office of FOIA Services (OFS) is responsible for receiving and responding to requests for nonpublic records under FOIA (5 U.S.C. § 552) and PA (5 U.S.C. § 552a). The office's primary objective is to foster openness and transparency in government. FOIA is constantly growing, as Congressional interest in the Commission's mission and activities remains high and public demand for SEC records continues to increase. Therefore, OFS estimates that the number of FOIA requests received will steadily increase each of the next two fiscal years.

Office of Records Management Services (ORMS) maintains SEC records schedules and develops policies and procedures under the Federal Records Act and other records requirements. The office also coordinates the retrieval of non-active records from records storage facilities and handles requests for certified copies of agency records. The Office of Management and Budget's Transition to Electronic Records Directive (M-19-21) drives the increased demands on the program. ORMS employed the Capstone methodology to implement electronic management of both permanent and temporary email records. ORMS is leading the agency's modernization of records management business practices, by automating the processes by which electronic information is maintained, managed, and safeguarded.

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

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

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

EDGAR Business Office (EBO) :

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

EBO will continue to manage development in EDGAR, including ensuring agency rulemaking is implemented effectively in EDGAR, to allow regulated entities and individuals to meet agency filing and disclosure obligations. In addition, EBO plans to expand the use of its EDGAR Beta environment to allow filers to test planned regulatory filing requirements before compliance dates.

The office will also continue to enhance the security of EDGAR. EBO anticipates that the Commission may consider EDGAR Next improvements to EDGAR filer access and account management in FY 2023. EDGAR Next potentially would:

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

Furthermore, EBO will seek to add more Application Programming Interfaces to EDGAR. EBO strives to improve and simplify the filer experience to facilitate the ability of companies and individuals to meet filing and disclosure requirements while also empowering investors with accurate, consolidated, and user-friendly data and information to make informed investment decisions.

Office of the Ethics Counsel (OEC) :

The Office of the Ethics Counsel (OEC) is responsible for administering the Commission's Ethics Program and for interpreting the SEC's Supplemental Ethics Rules as well as federal government-wide ethics laws, rules and regulations. OEC provides independent legal analysis and advice to the Chair, Commissioners, and divisions and offices on ethics issues. In addition, the OEC Compliance team manages personal trading requests for staff Commission-wide in compliance with the SEC's Supplemental Ethics Rules and provides training and counseling on personal trading questions. OEC is also the SEC's liaison with the U.S. Office of Government Ethics. OEC expects its workload and responsibilities to increase as the overall workforce of the SEC increases, as the office manages the development and implementation of multiple significant IT systems, and as the number of enforcement matters increases in FY 2023.

In FY 2023, OEC will continue to advise and counsel all Commission employees and members on personal and financial conflicts of interest; post-employment restrictions; securities holdings and transactions of Commission employees and their immediate families; gifts; seeking and negotiating other employment; outside activities; and financial disclosure. Additionally, OEC will continue to review Commission memoranda for potential conflicts of employees with financial holdings. Further, the office will continue to develop and enhance IT systems for employee trading and financial disclosure.

Office of Minority and Women Inclusion (OMWI) :

The Office of Minority and Women Inclusion (OMWI) provides leadership and guidance for the SEC's efforts to leverage diversity and inclusion throughout the agency to enhance

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Stakeholders (continued)

mission performance and impact. OMWI's efforts include building and maintaining a diverse workforce and cultivating an inclusive work environment; promoting business diversity with the SEC's regulated entities and stakeholders; and fostering diversity in the agency's network of suppliers, including promoting diversity and inclusion with those suppliers.

OMWI actively supports the SEC's Diversity and Inclusion Strategic Plan (2020 – 2022), which includes developing and implementing initiatives that support the goals set forth within it. Accordingly, OMWI continues to guide and assist the SEC in its focus on attracting, hiring, developing, and retaining highly quality, diverse talent for all levels of the workforce. Under OMWI's guidance and leadership, the SEC pursues several programs and initiatives to promote workforce diversity and foster workplace inclusion.

OMWI will continue its outreach activities with women and other minority-serving high schools, colleges, and universities through career fairs, networking events, and recruiting opportunities. OMWI's workforce activity will be increasingly geared toward building sustainable and impactful relationships with such educational institutions through strategic interactions with these institutions' leadership; engagement with multicultural and career services offices; and financial literacy programs.

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

Internally, in addition to providing diversity and inclusion training and professional development programs, OMWI's efforts will focus on providing customized consultations to individual SEC divisions and offices and share recommendations and guidance on enhancing diversity, equity, inclusion, and accessibility. OMWI will increase focus on building new opportunities for diverse candidates to join the SEC through early-career programs, including paid internship opportunities.

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

Office of Equal Employment Opportunity (OEEO) :

The Office of Equal Employment Opportunity (OEEO) strives to apply best practices to achieve equal employment opportunity (EEO) and to support compliance with antidiscrimination laws so that the SEC serves as an employer-of-choice, fostering an

equitable workplace dedicated to the SEC's mission. SEC employees are entitled to a workplace where employment decisions are made without regard to race, color, sex (including pregnancy, gender identity, sexual orientation, and transgender status), age, religion, national origin, genetic information, parental status, marital status, political affiliation, uniformed service, union activities, and protected EEO activity. Like these demographic groups, the law protects individuals with disabilities from discrimination and also allows them to lawfully receive affirmative action. To maintain the impartiality necessary to fulfill its responsibilities under 29 C.F.R. Part 1614 and related guidance, OEEO is independent of other SEC offices that may have different institutional interests, with the OEEO Director reporting directly to the SEC Chair.

OEEO is organized in two main analytical functions: Compliance and Resolutions, and Barrier Analysis. These functions support the overall success of the SEC by cultivating a workplace that is free of unlawful discrimination, resolves conflict early, and incorporates best practices into the SEC's everyday business, thus advancing productivity and efficiency of the SEC's work.

The Compliance and Resolutions function applies legal principles to the processing and adjudication of complaints of discrimination under applicable anti-discrimination laws and Executive Orders (EO). This function also provides opportunities to quickly resolve through an alternative dispute resolution program.

