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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

ACCOUNTING AND FINANCIAL  
MANAGEMENT DIVISION

JUNE 18, 1982

B-205524

The Honorable John D. Dingell  
Chairman, Committee on Energy  
and Commerce  
House of Representatives



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The Honorable Timothy E. Wirth  
Chairman, Subcommittee on  
Telecommunications, Consumer  
Protection and Finance  
Committee on Energy and Commerce  
House of Representatives

Subject: Statistical Data on Securities and Exchange Commis-  
sion's Allocation of Staffing and Other Budgetary  
Resources for Fiscal 1977 to 1981 (GAO/AFMD-82-73)

In your letter of October 14, 1981, (encl. I) and during our discussions with your offices, concerns were expressed about the Securities and Exchange Commission's (SEC's) ability to adequately monitor the securities markets with its current resources. You requested our assistance in developing information on SEC's budgetary resources, staffing levels, and other data affecting SEC program activities for fiscal 1977 to 1981. You also requested a briefing on preliminary information developed by our staff. The briefing was given on November 9, 1981.

The information we obtained, the scope of our work, and the methods we used are described in enclosure II. While SEC did not have some of the data you requested, we were able to obtain the following information:

- A graphic presentation of SEC's productivity from 1967 to 1980. (See encl. III.)
- Market conditions in terms of shares traded and registration statements filed with SEC between 1977 and 1981. (See encl. IV.)
- Summary of SEC budget requests from 1977 to 1981. (See encl. V.)
- Detailed budget requests for SEC's eight program areas and 29 organizational units. (See encl. VI.)

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- Staff-year allocations and funds expended for SEC's program areas. (See encl. VII.)
- Employees assigned to the enforcement, inspection, and examination functions and employee workload by program. (See encl. VIII.)
- Management studies concerning workload and staffing levels. (See encl. IX.)
- Training courses given to SEC employees. (See encl. X.)
- Summary of nonsalary expenses from 1977 to 1981. (See encl. XI.)

This report contains information that is based mainly on SEC records and other data obtained from agency personnel. As agreed with your offices, we did not verify or analyze the information to assess the adequacy of SEC resources, and in accordance with your letter, we did not obtain written comments from SEC on the information contained in this report.

We are sending copies of the report to the Director of the Office of Management and Budget and to the Chairman of the Securities and Exchange Commission.

  
W. D. Campbell  
Acting Director

Enclosures

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CHIEF COUNSEL AND STAFF DIRECTOR

**U.S. House of Representatives**  
**Committee on Energy and Commerce**  
Room 2125, Rayburn House Office Building  
Washington, D.C. 20515

October 14, 1981

Mr. Charles A. Bowsher  
Comptroller General of the United States  
General Accounting Office  
441 G Street, N.W.  
Washington, D.C. 20548

Dear Mr. Bowsher:

We have become increasingly concerned about the ability of the Securities and Exchange Commission, with its current resources, to monitor our growing and complex securities markets. SEC staffing levels have remained relatively stationary over many years, while trading volume, mutual fund activity and new public offerings have grown dramatically. We believe there is an immediate need to look into this problem, particularly in view of recent and proposed cuts in the SEC's budget.

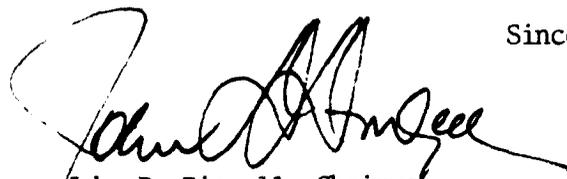
In recent discussions with your staff, we have detailed an agenda for investigating the adequacy of the SEC staff to oversee the markets. We have asked for an oral report of certain information within 10 days, with additional information and written reports to follow. It is not necessary that you obtain agency comments on the initial report.

Briefly, we are asking that you report information on SEC resources, staffing levels, overall figures, and trends for the most recent five-year period, compared with various market figures and other trends.

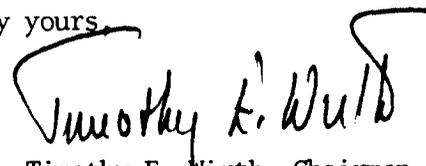
We appreciate your efforts in meeting our schedule, and in assigning the necessary resources to adequately investigate and report on these important matters. Our staffs will be available on a continuing basis to answer any questions you might have and to discuss the progress of your review.

Thank you for your cooperation.

Sincerely yours,



John D. Dingell, Chairman  
Energy and Commerce Committee



Timothy E. Wirth, Chairman  
Subcommittee on Telecommunications,  
Consumer Protection and Finance

OBJECTIVES, SCOPE, AND METHODOLOGY

The information Chairmen Dingell and Wirth requested in their October 14, 1981, letter on the use of SEC resources, staffing levels, overall figures, and trends is contained in enclosures III to XI of this report. The information we are providing is based on data that SEC submitted to the Congress as well as data SEC staff supplied us. We did not attempt to verify the accuracy of this information with any source documents and, therefore, cannot provide any assurances that this information is accurate. In addition, we have not performed any analyses that would permit us to draw a conclusion about the adequacy of SEC resources.

Enclosure III, which was supplied to SEC by the Bureau of Labor Statistics (BLS), Department of Labor, is a graphic presentation of SEC's staff productivity between 1967 and 1980. This index is compiled each year by the Bureau of Labor Statistics based on information supplied by SEC on products completed, staff-years used, and estimated staff costs. We did no work that would substantiate the accuracy or inaccuracy of either the data SEC supplied to BLS or of the methods BLS used in computing and presenting SEC productivity.

Enclosure IV contains certain market indicators that have an impact on SEC responsibilities. For example, on the first page of this enclosure is a schedule showing the number of registered broker-dealers, transfer agents, investor advisers, and investment companies. SEC is responsible for inspecting and examining the operations of these registrants to ensure that investors are being protected from unfair practices. Other indicators we have included in this enclosure detail the volume of shares traded on the exchanges and the number of filings SEC receives for review. The exchanges and the National Association of Securities Dealers are self-regulating organizations that are responsible for ensuring member compliance with their own and SEC's rules. The information in this enclosure was obtained from the National Association of Securities Dealers, SEC budget estimates to the Congress, and SEC's staff. We did not verify any of the data or resolve any inconsistencies in data provided by SEC staff.

Enclosure V is a summary of SEC budget requests from 1977 to 1981. This information was obtained from the SEC staff, from budget estimates submitted to OMB and the Congress, and from SEC's annual report.

Enclosure VI contains detailed schedules for the budget requests for eight program areas. These program areas involve all 29 of SEC's organizational units. We computed the changes made in the programs by subtracting the differences between the various formal requests made in the budgetary process. These changes are attributed to the Commission because a number of organizations and individuals may be involved in the decisionmaking. We were unable to obtain information on SEC programs for fiscal 1977 and 1978 because SEC's budget request was presented in a different format.

