

## MEMORANDUM

**From:** Caryn Kauffman  
Acting Chief Financial Officer, U.S. Securities and Exchange Commission

**Caryn Kauffman**  
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Date: 2017.12.21 10:03:24 -05'00'

**Subject:** U.S. Securities and Exchange Commission's (SEC) FY2017 Conference Report

**Date:** December 21, 2017

Office of Management and Budget (OMB) memorandum M-12-12, as amended by memorandum M-17-08, requires federal agencies to issue an annual report related to its conference-related expenditures for the previous fiscal year. This document constitutes the SEC's report for Fiscal Year (FY) 2017.

The SEC has put in place policies and procedures governing the approval and use of agency funds for conference expenses, to ensure that such spending is legal, reasonable, and in furtherance of the agency's mission. At a high level, the major steps in this process are as follows:

1. All SEC division/office requests to spend money on hosting a conference must be approved by the division/office head or his/her designee. Divisions and offices are required to use SEC facilities for such events whenever possible, to minimize space rental and equipment costs. In order to limit expenses for meals or refreshments, the SEC uses per diem rates established for the federal government as the ceiling for any such costs, except when higher rates are unavoidable or otherwise justified. The acquisition of any goods, services, or meeting space is subject to the applicable policies and regulations which govern these areas.
2. Once submitted by the division/office head, the request is reviewed by staff in the Office of Financial Management (OFM) to ensure the expenses are permissible and reasonable. OFM has implemented an automated system for the submission, review, and approval of all SEC conference requests. The system gives OFM the ability to monitor and control conference spending, as well as record actual conference spending after a conference has been held.
3. Each request must receive final approval from designated officials according to the total projected cost. These designations comply with OMB Memorandum 12-12.
4. The SEC is reporting conferences which meet thresholds defined in P.L.115-31, Division E, Title VII, Sections (a), (b), and (c), to the SEC's Office of Inspector General via separate correspondence.

For FY 2017, the SEC authorized a total of \$505,990 for expenditures related to 76 conferences (including training conferences) which used FY 2017 funding.

### **Conferences over \$100,000:**

In Fiscal Year 2017 the SEC authorized one conference costing greater than \$100,000, which is described below:

- A. 2017 Chief Enforcement Conference (CEC), SEC headquarters, Washington DC, September 14-15, 2017
- Cost incurred: \$114,018
  - Number of attendees: 203 attendees (195 SEC attendees and 8 non SEC attendees)

The Enforcement Division conducts investigations, litigates actions, negotiates settlements, and coordinates with the Commission and other SEC divisions and offices regarding the national enforcement program. Because Enforcement Division personnel are dispersed among a dozen office locations around the country, the SEC convenes an annual meeting of senior Enforcement Division managers from headquarters and the agency's 11 regional offices to ensure effective internal coordination among SEC offices in service of a unified and efficient national enforcement program. The 2017 Chief Enforcement Conference (CEC) was held at SEC headquarters in Washington, D.C. on September 14 and 15, 2017. The conference served as a strategic planning and training session for the Division's senior managers and provided an important opportunity for attendees to discuss relevant enforcement topics with the Chairman and participating Commissioners.