



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

Three Lafayette Centre
1155 21st Street, NW, Washington, DC 20581

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

FROM: Miguel A. Castillo, *CPA, CRMA*
Assistant Inspector General for Auditing

DATE: October 28, 2020

SUBJECT: Audit of the CFTC Customer Protection Fund Financial Statements
(Fiscal Year 2020)

Annually the Office of the Inspector General (OIG) engages an independent public accountant (IPA) to perform a required audit of the CFTC Customer Protection Fund (Fund) financial statements. The balance of the Fund¹ as of September 30, 2020, was \$117,027,972. We contracted Allmond & Company, LLC (Allmond & Co.) to audit the financial statements of the Fund as of September 30, 2020, and for the year then ended, to provide negative assurance on internal control and compliance with laws and regulations for financial reporting. We required that the audit be done in accordance with *U.S. Generally Accepted Government Auditing Standards (GAGAS)*.

In its audit of the Fund, Allmond & Co. found:

- The financial statements were fairly presented, in all material respects, in conformity with *U.S. Generally Accepted Accounting Principles*.

In connection with the contract, we reviewed Allmond & Company's report and related documentation and inquired of its representatives. Our review, as differentiated from an audit of the financial statements in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, opinions on CFTC's financial statements or internal control over financial reporting, or on compliance with laws and other matters. Allmond & Co. is responsible for the attached auditor's report dated October 14, 2020 and the conclusions expressed therein. However, our review disclosed no instances where Allmond & Co. did not comply, in all material respects, with GAGAS.

¹ Total net position.

Attached is a copy of Allmond & Co.'s unmodified (clean) opinion. Please call me if any questions at (202) 418-5084.

Cc:

Jamie Klima, Chief of Staff
Kevin S. Webb, Chief of Staff
John Dunfee, Chief of Staff
Daniel Bucsa, Chief of Staff
Erik Remmler, Chief of Staff
Christopher Ehrman, Director, Whistleblower Office
Anthony C. Thompson, Chief Management Officer
Joel Mattingley, Chief Financial Officer
Keith A. Ingram, Accounting Officer
John Rogers, Senior Advisor
A. Roy Lavik, Inspector General
Judith A. Ringle, Deputy Inspector General and Chief Counsel



Independent Auditors' Report

Chairman and Inspector General of
U.S. Commodity Futures Trading Commission:

Report on the Financial Statements

We have audited the accompanying financial statements of the U.S. Commodity Futures Trading Commission (CFTC) Customer Protection Fund (CPF), which comprise the balance sheets as of September 30, 2020 and 2019; the related statements of net cost, changes in net position, and budgetary resources for the fiscal years then ended; and the related notes to the financial statements (hereinafter referred to as the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the fiscal year 2020 and 2019 financial statements of CPF based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 19-03, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 19-03 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of U.S. Commodity Futures Trading Commission Customer Protection Fund as of September 30, 2020 and 2019, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

The information in CPF's Annual Report to Congress and the Cash Flow Analysis are not a required part of the basic financial statements, but are supplementary information required by the Dodd-Frank Wall Street Reform and Consumer Protection Act. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of CPF's financial statements. However, we did not audit this information and, accordingly, we express no opinion on it.

Other Reporting Required by Government Auditing Standards

Internal Control over Financial Reporting

In planning and performing our audit of CPF's financial statements as of and for the year ended September 30, 2020, in accordance with generally accepted government auditing standards, we considered CPF's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CPF's internal control over financial reporting. Accordingly, we do not express an opinion on CPF's internal controls over financial reporting. We limited internal control testing to those necessary to achieve the objectives described in OMB Bulletin No. 19-03. We did not test all internal control relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatement on a timely basis. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose as described in the first paragraph of this section, and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our fiscal year 2020 audit we did not identify any deficiencies in internal control over financial reporting that we considered to be a material weakness, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CPF's fiscal year 2020 financial statements are free of material misstatements, we performed tests of CPF's compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements, which noncompliance could have a direct and material effect on the determination of material amounts and disclosures in CPF's financial statements, and certain provisions of other laws specified in OMB Bulletin No. 19-03. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests of compliance as described in the preceding paragraph, disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 19-03.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication described in the Other Reporting Required by Government Auditing Standards section is solely to describe the scope of our testing of internal control and compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on the effectiveness of CPF's internal control or on compliance. This communication is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal controls and compliance with laws, regulations, contracts, and grant agreements which could have a material effect on CPF's financial statements. Accordingly, this communication is not suitable for any other purpose.

