

Request for Records Disposition Authority

Records Schedule Number DAA-0266-2017-0009

Schedule Status Approved

Agency or Establishment Securities and Exchange Commission

Record Group / Scheduling Group Records of the Securities and Exchange Commission

Records Schedule applies to Major Subdivision

Major Subdivision Office of Financial Management (OFM)

Schedule Subject Disgorgement Records

Internal agency concurrences will be provided No

Background Information

The Office of Financial Management (OFM) administers the financial management and budget functions of the SEC. Its activities include financial reporting, cash management, accounting, fee and debt collections, travel policy development, and oversight and budget justification and execution.

The Program Receivables Division of OFM supports the SEC's missions to collect and account for Disgorgement and Penalty debt through two of its branches. The Enforcement Treasury Operations Branch and the Enforcement Audit and Data Integrity Branch. The Enforcement Treasury Operations Branch is comprised of three teams:

- Distributions Team: Acts as the liaison between the Office of Distributions in the Division of Enforcement and the SEC's Shared Service Provider, ESC. The members of this team are responsible for processing, verifying and validating information related to distributions to harmed parties and related administrative payments.
- Collection Team: Responsible for processing collections received from Enforcement debtors by identifying corresponding accounts receivables and providing posting instructions to ESC. This team also calculates and provides payoff calculations on outstanding Enforcement debts.
- Reporting Team: Responsible for processing and reconciling disgorgement balances invested in U.S. Treasury securities, processing collections for Non-SEC debts, referring applicable debts to Treasury for offset and servicing, and recording discharges and terminations. This team is also responsible for analyzing disgorgement and penalty related accounting information and providing information needed for internal and external reviews. The Enforcement Audit and Data Integrity Branch ensures the accuracy and completeness of information related to the SEC's

substantial balances of disgorgement and penalty receivables through the following mechanisms:

- **Legal Document Management:** The branch uses the ImageNow application to obtain and manage all legal documents that are potentially relevant in establishing enforcement related accounts receivable transactions. ImageNow is also used to develop and transmit new accounts receivable and adjustment data entry requests to the SEC's shared service provider.
- **Legal Document Review:** The branch conducts thorough reviews of legal documents from civil court cases and administrative proceedings to determine if receivables should be established or adjusted.
- **Audit:** The branch audits all enforcement related accounts receivable transactions for accuracy and completeness before the transactions are submitted to the SEC's shared service provider for posting to the general ledger (Delphi).

Item Count

| Number of Total Disposition Items | Number of Permanent Disposition Items | Number of Temporary Disposition Items | Number of Withdrawn Disposition Items |
|-----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 1 | 0 | 1 | 0 |

GAO Approval

Outline of Records Schedule Items for DAA-0266-2017-0009

| Sequence Number | |
|-----------------|--------------------------------------------------------------------------------------------------------------------|
| 1 | Disgorgement Receivables from the Division of Enforcement Disposition Authority Number: DAA-0266-2017-0009-0001 |

Records Schedule Items

| Sequence Number | |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | <p data-bbox="365 410 1193 440">Disgorgement Receivables from the Division of Enforcement</p> <p data-bbox="365 463 1144 493">Disposition Authority Number DAA-0266-2017-0009-0001</p> <p data-bbox="365 517 1505 1478">Records of financial obligations related to disgorgement, penalties, fees and associated interests from the Division of Enforcement. These records ensure the accuracy and completeness of information related to the Division of Enforcement's substantial balances of disgorgement and penalty receivables. Records include, but are not limited to: -Legal documents that are potentially relevant in establishing Enforcement related accounts receivable transactions. New accounts receivable and adjustment data entry requests to the SEC's shared service provider. -Reviews of legal documents from civil court cases and administrative proceedings to determine if receivables should be established or adjusted. -Audits of enforcement related accounts receivable transactions for accuracy and completeness before the transactions are submitted -Information about debtors and their associated debts/obligations; -Payments submitted by debtors and appropriately allocating those payments to their debts; -Referrals of overdue debtors/obligations for collection; -Records supporting financial reporting processes, to include the generation of debtor payment history and payoff balance reports; -Records related to the processing, verifying and validating of distributions to harmed parties and related administrative payments; -The processing of collections received from Division of Enforcement debtors by identifying corresponding accounts receivables and providing posting instructions to ESC; -Payoff calculations on outstanding Enforcement debts; -Processing and reconciling disgorgement balances invested in U.S. Treasury securities; -Recording and tracking collections made to external parties (i.e. a court, a receiver, or other third party) pursuant to an SEC civil or administrative action; -Referring applicable debts to Treasury for offset and servicing; -Recordings of discharges and terminations; -Analysis of disgorgement and penalty accounting information; -Records needed for internal and external reviews</p> <p data-bbox="365 1502 925 1532">Final Disposition Temporary</p> <p data-bbox="365 1555 860 1585">Item Status Active</p> <p data-bbox="365 1608 828 1638">Is this item media neutral? Yes</p> <p data-bbox="365 1661 828 1776">Do any of the records covered by this item currently exist in electronic format(s) other than e-mail and word processing? Yes</p> <p data-bbox="365 1800 828 1889">Do any of the records covered by this item exist as structured electronic data? Yes</p> |

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|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Disposition Instruction | |
| Cutoff Instruction | Cut off at the end of the calendar year after debt is paid in full, compromised, or discharged, or 15 years have elapsed with no financial activity other than recurring post judgment interest, whichever comes first. |
| Retention Period | Destroy 10 year(s) after cutoff |
| Additional Information | |
| GAO Approval | Not Required |

Agency Certification

I hereby certify that I am authorized to act for this agency in matters pertaining to the disposition of its records and that the records proposed for disposal in this schedule are not now needed for the business of the agency or will not be needed after the retention periods specified.

Signatory Information

| Date | Action | By | Title | Organization |
|------------|------------------------|------------------|--------------------------------------------|----------------------------------------------------------------------------------------------|
| 04/03/2017 | Certify | Curt Francisco | Records Officer | Office of Support - Office of Records Management Services |
| 10/24/2017 | Submit for Concurrency | Andreea Vlaicu | Archives Specialist | National Archives and Records Administration - RDTP2 Archives II Processing Section |
| 10/24/2017 | Concur | Margaret Hawkins | Director of Records Management Services | National Records Management Program - ACNR Records Management Services |
| 10/24/2017 | Concur | Margaret Hawkins | Director of Records Management Services | National Records Management Program - ACNR Records Management Services |
| 10/25/2017 | Approve | David Ferriero | Archivist of the United States | Office of the Archivist - Office of the Archivist |