

Council of Inspectors General on Financial Oversight Meeting

March 9, 2015
Main Treasury
Room 4436
Meeting Minutes

Council Members Present

Eric M. Thorson, Inspector General, U.S. Department of the Treasury, Chair
Mark Bialek, Inspector General, Board of Governors of the Federal Reserve System/Consumer Financial Protection Bureau
Fred Gibson, Acting Inspector General, Federal Deposit Insurance Corporation
James Hagen, Inspector General, National Credit Union Administration
Carl Hecker, Inspector General, U.S. Securities and Exchange Commission
Roy Lavik, Inspector General, Commodity Futures Trading Commission
David Montoya, Inspector General, U.S. Department of Housing and Urban Development
Laura Wertheimer, Inspector General, Federal Housing Finance Agency

Others Attending

Patrick Pinschmidt, Deputy Assistant Secretary, Financial Stability Oversight Council
Mark Stevens, Director of Operations, Financial Stability Oversight Council
Bryan Saddler, Principal Deputy Inspector General, Office of Inspector General, Federal Housing Finance Agency
Tara Lewis, Audit Director, Office of Inspector General, Federal Housing Finance Agency
Susan Marshall, Executive Director, Council of Inspectors General on Financial Oversight

The meeting was called to order at 10:02 a.m. by Chairman Eric Thorson. He thanked everyone for attending, especially keynote speakers Patrick Pinschmidt, Deputy Assistant Secretary, Financial Stability Oversight Council (FSOC), and Mark Stevens, Director of Operations, FSOC.

Next, Thorson called for consideration of the December CIGFO meeting minutes and asked members whether they had any corrections or additions to them. There being none, Thorson asked for a motion to approve the draft; it was motioned and the minutes were approved.

After approval of the minutes, Pinschmidt briefed members on current and future FSOC activities, during which time, there was a discussion about FSOC member agency cybersecurity efforts.

Following the FSOC briefing, the CIGFO audit leads gave a status update on the audit data collection and analysis processes.

Afterwards Thorson said the CIGFO Working Group Guidelines should be modified to reflect the CIGFO peer review procedures. Then he proposed, for consideration and approval, language, to clarify that CIGFO audit work performed by individual members would be subject to each respective member's external peer review. Bialek then asked for clarification with regards to the application of FOIA laws to CIGFO audits. In response members agreed that consistent and fair application of the law is paramount to CIGFO transparency. Thorson then motioned for approval of the proposal; Hoecker and Bialek seconded the motion, and it was unanimously approved.

Following the vote, Thorson informed the members of his meeting with International Monetary Fund staff, who were interested in learning more about CIGFO's governance structure and the CIGFO financial market utility audit recommendations. In addition, he talked about the status of the House mandated review to investigate whether the data reporting required by FSOC and OFR from financial and non-financial institutions, or any related entities which FSOC regulators or oversees, is duplicative of data required by other regulators. Thorson said he would provide members with regular review updates. At the conclusion of Thorson's remarks the members discussed recent Congressional activity related to the Dodd-Frank Act and the Inspector General Act of 1978.

Next, Montoya informed the group about ongoing concerns he and other law enforcement officials had about the implementation of integrated disclosure requirements for mortgage loan transactions. He said he would continue to keep members apprised of developments.

Thorson thanked the members for attending the meeting, and asked for a motion to adjourn, which was made and seconded. The Chairman adjourned the meeting at 11:20 a.m.