

Council of Inspectors General on Financial Oversight Meeting

Tuesday, November 30, 2010

Main Treasury

Room 4436

10:00 – 11:00 a.m.

Minutes

Council Members Present

The Honorable Eric M. Thorson, IG, Department of the Treasury, Chair
Elizabeth Coleman, IG, Board of Governors of the Federal Reserve
A. Roy Lavik, IG, Commodity Futures Trading Commission
Michael Stephens, Acting IG, Department of Housing and Urban Development
The Honorable Jon T. Rymer, IG, Federal Deposit Insurance Corporation
The Honorable Steve A. Linick, IG, Federal Housing Finance Agency
William DeSarno, IG, National Credit Union Administration
David Kotz, IG, Securities and Exchange Commission
The Honorable Neil Barofsky, Special IG for the Troubled Asset Relief Program

Others Attending

Carl Klinefelter, Vice Chair, Council of Inspectors General on Integrity and Efficiency
Tricia Hollis, CIGFO Executive Director

Guests

Dennis Schindel, Deputy IG, Department of the Treasury
Jeff Dye, Director of Banking, Office of Audit, Office of the IG, Department of the Treasury
Marshall Gentry, Acting Assistant IG for Inspections and Evaluations, Federal Deposit Insurance Corporation

The meeting was called to order by Chairman Thorson at 10:06 a.m.

Mr. Thorson welcomed Michael Stephens, Acting IG from HUD, and introduced Clint Klinefelter, Vice Chair, Council of Inspectors General on Integrity and Efficiency.

Mr. Thorson asked for consideration of the minutes from the October 21 CIGFO meeting. On a motion by Mr. DeSarno, seconded by Ms. Coleman, the minutes were approved.

Mr. Thorson called on Tricia Hollis, CIGFO Executive Director, to update the CIGFO members on recent activities of the Financial Stability Oversight Council (FSOC). Ms. Hollis provided updates on four FSOC initiatives – the rulemaking to establish criteria for designating non-bank financial institutions as systemically important and in need of supervision; the rulemaking to establish designation criteria for financial market utilities, the FSOC study on the Volcker rule, and the mortgage foreclosure issue.

Ms. Hollis also brought to the attention of the IG Council language from PL 111-203 that established the CIGFO, including the purpose of meetings and working groups.

Vice Chair Coleman emphasized the requirements in the law for working groups and indicated that she and John Rymer were working on guidelines for how working groups would be proposed and operate. These guidelines will be presented to the CIGFO membership for consideration at the January 2011 meeting.

Chairman Thorson introduced Dennis Schindel, Deputy IG at Treasury, who, along with Marshall Gentry, Acting Assistant IG for Inspections and Evaluations for FDIC, briefed the CIGFO members on a joint review currently underway by FDIC, the Federal Reserve Board and Treasury IGs of Prompt Regulator Action in connection with recent bank failures.

During open discussion, members of the CIGFO discussed other potential joint projects, oversight activities and monitoring of FSOC meetings. SIGTARP recommended that a letter be sent from CIGFO to FSOC requesting attendance at closed portions of FSOC meetings and that SIGTARP would be willing to represent the group at those meetings

The meeting was adjourned at 10:55 a.m.