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Allan S. Mostoff, Director
Division of Investment Management Regulation

Sydney H. Mendelsohn, Assistant Director
Division of Investment Management Regulation

Proposed Training Program for the 1974 Fiscal Year to be Given
by the Office of Compliance

The Office of Compliance proposes to expend one man-year during the 1974 Fiscal Year for training purposes. The contemplated program consists mainly of training for regional office personnel but also includes (1) three three day seminar programs with industry groups and (2) a training course for all interested headquarters personnel. The program is varied and will consist of formal sessions, group discussions, cross-training, and on-the-job types of training. In addition, improved methods of keeping regional office personnel informed of current Commission, Division, and Office decisions, policies and important activities will be developed. The following is the proposed program in detail:

1. Formal Training

a. Regional Offices

Each regional office will receive a one-week series of lectures on basic investment company matters, except that if any office has recently had such a course, the week will be devoted to a series of lectures on the Investment Company Amendments Act of 1970 and the Investment Advisers Act. Only the Washington Regional Office has had training in the latter two areas.

b. Headquarters Personnel

A ten-session course on Investment Company matters will be given for Headquarters personnel. The sessions will be scheduled from time-to-time during the year and each will be approximately 2 hours in duration.

2. Discussion Groups

Three three-day discussion programs with representatives from the legal, accounting, and securities industry as well as from other regulatory and self-regulatory bodies are planned. They are tentatively planned to be held in New York, Chicago, and Los Angeles and

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will cover Investment Company and related matters. Senior personnel from the Commission's regional offices will be asked to assist in this venture and encouraged to attend.

3. Cross-Training

The regional offices will be requested to send their most senior investment company and investment adviser personnel to the Office of Compliance for one-week cross-training sessions. A schedule will be set up so that only one such person will be involved at any time. During these visits, such persons will review reports submitted by other offices, observe and review the functions of other Commission Divisions and Offices, review and observe the application for exemption process, and actually participate in other current activities of the Division.

Personnel of the Division will visit regional offices in exchange, and participate in investment company and investment adviser examinations, investigations, and related functions.

This type of training is extremely important and should foster a better awareness of the examination and regulation programs. It should also result in improved communications and relations between Regional Office and Division personnel, and develop a better understanding of investment company and investment adviser activities.

4. On-the-Job Training

On-the-job training techniques, particularly in examination procedures will be improved. Standards will be devised so that levels of knowledge and abilities can be measured and will be consistent throughout the Commission. The standards will be set up primarily by senior level regional office personnel so that they will be realistic. Personnel from regional offices which do not have experienced personnel available to give on-the-job training will be temporarily sent to regional offices where such training is available. In the alternative, experienced personnel from certain regional offices will be temporarily assigned to other regional offices for the purpose of giving such training.

5. Communicating Current Decisions, Actions, Policies, etc.

Methods of communicating current decisions, actions, policies, etc. involving investment company and investment adviser matters, to the regional offices will be improved. Such items originating from the Division of Corporation Finance and the Division of Enforcement along with items from this Division will be routed through a central source and will be more closely monitored.