The Barrier Analysis function collects and analyzes quantitative and qualitative data to determine whether a policy, practice, or procedure impedes equal access to employment opportunities for members of a protected demographic group. When an impediment is identified, OEEO collaborates with stakeholders to identify concrete action opportunities to eliminate the potential barrier in the employment lifecycle, starting with recruitment and ending with separation.

OEEO also supports the SEC's harassment prevention efforts through intake and education, offers mandatory training, files required annual reports with external stakeholders, and shares information on SEC EEO-related trends, areas of opportunity, best practices, and promising practices. OEEO engages frequently with internal and external stakeholders to perform these functions.

Office of Inspector General (OIG) :

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

In FY 2023, the OIG will continue to focus on improving agency programs and operations through audits, evaluations, and reviews. The OIG will conduct audits and evaluations pursuant to the audit plan it will develop for FY 2023. The OIG will also

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Stakeholders (continued)

enhance staff and agency integrity by investigating allegations of employee and contractor misconduct, as well as allegations of fraud, waste, and abuse in agency programs and operations. The OIG's audit and investigative workload remains high because of a variety of factors, including continued Congressional oversight of the SEC and the number of tips and complaints received by the OIG. The office expects workload levels to remain high through FY 2023. The OIG will continue the oversight responsibilities established by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which was enacted on July 21, 2010. In particular, Section 966 of the Dodd-Frank Act required the OIG to establish an OIG SEC Employee Suggestion Program (ESP). Under that program, SEC employees may submit to the OIG suggestions for improving the SEC's work efficiency, effectiveness, and productivity, as well as the SEC's use of its resources. SEC employees may also submit through the ESP allegations of waste, abuse, misconduct, or mismanagement within the Commission. During FY 2023, the OIG will continue to monitor, track, and analyze information received through the ESP and will increase efforts to promote the program to solicit suggestions that will improve the SEC's effectiveness in overseeing the securities markets and protecting investors.

The OIG will also produce the required annual report to Congress on the ESP. In addition, the OIG will operate a program for recognizing employees who make suggestions, through the ESP, that increase the work efficiency, effectiveness, or productivity of the SEC, or reduce waste, abuse, misconduct, or mismanagement, as provided for by the Dodd-Frank Act.

In addition, there has been an increase in the coordination of IG activities to strengthen the oversight of the federal financial regulatory structure. For example, the SEC IG currently serves on the Council of Inspectors General on Financial Oversight (CIGFO), which was established by Section 989E of the Dodd-Frank Act. The OIG's participation on CIGFO requires additional resources to provide effective oversight. In particular, the OIG will be required to prepare a section of CIGFO's annual report to Congress in FY 2023. That section of the report will highlight the concerns and recommendations in the OIG's ongoing and completed work, focusing on issues that might apply to the broader financial sector. CIGFO may also task the SEC OIG to conduct other audit or review activities on CIGFO's behalf.

Increased coordination and initiatives undertaken by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) has increased demands on OIG resources. To implement measures included in legislation to promote coordination of and transparency into the work of OIGs, the OIG has had to devote added resources to these initiatives such as the IG Enhancement Act and the Whistleblower Protection Coordi-

nation Act. Similar legislation has been proposed that would increase OIG coordination and reporting with OIGs throughout the federal government. Additionally, the emphasis on cybersecurity enhancements and investigations as the government increasingly moves to IT-based services and solutions increases the need for technical solutions and skills in providing oversight. The increase in IG activities will result in the need for more OIG resources.

Atlanta Regional Office :

Georgia, Alabama, North Carolina, South Carolina, Tennessee

Boston Regional Office :

Massachusetts, Connecticut, Maine, New Hampshire, Rhode Island, Vermont

Chicago Regional Office :

Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Ohio, Wisconsin

Denver Regional Office :

Colorado, Kansas (Exam Program), Nebraska, New Mexico, North Dakota, South Dakota, Wyoming

Fort Worth Regional Office :

Texas, Arkansas, Kansas, Oklahoma

Los Angeles Regional Office :

Southern California, Arizona, Guam, Hawaii, Nevada (Southern California includes ZIP codes 93599 and below, except 93200–93299)

Miami Regional Office :

Florida, Louisiana, Mississippi, Puerto Rico, U.S. Virgin Islands

New York Regional Office :

New York, New Jersey

Philadelphia Regional Office :

Pennsylvania, Delaware, District of Columbia, Maryland, Virginia, West Virginia

Salt Lake Regional Office :

Utah

San Francisco Regional Office :

Northern California, Alaska, Idaho, Montana, Oregon, Washington (Northern California includes ZIP codes 93600 and above, and 93200–93299)

Vision

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

Mission

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

Values

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

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

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

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

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

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

1. Investors

Focus on the long-term interests of our Main Street investors.

Stakeholder(s)

Goal Leaders :

Director, Office of the Investor Advocate; Director, Office of Investor Education and Advocacy; Director, Division of Corporation Finance; Director, Division of Investment

Management; Director, Division of Trading and Markets; Director, Division of Enforcement; Director, Division of Economic and Risk Analysis; Director, Division of Examinations

In FY 2021, the SEC continued its mission to protect millions of investors and instill confidence in the integrity of our markets by deterring misconduct and punishing wrongdoers. The Division of Enforcement brought hundreds of civil enforcement actions against individuals and companies for violation of securities laws such as insider trading, accounting fraud, market manipulation, and providing false or misleading information about securities and/ or the issuing companies. The Division of Examinations (EXAMS) conducted examinations that covered 16 percent of all registered investment advisers and, together with broker-dealer self-regulatory organizations, 47 percent of all registered broker-dealers. Moreover, EXAMS prioritized reviews of certain practices, products, and services that present heightened risks to retail investors, and focused on compliance with new standards of conduct rules including Regulation Best Interest and Form CRS. EXAMS also continued its efforts to inform investors and promote stronger industry compliance program by publishing Risk Alerts and other educational materials (SEC.gov/exams) to raise awareness of critical compliance and industry risks. In FY 2021, approximately \$1.297 billion and 2,962 FTEs were directed at achieving results in Strategic Goal 1. Of the 10 performance targets, the agency met or exceeded 6 and did not meet 4.