Allmond & Company, LLC

Lanham, MD
October 14, 2020



FINANCIAL STATEMENTS FOR THE CUSTOMER PROTECTION FUND REPORT TO CONGRESS

as of September 30, 2020

**U.S. COMMODITY FUTURES TRADING COMMISSION
CUSTOMER PROTECTION FUND REPORT TO CONGRESS: FINANCIAL STATEMENTS**

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COMMODITY FUTURES TRADING COMMISSION
CUSTOMER PROTECTION FUND
BALANCE SHEETS
AS OF SEPTEMBER 30, 2020 AND 2019

	2020	2019
ASSETS		
Intragovernmental:		
Fund Balance With Treasury (Note 2)	\$ 5,351,553	\$ 13,148,336
Investments (Note 3)	117,000,000	141,300,000
Prepayments	9,685	221,818
Total Intragovernmental	122,361,238	154,670,154
Accounts Receivable, Net	842	-
General Property, Plant and Equipment, Net (Note 4)	7,161	50,126
TOTAL ASSETS	\$ 122,369,241	\$ 154,720,280
LIABILITIES		
Intragovernmental:		
Employer Contributions and Payroll Taxes Payable	44,970	28,667
Total Intragovernmental	44,970	28,667
Accounts Payable	1,234,029	8,670,172
Accrued Payroll	174,343	112,825
Annual Leave	260,900	189,308
Liability for Whistleblower Awards (Note 5)	3,627,027	20,280,146
Total Liabilities	\$ 5,341,269	\$ 29,281,118
Contingent Liabilities (Note 6)		
NET POSITION		
Cumulative Results of Operations - Funds from Dedicated Collections	\$ 117,027,972	\$ 125,439,162
Total Net Position	\$ 117,027,972	\$ 125,439,162
TOTAL LIABILITIES AND NET POSITION	\$ 122,369,241	\$ 154,720,280

The accompanying notes are an integral part of these financial statements.

**COMMODITY FUTURES TRADING COMMISSION
CUSTOMER PROTECTION FUND
STATEMENTS OF NET COST
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	2020	2019
NET COSTS OF OPERATIONS		
Gross Costs	\$ 9,494,170	\$ 36,104,893
TOTAL NET COST OF OPERATIONS	\$ 9,494,170	\$ 36,104,893

The accompanying notes are an integral part of these financial statements.

**COMMODITY FUTURES TRADING COMMISSION
CUSTOMER PROTECTION FUND
STATEMENTS OF CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	2020	2019
CUMULATIVE RESULTS OF OPERATIONS		
BEGINNING BALANCES, OCTOBER 1	\$ 125,439,162	\$ 158,337,598
BUDGETARY FINANCING SOURCES:		
Nonexchange Interest Revenue	1,082,980	3,206,457
Total Financing Sources	1,082,980	3,206,457
Net Cost of Operations	(9,494,170)	(36,104,893)
Net Change	(8,411,190)	(32,898,436)
TOTAL CUMULATIVE RESULTS OF OPERATIONS, SEPTEMBER 30	\$ 117,027,972	\$ 125,439,162

The accompanying notes are an integral part of these financial statements.