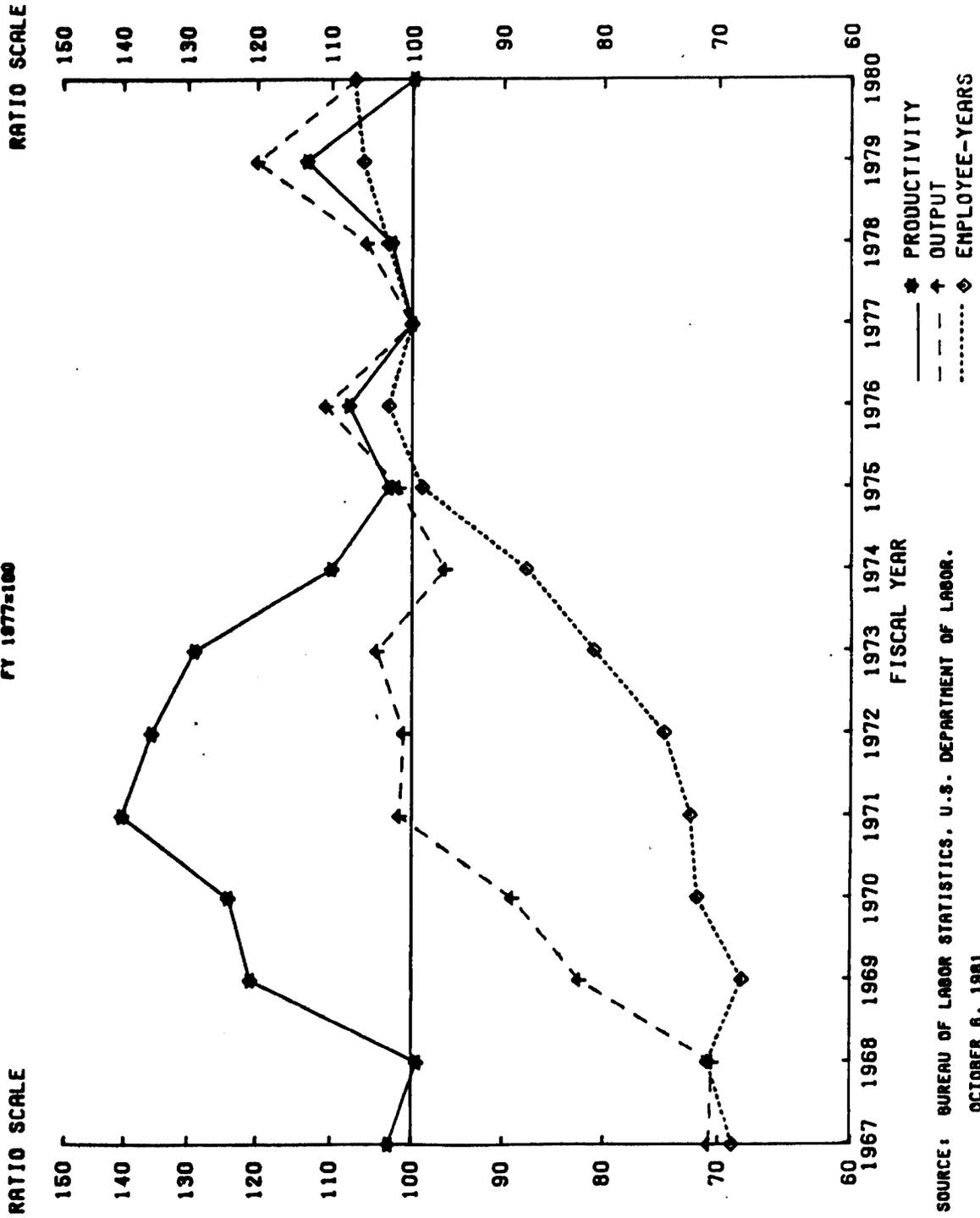
Before 1979, SEC estimated its requirements on an organizational level. Since 1979, the budget estimates to the Congress have been made on a programatic basis with some organizations contributing resources to more than one program. Because of the time constraints and lack of records preceding this change, we were unable to provide historical data for fiscal 1977 and 1978.

Enclosure VII contains a number of schedules showing the staff-year allocations and funds expended for SEC program areas. This information was obtained from SEC budget estimates submitted to the Congress on the amount actually spent, by program. Salary costs by organizational unit were not provided because this information was not readily available and could not be accurately computed.

Enclosure VIII contains a number of schedules showing various workload statistics, such as how many products were completed and the costs incurred in the prevention and suppression of fraud, supervision and regulation of securities markets, and investment management programs. This information was obtained from SEC's budget estimate and from SEC's reports to the Department of Labor on its productivity. We did not have the time, however, to substantiate the accuracy or inaccuracy of BLS computations or of the underlying data SEC supplied to BLS.

Enclosure IX is a list of management studies on staff resources provided by SEC staff. We did not follow up to determine whether SEC accepted the conclusions in these studies or had implemented any recommendations made in the studies. Enclosure X shows the training courses offered by SEC and the year in which SEC employees attended. Because SEC does not record attendance, we could not determine how many employees attended these courses. Finally, enclosure XI is a summary of nonsalary expenses by program. This summary was obtained from SEC budget estimates submitted to the Congress.

1 SEC 4 EXCH CORR. FY 1967-80  
PRODUCTIVITY, OUTPUT AND EMPLOYEE-YEARS  
FY 1977=100



SOURCE: BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR.  
OCTOBER 6, 1981

Market Conditions In Terms Of Shares  
Traded and Registration Statements  
Filed with SEC Between  
1977 and 1981

Number of Registered Broker-Dealers, Transfer Agents, Investment  
Advisers, and Investment Companies

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Registered broker-dealers (note a)	5,725	6,025	6,226	6,730	(b)
Registered transfer agents (note c)	794	861	891	935	970
Registered investor advisers (note a)	4,801	5,215	5,664	5,680	6,150
Investment companies (note a)	1,332	1,365	1,371	1,461	1,510

a/SEC budget estimate as submitted to the Congress.

b/Was not furnished by SEC.

c/Furnished by SEC staff.

Market Trends as Indicated by Shares Traded

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
	----- (millions) -----				
Consolidated Exchange Volume (note a)	6,974	8,985	10,060	14,250	14,937
Over the Counter Volume (note b)	<u>1,829</u>	<u>2,664</u>	<u>3,251</u>	<u>5,453</u>	<u>7,737</u>
<b>Total shares traded</b>	<u><u>8,803</u></u>	<u><u>11,649</u></u>	<u><u>13,311</u></u>	<u><u>19,703</u></u>	<u><u>22,674</u></u>

a/Data obtained from SEC statistical bulletin.

b/Data obtained from NASDAQ Fact Book.

Summary of Filings for the 1933 and 1934 Act  
and Regulation A and B (note a)

<u>Filings</u>	<u>Fiscal Year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
1933 act (includes amendments)	7,729	6,874	6,756	6,903	7,858
Regulation A	218	242	347	398	424
Regulation B	<u>96</u>	<u>83</u>	<u>89</u>	<u>110</u>	<u>125</u>
Total 1933 filings	8,043	7,199	7,192	7,411	8,407
1934 act:					
Form 10	61	71	84	121	131
Form 10-K	8,617	8,338	8,087	8,228	8,861
Form 8-K	13,233	6,622	6,887	6,616	6,974
Form 10-Q	23,600	22,813	21,970	21,870	22,105
Acquisition statements	<u>1,098</u>	<u>1,150</u>	<u>10,523</u>	<u>10,419</u>	<u>10,594</u>
Total 1934 filings	<u>46,609</u>	<u>38,994</u>	<u>47,551</u>	<u>47,254</u>	<u>48,665</u>
Total all filings	<u><u>54,652</u></u>	<u><u>46,193</u></u>	<u><u>54,743</u></u>	<u><u>54,665</u></u>	<u><u>57,072</u></u>

a/Data provided by SEC.

**Summary of SEC Budget Requests  
from 1977 to 1981**

Summary of Changes Made in Budget Estimates During  
the Budget Request Review Process (note a)

<u>Resources requested</u>	<u>Fiscal year</u>									
	<u>1977</u>		<u>1978</u>		<u>1979</u>		<u>1980</u>		<u>1981</u>	
	<u>Staff</u>	<u>Dollars</u>	<u>Staff</u>	<u>Dollars</u>	<u>Staff</u>	<u>Dollars</u>	<u>Staff</u>	<u>Dollars</u>	<u>Staff</u>	<u>Dollars</u>
	----- (dollars in thousands) -----									
Divisions'/Offices' budget submission to the Office of the Chairman (note b)					2,554		2,496		2,439	-
Changes made by the Commission (increase/(decrease))					(375)		(252)		(15)	
Request submitted to the Office of Management and Budget	2,400	\$54,822	2,133	\$59,000	2,179	\$66,600	2,244	\$72,478	2,424	\$81,869
Changes made by OMB (increase/(decrease))	(283)	(1,724)	(41)	(710)	(47)	(1,800)	(144)	(3,439)	(319)	(4,719)
SEC budget estimate submitted to the Congress	2,117	53,098	2,092	58,290	2,132	64,800	2,100	69,039	2,105	77,150
Action by the administration (increase/(decrease))	-	-	-	-	-	-	-	-	(107)	(1,055)
SEC budget estimate submitted to the House	2,117	53,098	2,092	58,290	2,132	64,800	2,100	69,039	1,998	76,095
Changes made by the House (increase/(decrease))	-	(98)	-	(290)	(7)	(150)	-	(93)	23	255
Total	2,117	\$53,000	2,092	\$58,000	2,125	\$64,650	2,100	\$68,946	2,021	\$76,350
Changes made by the Senate (increase/(decrease))	-	-	-	290	-	-	-	40	-	750
Total	2,117	\$53,000	2,092	\$58,290	2,125	\$64,650	2,100	\$68,986	2,021	\$77,100
Changes made in conference (increase/(decrease))	-	-	-	(190)	-	-	-	-	-	(750)
Position allocation and appropriation	2,117	\$53,000	2,092	\$58,100	2,125	\$64,650	2,100	\$68,986	2,021	\$76,350
Supplemental appropriation		3,270		4,375		2,450		3,753		3,850
Position allocation and appropriation	<u>2,117</u>	<u>\$56,270</u>	<u>2,092</u>	<u>\$62,475</u>	<u>2,125</u>	<u>\$67,100</u>	<u>2,100</u>	<u>\$72,739</u>	<u>2,021</u>	<u>\$80,200</u>

a/Staff and dollar changes are not shown where such information was not readily available.

b/Data provided by SEC.