In FY 2023, the SEC will continue to promote informed investment decision-making through education initiatives that aim to provide retail investors with a better understanding of our capital markets and the opportunities and risks associated with the array of investment choices presented to them. The Office of Investor Education and Advocacy (OIEA) will continue to educate investors on the benefits of investing and encourage them to use the free financial planning tools and information on Investor.gov. OIEA is focused on reaching new investors, particularly those who are traditionally underserved, to ensure they are aware of the free resources available to help them make informed financial and investment decisions. The SEC will continue to conduct investor outreach to serve different segments of the population, including military and veteran communities, seniors, minority and Native American communities, women, teachers, students and young adults, and rural communities. For FY 2023, the agency is requesting a total of \$1.444 billion and 3,194 FTEs toward achieving results that focus on the long-term interests of our Main Street investors.

1.1. Channels

Enhance our understanding of the channels retail and institutional investors use to access our capital markets to more effectively tailor our policy initiatives.

Performance Indicators

Description	Type	Start Date	End Date
	Target		
...	Actual		

1.2. Outreach, Education & Consultation

Enhance our outreach, education, and consultation efforts, including in ways that are reflective of the diversity of investors and businesses.

Performance Indicators

PERFORMANCE GOAL 2.1 Educational Events

Description	Type	Status	Start Date	End Date	Number
Plan for Improving Program Performance: Increasing the number of active partnerships focused on underserved communities will be a continued focus for OIEA during FY 2022 and FY 2023. By leveraging these partnerships, OIEA expects to increase the number of opportunities for in-person and virtual educational events serving individual investors.	Target		2020-10-01	2021-09-30	400
	Target	Estimate	2021-10-01	2022-09-30	425
	Target	Estimate	2022-10-01	2023-09-30	450
Number of outreach events, roundtables, educational, and information sessions for different types of investors/market participants Description: This metric indicates the number of two types of activities: (1) educational events that are designed primarily to provide individual investors and the general public with information about investing and the securities markets; and ... Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30	
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30	
...	Actual	N/A	2017-10-01	2018-09-30	
...	Actual		2018-10-01	2019-09-30	510
...	Actual		2019-10-01	2020-09-30	403
Target: Educational Events – Not Met Analysis: In FY 2021, the SEC continued to educate retail investors by participating in investor education events serving	Actual	Not Met	2020-10-01	2021-09-30	359

Description	Type	Status	Start Date	End Date	Number
different segments of the population, including military and veteran communities; seniors; minority and Native American communities; women; teachers; students and young adults; and rural communities. Despite scheduling challenges and numerous cancellations due the COVID-19 pandemic, the Office of Investor Education and Advocacy (OIEA) worked at more than 350 investor education events, nearly meeting its performance target.					
...	Actual	TBD	2021-10-01	2022-09-30	359
...	Actual	TBD	2022-10-01	2023-09-30	359

Responsible Division/Office: Office of Investor Education and Advocacy; Office of the Investor Advocate
 Data Source: Internal Tracking Logs

PERFORMANCE GOAL 2.2 Outreach Events

Description	Type	Status	Start Date	End Date	Number
Plan for Improving Program Performance: Increasing the number of active partnerships focused on underserved communities will be a continued focus for OIEA during FY 2022 and FY 2023. By leveraging these partnerships, OIEA expects to increase the number of opportunities for in-person and virtual educational events serving individual investors.	Target	Estimate	2021-10-01	2022-09-30	35
	Target	Estimate	2022-10-01	2023-09-30	50
(2) outreach events that are designed primarily to engage with investors (including small business investors)	Actual	Unavailable	2015-10-01	2016-09-30	

Description	Type	Status	Start Date	End Date	Number
and receive feedback about policy questions. Outreach events could include public events, meetings with groups of investors, or a coordinated series of one-on-one meetings (not routine meetings with advocacy groups). Prior-year data not available					
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30	
...	Actual		2017-10-01	2018-09-30	19
...	Actual		2018-10-01	2019-09-30	40
...	Actual		2019-10-01	2020-09-30	51
Target: Outreach Events – Exceeded Analysis: The Office of the Investor Advocate continued to use a virtual engagement model to conduct 112 outreach events.	Actual	Exceeded	2020-10-01	2021-09-30	112
...	Actual	TBD	2021-10-01	2022-09-30	112
...	Actual	TBD	2022-10-01	2023-09-30	112

Responsible Division/Office: Office of Investor Education and Advocacy; Office of the Investor Advocate | Data Source: Internal Tracking Logs

1.3. Enforcement & Examinations

Pursue enforcement and examination initiatives focused on identifying and addressing misconduct that impacts retail investors.

Performance Indicators

PERFORMANCE GOAL 3 Enforcement Actions

Description	Type	Status	Start Date	End Date	Percentage
	Target		2020-10-01	2021-09-30	92
	Target	Estimate	2021-10-01	2022-09-30	92
	Target	Estimate	2022-10-01	2023-09-30	92
Percentage of enforcement actions in which the Commission obtained relief on one or more claims Description: This	Actual		2015-10-01	2016-09-30	96

Description	Type	Status	Start Date	End Date	Percentage
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.					
...	Actual		2016-10-01	2017-09-30	94
...	Actual		2017-10-01	2018-09-30	92
...	Actual		2018-10-01	2019-09-30	95
...	Actual		2019-10-01	2020-09-30	93
Target: Exceeded Analysis: In addition to securing victories in specific cases, the SEC's litigation efforts also help the agency obtain appropriate settlements in other cases by demonstrating that it will pursue litigation and trial, if necessary, to obtain appropriate relief. The SEC endeavors to resolve actions quickly and on a favorable basis where practicable, while at the same time filing contested matters where favorable settlements are unavailable before filing. The agency seeks to direct its limited resources toward cases that are likely to have the greatest impact in furthering the SEC's mission.	Actual	Exceeded	2020-10-01	2021-09-30	96
...	Actual	TBD	2021-10-01	2022-09-30	96

