



**U.S. COMMODITY FUTURES TRADING COMMISSION  
OFFICE OF INSPECTOR GENERAL**

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**TO:** Heath P. Tarbert, Chairman  
Brian D. Quintenz, Commissioner  
Rostin Behnam, Commissioner  
Dawn Stump, Commissioner  
Dan M. Berkovitz, Commissioner

**FROM:** A. Roy Lavik, Inspector General *ARL/R*

**DATE:** September 21, 2020

**SUBJECT:** Inspector General's Assessment of the Most Serious Management and Performance Challenges Facing the Commodity Futures Trading Commission FY 2020

The Reports Consolidation Act of 2000 (RCA)<sup>1</sup> authorizes the CFTC to consolidate financial and performance management reports and to provide information in a meaningful and useful format for Congress, the President, and the public. The RCA requires the Inspector General to summarize the “most serious management and performance challenges facing the agency” and briefly assess the Agency’s progress in addressing those challenges.<sup>2</sup> This memorandum fulfills our duties under the RCA.

To complete our assessment we relied on data contained in the CFTC financial statement audit and Agency Financial Report, representations by agency management, and our knowledge of industry trends and CFTC operations. The Government Performance and Results Modernization Act of 2010 defines major management challenges as “programs or management functions, within or across agencies, that have greater vulnerability to waste, fraud, abuse, and mismanagement (such as issues identified by the Government Accountability Office as high risk or issues identified by an Inspector General) where failure to perform well could seriously affect the ability of an agency to achieve its mission or goals.”<sup>3</sup>

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<sup>1</sup> [P.L. 106-531](#), § 3, 114 STAT. 2537 (Nov. 22, 2000), codified at 31 USC § 3516(a).

<sup>2</sup> *Id.*

<sup>3</sup> [P.L. 111-352](#), § 3, 124 STAT. 3870 (Jan. 4, 2011), codified at 31 U.S.C. § 1115(h)(5).

## **CFTC's Progress on Last Year's Management and Performance Challenges**

For [FY2019](#) the OIG identified management and performance challenges in the areas of cybersecurity, information technology (IT) modernization, data governance, stress-testing, and management's ability to enhance its business operations to lower cost. We acknowledge CFTC's dedication and responsiveness to enhancing information security practices for its community and its internal practices, respectively. We also acknowledge management's numerous [strategic goals](#)<sup>4</sup> and actions dedicated toward market risk management and to improving operational effectiveness.

### **Fiscal Year 2020 Management and Performance Challenges**

For FY 2020, we merely reiterate our FY 2019 challenges for information technology (IT) modernization and data governance and further recognize newly established positions for a Chief Information Officer and a Chief Data Officer. My office will continue to undertake work that addresses these challenges and I look forward to renewed IT specific strategic plans as they are made transparent.

**Cc:** Anthony Thompson, Chief Management Officer  
Jaime Klima, Chief of Staff  
Kevin S. Webb, Chief of Staff  
John Dunfee, Chief of Staff  
Daniel J. Bucsa, Chief of Staff  
Erik F. Remmler, Chief of Staff

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<sup>4</sup> Strategic Plan 2020 – 2024.