Budget Requests for SEC's  
Program Areas and  
Organizational Units

POSITION CHANGES MADE DURING THE BUDGET REVIEW PROCESS (note a)For SEC's Eight Program Areas

<u>Program</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Positions, by program, included in SEC's budget estimate submitted to the Congress:					
Full disclosure		473	464	454	448
Prevention and suppression of fraud		690	707	717	686
Regulation of securities markets		299	276	294	298
Public utility holding company regulation		24	24	23	21
Investment management regulation		211	206	203	201
Legal services		129	146	153	151
Economic and statistical research		53	48	48	48
Program direction		<u>238</u>	<u>221</u>	<u>233</u>	<u>247</u>
Total positions authorized		2,117	2,092	2,125	2,100
Program managers' requested increase in position (note b):					
Full disclosure			25	48	
Prevention and suppression of fraud			119	112	
Regulation of securities markets			122	57	
Public utility holding company regulation			7	8	
Investment management regulation			96	50	
Legal services			48	51	
Economic and statistical research			17	10	
Program direction			<u>28</u>	<u>35</u>	
Total additional resources requested			<u>462</u>	<u>371</u>	<u>339</u>
Total authorized and adjusted positions			<u>2,554</u>	<u>2,496</u>	<u>2,439</u>

a/Position change is not shown by program where such information was not readily available.

b/Data provided by SEC.

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Positions requested by program managers (note b)			2,554	2,496	2,439
Adjustments made by the Commission:					
Full disclosure			(29)	(36)	(5)
Prevention and suppression of fraud			(98)	(84)	
Regulation of securities markets			(77)	(29)	
Public utility holding company regulation			(7)	(8)	
Investment management regulation			(77)	(23)	
Legal services			(51)	(40)	
Economic and statistical research			(12)	(10)	
Program direction			<u>(24)</u>	<u>(22)</u>	<u>(10)</u>
Total decreases (note c)			<u>(375)</u>	<u>(252)</u>	<u>(15)</u>
SEC request to OMB	2,400	2,133	2,179	2,244	2,424
Adjustments made by SEC after OMB review increases/(decreases):					
Full disclosure			(1)	(28)	(62)
Prevention and suppression of fraud			(24)	(48)	(70)
Regulation of securities markets			(13)	(23)	(76)
Public utility holding company regulation			-	(2)	(6)
Investment management regulation			(7)	(22)	(46)
Legal services			(4)	(6)	(19)
Economic and statistical research			-	(2)	(8)
Program direction			<u>2</u>	<u>(13)</u>	<u>(32)</u>
Total decreases (note d):			<u>(283)</u>	<u>(41)</u>	<u>(319)</u>
Total request to the Congress:	<u>2,117</u>	<u>2,092</u>	<u>2,132</u>	<u>2,100</u>	<u>2,105</u>

a/Position change is not shown by program where such information was not readily available.

b/Data provided by SEC.

c/SEC budget estimate to Office of Management and Budget.

d/SEC budget estimate to the Congress.

<u>Program</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
SEC budget estimate submitted to the Congress	2,117	2,092	2,132	2,100	2,105
Changes made by SEC as result of congressional review (by program):					
Full disclosure			(5)	10	(15)
Prevention and suppression of fraud			13	(11)	(44)
Regulation of securities markets			(14)	(1)	(32)
Public utility holding company regulation			(1)	-	(1)
Investment management regulation			(15)	(7)	(2)
Legal services			14	(7)	(2)
Economic and statistical research			(5)	2	(1)
Program direction			6	14	13
Total increase/(decrease)			(7)	-	(84)
Total positions allocated	<u>2,117</u>	<u>2,092</u>	<u>2,125</u>	<u>2,100</u>	<u>2,021</u>
Commission's allocation of positions (by program):					
Full disclosure	473	464	454	448	427
Prevention and suppression of fraud	690	707	717	686	661
Regulation of securities markets	299	276	294	298	265
Public utility holding company regulation	24	24	23	21	20
Investment management regulation	211	206	203	201	201
Legal services	129	146	153	151	147
Economic and statistical research	53	48	48	48	43
Program direction	238	221	233	247	257
Total positions allocated	<u>2,117</u>	<u>2,092</u>	<u>2,125</u>	<u>2,100</u>	<u>2,021</u>

a/Position change is not shown by program where such information was not readily available.

## For SEC's 29 Organizational Units (By program) (note a)

(Prevention and Suppression of Fraud)

<u>Organization</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission: (note b)					
Division of Enforcement			266	257	225
Reports and Information Services			18	18	21
Office of Consumer Affairs			15	15	13
Regional offices			<u>527</u>	<u>539</u>	<u>521</u>
Total positions requested			826	829	780
Changes made by the Commission:					
Division of Enforcement			(41)	(23)	(5)
Reports and Information services			-	-	-
Office of Consumer Affairs			(3)	(3)	-
Regional offices			<u>(54)</u>	<u>(58)</u>	<u>-</u>
Total decrease			<u>(98)</u>	<u>(84)</u>	<u>(5)</u>
SEC budget estimate submitted to OMB			728	745	775
Changes made as result of OMB review:					
Division of Enforcement			(18)	(31)	(16)
Reports and Information Services			-	-	(3)
Office of Consumer Affairs			-	-	-
Regional offices			<u>(6)</u>	<u>(17)</u>	<u>(51)</u>
Total decrease			<u>(24)</u>	<u>(48)</u>	<u>(70)</u>
SEC budget estimate submitted to the Congress			704	697	705
Changes made as a result of congressional review:					
Division of Enforcement			1	(2)	(14)
Reports and Information Services			-	-	5
Office of Consumer Affairs			1	2	(1)
Regional offices			<u>11</u>	<u>(11)</u>	<u>(34)</u>
Total increase/decrease			<u>12</u>	<u>(11)</u>	<u>(44)</u>
Total positions allocated			<u>690</u>	<u>707</u>	<u>661</u>
Commission allocation of positions:					
Division of Enforcement	200	200	208	201	190
Reports and Information Services	18	18	18	18	23
Office of Consumer Affairs	12	12	13	14	12
Regional offices	<u>460</u>	<u>477</u>	<u>478</u>	<u>453</u>	<u>436</u>
Total	<u>690</u>	<u>707</u>	<u>717</u>	<u>686</u>	<u>661</u>

a/Position change is not shown by program where such information was not readily available.

b/Data provided by SEC.

(Supervision and Regulation of Securities Markets)

<u>Organization</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission (note b):					
Market Regulation			204	184	
Reports and Information Services			20	24	
Regional offices			<u>174</u>	<u>143</u>	
Total positions requested			398	351	
Changes made by the Commission:					
Market Regulation			(38)	(6)	
Reports and Information Services			(2)	(6)	
Regional offices			<u>(37)</u>	<u>(17)</u>	
Total decrease			<u>(77)</u>	<u>(29)</u>	—
SEC budget estimate submitted to OMB			321	322	373
Changes made as a result of OMB review:					
Market Regulation			(13)	(23)	(53)
Reports and Information Services			—	—	(2)
Regional offices			<u>—</u>	<u>—</u>	<u>(21)</u>
Total decrease			<u>(13)</u>	<u>(23)</u>	<u>(76)</u>
SEC budget estimate submitted to the Congress			308	299	297
Changes made as a result of congressional review:					
Market Regulation			(5)	(4)	(9)
Reports and Information Services			—	(1)	(7)
Regional offices			<u>(9)</u>	<u>4</u>	<u>(16)</u>
Total decrease			<u>(14)</u>	<u>(1)</u>	<u>(32)</u>
Total positions allocated			<u>294</u>	<u>298</u>	<u>265</u>
Commission allocation of positions:					
Market Regulation			148	151	142
Reports and Information Services			18	17	11
Regional offices			<u>128</u>	<u>130</u>	<u>112</u>
Total			<u>294</u>	<u>298</u>	<u>265</u>

b/Data provided by SEC.

(Investment Management Regulation)

<u>Organization</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission (note b):					
Division of Investment Management			144	131	
Reports and Information Services			14	16	
Regional offices			<u>144</u>	<u>106</u>	
Total positions requested			302	253	
Changes made by the Commission:					
Division of Investment Management			(35)	(22)	
Reports and Information Services			(1)	(1)	
Regional offices			<u>(41)</u>	<u>-</u>	
Total decrease			<u>(77)</u>	<u>(23)</u>	<u>-</u>
SEC budget estimate submitted to OMB			225	230	249
Changes made as a result of OMB review:					
Division of Investment Management			-	(4)	(16)
Reports and Information Services			-	(2)	(3)
Regional offices			<u>(7)</u>	<u>(16)</u>	<u>(27)</u>
Total decrease			<u>(7)</u>	<u>(22)</u>	<u>(46)</u>
SEC budget estimate submitted to the Congress			218	208	203
Changes made as a result of congressional review:					
Division of Investment Management			(1)	(2)	(8)
Reports and Information Services			(1)	(1)	9
Regional offices			<u>(13)</u>	<u>(4)</u>	<u>(3)</u>
Total decrease			<u>(15)</u>	<u>(7)</u>	<u>(2)</u>
Total positions allocated			<u>203</u>	<u>201</u>	<u>201</u>
Commission allocation of positions:					
Division of Investment Management			108	103	99
Reports and Information Services			12	12	21
Regional offices			<u>83</u>	<u>86</u>	<u>81</u>
Total			<u>203</u>	<u>201</u>	<u>201</u>

b/Data provided by SEC.