Description	Type	Status	Start Date	End Date	Percentage
...	Actual	TBD	2022-10-01	2023-09-30	96

Responsible Division/Office: Division of Enforcement | Data Source: Case Tracking System for the Division of Enforcement

PERFORMANCE GOAL 4.1 Investment Advisors Examined

Description	Type	Status	Start Date	End Date	Percentage
	Target		2020-10-01	2021-09-30	15
	Target		2021-10-01	2022-09-30	15
	Target	Estimate	2022-10-01	2023-09-30	15
Percentage of investment advisers examined during the year Description: Investment advisers and broker-dealers are critical market participants in terms of their interactions with retail investors. This metric indicates the volume of advisers and broker-dealers examined by the SEC or a self-regulatory organization (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 examination by the Financial Industry Regulatory Authority (FINRA).	Actual		2015-10-01	2016-09-30	11
...	Actual		2016-10-01	2017-09-30	15
...	Actual		2017-10-01	2018-09-30	17
...	Actual		2018-10-01	2019-09-30	15
...	Actual		2019-10-01	2020-09-30	15

Description	Type	Status	Start Date	End Date	Percentage
<p>Target: Investment Advisers – Exceeded Analysis: FY 2021 examination priorities focused on both investment advisers and broker-dealers in an effort to protect investors and address critical risks in the marketplace. Examinations of these firms focused on key issues, including cyber and information security and compliance with recently adopted rules related to standards of care (including Regulation Best Interest), as well as additional practices that represent significant risks to retail investors such as deceptive sales practices, conflicts of interest, and elder abuse. Overall, coverage rates in FY 2021 by the Division of Examinations (EXAMS) and broker-dealer self-regulatory organizations exceeded expectations and reflected the continued emphasis on these important market participants. These significant results were achieved despite operational and market challenges created by the ongoing global pandemic. In addition to its examination efforts, EXAMS also engaged extensively during the year in critical, non-examination regulatory outreach to registrants in response to various market events and</p>	Actual	Exceeded	2020-10-01	2021-09-30	16

Description	Type	Status	Start Date	End Date	Percentage
challenges. Going forward, EXAMS will continue to prioritize outreach and examinations of investment advisers and broker-dealers as more and more individuals rely on these financial intermediaries to gain access to the financial markets.					
...	Actual	TBD	2021-10-01	2022-09-30	16
...	Actual	TBD	2022-10-01	2023-09-30	16

Responsible Division/Office: Division of Examinations | Data Source: Tracking and Reporting Exam National Documentation System (TRENDS) (IA and BD SEC Data) and SRO Databases (BD SRO Data)

PERFORMANCE GOAL 4.2 Broker-Dealers Examined

Description	Type	Status	Start Date	End Date	Percentage
	Target		2020-10-01	2021-09-30	44
	Target	Estimate	2021-10-01	2022-09-30	44
	Target	Estimate	2022-10-01	2023-09-30	45
Percentage of broker-dealers examined during the year	Actual		2015-10-01	2016-09-30	50
...	Actual		2016-10-01	2017-09-30	48
...	Actual		2017-10-01	2018-09-30	48
...	Actual		2018-10-01	2019-09-30	43
...	Actual		2019-10-01	2020-09-30	45
Target: Broker-Dealers – Exceeded	Actual	Exceeded	2020-10-01	2021-09-30	47
...	Actual	TBD	2021-10-01	2022-09-30	47
...	Actual	TBD	2022-10-01	2023-09-30	47

Responsible Division/Office: Division of Examinations | Data Source: Tracking and Reporting Exam National Documentation System (TRENDS) (IA and BD SEC Data) and SRO Databases (BD SRO Data)

PERFORMANCE GOAL 5 Disgorged Funds

Description	Type	Status	Start Date	End Date	Percentage
	Target		2020-10-01	2021-09-30	80
	Target	Estimate	2021-10-01	2022-09-30	80
	Target	Estimate	2022-10-01	2023-09-30	85
Percentage of Fair Fund and disgorgement fund plans that have	Actual		2015-10-01	2016-09-30	93

Description	Type	Status	Start Date	End Date	Percentage
<p>distributed 80 percent of the available funds for distribution within 24 months of the approval of the distribution plan Description: In addition to other types of relief, the SEC may seek orders requiring parties to disgorge any money obtained through wrongdoing. The SEC also is empowered to seek civil penalties for violations of the securities laws. Where appropriate, the SEC has sought to return disgorged funds to harmed investors and, as a result of the Fair Funds provisions in law, to combine amounts paid as penalties with disgorged funds, or to create a Fair Fund from penalties only, to reduce losses to injured parties and to maximize funds available for distribution. This metric identifies the percentage of distribution plans that reached a critical mass during the fiscal year and within 24 months of the approval of the distribution plan. The distribution plan includes the timeline and procedures required to return the funds to injured investors. This reflects Commission-wide efforts to implement plans to return money to investors quickly. Any funds not returned to investors are sent to the U.S. Treasury or the Investor</p>					

Description	Type	Status	Start Date	End Date	Percentage
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.					
...	Actual		2016-10-01	2017-09-30	96
...	Actual		2017-10-01	2018-09-30	92
...	Actual		2018-10-01	2019-09-30	93
...	Actual		2019-10-01	2020-09-30	95
Target: Exceeded Analysis: In FY 2021, the Division of Enforcement exceeded the target by 18 percentage points. Going forward, the division will continue its efforts to prioritize the timeliness and efficiency of distributing funds, which have been enhanced through such efforts as centralizing certain functions and implementing various process improvements.	Actual	Exceeded	2020-10-01	2021-09-30	98
...	Actual	TBD	2021-10-01	2022-09-30	98
...	Actual	TBD	2022-10-01	2023-09-30	98

Responsible Division/Office: Division of Enforcement | Data Source: Case Tracking System for the Division of Enforcement

1.4. Disclosures

Modernize design, delivery, and content of disclosure so investors, including in particular retail investors, can access readable, useful, and timely information to make informed investment decisions.

