

Council of Inspectors General on Financial Oversight

June 14, 2018

Main Treasury

Room 4436

10:00 a.m.

Meeting Minutes

Council Members Present

Eric M. Thorson, Chair

Helen Albert, Acting Inspector General, Department of Housing and Urban Development

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

Roderick Fillinger, Deputy Inspector General, U.S. Securities and Exchange Commission

Michael McCarthy, Counsel for the Inspector General, Federal Deposit Insurance Corporation (FDIC)

Robert Taylor, Assistant Inspector General of Audits, Federal Housing Finance Agency

William Bruns, Deputy Inspector General, National Credit Union Administration

Guests

Lawrance Evans, Managing Director, Financial Markets and Community Investment, Government Accountability Office

Daniel Gracia-Diaz, Director, Financial Markets and Community Investment, Government Accountability Office

Steve Begg, Deputy Director, Office of Special Inquiry, Office of Inspector General, Department of Housing and Urban Development

Margaret (Peggy) Wolf, Auditor, Office of Inspector General, FDIC

Rich Delmar, Counsel to the Inspector General, Office of Inspector General, Department of the Treasury

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

Lisa Carter, Deputy Assistant Inspector General for Audit, Office of Inspector General, Department of the Treasury

Jeff Dye, Audit Director, Office of Inspector General, Department of the Treasury

At 10:00 a.m. the Chair called the meeting to order. He asked for consideration of the April 10, 2018 meeting minutes and asked if the members had any corrections or additions to the draft. There being none, the Chair called for a motion to approve the minutes which was made and seconded. The minutes were approved by unanimous consent.

Next the Chair introduced Lawrance Evans and Daniel Garcia-Diaz who proceeded to update the Council of Inspectors General on Financial Oversight (CIGFO) on

Government Accountability Office's (GAO) work in the areas of Financial Markets and Housing. They described GAO's work in Financial Markets was focused on: optimal regulation, technology, Bank Secrecy Act modernization, and an exercise to identify emerging risks. They also described GAO's work in Housing was focused on: reform of housing finance, risk to mortgage finance programs, Federal subsidized housing, and the disaster response to the 2017 hurricanes with a focus on housing.

Next the Chair introduced Jeff Dye who proceeded with an update on the status of the CIGFO Working Group Audit related to the Financial Stability Oversight Council's (FSOC) monitoring of international activities and the CIGFO Annual Report.

Next, the Chair introduced Rich Delmar who proceeded with an update on the impact of the Economic Growth, Regulatory Relief, and Consumer Protection Act; Department of the Treasury's implementation of the President's Core Principles on Financial Regulation; and a recent legislative proposal – the Counter Terrorism and Illicit Finance Act.

During the open session, Michael McCarthy and Peggy Wolf from FDIC Office of Inspector General introduced an audit proposal for a future CIGFO working group audit of FSOC. They proposed that CIGFO initiate a project to report on management and performance challenges across the CIGFO agencies. The goal of the project is to review management and performance challenges identified by each Inspector General, identify the common challenges facing multiple federal financial agencies, and issue a report highlighting the common challenges and potentially recommend heightened attention or cross-cutting solutions. The Chair called for a vote to approve the audit proposal. The proposal was approved by unanimous consent. The Chair called for a motion to adjourn which was made and seconded.

The meeting adjourned at 11:20 a.m.