**COMMODITY FUTURES TRADING COMMISSION
CUSTOMER PROTECTION FUND
STATEMENTS OF BUDGETARY RESOURCES
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	2020	2019
BUDGETARY RESOURCES		
Unobligated Balance from Prior Year Budget Authority, Net (Note 7)	\$ 143,572,792	\$ 159,272,922
Spending Authority from Offsetting Collections	1,019,085	3,024,893
TOTAL BUDGETARY RESOURCES	\$ 144,591,877	\$ 162,297,815
STATUS OF BUDGETARY RESOURCES		
New Obligations and Upward Adjustments	\$ 26,250,571	\$ 20,862,226
Unobligated Balance, End of Year		
Apportioned, Unexpired Accounts	118,341,306	141,435,589
Unobligated Balance, End of Year (Total)	118,341,306	141,435,589
TOTAL BUDGETARY RESOURCES	\$ 144,591,877	\$ 162,297,815
OUTLAYS, NET		
AGENCY OUTLAYS, NET	\$ 32,096,783	\$ 10,345,063

The accompanying notes are an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

Note 1. Summary of Significant Accounting Policies

A. Reporting Fund

The Commodity Futures Trading Commission (CFTC or the Commission) is an independent agency of the executive branch of the Federal Government. Its mission is to “protect market users and the public from fraud, manipulation, and abusive practices related to the sale of commodity futures and options, and to foster open, competitive, and financially sound commodity futures and options markets.”

On July 21, 2010, the “Dodd-Frank Wall Street Reform and Consumer Protection Act” (the Dodd-Frank Act, or the Act) was signed into law, significantly expanding the powers and responsibilities of the CFTC. According to Section 748 of the Act, there is established in the Treasury of the United States a revolving fund known as the “Commodity Futures Trading Commission Customer Protection Fund” (the Fund). The Fund shall be available to the Commission, without further appropriation or fiscal year limitation, for a) the payment of awards to whistleblowers; and b) the funding of customer education initiatives designed to help customers protect themselves against fraud or other violations of this Act or the rules and regulations thereunder.

The Act requires CFTC to transmit to the Committee on Agriculture, Nutrition and Forestry of the Senate, and the Committee on Agriculture of the House of Representatives a report which includes a complete set of audited financial statements and supplementary information, including balance sheet, income statement, and cash flow analysis, no later than October 30, of each year.

B. Basis of Presentation

The financial statements have been prepared to report the financial position and results of operations for the Fund, as required by the Dodd-Frank Act. These statements have been prepared from the Fund’s books and records, which are a component of the Commission’s books and records, in conformity with U.S. generally accepted accounting principles (GAAP), as prescribed for the Federal government by the Federal Accounting Standards Advisory Board (FASAB) and in accordance with the form and content requirements contained in Office of Management and Budget (OMB) Circular A-136, *Financial Reporting Requirements*, as amended. Accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

The Fund was established in July 2010 and funded by transfers from CFTC’s Civil Monetary Penalties, Fines and Administrative Fees receipt account. These transfers do not meet the criteria of reportable revenue as defined by the Statement of Federal Financial Accounting Standards (SFFAS) 7, *Accounting*

for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting.

The financial statements report on the Fund's financial position, changes in net position, net cost and budgetary resources. The books and records of the Fund served as the source of information for preparing the financial statements in the prescribed formats. All Fund financial statements and reports used to monitor and control financial resources are prepared from the same books and records. The statements should be read with the understanding that they relate to a fund controlled by CFTC, a component of the U.S. Government, a sovereign entity.

The Balance Sheet presents the financial position of the Fund. The Statement of Net Cost presents the Fund's operating results. The Statement of Changes in Net Position displays the changes in the Fund's net position, and the Statement of Budgetary Resources shows the spending authority of the Fund derived from eligible deposits of civil monetary collections.

C. Fund Balance with Treasury

Fund Balance with Treasury is the aggregate amount of the Fund's balance with the U.S. Treasury. The balance in the Fund is available to pay current liabilities and finance authorized operations.