(Full Disclosure)

<u>Organization</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission (note b):					
Division of Corporation Finance			288	302	
Office of Reports & Information Services			136	128	
Chief Accountant			24	27	
Regional offices			<u>41</u>	<u>45</u>	<u>    </u>
Total positions requested			489	502	504
Changes made by the Commission:					
Division of Corporation Finance			(3)	(27)	
Office of Reports & Information Services			(16)	(4)	
Chief Accountant			(4)	5	
Regional offices			<u>(6)</u>	<u>(10)</u>	<u>    </u>
Total decrease			<u>(29)</u>	<u>(36)</u>	<u>    </u>
SEC budget estimate submitted to OMB			460	466	504
Changes made as a result of OMB review:					
Division of Corporation Finance			(7)	(18)	(32)
Office of Reports & Information Services			6	(3)	(9)
Chief Accountant				(7)	(5)
Regional offices			<u>    </u>	<u>    </u>	<u>(16)</u>
Total decrease			<u>(1)</u>	<u>(28)</u>	<u>(62)</u>
SEC budget estimate to the Congress			459	438	442
Changes made as a result of congressional review:					
Division of Corporation Finance			(13)	(2)	
Office of Reports & Information Services			-	(1)	
Chief Accountant			5	-	
Regional offices			<u>3</u>	<u>13</u>	<u>    </u>
Total decrease			<u>(5)</u>	<u>10</u>	<u>(15)</u>
Total positions allocated	<u>473</u>	<u>464</u>	<u>454</u>	<u>448</u>	<u>427</u>
Commission allocation of positions:					
Division of Corporation Finance	281	278	265	255	252
Office of Reports & Information Services	150	132	126	120	64
Chief Accountant	-	20	25	25	24
Advisory Committee	7	-	-	-	-
Consumer Affairs & Information Services	-	-	-	-	28
Regional offices	<u>35</u>	<u>34</u>	<u>38</u>	<u>48</u>	<u>59</u>
Total	<u>473</u>	<u>464</u>	<u>454</u>	<u>448</u>	<u>427</u>

b/Data provided by SEC.

(Public Utility Holding Company Regulation) (note b)

<u>Corporate Regulation</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission	25	24	31	30	27
Changes made by the Commission	<u>(1)</u>	<u>-</u>	<u>(7)</u>	<u>(7)</u>	<u>-</u>
SEC budget estimate submitted to OMB	24	24	24	23	27
Changes made as a result of OMB review	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(6)</u>
SEC budget estimate submitted to the Congress	24	24	24	21	21
Changes made as a result of congressional review	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>
Total positions allocated	<u>24</u>	<u>24</u>	<u>23</u>	<u>21</u>	<u>20</u>

b/Data provided by SEC.

(Economic and Statistical Research) (note b)

<u>Economic and Policy Analysis</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission			65	58	
Action taken to increase/decrease program			<u>(12)</u>	<u>(10)</u>	<u>-</u>
Commission request to OMB			53	48	52
Action taken to increase/decrease program			<u>-</u>	<u>(2)</u>	<u>(8)</u>
Commission request to the Congress			53	46	44
Action taken to increase/decrease program			<u>(5)</u>	<u>2</u>	<u>(1)</u>
Total positions allocated			<u>48</u>	<u>48</u>	<u>43</u>

b/Data provided by SEC.

(Legal Services)

<u>Organization</u>	<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Program request to the Commission (note b):					
General Counsel			116	112	
Opinions and Review			11	11	
Administrative Law Judges			14	15	
Corporate Regulation			14	16	
Regional offices			<u>39</u>	<u>50</u>	
Total positions requested			194	204	
Changes made by the Commission:					
General Counsel			(40)	(12)	
Opinions and Review			-	(1)	
Administrative Law Judges			(2)	(4)	
Corporate Regulation			(3)	(5)	
Regional offices			<u>(6)</u>	<u>(18)</u>	
Total decrease			<u>(51)</u>	<u>(40)</u>	
SEC budget estimate submitted to OMB			143	164	168
Changes made as a result of OMB review:					
General Counsel			(5)	(7)	(15)
Opinions and Review			-	-	-
Administrative Law Judges			1	1	-
Corporate Regulation			-	-	(2)
Regional offices			<u>-</u>	<u>-</u>	<u>(2)</u>
Total decrease			<u>(4)</u>	<u>(6)</u>	<u>(19)</u>
SEC budget estimate submitted to the Congress			139	158	149
Changes made as a result of congressional review:					
General Counsel			21	(3)	(2)
Opinions and Review			(1)	(1)	-
Administrative Law Judges			(1)	(1)	-
Corporate Regulation			-	-	(1)
Regional offices			<u>(5)</u>	<u>(2)</u>	<u>1</u>
Total increase/(decrease)			<u>14</u>	<u>(7)</u>	<u>(2)</u>
Total positions allocated			<u>146</u>	<u>153</u>	<u>147</u>
Commission allocation of positions:					
General Counsel			80	92	86
Opinions and Review			11	10	9
Administrative Law Judges			12	12	11
Corporate Regulation			11	11	10
Regional offices			<u>32</u>	<u>28</u>	<u>31</u>
Total			<u>146</u>	<u>153</u>	<u>147</u>

b/Data provided by SEC.

## (Program Direction)

Organization	Fiscal year				
	1977	1978	1979	1980	1981
Program request to the Commission (note b)					
Executive Offices			24	24	
Comptroller			30	29	
Personnel			35	37	
Administrative Services			59	58	
Data Processing			54	64	
Executive Director			13	18	
Secretary			22	26	
Public Affairs			<u>12</u>	<u>12</u>	
Total positions requested			249	268	
Changes made by the Commission:					
Executive Offices			(2)	-	
Comptroller			(3)	-	
Personnel			(8)	(6)	
Administrative Services			(4)	(3)	
Data Processing			(2)	(6)	
Executive Director			(1)	(2)	
Secretary			(1)	(2)	
Public Affairs			<u>(3)</u>	<u>(3)</u>	
Total increase/(decrease)			<u>(24)</u>	<u>(22)</u>	<u>---</u>
SEC budget estimate submitted to OMB			225	246	276
Changes made as a result of OMB review:					
Executive Offices			1	2	(3)
Comptroller			-	(2)	(2)
Personnel			-	(4)	(7)
Administrative Services			-	-	(4)
Data Processing			-	(6)	(13)
Executive Director			-	(2)	(1)
Secretary			1	(1)	(2)
Public Affairs			<u>-</u>	<u>-</u>	<u>-</u>
Total increase/decrease			<u>2</u>	<u>(13)</u>	<u>(32)</u>
SEC budget estimate submitted to the Congress			227	233	244
Changes made as result of congressional review:					
Executive Offices			3	11	3
Comptroller			-	-	(1)
Personnel			(1)	(1)	(1)
Administrative Services			-	-	10
Data Processing			2	5	-
Executive Director			2	(1)	4
Secretary			1	-	(1)
Public Affairs			<u>(1)</u>	<u>-</u>	<u>(1)</u>
Total increase			<u>6</u>	<u>14</u>	<u>13</u>
Total positions allocated			<u>233</u>	<u>247</u>	<u>257</u>
Commission allocation of positions:					
Executive Offices			26	37	37
Comptroller			27	27	26
Personnel			26	26	26
Administrative Services			55	55	65
Data Processing			54	57	56
Executive Director			14	13	17
Secretary			23	23	22
Public Affairs			<u>8</u>	<u>9</u>	<u>8</u>
Total			<u>233</u>	<u>247</u>	<u>257</u>

b/Data provided by SEC.

