



U.S. COMMODITY FUTURES TRADING COMMISSION

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Office of the
Inspector General

May 8, 2017

TO: Chairman J. Christopher Giancarlo
Commissioner Sharon Y. Bowen

FROM: A. Roy Lavik 
Inspector General

SUBJECT: FY 2018 President's Budget

I am requesting \$2.8 million for the salaries and benefits of 9 FTEs, contracted audits and services, training, travel, and our annual contribution to CIGIE.¹ Of this figure, \$20,000 will satisfy all training requirements for my Office.

Our operating budget represents slightly less than 1% of the CFTC's request. It does not include funds for Agency-wide overhead. "Overhead" consists of spending on CFTC leases, administrative services such as expenses for contractors, and agency-wide training. Our intent is to submit an OIG budget request that is solely for funds under the control of, and to be spent directly by, the Office of the Inspector General.

We request that this be made explicit in the appropriation language – that agency overhead, however calculated and in whatever amount – is separate from *and in addition to* the OIG operating budget. This mirrors the Agency's intent as set forth in Appendix 3, Table 16. We believe that express language to this effect will avoid confusion and reserve to the Agency maximum flexibility to manage Agency-wide overhead, while ensuring compliance with the Inspector General Act.

Attachment

cc:

Mary Jean Buhler, CFO
Joel Mattingley, Budget Officer

¹ On April 24, 2017, we submitted a request of \$3.0 million. Shortly thereafter, we received our FY 17 appropriation and the CFTC's calculation of overhead. We determined to reduce our FY 18 request.

Attachment for Inspector General's Budget Request:

Direct Costs (\$)	OIG Request
Salaries and Benefits	2,325,600
Travel	46,000
Training	20,000
Contract Audits	250,000
Contract Services	150,000
Subtotal Direct Costs	\$ 2,791,600
CIGIE Contribution (estimate of .3% of subtotal above)	8,400
Total Direct OIG Costs	\$ 2,800,000

FTE

9