

# GAO Highlights

Highlights of [GAO-16-434](#), a report to congressional committees

## Why GAO Did This Study

The CFTC regulates certain financial markets, and the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) expanded its regulatory responsibilities. Prior to enactment of the Dodd-Frank Act, in anticipation of these increased responsibilities, the agency began planning for more space to accommodate additional staff in each of four office locations.

GAO was asked to review CFTC's staffing, leasing practices, and costs. This report examines: (1) the extent to which CFTC made cost-effective decisions and used leading government guidance in planning for additional space in fiscal years 2008 through 2015 and (2) potential options to improve the cost-effectiveness of CFTC's future leasing. GAO (1) reviewed applicable federal laws, regulations, and guidance that apply to real property leasing and CFTC's space-planning documents and leases for the fiscal years 2008 through 2015; (2) analyzed data and conducted interviews with key officials from CFTC and GSA; and (3) visited all four CFTC offices.

## What GAO Recommends

To help ensure cost-effective leasing decisions, GAO recommends that CFTC (1) ensure that its revised leasing policies and procedures incorporate leading government guidance and (2) establish a timeline for evaluating and documenting options to potentially improve space utilization and reduce leasing costs. CFTC generally concurred with GAO's recommendations but noted that it would not be able to take actions to reduce lease costs in the near term.

View [GAO-16-434](#). For more information, contact Dave Wise at (202) 512-5731 or [wised@gao.gov](mailto:wised@gao.gov).

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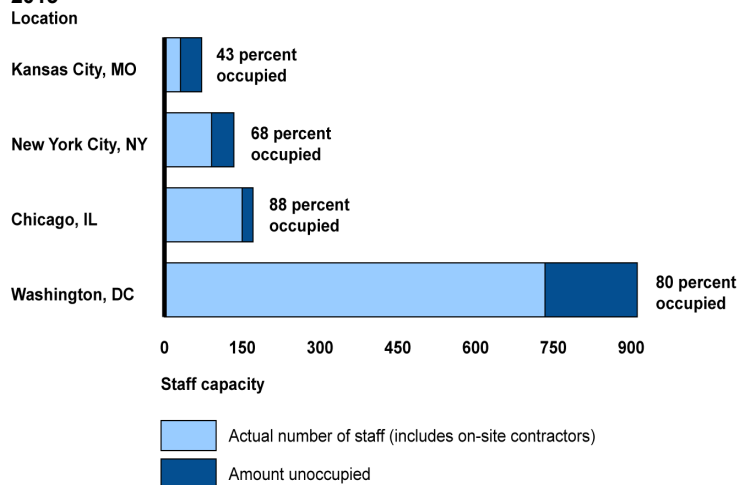
## FEDERAL REAL PROPERTY

### Commodity Futures Trading Commission Needs Better Leasing Guidance to Improve Cost-effectiveness

## What GAO Found

The Commodity Futures Trading Commission (CFTC) did not make cost-effective decisions consistent with leading government guidance for lease procurement and internal controls when planning for additional space in fiscal years 2008–2015. CFTC began planning for expansion in the fiscal year 2009 time frame—more than a year before the enactment of the Dodd-Frank Act in July 2010. CFTC renewed leases and expanded space in its Washington, D.C., headquarters and three regional offices in anticipation of receiving funding to hire additional staff but did not receive the amounts requested. As a result, CFTC has lease obligations for currently unused space some of which extends through 2025. Overall, the total occupancy level for all four offices combined was about 78 percent as of the end of fiscal year 2015, and each office has different occupancy levels, as shown in the figure below. CFTC has independent authority to lease real property, including office space. The two documents CFTC uses to guide the lease procurement process provide some high-level guidance on this process, but the documents do not establish specific policies and procedures to help ensure cost-effective decisions. By comparison, leading government guidance, from the General Services Administration (GSA) includes comprehensive details on lease procurement. The lack of this type of detail may have contributed to CFTC's making decisions that were not cost-effective.

Commodity Futures Trading Commission's Space Utilization by Office Location, Fiscal Year 2015



Source: GAO analysis of Commodity Futures Trading Commission space allocation data. | GAO-16-434

GAO identified several potential options that CFTC may pursue now and in the future to increase space utilization and improve the cost-effectiveness of its leasing arrangements: (1) relocating offices to less costly locations, (2) reducing office space requirements through enhanced telework, and (3) consolidating two regional offices—Kansas City and Chicago. CFTC officials told GAO that these options may not be feasible; however, the officials have not fully assessed these options or their potential for improving cost-effectiveness and do not have a timeline for doing so.