**Staff-Year Allocations and  
Funds Expended for  
SEC's Program Areas**

RESOURCES EXPENDED BY SEC PROGRAM (note a)

(Prevention and Suppression of Fraud)

<u>Organization</u>	<u>Fiscal year</u>							
	<u>1977</u>		<u>1978</u>		<u>1979</u>		<u>1980</u>	
	<u>Staff- years</u>	<u>Dollars</u>	<u>Staff- years</u>	<u>Dollars</u>	<u>Staff- years</u>	<u>Dollars</u>	<u>Staff- years</u>	<u>Dollars</u>
Division of Enforcement	184.3		184.4		195.1		199.4	
Consumer Affairs and Information Services	5.4		17.1		12.4		14.2	
Applications and Report Services	20.2		11.5		16.9		14.3	
Regional offices	<u>423.2</u>		<u>454.1</u>		<u>469.7</u>		<u>450.2</u>	
Total staff- years	<u>633.1</u>		<u>667.1</u>		<u>694.1</u>		<u>678.1</u>	
<u>Cost incurred</u>								
Salaries		\$14,026		\$15,277		\$17,187		\$18,320
Personal benefits		1,298		1,494		1,623		1,700
Travel		1,067		1,144		1,275		1,254
Other expenses		<u>4,350</u>		<u>4,498</u>		<u>4,535</u>		<u>4,863</u>
Total program cost		<u>\$20,741</u>		<u>\$22,413</u>		<u>\$24,620</u>		<u>\$26,137</u>

(dollars in thousands)

a/SEC budget estimate submitted to the Congress. Dollar figures by organization were not readily available.

(Supervision and Regulation of Securities Markets)

Organization	Fiscal year							
	1977		1978		1979		1980	
	Staff- years	Dollars	Staff- years	Dollars	Staff- years	Dollars	Staff- years	Dollars
----- (dollars in thousands) -----								
Division of Market Regulation	121.4		121.1		124.2		138.8	
Applications and Re- port Services	20.2		17.1		17.7		12.5	
Regional offices	<u>125.3</u>		<u>122.3</u>		<u>112.1</u>		<u>117.0</u>	
Total staff- years	<u>266.9</u>		<u>260.5</u>		<u>254.0</u>		<u>268.3</u>	
<u>Cost incurred</u>								
Salaries		\$5,452		\$5,837		\$6,137		\$6,880
Personnel benefits		504		557		576		638
Travel		236		249		254		269
Other expenses		<u>1,421</u>		<u>1,625</u>		<u>2,070</u>		<u>2,072</u>
Total program cost		<u>\$7,613</u>		<u>\$8,268</u>		<u>\$9,037</u>		<u>\$9,859</u>

(Investment Management Regulation)

Organization	Fiscal year					
	1977	1978		1979		1980
	Staff- years	Dollars	Staff- years	Dollars	Staff- years	Dollars
Division of Invest- ment Management	93.4		94.6	101.9	101.8	
Application and Reports Services	15.2		11.6	11.3	13.3	
Regional offices	82.5		81.2	79.8	79.8	
Total staff- years	<u>191.1</u>		<u>187.4</u>	<u>193.0</u>	<u>194.9</u>	
<u>Cost incurred</u>						
Salaries		\$3,675		\$4,282		\$4,639
Personnel benefits		340		399		438
Travel		84		121		122
Other expenses		<u>940</u>		<u>1,285</u>		<u>1,109</u>
Total program cost		<u>\$5,039</u>		<u>\$6,087</u>		<u>\$6,308</u>
						<u>\$5,185</u>
						481
						127
						<u>1,161</u>
						<u>\$6,954</u>

(dollars in thousands)

## (Full Disclosure)

Organization	Fiscal year							
	1977		1978		1979		1980	
	Staff- years	Dollars	Staff- years	Dollars	Staff- years	Dollars	Staff- years	Dollars
----- (dollars in thousands) -----								
Division of Corpora- tion Finance	256.8		255.0		239.4		235.6	
Consumer Affairs and Information Services	133.7		126.9		118.8		118.5	
Chief Accountant	14.9		15.5		21.3		22.1	
Regional offices	32.2		32.5		33.0		43.8	
Advisory Committee	<u>6.1</u>		<u>-</u>		<u>-</u>		<u>-</u>	
Total staff- years	<u>443.7</u>		<u>429.9</u>		<u>412.5</u>		<u>420.0</u>	
<u>Cost incurred</u>								
Salaries		\$ 8,856		\$ 9,473		\$ 9,644		\$10,749
Personnel benefits		819		894		910		997
Travel		72		47		74		62
Other expenses		<u>2,336</u>		<u>2,419</u>		<u>2,432</u>		<u>2,588</u>
Total program cost		<u>\$12,083</u>		<u>\$12,833</u>		<u>\$13,060</u>		<u>\$14,396</u>

(Public Utility Holding Company Regulations)

<u>Organization</u>	Fiscal year							
	1977		1978		1979		1980	
	<u>Staff-</u> <u>years</u>	<u>Dollars</u>	<u>Staff-</u> <u>years</u>	<u>Dollars</u>	<u>Staff-</u> <u>years</u>	<u>Dollars</u>	<u>Staff-</u> <u>years</u>	<u>Dollars</u>
	----- (dollars in thousands) -----							
Corporate Regulation	<u>21.4</u>		<u>22.5</u>		<u>20.0</u>		<u>20.3</u>	
<u>Cost incurred</u>								
Salaries		\$472		\$562		\$530		\$565
Personnel benefits		44		54		50		53
Travel expense		8		5		4		6
Other expense		<u>113</u>		<u>129</u>		<u>112</u>		<u>124</u>
Total program cost		<u>\$637</u>		<u>\$750</u>		<u>\$696</u>		<u>\$748</u>

(Program Directions)

<u>Organizations</u>	Fiscal year							
	1977		1978		1979		1980	
	<u>Staff-</u> <u>years</u>	<u>Dollars</u>	<u>Staff-</u> <u>years</u>	<u>Dollars</u>	<u>Staff-</u> <u>years</u>	<u>Dollars</u>	<u>Staff-</u> <u>years</u>	<u>Dollars</u>
	----- (dollars in thousands) -----							
Executive Offices	17.0		23.0		24.3		29.9	
Executive Director	9.1		11.0		13.6		14.5	
Comptroller	22.8		23.7		25.1		26.6	
Personnel	23.0		25.4		25.7		25.1	
Administrative Services	52.4		50.6		51.2		56.1	
Information Systems Management	45.1		50.6		54.1		56.7	
Secretary	19.5		18.6		19.6		22.6	
Public Affairs	<u>9.6</u>		<u>10.0</u>		<u>8.7</u>		<u>8.0</u>	
Total staff-years	<u>198.5</u>		<u>212.9</u>		<u>222.3</u>		<u>239.5</u>	
<u>Cost incurred</u>								
Salaries		\$3,482		\$4,241		\$4,793		\$5,554
Personnel benefits		322		402		441		508
Travel		64		88		110		103
Other expenses		<u>1,557</u>		<u>1,253</u>		<u>1,425</u>		<u>1,460</u>
Total program cost		<u>\$5,425</u>		<u>\$5,984</u>		<u>\$6,769</u>		<u>\$7,625</u>

## (Legal Services)

<u>Organization</u>	Fiscal year							
	1977		1978		1979		1980	
	<u>Staff- years</u>	<u>Dollars</u>	<u>Staff- years</u>	<u>Dollars</u>	<u>Staff- years</u>	<u>Dollars</u>	<u>Staff- years</u>	<u>Dollars</u>
	(dollars in thousands)							
General Counsel	46.7		60.8		86.0		87.1	
Opinions and Review	12.6		10.6		9.4		9.2	
Administrative Law Judges	11.1		12.7		11.7		11.0	
Corporate Regulation	9.8		10.3		11.8		10.3	
Regional offices	<u>30.0</u>		<u>31.5</u>		<u>28.6</u>		<u>28.0</u>	
Total staff- years	<u>110.2</u>		<u>125.9</u>		<u>147.5</u>		<u>145.6</u>	
<u>Cost incurred</u>								
Salaries		\$2,653		\$3,189		\$3,835		\$4,115
Personnel benefits		246		304		358		378
Travel		108		119		157		135
Other expenses		<u>234</u>		<u>748</u>		<u>942</u>		<u>887</u>
Total cost		<u>\$3,241</u>		<u>\$4,360</u>		<u>\$5,292</u>		<u>\$5,515</u>

**Employees Assigned to the  
Enforcement, Inspection,  
and Examination Functions  
and Employee Workload  
(by Program)**

PREVENTION AND SUPPRESSION OF FRAUD

Number of Personnel Authorized and On Board at Yearend  
in SEC's Division of Enforcement (note a)

<u>Classification</u> (note b)	<u>Fiscal year</u>									
	<u>1977</u>		<u>1978</u>		<u>1979</u>		<u>1980</u>		<u>1981</u>	
	<u>Auth</u>	<u>On board</u>	<u>Auth</u>	<u>On board</u>	<u>Auth</u>	<u>On board</u>	<u>Auth</u>	<u>On board</u>	<u>Auth</u>	<u>On board</u>
Professional	-	137	-	147	-	-	-	160	-	133
Administrative	-	44	-	48	-	-	-	39	-	42
Total	<u>200</u>	<u>181</u>	<u>200</u>	<u>195</u>	<u>208</u>	-	<u>201</u>	<u>199</u>	<u>190</u>	<u>175</u>

a/Data provided by SEC.

b/The number of professional and administrative personnel authorized was not readily available.