Performance Indicators

PERFORMANCE GOAL 1 Research Projects

Description	Type	Status	Start Date	End Date	Number
	Target		2020-10-01	2021-09-30	6
	Target	Estimate	2021-10-01	2022-09-30	6
	Target	Estimate	2022-10-01	2023-09-30	6
Investor research on the readability/ usefulness of disclosures ~ Description: This metric indicates the number of times the Commission has collected data directly from investors through research projects such as surveys, focus groups, and one-on-one interviews in order to understand how investors process information to make investment decisions, and to evaluate potential methods for enhancing the readability or usefulness of disclosures. Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30	
...	Actual		2016-10-01	2017-09-30	4
...	Actual		2017-10-01	2018-09-30	16
...	Actual		2018-10-01	2019-09-30	2
...	Actual		2019-10-01	2020-09-30	15
Target: Exceeded Analysis: In FY 2021, the Office of the Investor Advocate exceeded its target by leveraging materials that had been developed in prior fiscal years, leading to a more efficient process for conducting research.	Actual	Exceeded	2020-10-01	2021-09-30	13
...	Actual	TBD	2021-10-01	2022-09-30	13
...	Actual	TBD	2022-10-01	2023-09-30	13

Responsible Division/Office: Office of the Investor Advocate | Data Source: Internal Tracking Log

1.5. Investment Options

Identify ways to increase the number and range of long-term, cost-effective investment options available to retail investors, including by expanding the number of companies that are SEC-registered and exchange-listed.

Performance Indicators

PERFORMANCE GOAL 6.1 Corporation Finance Rulemaking

Description	Type	Status	Start Date	End Date	Number
Plan for Improving Program Performance: The SEC has assembled project teams that are actively working on the rule proposals and final rules that the FY 2022 and FY 2023 estimates contemplate.	Target		2020-10-01	2021-09-30	9
	Target	Estimate	2021-10-01	2022-09-30	9
	Target	Estimate	2022-10-01	2023-09-30	9
Number of regulatory initiatives (i.e., concept, proposing, and adopting releases and exemptive orders) that could impact a company's ability to become and remain a public company, or that are designed to expand the number or range of cost-effective investment options available to retail investors.	Actual		2018-10-01	2019-09-30	12
...	Actual		2019-10-01	2020-09-30	10
Target: Corporation Finance Rulemaking – Not Met Analysis: In FY 2021, the Divisions of Corporation Finance and Investment Management worked on 10 proposed rules, final rules, concept releases, and guidance releases. The SEC did not meet the rulemaking targets for FY 2021 because the length of time required for the Commission to complete a rulemaking project is	Actual	Not Met	2020-10-01	2021-09-30	2

Description	Type	Status	Start Date	End Date	Number
inherently unpredictable. Competing priorities in the Commission, as well as the time needed to develop policy and related rulemaking documents, were factors that contributed to the divisions not achieving their FY 2021 target. The Division of Investment Management led rulemaking initiatives that were completed in FY 2021, including proposed rule amendments that are designed to improve the resiliency and transparency of money market funds. These also included proposed rule amendments designed to enhance the information that mutual funds, exchange-traded funds, and certain other funds currently report annually about their proxy votes, and to make that information easier to analyze.					

Responsible Division/Office: Division of Corporation Finance; Division of Investment Management | Data Source: Internal Databases

PERFORMANCE GOAL 6.2 Investment Management Rulemaking

Description	Type	Status	Start Date	End Date	Number
	Target		2020-01-01	2021-09-30	10
	Target	Estimate	2021-10-01	2022-09-30	15
	Target	Estimate	2022-10-01	2023-09-30	18
...	Actual		2018-10-01	2019-09-30	18
...	Actual		2019-10-01	2020-09-30	21

Description	Type	Status	Start Date	End Date	Number
Target: Investment Management Rulemaking – Not Met	Actual	Not Met	2020-10-01	2021-09-30	8

Responsible Division/Office: Division of Corporation Finance; Division of Investment Management | Data Source: Internal Databases

PERFORMANCE GOAL 6.3 Investment Management Exemptive Orders

Description	Type	Status	Start Date	End Date	Number
For exemptive orders, it is important to note that exemptive applications are submitted voluntarily and not required by the Commission, thus the actual figures may vary greatly from year-to-year depending on market developments and trends.	Target		2020-10-01	2021-09-30	95
	Target	Estimate	2021-10-01	2022-09-30	80
	Target	Estimate	2022-10-01	2023-09-30	76
...	Actual		2018-10-01	2019-09-30	101
...	Actual		2019-10-01	2020-09-30	68
Target: Investment Management Exemptive Orders – Not Met	Actual	Not Met	2020-10-01	2021-09-30	74

Responsible Division/Office: Division of Corporation Finance; Division of Investment Management | Data Source: Internal Databases

PERFORMANCE INDICATOR 1 Companies Registered & Listed

Description	Type	Status	Start Date	End Date	Number
	Target				
	Target	Estimate Unspecified	2021-10-01	2022-09-30	
	Target	Estimate Unspecified	2022-10-01	2023-09-30	
Number of companies that are SEC-registered and exchange-listed Description: The estimated number of companies that are both SEC-registered (by annual filings 10-K, 20-F, and 40-F) and are listed on major U.S. exchanges.	Actual	Baseline	2015-10-01	2016-09-30	4,245

Description	Type	Status	Start Date	End Date	Number
...	Actual	Decreasing	2016-10-01	2017-09-30	4,228
...	Actual	Increasing	2017-10-01	2018-09-30	4,317
...	Actual	Decreasing	2018-10-01	2019-09-30	4,278
...	Actual	Increasing	2019-10-01	2020-09-30	4,381
...	Actual	Increasing	2020-10-01	2021-09-30	5,248

Responsible Division/Office: Division of Economic and Risk Analysis | Data Source: The Center for Research in Securities Prices (CRSP)

