

Council of Inspectors General on Financial Oversight (CIGFO)
December 7, 2021
Video Conference Call
10:00 a.m.
Meeting Minutes

Council Members Present

Rich Delmar, Acting Chair, Deputy Inspector General, Department of the Treasury (Treasury)

James Hagen, Inspector General, National Credit Union Administration

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

Helen Albert, Deputy Inspector General, U.S. Securities and Exchange Commission

Melissa Bruce, Deputy Special Inspector General, Special Inspector General for Troubled Asset Relief Program

Mark Bialek, Inspector General, Board of Governors of the Federal Reserve System (Board)/Consumer Financial Protection Bureau

Rae Oliver Davis, Inspector General, U.S. Department of Housing and Urban Development (HUD)

Marla Freedman, Senior Audit Executive, Federal Housing Finance Agency (FHFA) Office of Inspector General (OIG)

Not Present

CFTC

Guests

James Lisle, Audit Director, FHFA OIG

Robert Taylor, Senior Advisor, FHFA OIG

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

Cynthia Hogue, Senior Advisor to Inspector General, FDIC OIG

Stacey Luck, Associate Counsel, FDIC OIG

Stephen Begg, Deputy Inspector General, HUD OIG

Christopher Fontanesi, Senior Attorney, HUD OIG

Amy Altemus, Acting Counsel to the Inspector General, Treasury OIG

Debbie Harker, Assistant Inspector General for Audit, Treasury OIG

Susan Barron, Deputy Assistant Inspector General for Audit, Treasury OIG

Andrew Berke, Senior Advisor, Treasury OIG

Jeffrey Hawkins, Audit Director, Treasury OIG

Camille Callender, Assistant Counsel, Treasury OIG

At 10:02 a.m. Rich Delmar, Acting Chair, called the meeting to order and welcomed everyone. He then asked for consideration of the September 9, 2021 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 and seconded. The minutes were approved by unanimous consent.

Mr. Delmar then introduced Ms. Terry Gibson, FDIC OIG who provided an update on the CIGFO Working Group (WG) Project on *Forward Looking Guidance for Crisis Readiness for the Financial Stability Oversight Council (FSOC)*. On Monday, November 29, 2021, FDIC OIG and Treasury OIG met with senior officials from the Treasury to discuss the report. Treasury requested additional time to prepare and submit additional documentation. The WG asked for confirmation that FSOC conferred with all members on the report and management response. Yesterday (December 6), Treasury confirmed that all FSOC members were consulted and that they were working on another response. The Co-leads will also send an email to all of the individual CIGFO WG participants summarizing this briefing. Also, the WG will prepare a separate request for FSOC to further explain their rationale as to their views regarding the authorities under the Dodd-Frank Wall Street Reform and Consumer Protection Act. Mr. Delmar informed the group that he will try to get an update on Friday during a regular meeting with Treasury counsel. Mr. Lerner expressed the need to obtain FSOC's position in writing. This group will need to decide how to proceed once we get the revised response.

Mr. James Lisle, FHFA OIG, then gave an update on the new CIGFO WG project, *Review of FSOC's and Its Member Agencies' Response to the Executive Order on Climate-Related Financial Risk*. The WG held an internal kick-off meeting on October 21. An entrance conference was held with FSOC on November 2 in which topics discussed included the project's objective and timeline. The WG started work in November and anticipates completing the field work in February. The plan is to report on the results in June. The WG is developing the audit plan using the framework in the Executive Order (EO) 14030. On December 6, the WG had another meeting with FSOC. FSOC is still working on implementing the staff committee discussed in the October 21 *Report on Climate-Related Financial Risk* and expects this to be complete by the end of the month. The external advisory committee will be formed afterwards. The next steps for the WG is to finalize the draft audit plan for circulation to all of the CIGFO members and begin executing field work. Questions and discussion were had regarding the WG's sense of the dedication and seriousness of FSOC and member agencies in addressing climate-related financial risk.

Ms. Camille Callender, Treasury OIG, gave a presentation to the group on EO 14030 and the *Roadmap to Build a Climate-Resilient Economy*. Discussed were the differences between physical and transition risks of climate change. Also discussed was FSOC's *Report on Climate-Related Financial Risk*. The presentation also included links and references to other useful documents. A few members requested copies of the presentation which will be sent to the whole group after the meeting.

Mr. Delmar then opened up the meeting for discussion.

A motion was made and seconded to adjourn and was approved by all.

The meeting adjourned at 10:35 a.m.