Number of Attorneys in SEC's Division of Enforcement  
(By Grade and Length of Service (note a))

<u>Grade</u>	<u>Number</u>	<u>Average number of years</u>
00	4	8.75
15	26	10.00
14	28	6.00
13	30	2.80
12	6	1.80
11	<u>1</u>	<u>-</u>
	<u>95</u>	

a/Data provided by SEC.

**PREVENTION AND SUPPRESSION OF FRAUD**

**Workload Statistics and Labor Costs Incurred (note a)**

	Investigations			Administrative proceedings			Civil proceedings			Criminal proceedings									
	Fiscal year	1978	1979	1980	1978	1979	1980	1977	1978	1979	1980	1981							
Cases opened (note b)	400	337	296	305	139	122	95	70	68	106	153	134	128	107	98	109	61	74	21
Cases closed (note b)	325	365	481	405	148	130	116	72	77	151	163	197	99	100	73	95	96	76	78
Staff-years devoted to the closed cases as reported by SEC to BLS (note c)	408	449	436	442	30	36	34	55	92	92	94	151	121	54	42	51	32		
Estimated labor cost to complete referred by SEC to BLS (in thousands) (note c)	\$9,587	\$11,272	\$11,236	\$12,423	\$730	\$692	\$873	\$1,532	\$2,250	\$2,504	\$3,882	\$3,389	\$1,447	\$1,167	\$1,314	\$910			
Unit labor cost referred by BLS to SEC	\$29,499	\$29,279	\$23,362	\$30,675	\$4,931	\$5,763	\$7,528	\$21,271	\$14,897	\$15,364	\$19,706	\$34,232	\$19,818	\$12,285	\$13,685	\$11,989			
BLS computation of SEC's unit labor cost in 1977 dollars (note c)	\$29,499	\$27,415	\$20,674	\$25,563	\$4,931	\$5,396	\$6,662	\$17,726	\$14,897	\$14,386	\$17,439	\$28,527	\$19,818	\$11,503	\$12,111	\$9,983			

a/Data not shown in those cases where not readily available.

b/Data obtained from budget estimate to the Congress except for 1981, which was obtained from SEC budget estimate to OMB.

c/Data obtained from SEC productivity reports to Department of Labor, Bureau of Labor Statistics.

REGULATION OF SECURITIES MARKET

Number of Personnel Authorized and On Board at Yearend (note a)

Classification (note b)	Fiscal year									
	1977		1978		1979		1980		1981	
	Auth	On board	Auth	On board	Auth	On board	Auth	On board	Auth	On board
Inspection and Examination:										
Professional						20		32		32
Administrative						7		11		10
All others:										
Professional		74		78		70		74		62
Administrative		<u>36</u>		<u>37</u>		<u>32</u>		<u>25</u>		<u>21</u>
Total professional and administrative	<u>144</u>	<u>110</u>	<u>131</u>	<u>115</u>	<u>148</u>	<u>129</u>		<u>142</u>	<u>142</u>	<u>125</u>

a/Data provided by SEC.

b/Number was not readily available in all instances.

Number of Shares Traded, Registered Broker-dealers,  
and Transfer Agents

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Shares traded (in millions) (note a):					
Consolidated exchange	6,974	8,985	10,060	14,250	14,937
Over the counter	<u>1,829</u>	<u>2,664</u>	<u>3,251</u>	<u>5,453</u>	<u>7,737</u>
Total	<u>8,803</u>	<u>11,649</u>	<u>13,311</u>	<u>19,703</u>	<u>22,674</u>
Registered broker-dealers (note b)	5,725	6,025	6,226	6,730	
Registered transfer agents (note c)	794	861	891	935	970

a/SEC statistical bulletin and NASDAQ fact book.

b/SEC budget estimate to the Congress.

c/Data provided by SEC.

Number of SDC Examinations of Broker-dealers, Staff-Years  
Used, and Related Cost in the Supervision and  
Regulation of Securities Markets (note a)

Routine Examination		Examination for Cause	
Fiscal year		Fiscal year	
1977	1978	1977	1978
192	179	196	196
332	230	270	270
524	409	466	466
66	35	21	23
25%	13%	8%	9%
staff-years compared to total program			
Percentage of staff-years used			
8%	10%	8%	10%
Estimated labor cost to complete examinations as reported by SBC to BLS, in thousands (note c)			
\$603	\$490	\$986	\$600
\$825	\$885	\$809	\$896
Percentage of labor cost to complete examinations compared to total program labor cost			
11%	8%	10%	14%
BLS report to SBC on unit labor cost (note c)			
\$1,149	\$2,166	\$1,710	\$1,756
\$1,149	\$2,028	\$1,149	\$2,166
BLS computation of SBC's unit labor cost in 1977 dollars (note c)			
\$1,149	\$1,513	\$1,464	\$1,513
Broker-dealer examination cycle (years) (note b)			
10.9	14.7	17.7	20.0

a/Data not shown in those cases where not readily available.

b/Data obtained from budget estimate to the Congress except for 1981, which was obtained from SBC budget estimate to OMB.

c/Data obtained from SBC productivity reports to the Department of Labor, Bureau of Labor Statistics.

Number of SEC Examinations of Transfer Agents,  
Staff-Years Used, and Related Costs  
in the Supervision and Regulation of Securities Markets

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Transfer-agent examinations (note a)	248	247	191	252	196
Number of staff-years used as reported by SEC to BLS (note b)				2.4	
Estimated labor cost incurred as reported by SEC to BLS (note b)				\$67,000	
BLS report to SEC on unit labor cost (note b)				\$267	
Transfer agent examination cycle (years) (note a)	3.2	3.5	4.6	3.7	4.9

a/Data obtained from SEC budget estimate to the Congress except for 1981, which was obtained from SEC budget estimate to OMB.

b/Data obtained from SEC productivity reports to the Department of Labor, Bureau of Labor Statistics.

INVESTMENT MANAGEMENT REGULATION

Number of Personnel Authorized and On board at Yearend (note a)

Classification (note b)	Fiscal year									
	1977		1978		1979		1980		1981	
	<u>Auth</u>	<u>On board</u>								
Inspection and Examination:										
Professional		6		6				7		6
Administrative		1		-				1		1
All others:										
Professional		65		76				78		69
Administrative		<u>18</u>		<u>19</u>				<u>14</u>		<u>16</u>
Total professional and administrative	<u>109</u>	<u>90</u>	<u>109</u>	<u>101</u>	<u>108</u>		<u>103</u>	<u>100</u>	<u>99</u>	<u>92</u>

a/Data provided by SEC.

b/Number not readily available in all instances.

Number of Investment Companies and Investor Advisors and Resources  
Used in Making Examinations (note a)

	<u>Investment companies</u>					<u>Investor advisors</u>				
	<u>Fiscal year</u>					<u>Fiscal year</u>				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number (note b)	1,332	1,365	1,371	1,461	1,510	4,801	5,215	5,664	5,680	6,050
Number of examinations by SEC (note b)	280	268	237	253		459	467	480	429	
Staff-years devoted to the exams as reported by SEC to BLS (note c)	32	32	22	24		24	25	21	21	
Percentage of staff-years used compared to total program staff-years	16%	17%	11%	12%		13%	13%	11%	11%	
Estimated labor cost to complete examinations compared to total program labor cost (in thousands)	\$759	\$820	\$562	\$818		\$574	\$656	\$531	\$587	
Percentage of labor cost to complete examinations compared to total program labor cost	21%	19%	12%	16%		16%	15%	11%	11%	
BLS report to SEC on unit labor cost (note c)	\$2,711	\$3,060	\$2,370	\$3,232		\$1,251	\$1,405	\$1,106	\$1,110	
BLS computation of SEC's unit labor cost in 1977 dollars (note c)	\$2,711	\$2,866	\$2,097	\$2,693		\$1,251	\$1,315	\$ 978	\$ 925	
SEC examination cycle (years) (note b)	5	5	6	6		11	11	12	11	

a/Data not shown in those cases where not readily available.

b/Data obtained from budget estimate to the Congress except for 1981, which was obtained from SEC budget estimate to OMB.

c/Data obtained from SEC productivity reports to the Department of Labor, Bureau of Labor Statistics.

