At 9:38 a.m. the Chair called the meeting to order and welcomed the meeting participants. Afterwards he called for consideration of the minutes and asked members whether they had any corrections or additions to the draft. There being none, the Chair called for a motion to approve the minutes, which was made by Gibson, and seconded by Montoya. The minutes were approved by unanimous consent.

Following the approval of the minutes the Chair introduced Pinschmidt and Stevens to the members who were invited to discuss FSOC’s ongoing and future programs. First, Pinschmidt talked about FSOC’s continuing review of the asset management industry which, he said, resulted in FSOC’s release of a public statement about the complex risks associated with the industry and its services. He said the member agencies, through a working group, are conducting an in-depth study of the potential risks discussed in the public release and intend to issue the results of this study in the future.
In addition, Pinschmidt discussed the proposed timeline for release of the FSOC Annual Report and he said the Justice Department was in the process of preparing to defend FSOC in the appeal of the U.S. District Court’s ruling to rescind MetLife’s nonbank designation. Next, Stevens spoke about FSOC’s continued commitment to the protection of the sensitive information it handles on a daily basis while simultaneously ensuring it adheres to FSOC’s transparency policy.

During the question and answer session with the speakers Thorson, Lavik, and Wertheimer asked about the Council’s rescission process, its workforce skill sets, and its interactions with the private sector. In response Pinschmidt and Stevens outlined FSOC’s rescission procedures and its continued work with the private sector through conferences and other venues. Finally, Pinschmidt said that the FSOC staff have an array of skills sets as well as higher education credentials and he highlighted the fact that many of the staff have private sector experience.

Afterwards, Dye discussed the status of the CIGFO audit to review FSOC’s efforts to promote market discipline as well as the corrective action verification initiative to review the implementation of the CIGFO Audit of FSOC’s Designation Process for Financial Market Utilities.

Following Dye’s presentation Thorson notified the members that Michael Ravnitzky sent a Freedom of Information Act (FOIA) to the Treasury Office of Inspector General Counsel with a request for a copy of the 2014 CIGFO presentation by Harry Markopolos and he sent another FOIA request to Gibson asking for a copy of the CIGFO presentation by FDIC IG staff which described the FDIC’s implementation of its Orderly Resolution Authorities as outlined in the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). Thorson and the other members agreed to continue to respond to FOIA requests in a timely manner and to communicate with each other when and if FOIA requests are filed.

Next, Montoya described agencies’ current efforts to rely on shared service providers for Information Technology, human resources, and financial management services and the impact this is having on the audit community’s ability to conduct oversight.

At the conclusion of Montoya’s discussion Thorson thanked the members for attending and asked for a motion to adjourn, which was made and seconded. The Chair adjourned the meeting at 10:24 a.m.