The Fund does not maintain bank accounts of its own, has no disbursing authority, and does not maintain cash held outside of Treasury. Treasury makes disbursements for the Fund.

D. Investments in U.S. Government Securities

The CFTC has authority to invest amounts in the Customer Protection Fund in market-based U.S. Treasury securities. Market-based Treasury securities are debt securities that the U.S. Treasury issues to Federal entities without statutorily determined interest rates. Although the securities are not marketable, the terms (prices and interest rates) mirror the terms of marketable Treasury securities. Investments are carried at their historical cost basis which approximates fair value due to their short-term nature.

The interest earned on the investments is a component of the Fund and is available to be used for expenses of the Fund. Additional details regarding investments are provided in Note 3. Investments.

E. General Property, Plant and Equipment, Net

The Commission capitalizes assets annually if they have useful lives of at least two years and an individual value of \$25,000 or more. Bulk or aggregate purchases are capitalized when the individual useful lives are at least two years and the purchase is a value of \$25,000 or more. Property, plant and equipment that do not meet the capitalization criteria are expensed when acquired. Depreciation for equipment and amortization for software is computed on a straight-line basis using a 5-year life. The Commission's assets are valued net of accumulated depreciation or amortization.

As of September 30, 2020, the Commission has capitalized as software the costs for development of a website for the CFTC Whistleblower Office. Additional details regarding general property, plant, and equipment are provided in Note 4. General Property, Plant and Equipment, Net.

F. Liabilities

The Fund's liabilities consist of actual and estimated amounts that are likely to be paid as a result of transactions covered by the Whistleblower Incentives and Protection regulation, and will be paid from available balances remaining in the Fund. In addition, the salaries and operating expenses of the Whistleblower's Office and Office of Customer Education and Outreach were funded through the Fund. Total accrued payroll is composed of amounts to be paid to Fund employees as well as the related intragovernmental payable for employer contributions and payroll taxes. The accrued annual leave liability is the amount owed to employees for unused annual leave as of the end of the reporting period. At the end of each quarter, the balance in the accrued annual leave account is adjusted to reflect current balances and pay rates. Sick leave and other types of non-vested leave are expensed as taken. The Fund's liabilities are considered current liabilities.

G. Funds from Dedicated Collections

The Fund contains dedicated collections that can only be used to operate a whistleblower program and support customer education initiatives. See Note 1.A. for a description of the purpose of the Fund and its authority to use the revenues and other financing sources. Deposits into the Fund are credited from monetary sanctions collected by the Commission in covered judicial or administrative actions not otherwise distributed to victims of a violation of the Dodd-Frank Act or the rules and regulations underlying such action, unless the balance of the Fund at the time the monetary judgment is collected exceeded \$100 million. No new legislation was enacted as of September 30, 2020, that significantly changed the purpose of the dedicated collections or redirected a material portion of the accumulated balance.

H. Revenues and Other Financing Sources

The CFTC Customer Protection Fund is funded through monetary sanctions resulting from judicial or administrative action brought by the Commission under the Commodity Exchange Act. All collections are deposited into a receipt account. Eligible collections are transferred into the Fund from the CFTC's Civil Monetary Penalties, Fines and Administrative Fees receipt account.

Congress enacted the Dodd-Frank Act that provides the CFTC with the authority to establish the Fund. The Fund is available to the Commission, without further appropriation or fiscal year limitation. These funds are considered financing sources under U.S. Treasury Department guidelines. Per the Act, no sanction collected by the Commission can be deposited into the Fund if the Fund's balance exceeds \$100 million. The CFTC may request the Secretary of the Treasury to invest Fund amounts in Treasury

obligations. No eligible collections have been transferred into the Fund since it reached its legislative maximum during fiscal year (FY) 2014.

I. Intra- and Inter-Agency Relationships

The CFTC is an independent Federal agency. The Commodity Futures Trading Commission Customer Protection Fund is a fund within the CFTC, and these financial statements present a segment of the CFTC financial activity. The financial events of the Fund are consolidated into the CFTC annual financial statements.

