

Council of Inspectors General on Financial Oversight (CIGFO)

March 17, 2021

Conference Call

10:00 a.m.

Meeting Minutes

Council Members Present

Rich Delmar, Acting Chair, Acting Inspector General, Department of the Treasury

James Hagen, Inspector General, National Credit Union Administration

Jay Lerner, Inspector General, Federal Deposit Insurance Corporation (FDIC)

Carl Hoecker, Inspector General, U.S. Securities and Exchange Commission

Christy Goldsmith Romero, Inspector General, Special Inspector General for Troubled Asset Relief Program (SIGTARP)

Jason Derr, Counsel, Office of Inspector General (OIG), Board of Governors of the Federal Reserve System (Board)/Consumer Financial Protection Bureau (CFPB)

Judith Ringle, Deputy Inspector General and Chief Counsel, U.S. Commodity Futures Trading Commission

Christopher Fontanesi, Senior Attorney, U.S. Department of Housing and Urban Development OIG

Marla Freedman, Deputy Inspector General for Audit, Federal Housing Finance Agency (FHFA)

Guests

Jim Lisle, Audit Director, FHFA OIG

Terry Gibson, Assistant Inspector General for Program Audit and Evaluations, FDIC

Cindy Hogue, Senior Advisor to Inspector General, FDIC

Jenniffer Wilson, Deputy Special Inspector General for Audit, SIGTARP

Amy Altemus, Acting Counsel to the Inspector General, Department of the Treasury

Debbie Harker, Assistant Inspector General for Audit, Department of the Treasury

Susan Barron, Deputy Assistant Inspector General for Audit, Department of the Treasury

Andrew Berke, Senior Advisor, Department of the Treasury OIG

Jeffrey Hawkins, Audit Director, Department of the Treasury

Stephen Ledbetter, Director of Policy and Executive Director, Financial Stability Oversight Council (FSOC)

Samantha MacInnis, Director of Operations, FSOC

Dennis Lee, Management and Program Analyst, FSOC

Mark Schlegel, Attorney Advisor, Department of the Treasury

At 10:01 a.m. Rich Delmar, the Acting Chair, called the meeting to order and roll call was taken. He then asked for consideration of the December 16, 2020 meeting minutes and asked if the members had any corrections or additions to the draft. None were

noted. Mr. Delmar then called for a motion to approve, which was made by Mr. Lerner and seconded. The minutes were approved by unanimous consent.

Mr. Delmar then introduced Mr. Stephen Ledbetter, Director of Policy and Executive Director of FSOC. Mr. Ledbetter provided an overview of FSOC's internal structure and discussed, among other things, how the Council identifies and monitors issues and the process FSOC follows to include them in the annual report. Specifically, Section 5 of the annual report discusses vulnerabilities, emerging risks, and threats to the financial system and FSOC recommendations. Mr. Ledbetter also discussed the Coronavirus Disease 2019 pandemic and impact on FSOC activities such as increased monitoring of market issues and an increase in the frequency of FSOC committee meetings. Some questions were asked by members regarding FSOC's use of modeling and identification of risk magnitude.

Terry Gibson, FDIC, and Jenniffer Wilson, SIGTARP, provided an update on the CIGFO Working Group (WG) Project on Forward Looking Guidance for Crisis Readiness for FSOC. The WG is collecting comments from the member OIGs on the initial draft sent out last month. Once all the comments are collected and incorporated into the report, a second draft will be sent out for review with a quicker turnaround. The WG will then finalize the discussion draft to issue to FSOC.

Jeffrey Hawkins, Treasury OIG, introduced this year's schedule for the CIGFO annual report. The report will cover the period of April 1, 2020 through March 31, 2021 and is expected to be issued in July.

Amy Altemus, Treasury OIG Acting Counsel, discussed recent legislative matters and other issues. Signed into law January 1, 2021, P.L. 116-283, the *National Defense Authorization Act for Fiscal Year 2021*, established several new provisions affecting Financial Crimes Enforcement Network programs. Division F of the law, amended requirements for anti-money laundering reporting and established additional whistleblower provisions. Also discussed was Executive Order (E.O.) No. 14018, *Revocation of Certain Presidential Actions*, which was signed February 24, 2021. This E.O. revoked E.O. 13772, *Core Principles for Regulating the United States Financial System*.

Mr. Delmar then opened up the meeting for discussion. Discussion was had on how offices are handling telework during the pandemic. A motion was made and seconded to adjourn and was approved by all.

The meeting adjourned at 11:00 a.m.