Number of Deficiency Letters and Referrals Resulting from  
Examinations of Investor Advisors

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Deficiency letters sent to investment companies and advisors (note a)	454	339	411	469	(b)
Referrals to the Division of Enforcement (note a)	63	36	59	47	(b)

a/Data obtained from SEC budget estimate to the Congress.

b/Data not readily available.

Percentage of Staff Time Devoted to  
Inspection and Examination Activities During Fiscal 1981 (note a)

	<u>Broker-dealer</u>		<u>Investment</u>	<u>Investor</u>
	<u>Routine</u>	<u>Cause</u>	<u>company</u>	<u>advisor (note b)</u>
	-----percent-----			
Preinspection preparation	6	6	9	8
Field work and travel	18	42	44	33
Preparation and processing of exam report	56	40	29	41
Other	<u>20</u>	<u>12</u>	<u>18</u>	<u>18</u>
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

a/Data obtained from SEC staff time and activity tracking system report for end of fiscal 1981.

b/A breakdown of time spent in routine and cause cases was not readily available.

Number of Investigators, Examiners, and Attorneys in SEC Regional Offices  
(By Grade and Years of Service) (note a)

	Grade	Investigators			Compliance examiners			Attorneys		
		Number	Years w/SEC	Avg yrs w/SEC	Number	Years w/SEC	Avg yrs w/SEC	Number	Years w/SEC	Avg yrs w/SEC
Atlanta	00	-	-	-	-	-	-	1	27	27.0
	GS-15	-	-	-	-	-	-	3	34	11.3
	GS-14	-	-	-	2	43	21.5	3	29	9.7
	GS-13	2	44	22.0	3	36	12.0	3	7	2.3
	GS-12	2	13	6.5	5	51	10.2	3	3	1.0
	GS-11	-	-	-	1	3	3.0	5	5	1.0
	<b>Total</b>	<u>4</u>	<u>57</u>	14.2	<u>11</u>	<u>133</u>	12.1	<u>18</u>	<u>105</u>	5.8
Boston	00	-	-	-	-	-	-	1	23	23.0
	GS-15	-	-	-	-	-	-	3	35	11.7
	GS-14	-	-	-	2	36	18.0	4	42	10.5
	GS-13	3	52	17.3	7	90	12.9	4	14	3.5
	GS-12	1	8	8.0	3	9	3.0	-	-	-
	GS-11	-	-	-	-	-	-	-	-	-
	GS-9	-	-	-	1	1	1.0	-	-	-
	<b>Total</b>	<u>4</u>	<u>60</u>	15.0	<u>13</u>	<u>136</u>	10.5	<u>12</u>	<u>114</u>	9.5
Chicago	00	-	-	-	-	-	-	2	41	20.5
	GS-15	-	-	-	1	9	9.0	5	47	9.4
	GS-14	1	7	7.0	2	14	7.0	9	117	13.0
	GS-13	-	-	-	10	98	9.8	11	31	2.8
	GS-12	2	21	10.5	6	21	3.5	10	14	1.4
	GS-11	-	-	-	3	22	7.3	4	4	1.0
	<b>Total</b>	<u>3</u>	<u>28</u>	9.3	<u>22</u>	<u>164</u>	7.5	<u>41</u>	<u>254</u>	6.2
Denver	00	-	-	-	-	-	-	1	23	23.0
	GS-15	-	-	-	-	-	-	4	60	15.0
	GS-14	-	-	-	3	36	12.0	4	37	9.3
	GS-13	2	37	18.5	3	54	18.0	9	38	4.2
	GS-12	-	-	-	4	11	2.8	3	5	1.7
	GS-11	-	-	-	1	8	8.0	-	-	-
	<b>Total</b>	<u>2</u>	<u>37</u>	18.5	<u>11</u>	<u>109</u>	9.9	<u>21</u>	<u>163</u>	15.5
Fort Worth	00	-	-	-	-	-	-	1	10	10.0
	GS-15	-	-	-	-	-	-	4	15	3.8
	GS-14	-	-	-	3	28	9.3	3	15	5.0
	GS-13	1	15	15.0	1	3	3.0	5	7	1.4
	GS-12	1	3	3.0	5	19	3.8	5	8	1.6
	GS-11	-	-	-	1	1	1.0	1	-	-
	<b>Total</b>	<u>2</u>	<u>18</u>	9.0	<u>10</u>	<u>51</u>	5.1	<u>19</u>	<u>55</u>	2.9

a/Data provided by SEC for the end of fiscal 1981.

## ENCLOSURE VIII

## ENCLOSURE VIII

	Grade	Investigators			Compliance examiners			Attorneys		
		Number	Years w/SEC	Avg yrs w/SEC	Number	Years w/SEC	Avg yrs w/SEC	Number	Years w/SEC	Avg yrs w/SEC
Los Angeles	00	-	-	-	-	-	-	2	7	3.5
	GS-15	-	-	-	-	-	-	6	67	11.2
	GS-14	1	20	20.0	2	23	11.5	8	63	7.9
	GS-13	1	11	11.0	5	34	6.8	9	27	3.0
	GS-12	-	-	-	3	12	4.0	6	9	1.5
	GS-11	-	-	-	1	2	2.0	1	1	1.0
	GS-9	-	-	-	1	1	1.0	-	-	-
	GS-7	-	-	-	1	2	2.0	-	-	-
	Total	<u>2</u>	<u>31</u>	15.5	<u>13</u>	<u>74</u>	5.7	<u>32</u>	<u>174</u>	5.4
New York	00	-	-	-	-	-	-	3	40	13.4
	GS-15	-	-	-	1	20	20.0	10	81	8.1
	GS-14	5	93	.2	8	86	10.8	11	45	4.1
	GS-13	19	198	10.4	16	118	7.4	23	94	4.1
	GS-12	4	19	4.8	6	37	7.4	9	13	1.4
	GS-11	3	13	4.3	11	26	2.4	2	2	1.0
	GS-9	2	2	1.0	6	11	1.8	-	-	-
	GS-7	1	7	7.0	-	-	-	-	-	-
	Total	<u>34</u>	<u>332</u>	9.8	<u>48</u>	<u>298</u>	6.2	<u>58</u>	<u>275</u>	4.7
Seattle	00	-	-	-	-	-	-	1	20	20.0
	GS-15	-	-	-	-	-	-	2	35	17.5
	GS-14	-	-	-	1	8	8.0	6	77	12.8
	GS-13	3	51	17.0	-	-	-	6	50	8.3
	GS-12	-	-	-	2	7	3.5	-	-	-
	GS-11	1	4	4.0	1	7	7.0	-	-	-
	GS-9	-	-	-	1	-	-	-	-	-
	GS-5	-	-	-	1	4	4.0	-	-	-
	Total	<u>4</u>	<u>55</u>	13.8	<u>6</u>	<u>26</u>	4.3	<u>15</u>	<u>182</u>	12.1
Washington	00	-	-	-	-	-	-	1	12	12.0
	GS-15	-	-	-	-	-	-	5	51	10.2
	GS-14	1	7	7.0	2	22	11.0	7	47	6.7
	GS-13	1	22	22.0	4	47	11.8	10	40	4.0
	GS-12	-	-	-	-	-	-	5	4	.8
	GS-11	1	5	5	-	-	-	-	-	-
	Total	<u>3</u>	<u>34</u>	11.1	<u>6</u>	<u>69</u>	11.5	<u>28</u>	<u>154</u>	5.5

Number of Personnel Authorized and On Board  
in Regional Offices at Year-end (note a)

Classification (note b)	Fiscal year									
	1977		1978		1979		1980		1981	
	Auth	On board	Auth	On board	Auth	On board	Auth	On board	Auth	On board
Atlanta										
Professional		37		38				41		42
Administrative		13		14				9		7
Total	<u>54</u>	<u>50</u>	<u>54</u>	<u>52</u>	<u>55</u>		<u>54</u>	<u>50</u>	<u>53</u>	<u>49</u>
Boston										
Professional		28		26				32		32
Administrative		8		9				7		8
Total	<u>37</u>	<u>36</u>	<u>37</u>	<u>35</u>	<u>39</u>		<u>39</u>	<u>39</u>	<u>40</u>	<u>40</u>
Chicago										
Professional		73		79				76		78
Administrative		29		33				25		23
Total	<u>111</u>	<u>102</u>	<u>111</u>	<u>112</u>	<u>112</u>		<u>110</u>	<u>101</u>	<u>105</u>	<u>101</u>
Denver										
Professional		38		40				42		43
Administrative		14		15				14		11
Total	<u>55</u>	<u>52</u>	<u>55</u>	<u>55</u>	<u>55</u>		<u>54</u>	<u>56</u>	<u>54</u>	<u>54</u>
Fort Worth										
Professional		38		34				35		38
Administrative		16		15				13		11
Total	<u>54</u>	<u>54</u>	<u>54</u>	<u>49</u>	<u>54</u>		<u>53</u>	<u>48</u>	<u>50</u>	<u>49</u>
Los Angeles										
Professional		56		57				64		59
Administrative		36		39				32		26
Total	<u>101</u>	<u>92</u>	<u>101</u>	<u>96</u>	<u>102</u>		<u>102</u>	<u>96</u>	<u>99</u>	<u>85</u>
New York										
Professional		146		154				166		163
Administrative		57		59				47		42
Total	<u>228</u>	<u>203</u>	<u>228</u>	<u>213</u>	<u>222</u>		<u>221</u>	<u>213</u>	<u>209</u>	<u>205</u>
Seattle										
Professional		28		30				33		32
Administrative		11		10				8		7
Total	<u>43</u>	<u>39</u>	<u>43</u>	<u>40</u>	<u>43</u>		<u>42</u>	<u>41</u>	<u>40</u>	<u>39</u>
Washington										
Professional		50		54				56		56
Administrative		17		16				18		16
Total	<u>72</u>	<u>67</u>	<u>72</u>	<u>70</u>	<u>73</u>		<u>72</u>	<u>74</u>	<u>69</u>	<u>72</u>

a/Data provided by SEC.

