

Amendment No. 8

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Regulatory Affairs
 2 Committee

3 Representative Wood offered the following:

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5 **Amendment (with title amendment)**

6 Between lines 912 and 913, insert:

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

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

19 a. At a minimum, the inspector general must possess a
 20 bachelor's degree from an accredited college or university and 8

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21 years of professional experience related to the duties of an
22 inspector general as described in this paragraph, of which 5
23 years must have been at a supervisory level.

24 b. The inspector general shall report to, and be under the
25 supervision of, the chair of the board of governors. The
26 executive director or corporation staff may not prevent or
27 prohibit the inspector general from initiating, carrying out, or
28 completing any review, evaluation, or investigation.

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

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

39 b. Evaluating and recommending actions regarding security,
40 the ethical behavior of personnel and vendors, and compliance
41 with rules, laws, policies, and personnel matters and rendering
42 ethics opinions.

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

47 d. Evaluating the application of a corporation code of
48 ethics, providing input on the design and content of ethics-

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49 related policy training courses, educating employees on the code
50 and appropriate conduct, and checking for compliance.

51 e. Participating in policy development and review,
52 including the creation, modification, and maintenance of
53 personnel and administrative services policies and in the
54 identification of policy enhancements, and researching policy-
55 related issues.

56 f. Participating in the activities of the senior
57 management team and evaluating the management's compliance with
58 recommended solutions.

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

61 h. Maintaining records of investigations and discipline in
62 accordance with established policies.

63 i. Supervising and directing the tasks and assignments of
64 the staff assigned to assist with the inspector general's
65 projects. This includes regular review and feedback regarding
66 work in progress and upon completion and providing input
67 regarding relevant training and staff development activities as
68 warranted.

69 j. Directing, planning, preparing, and presenting interim
70 and final reports and oral briefings to the Financial Services
71 Commission and the executive director, which communicate the
72 results of studies, reviews, and investigations.

73 k. Providing the executive director with independent and
74 objective assessments of programs and activities.

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75 1. Completing special projects and assignments as directed
76 by the Financial Services Commission and performing other duties
77 as requested by the commission.

78 m. Reporting expeditiously to the Department of Law
79 Enforcement or other law enforcement agencies, as appropriate,
80 whenever the inspector general has reasonable ground to believe
81 there has been a violation of criminal law.

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

Remove line 27 and insert:

the loss; requiring the corporation to have an inspector
general; providing duties; providing an effective date.