2. Capital Markets

Recognize significant developments and trends in our evolving capital markets and adjust our efforts to ensure we are effectively allocating our resources

Stakeholder(s)

Goal Leaders :

General Counsel; Director, Division of Trading and Markets; Director, Division of Corporation Finance; Director, Division of Investment Management; Director, Division of

Economic and Risk Analysis; Director, Division of Examinations; Director, Office of Support Operations; Director, Office of Information Technology

The capital markets are evolving rapidly, mainly as a result of technology and broad, global macroeconomic factors. Staying up-to-date with market trends and developments is critical to the SEC's ability to remain an effective regulator. The agency regulates the major securities market participants, including broker-dealers, transfer agents, securities information processors, securities exchanges, clearing agencies, and other self-regulatory organizations such as the Financial Industry Regulatory Authority. In FY 2021, the SEC continued to be responsive and innovative in the face of significant market developments and trends. For example, the agency conducted 320 examinations specifically requesting information related to an entity's information security, the results of which helped to evaluate whether market participants are actively engaged in monitoring and addressing critical cybersecurity risks. In addition to the examinations, there were hundreds of outreach efforts to market participants discussing information security, many in response to cyber-related events. These examinations and outreach efforts help the SEC monitor industry developments and ensure future oversight efforts can be appropriately planned and executed. In FY 2021, approximately \$262.6 million and 600 FTEs were directed at achieving results in Strategic Goal 2. Of five performance targets, the agency met or exceeded three and did not meet two.

Rulemaking does not stop at rule adoption. In FY 2023, the SEC will continue to identify outdated Commission rules that may not be functioning as intended in today's markets. To support these efforts, the SEC continues to leverage its robust processes for obtaining public input and performing rigorous economic analyses of rules at both the proposing and adopting stages to provide greater depth in economic analysis and policymaking support. The SEC will continue identifying the benefits and costs of regulatory actions, including situations in which a rule's effects may not be consistent with expectations. For FY 2023, the agency is requesting a total of \$292.6 million and 647 FTEs to direct toward achieving results in recognizing significant developments and trends in the evolving capital markets.

2.1. Knowledge & Oversight

Expand market knowledge and oversight capabilities to identify, understand, analyze, and respond effectively to market developments and risks.

Performance Indicators

PERFORMANCE GOAL 7.1 TM Timely Responses

Description	Type	Status	Start Date	End Date	Percentage
Respond to 95 percent of written requests for guidance within 90 days, in accordance with timeframes established by SEC policy 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 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.	Target	Baseline	2020-10-01	2021-09-30	95
	Target	Estimate	2021-10-01	2022-09-30	95
	Target	Estimate	2022-10-01	2023-09-30	95
Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30	
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30	
Prior-year data not available	Actual	Unavailable	2017-10-01	2018-09-30	
...	Actual		2018-10-01	2019-09-30	98

Description	Type	Status	Start Date	End Date	Percentage
...	Actual		2019-10-01	2020-09-30	99
...	Actual	Exceeded	2020-10-01	2021-09-30	100

Responsible Division/Office: Division of Trading and Markets | Data Source: Internal Databases (CF, TM)

PERFORMANCE GOAL 7.2 IM Timely Responses

Description	Type	Status	Start Date	End Date	Percentage
	Target	Baseline	2020-10-01	2021-09-30	95
	Target	Estimate	2021-10-01	2022-09-30	95
	Target	Estimate	2022-10-01	2023-09-30	95
Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30	
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30	
Prior-year data not available	Actual	Unavailable	2017-10-01	2018-09-30	
...	Actual		2018-10-01	2019-09-30	100
...	Actual		2019-10-01	2020-09-30	100
...	Actual	Exceeded	2020-10-01	2021-09-30	98

Responsible Division/Office: Division of Investment Management | Data Source: CCO Project Tracker (IM)

PERFORMANCE GOAL 7.3 CF Timely Responses

Description	Type	Status	Start Date	End Date	Percentage
	Target	Baseline	2020-10-01	2021-09-30	95
	Target	Estimate	2021-10-01	2022-09-30	95
	Target	Estimate	2022-10-01	2023-09-30	95
Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30	
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30	
Prior-year data not available	Actual	Unavailable	2017-10-01	2018-09-30	
...	Actual		2018-10-01	2019-09-30	99
...	Actual		2019-10-01	2020-09-30	100
...	Actual	Exceeded	2020-10-01	2021-09-30	99

Responsible Division/Office: Division of Corporation Finance | Data Source: Internal Databases (CF, TM)

PERFORMANCE GOAL 8 Information Security Requests

Description	Type	Status	Start Date	End Date	Number
Plan for Improving Program Performance: The performance target for this measure was set at an approximate level and the deviation from the target was minimal. Information security will be a continued focus for the Commission and the division during FY 2022 and FY 2023. EXAMS has a number of related examinations currently ongoing and expects to reach these estimated levels going forward.	Target		2020-10-01	2021-09-30	350
	Target	Estimate	2021-10-01	2022-09-30	325
	Target	Estimate	2022-10-01	2023-09-30	335
Description: Managing cyber and information risks is critical to the operation of the financial markets. As a result, the SEC's risk-based examination program will ensure that a portion of its exams each year will assess whether regulated entities are monitoring, managing, and appropriately addressing these types of risks. The results of these important reviews will inform the SEC regarding industry developments and future work in this area. Overall, this metric reflects the continued focus of the SEC's examination program in this area by measuring the number of examinations reviewing critical cyber and information risks.	Actual		2018-10-01	2019-09-30	229
...	Actual		2019-10-01	2020-09-30	374

Description	Type	Status	Start Date	End Date	Number
<p>Target: Not Met Analysis: The SEC remains focused on ensuring that regulated market participants are actively and effectively engaged in managing cybersecurity risks. The SEC protects and monitors developments in this area through examinations and outreach conducted by the Division of Examinations (EXAMS). During FY 2021, 320 examinations specifically requested information related to an entity's information security, the results of which helped to evaluate whether market participants are actively engaged in monitoring and addressing critical cybersecurity risks. In addition to the examinations, there were hundreds of outreach efforts to market participants discussing information security, many in response to cyber-related events. These examinations and outreach efforts help the SEC monitor industry developments and ensure future oversight efforts can be appropriately planned and executed.</p>	Actual	Unmet	2020-10-01	2021-09-30	320

Responsible Division/Office: Division of Examinations | Data Source: Tracking and Reporting Exam National Documentation System (TRENDS)

2.2. Rules & Approaches

Identify, and take steps to address, existing SEC rules and approaches that are outdated.