b/The breakdown of authorized professional and administrative personnel was not readily available, nor were the figures for personnel on board in 1979.

Number of Registered Broker-dealers  
(by Regional Office) (note a)

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Atlanta	340	344	351	378	415
Boston	244	251	251	280	300
Chicago	2,085	2,206	2,294	2,451	2,557
Denver	121	119	126	143	168
Fort Worth	233	245	239	269	295
Los Angeles	555	555	584	627	706
New York	1,756	1,928	2,008	2,075	2,190
Seattle	91	94	100	102	117
Washington	319	337	344	355	394

Number of SEC Examinations of Transfer Agents  
(by Regional Office) (note a)

	Fiscal year			
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
Atlanta	23	25	18	2
Boston	18	11	-	5
Chicago	74	72	72	30
Denver	17	15	14	14
Fort Worth	7	-	5	4
Los Angeles	33	34	36	31
New York	28	21	30	21
Seattle	13	12	11	-
Washington	28	13	3	2

a/Data provided by SEC.

Number of SEC For Cause Examinations  
of Broker-Dealers Activities  
(by regional office) (note a)

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Atlanta	61	68	69	74	50
Boston	45	18	18	38	20
Chicago	99	113	126	123	107
Denver	30	33	29	25	25
Fort Worth	41	38	21	24	13
Los Angeles	57	72	81	73	60
New York	185	195	199	192	74
Seattle	27	22	19	15	15
Washington	62	56	40	56	52

Number of SEC Routine Examinations of Broker-Dealer  
Activities (by Regional Office) (note a)

	Fiscal year				
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Atlanta	16	20	26	26	31
Boston	12	5	5	2	10
Chicago	33	29	30	40	33
Denver	4	4	4	6	4
Fort Worth	9	8	12	3	12
Los Angeles	31	33	26	30	24
New York	69	59	84	34	64
Seattle	10	9	13	7	15
Washington	8	12	15	11	4

a/Data provided by SEC.

Number of Investment Companies (I/C) and Investor Advisors (I/A)  
(By Regional Office) (note a)

	Fiscal year									
	1977		1978		1979		1980		1981	
	<u>I/C</u>	<u>I/A</u>								
Atlanta	44	290	47	411	45	480	48	511	52	512
Boston	250	388	263	474	267	501	285	532	307	647
Chicago	244	575	252	760	255	862	273	919	312	994
Denver	39	108	36	146	36	178	39	187	48	195
Fort Worth	68	173	79	200	80	226	82	239	90	323
Los Angeles	133	819	115	1,013	100	1,115	105	1,193	92	1,244
New York	397	1,016	410	1,127	420	1,197	438	1,277	476	1,325
Seattle	17	102	18	125	16	142	19	154	19	177
Washington	140	378	145	489	152	579	162	620	178	683
Foreign	-	37	-	40	-	40	-	48	-	50
Total	<u>1,332</u>	<u>3,886</u>	<u>1,365</u>	<u>4,785</u>	<u>1,371</u>	<u>5,320</u>	<u>1,451</u>	<u>5,680</u>	<u>1,574</u>	<u>6,150</u>

Number of SEC Examinations of Investment Companies (I/C) and of  
Investor Advisors (I/A) (by Regional Office) (note a)

	Fiscal year									
	1977		1978		1979		1980		1981	
	<u>I/C</u>	<u>I/A</u>	<u>I/C</u>	<u>I/A</u>	<u>I/C</u>	<u>I/A</u>	<u>I/C</u>	<u>I/A</u>	<u>I/C</u>	<u>I/A</u>
Atlanta	9	44	10	48	11	39	13	54	12	54
Boston	52	39	59	37	52	22	49	49	66	49
Chicago	51	83	57	86	59	86	59	84	75	86
Denver	11	17	11	19	9	45	7	45	7	14
Fort Worth	18	38	1	24	2	22	4	25	23	35
Los Angeles	18	47	12	71	15	73	16	72	15	73
New York	82	129	83	124	62	124	68	124	91	110
Seattle	4	12	5	14	1	17	2	15	5	21
Washington	<u>38</u>	<u>50</u>	<u>30</u>	<u>45</u>	<u>26</u>	<u>52</u>	<u>23</u>	<u>53</u>	<u>55</u>	<u>65</u>
Total	<u>283</u>	<u>459</u>	<u>268</u>	<u>468</u>	<u>237</u>	<u>480</u>	<u>241</u>	<u>521</u>	<u>349</u>	<u>507</u>

a/Data provided by SEC.

**Management Studies Concerning  
Workload and Staffing Levels**

SEC Internal Studies Made Between 1977 and 1981 (note a)

1. Enforcement Policies And Practices, Division of Enforcement
2. Management Review, Division of Corporation Finance
3. Management Review, Division of Investment Management
4. Management Review, Division of Market Regulation

a/Data provided by SEC. The above referenced studies are only those that include a discussion of staffing requirements.

**Training Courses  
Given SEC Employees**

Training Courses Attended by SEC Personnel (note a)

	Fiscal year				
	1977	1978	1979	1980	1981
<b>Accountants:</b>					
FASB/APB review				x	x
Accounting and auditing update and workshop		x		x	x
SAS review				x	x
Accounting for income taxes		x			
Audit evidence		x			
Financial statement disclosure		x			
<b>Attorneys:</b>					
Trial of securities cases				x	x
Trial advisory skills			x	x	x
Rules of evidence		x		x	x
Right to financial privacy act					x
Enforcement staff training				x	x
<b>Data processing professionals:</b>					
Data communications	x				
Shadow II		x			
<b>Professional staff:</b>					
Zero-based budget course	x				
Interpersonal communications	x				
Economics and securities industry			x		
Auditing workshop			x		
<b>Support staff:</b>					
Refresher typing					x
Citing and typing the law					x
Basic English review		x			x
Letter writing for secretaries					x
Career development				x	x
Interpersonal communications			x	x	x
Communication skills I, II	x			x	
Refresher shorthand				x	
Fundamentals of office practice			x		
Introductory typing	x	x			
Introductory shorthand		x			
Advanced typing	x				
Introduction to ADP				x	
<b>Supervisors and managers:</b>					
Understanding and managing human behavior					x
Performance appraisal, coaching and counseling					x
Time management					x
CSRA/Merit pay orientation					x
Recruitment and employment of handicapped				x	x
Merit pay and performance appraisal				x	
Senior executive training		x			
Manager role in EEO	x				
Supervisory workshop	x				
<b>All staff:</b>					
Performance appraisal workshop					x
Cardiopulmonary resuscitation				x	x
SEC revised conduct regulation				x	
Pre-retirement planning			x		
Sign language		x			
Introduction to ADP		x			

a/Data provided by SEC.

**Summary of Nonsalary  
Expenses from  
1977 - 1981**

Other Expenses Incurred  
(By Program) (note a)

	<u>Fiscal year</u>			
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
Full disclosure	\$3,174,000	\$3,360,036	\$3,415,996	\$3,647,142
Prevention and suppression of fraud	6,715,000	7,136,904	7,433,455	7,817,423
Regulation of securities markets	2,161,392	2,430,987	2,900,966	2,979,439
Public utility holding company regulation	165,000	187,690	166,386	182,574
Investment management regulation	1,364,000	1,805,265	1,668,997	1,768,818
Legal services	370,000	1,171,073	1,456,980	1,399,976
Economic and statistical research	374,000	396,654	348,267	369,855
Program direction	2,214,000	1,742,784	1,975,940	2,070,669

a/Budget estimate submitted to the Congress.