J. Use of Management Estimates

In addition to accruals for goods and services, management estimates were used to calculate overhead expenses in the amount of \$1,163,398 and \$1,487,000 that were allocated to the Fund for the years ended September 30, 2020, and 2019. These amounts were derived by multiplying management's estimated overhead cost per full-time equivalent (FTE) by the number of FTE charged to the Fund.

K. Limitations of the Financial Statements

The principal financial statements included in this report have been prepared to report the financial position and results of operations of the Fund, pursuant to the requirements of Section 748 of the Dodd-Frank Consumer Protection Act. While the statements have been prepared from the books and records of the CFTC in accordance with GAAP for Federal entities, these statements are in addition to the reports used to monitor and control the financial activity of the CFTC, which are prepared from the same books and records. The statements should be read with the understanding that they are for the Customer Protection Fund, a single fund within the CFTC.

Note 2. Fund Balance with Treasury

A. Reconciliation to Treasury

There are no differences between the fund balance reflected in the Fund's Balance Sheet and the balance in the Treasury account.

B. Fund Balance with Treasury

Fund Balance with Treasury as of September 30, 2020, and 2019, consisted of the following:

	2020	2019
Unobligated Fund Balance		
Available	\$ 2,021,560	\$ 751,948
Obligated Balance Not Yet Disbursed	3,329,993	12,396,388
TOTAL FUND BALANCE WITH TREASURY	\$ 5,351,553	\$ 13,148,336

Note 3. Investments

The CFTC invests amounts deposited in the Fund in overnight short-term Treasury securities. Treasury overnight certificates of indebtedness are issued with a stated rate of interest to be applied to their par amount, mature on the business day immediately following their issue date, are redeemed at their par amount at maturity, and have interest payable at maturity.

The overnight certificates are Treasury securities whose interest rates or prices are determined based on the interest rates or prices of Treasury-related financial instruments issued or trading in the market, rather than on the interest rates or prices of outstanding marketable Treasury securities. The Commission may invest in other short-term or long-term Treasury securities at management's discretion

The Commission's investments as of September 30, 2020, and 2019, were \$117,000,000 and \$141,300,000, respectively. Related nonexchange interest revenue for the years ended September 30, 2020, and 2019, was \$1,082,980 and \$3,206,457, respectively.

Intragovernmental Investments in Treasury Securities

The Federal Government does not set aside assets to pay future claims or other expenditures associated with funds from dedicated collections deposited into the Customer Protection Fund. The dedicated cash receipts collected by the Commission as a result of monetary sanctions are deposited in the U.S. Treasury, which uses the cash for general Government purposes. As discussed above and in Note 1.D., the Commission invests the majority of these funds in Treasury securities. These Treasury securities are an asset of the Commission and a liability of the U.S. Treasury. Because the Commission and the U.S. Treasury are both components of the Government, these assets and liabilities offset each other from the standpoint of the Government as a whole. For this reason, the investments presented by the Commission do not represent an asset or a liability in the U.S. Government-wide financial statements.

Treasury securities provide the Commission with authority to draw upon the U.S. Treasury to pay future claims or other expenditures. When the Commission requires redemption of these securities to make expenditures, the Government finances those expenditures out of accumulated cash balances, by raising taxes or other receipts, by borrowing from the public or repaying less debt, or by curtailing other expenditures. This is the same manner in which the Government finances all expenditures.

