



687188

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/19/2013	.	
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Appropriations Subcommittee on General Government (Latvala)
recommended the following:

Senate Amendment (with directory and title amendments)

Between lines 2172 and 2173
insert:

(gg) The Office of Inspector General is established within the corporation to provide a central point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency. The office shall be headed by an inspector general, which is a senior management position that involves planning, coordinating, and performing activities assigned to and assumed by the inspector general for the corporation.



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13 1. The inspector general shall be appointed by the
14 Financial Services Commission and may be removed from office
15 only by the commission. The inspector general shall be appointed
16 without regard to political affiliation.

17 a. At a minimum, the inspector general must possess a
18 bachelor's degree from an accredited college or university and 8
19 years of professional experience related to the duties of an
20 inspector general as described in this paragraph, of which 5
21 years must have been at a supervisory level.

22 b. Until June 30, 2014, the inspector general shall be
23 under the general supervision of the Financial Services
24 Commission and not subject to the supervision of any employee of
25 the corporation. Beginning July 1, 2014, the inspector general
26 shall report to, and be under the supervision of, the chair of
27 the board of governors. The executive director or corporation
28 staff may not prevent or prohibit the inspector general from
29 initiating, carrying out, or completing any review, evaluation,
30 or investigation.

31 2. The inspector general shall initiate, direct,
32 coordinate, participate in, and perform studies, reviews,
33 evaluations, and investigations designed to assess management
34 practices; compliance with laws, rules, and policies; and
35 program effectiveness and efficiency. This includes:

36 a. Conducting internal examinations; investigating
37 allegations of fraud, waste, abuse, malfeasance, mismanagement,
38 employee misconduct, or violations of corporation policies; and
39 conducting any other investigations as directed by the Financial
40 Services Commission or as independently determined.

41 b. Evaluating and recommending actions regarding security,



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42 the ethical behavior of personnel and vendors, and compliance
43 with rules, laws, policies, and personnel matters; and rendering
44 ethics opinions.

45 c. Overseeing or participating in personnel and
46 administrative policy compliance and management, operational
47 reviews, and conducting and selecting human resources-related
48 advice and consultation.

49 d. In conjunction with the ethics and compliance officer,
50 evaluating the application of a corporation code of ethics,
51 providing input on the design and content of ethics-related
52 policy training courses, educating employees on the code and on
53 appropriate conduct, and checking for compliance.

54 e. Participating in policy development and review. This
55 includes working collaboratively with the ethics and compliance
56 officer in the creation, modification, and maintenance of
57 personnel and administrative services policies and in the
58 identification of policy enhancements; and researching policy-
59 related issues.

60 f. Participating in the activities of the senior management
61 team and evaluating the management's compliance with recommended
62 solutions.

63 g. Cooperating and coordinating activities with the chief
64 of internal audit, but not conducting internal audits.

65 h. Maintaining records of investigations and discipline in
66 accordance with established policies.

67 i. Supervising and directing the tasks and assignments of
68 the staff assigned to assist with the inspector general's
69 projects. This includes regular review and feedback regarding
70 work in progress and upon completion and providing input



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71 regarding relevant training and staff development activities as
72 warranted.

73 j. Directing, planning, preparing, and presenting interim
74 and final reports and oral briefings to the Financial Services
75 Commission and the executive director which communicate the
76 results of studies, reviews, and investigations.

77 k. Providing the executive director with independent and
78 objective assessments of programs and activities.

79 l. Completing special projects and assignments as directed
80 by the Financial Services Commission and performing other duties
81 as requested by the commission.

82 3. At least annually, the inspector general shall provide a
83 report to the President of the Senate and the Speaker of the
84 House of Representatives regarding the corporation's
85 clearinghouse and the extent to which policies are being
86 returned to the voluntary market. This report must include an
87 analysis regarding the effectiveness of the clearinghouse in
88 encouraging voluntary market participation in depopulation.

90 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

91 And the directory clause is amended as follows:

92 Delete line 765

93 and insert:

94 are amended, and paragraph (gg) is added to that subsection, to
95 read:

97 ===== T I T L E A M E N D M E N T =====

98 And the title is amended as follows:

99 Delete line 68



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100 and insert:
101 secured by a surplus note; requiring the corporation
102 to have an inspector general; providing for
103 appointment; providing duties; requiring an annual
104 report to the Legislature; revising provisions