Performance Indicators

Description	Type	Start Date	End Date
	Target		
...	Actual		

2.3. Risks

Examine strategies to address cyber and other system and infrastructure risks faced by our capital markets and our market participants.

Performance Indicators

Description	Type	Start Date	End Date
	Target		
...	Actual		

2.4. Preparedness & Response

Promote agency preparedness and emergency response capabilities.

Performance Indicators

Description	Type	Status	Start Date	End Date
Conduct at least a certain number of disaster recovery, crisis management, or incident response exercises Description: Emergency preparedness is tested in an annual FEMA-directed exercise (called Eagle Horizon) that focuses on Continuity of Operations (COOP). Additionally, the SEC will also conduct tests through Occupant Emergency Plan (OEP) evacuation and Shelter-In-Place (SIP) exercises, and aims to enhance its computing infrastructure to eliminate down time if systems at one site fail.	Target		2020-10-01	2021-09-30
	Target		2021-10-01	2022-09-30
	Target		2022-10-01	2023-09-30
Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30
Prior-year data not available	Actual	Unavailable	2017-10-01	2018-09-30
...	Actual		2018-10-01	2019-09-30
...	Actual		2019-10-01	2020-09-30

Description	Type	Status	Start Date	End Date
<p>Target: Not Met Analysis: The COOP Eagle Horizon exercise was conducted on October 5 – 7, 2021 (FY 2022), resulting in four of five Crisis Management exercises being completed in FY 2021. Additionally, the Office of Support Operations (OSO) typically conducts Incident Response evacuation drills during the spring and summer months. However, these drills were not conducted because most SEC staff continued to telework from home due to COVID-19. In total, OSO completed five of nine planned exercises in FY 2021. The Office of Information Technology (OIT) performed two Disaster Recovery exercises (DRE) during which services, applications, and systems were failed over and failed back between primary and secondary data centers. All applications, services, and systems that participated in these exercises were tested by the system owners and end u</p>	Actual	Unmet	2020-10-01	2021-09-30

3. Analytics & Human Capital

Elevate the SEC's performance by enhancing our analytical capabilities and human capital development.

Stakeholder(s)

Goal Leaders :

Chief Operating Officer; Director, Office of Human Resources; Director, Office of Information Technology; Director, Office of Support Operations

The SEC understands that maintaining a high level of staff engagement, performance, and morale is critical to executing its mission. In FY 2021, the agency remained committed to its employees as they adapted to a long-term, work-from-home posture. The agency sustained work schedule flexibilities and implemented updated COVID-19 leave programs in support of the unpredictable challenges of the pandemic environment. The SEC continued work-life and employee assistance programs to help employees maintain a safe and effective work space at home, and provided training and communications designed to maintain collaboration and support employee engagement in a primarily virtual environment.

As proven by the FY 2020 Federal Employee Viewpoint Survey response and results, the SEC continues to achieve high scores and demonstrate improvement, including with respect to employee engagement and global satisfaction. In addition, the Partnership for Public Service's Best Places to Work rankings recognized the SEC as one of the best agencies in the federal government, which further illustrates the commitment of the SEC's talented staff, particularly given the challenges of the past couple of years. In FY 2021, approximately \$392.5 million and 897 FTEs were directed at achieving results in Strategic Goal 3. Of the four performance targets, the agency met or exceeded two and did not meet one. The fourth target, the FY 2021 Best Places to Work ranking results, will be released in the summer 2022.

In FY 2023, the SEC will continue to make progress on the initiatives that will enable the Commission to use the increasing volumes and variety of data necessary to execute the agency's mission. The SEC will work to develop enhancements to the agency's cloud and enterprise data warehouse capabilities to better enable SEC programs to analyze large and complex data more effectively, with appropriate controls to protect non-public information. For FY 2023, the agency is requesting a total of \$437.2 million and 967 FTEs toward achieving results in elevating SEC performance by enhancing our analytical capabilities and human capital development.

3.1. Workforce

Focus on the SEC's workforce to increase our capabilities and leverage our shared commitment to investors, and promote diversity, inclusion, and equality of opportunity among the agency's staff.

Stakeholder(s):

SEC Workforce

Performance Indicators

PERFORMANCE GOAL 10.1 Best Places to Work

Description	Type	Status	Start Date	End Date	Ranking
	Target		2020-10-01	2021-09-30	4
	Target	Estimate	2021-10-01	2022-09-30	4
	Target	Estimate	2022-10-01	2023-09-30	4
Results of Federal Employee Viewpoint Survey Description: The data gathered via the Federal	Actual	Baseline	2015-10-01	2016-09-30	6

Description	Type	Status	Start Date	End Date	Ranking
Employee Viewpoint Survey (FEVS) will be used to determine the SEC’s overall success in improving employee morale and cooperation. Specifically, this performance goal will be measured via the Partnership for Public Service’s Best Places to Work ranking for mid-size federal agencies, as well as the percentage of positive responses to the cooperative subfactor of the FEVS, which focuses on managerial communication and collaboration.					
...	Actual		2016-10-01	2017-09-30	5
...	Actual		2017-10-01	2018-09-30	3
...	Actual		2018-10-01	2019-09-30	5
...	Actual		2019-10-01	2020-09-30	4
Target: Best Places to Work Ranking – N/A Ranking to be released in summer 2022 Analysis: These results would not be possible were it not for the efforts of hundreds of managers, frontline staff, and union representatives working together to improve employee satisfaction and engagement. The SEC believes that this year’s results were driven in part by the agency’s continued effective response to the COVID-19 pandemic. The FEVS program within the Office of Human Resources (OHR) focuses on driving a high response rate to the FEVS each year to ensure accurate results, and helping	Actual	TBD	2020-10-01	2021-09-30	4

Description	Type	Status	Start Date	End Date	Ranking
SEC divisions and offices improve their specific results through collaboration, use of various tools, and consulting services led by OHR.					