Note 4. General Property, Plant and Equipment, Net

Property, Plant and Equipment as of September 30, 2020, and 2019, consisted of the following:

2020			Accumulated	Net Book
Major Class	Service Life and Method	Cost	Amortization/ Depreciation	Value
IT Software	5 Years/Straight Line	\$ 214,824	\$ (207,663)	\$ 7,161
TOTAL GENERAL PROPERTY, PLANT, AND EQUIPMENT, NET		\$ 214,824	\$ (207,663)	\$ 7,161

2019			Accumulated	Net Book
Major Class	Service Life and Method	Cost	Amortization/ Depreciation	Value
IT Software	5 Years/Straight Line	\$ 214,824	\$ (164,698)	\$ 50,126
TOTAL GENERAL PROPERTY, PLANT, AND EQUIPMENT, NET		\$ 214,824	\$ (164,698)	\$ 50,126

Note 5. Liability for Whistleblower Awards

As mentioned in Note 1A, the Fund will be used to pay awards to whistleblowers if they voluntarily provide original information to the CFTC that leads to the successful enforcement by the CFTC of a covered judicial or administrative action in which monetary sanctions exceeding \$1 million are imposed. Whistleblowers are entitled to appeal any decisions by the Commission in regards to claims made against the Fund.

At the time the whistleblower voluntarily provides information to CFTC, they have no guarantee or promise that the Commission will exchange funds in return for that information. In accordance with federal accounting standards, the Commission records liabilities for these nonexchange transactions when they are due and payable. The Commission therefore records a liability for pending whistleblower payment after the whistleblower has been formally notified of an award and the related sanction, or some portion thereof, has been collected. The liability will be paid when the appeal period has ended and the whistleblower has provided necessary banking information. As of September 30, 2020, and September 30, 2019, the Commission recorded liabilities for pending payments to whistleblowers of approximately \$3,627,027 and \$20,280,146, respectively. During FY 2020, the Commission disbursed \$27,262,890 in whistleblower awards, which primarily consisted of approximately \$20,261,000 from pending payments and \$7,000,000 from accounts payable at the end of FY 2019. Accounts payable as of September 30, 2020, includes approximately \$413,000 for awards that have been finalized as of the end of FY 2020.

In addition to the pending payments to whistleblowers, the Commission had 18 additional whistleblower claims currently under review as of September 30, 2020. These additional claims, depending on whether the whistleblowers are determined to be eligible for an award and the related sanctions have been collected, could result in total future payments ranging from \$0 to \$43,152,147.

Note 6. Contingencies

Unasserted claims are actions or potential actions the Commission is aware of in which future events may result in claims against the Fund.

In accordance with Federal accounting standards, CFTC records contingent liabilities for any unasserted claim in which payment has been deemed probable and for which the amount of potential liability can be estimated. The Commission also discloses all claims for which payment is reasonably possible. There were no unasserted claims deemed probable or reasonably possible as of September 30, 2020.

Note 7. Statement of Budgetary Resources: Adjustments to Unobligated Balance Brought Forward, October 1

The Unobligated Balance Brought Forward from the prior fiscal year has been adjusted for recoveries of prior year paid and unpaid obligations. The Adjustments to Unobligated Balance Brought Forward, October 1, as of September 30, 2020, and 2019, consisted of the following:

	2020	2019
Unobligated Balance Brought Forward, October 1	\$ 141,435,589	\$ 158,949,546
Recoveries of Prior Year Obligations	2,137,203	323,376
UNOBLIGATED BALANCE FROM PRIOR YEAR BUDGET AUTHORITY, NET	\$ 143,572,792	\$ 159,272,922

Supplementary Schedule

**Commodity Futures Trading Commission
Customer Protection Fund
Cash Flow Analysis
For the Period from October 1, 2019 to September 30, 2020**

CASH AS OF OCTOBER 1, 2019		\$	13,148,336
Cash flows from operating activities			
Paid Expenses for Whistleblower and Consumer Education and Outreach Offices	\$	(33,179,763)	
Net cash flows from operating activities		\$	(33,179,763)
Cash flows from investing activities			
Redemptions of US Treasury Securities	\$	24,300,000	
Interest collected from investing in US Treasury Securities		1,082,980	
Net cash flows from investing activities		\$	25,382,980
Net increase/(decrease) in cash and cash equivalents			(7,796,783)
CASH AS OF SEPTEMBER 30, 2020		\$	5,351,553