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 the Office of Personnel Management

PERFORMANCE GOAL 10.2 Cooperative Subfactor Positive Responses

Description	Type	Status	Start Date	End Date	Percentage
	Target		2020-10-01	2021-09-30	73
	Target	Estimate	2021-10-01	2022-09-30	73
	Target	Estimate	2022-10-01	2023-09-30	73
...	Actual	Baseline	2015-10-01	2016-09-30	62
...	Actual		2016-10-01	2017-09-30	69
...	Actual		2017-10-01	2018-09-30	71
...	Actual		2018-10-01	2019-09-30	69
...	Actual		2019-10-01	2020-09-30	77
Target: Cooperative Subfactor – Met	Actual	Met	2020-10-01	2021-09-30	73

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 the Office of Personnel Management

3.2. Regulatory Priorities

Expand the use of risk and data analytics to inform how we set regulatory priorities and focus staff resources, including developing a data management program that treats data as an SEC-wide resource with appropriate data protections, enabling rigorous analysis at reduced cost.

Performance Indicators

PERFORMANCE GOAL 12 GAO/OIG Recommendations Closed

Description	Type	Status	Start Date	End Date	Percentage
Plan for Improving Program Performance: The SEC will continue to use data analysis, bolster efforts to increase transparency and accountability, and increase its use of risk assessments to help improve the agency's ability to effectively address audit recommendations in a timely, risk-based manner. Specifically, the Office of the Chief Operating Officer (OCCO) will continue to augment its data analysis of recommendation remediation efforts to better identify specific efforts that may need increased resources or attention. OCCO is also developing additional guidance for the development of corrective action plans and providing senior management with enhanced transparency into the proposed actions.	Target		2020-10-01	2021-09-30	65
	Target	Estimate	2021-10-01	2022-09-30	65
	Target	Estimate	2022-10-01	2023-09-30	65
Prior-year data not available	Actual	Unavailable	2015-10-01	2016-09-30	
Prior-year data not available	Actual	Unavailable	2016-10-01	2017-09-30	
...	Actual		2017-10-01	2018-09-30	72
...	Actual		2018-10-01	2019-09-30	50
...	Actual		2019-10-01	2020-09-30	67
Target: Not Met Analysis: The SEC did not meet its FY 2021 target for the timely completion of corrective actions on Government Accountability Office (GAO) and Office of Inspector	Actual	Unmet	2020-10-01	2021-09-30	41

Description	Type	Status	Start Date	End Date	Percentage
General (OIG) audit recommendations but made important progress in closing its aged recommendations—those outstanding for over one year. By focusing on these longstanding open recommendations, the SEC achieved a notable drop in the percentage of open recommendations that are aged, from 54 percent to 31 percent, over the course of FY 2021. Also, it is important to note that this metric is highly dependent on the substance of the recommendations received from GAO and OIG. Some recommendations can be addressed more quickly, while others may require sustained efforts that take in excess of 12 months.					

Responsible Division/Office: Office of the Chief Operating Officer | Data Source: Audit Management System (Archer)

3.3. Improper Behavior

Enhance our analytics of market and industry data to prevent, detect, and prosecute improper behavior.

Performance Indicators

Description	Type	Start Date	End Date
	Target		
...	Actual		

3.4. Internal Control & Risk

Enhance the agency’s internal control and risk management capabilities, including developing a robust and resilient program for dealing with threats to the security, integrity, and availability of the SEC’s systems and sensitive data.

Performance Indicators

PERFORMANCE GOAL 11 POA&Ms Closed/Mitigated

Description	Type	Status	Start Date	End Date	Percentage
	Target	Baseline	2020-10-01	2021-09-30	45
	Target		2021-10-01	2022-09-30	50
	Target		2022-10-01	2023-09-30	55
Percentage of Plan of Action and Milestones (POA& Ms) closed or mitigated within six months from identification Description: The metric captures the percent of POA&Ms closed or mitigated within six months from identification, as determined by the Enterprise Governance, Risk, and Compliance Capability.	Actual	Baseline	2017-10-01	2018-09-30	27.9
...	Actual		2018-10-01	2019-09-30	28.1
...	Actual		2019-10-01	2020-09-30	53.2
Target: Exceeded Analysis: The improved POA&Ms closure performance during FY 2021 was the result of several reporting enhancements implemented by the Office of Information Technology (OIT), including: (1) inclusion of this and several other POA& Ms performance metrics into status reports; (2) tracking POA&Ms submission due date changes and failed POA&M closure attempts to support more proactive identification of challenging POA& Ms; (3) tracking additional information about upcoming POA&Ms due dates; and (4) providing statistics related to common	Actual	Exceeded	2020-10-01	2021-09-30	54.7

Description	Type	Status	Start Date	End Date	Percentage
risks identified by POA&Ms to support root cause analysis. OIT presented these expanded POA&Ms reports to the Chief Operating Officer, Chief Information Officer, and other key management stakeholders consistently on a biweekly basis to improve situational awareness and support a risk-based approach to prioritizing mitigation efforts. OIT anticipates even further improved POA&Ms closure performance in future years due to continuation of the actions described, as well as new automated reminder messages and an enhanced extension request approval process.					

Responsible Division/Office: Office of Information Technology | Data Source: Information Securities — Enterprise Governance, Risk, and Compliance Capability

3.5. Collaboration

Promote collaboration within and across SEC offices to ensure we are communicating effectively across the agency, including through evaluation of key internal processes that require significant collaboration.

Performance Indicators

Description	Type	Start Date	End Date
	Target		
...	Actual		

Administrative Information

Start Date: 2022-10-01

End Date: 2023-09-30

Publication Date: 2022-07-21

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