

## THE OFFICE OF THE CHIEF COMPLIANCE OFFICER

The Office of the Chief Compliance Officer was created by 2005 Public Act 225. Its mission is to assist the Michigan Strategic Fund (MSF) board of directors and its employees and agents in carrying out the duties specified in Chapters 8A and 8B of the Michigan Strategic Fund Act. The office has certain responsibilities established by statute, which primarily involve recommending policies and procedures to the MSF board of directors and ensuring that those policies and procedures and related laws are followed.

### ORGANIZATIONAL STRUCTURE

The Office of the Chief Compliance Officer was created on November 21, 2005, within the Michigan Strategic Fund. It exercises its powers and duties independently of that fund. The office is under the direction and control of the Chief Compliance Officer, John D. Walter. Mr. Walter is its principal executive officer. He is appointed by the State Administrative Board.

### CHIEF COMPLIANCE OFFICER

#### John D. Walter

John D. Walter was appointed as the Chief Compliance Officer on June 20, 2006. The Office of the Chief Compliance Officer is responsible for assisting the Michigan Strategic Fund board of directors and its employees and agents with compliance issues arising under Chapters 8A and 8B of the Michigan Strategic Fund Act, including compliance with internal policies and procedures and applicable laws.

Prior to being appointed as the Chief Compliance Officer, Mr. Walter served as an assistant attorney general with the Michigan Department of Attorney General since 1984. In that capacity, he prosecuted complex securities fraud and other white-collar criminal cases, provided legal representation and advice to the State Ethics Board and the Crime Victim Services Commission, and represented various state agencies including the Office of Financial and Insurance Services and the

Corporation and Securities Bureau. Before joining the Attorney General's office, Mr. Walter was in private practice since 1979, where his practice focused on securities offerings to raise investment funds for private businesses.

Mr. Walter is a cum laude graduate of the University of Michigan Law School, from which he received his law degree, and a cum laude graduate of the University of Michigan, where he earned a Bachelor of Science degree in actuarial mathematics.

### 2006-2007 ANNUAL REPORT

An annual report of the Office of the Chief Compliance Officer is prepared by the Chief Compliance Officer pursuant to the Michigan Strategic Fund Act. The 2006-2007 annual report can be [read here](#).

### 2007-2008 ANNUAL REPORT

The 2007-2008 annual report of the Office of the Chief Compliance Officer can be [read here](#).

### 2008-2009 ANNUAL REPORT

The 2008-2009 annual report of the Office of the Chief Compliance Officer can be [read here](#).

### 2009-2010 ANNUAL REPORT

The 2009-2010 annual report of the Office of the Chief Compliance Officer can be [read here](#).

### MISSION STATEMENT

The mission of the Office of the Chief Compliance Officer is to assist the Michigan Strategic Fund board of directors with the creation, implementation, monitoring and enforcement of policies and procedures to prevent illegal, unethical or improper conduct on the part of Michigan Strategic Fund board members and employees and agents of the Michigan Strategic Fund board in carrying out their duties under Chapters 8A and 8B of the Michigan Strategic Fund Act.

## RESPONSIBILITIES

The Office of the Chief Compliance Officer has the responsibilities set forth in Section 88i of the Michigan Strategic Fund Act. In particular, the Chief Compliance Officer:

- Recommends policies and procedures to the Michigan Strategic Fund board of directors (MSF board) that will protect the state's assets and assists in the design of policies and procedures that will prevent violations from occurring, detect violations that have occurred and correct such violations.
  - Assists employees and agents of the MSF board to ensure that they are complying with internal policies and procedures and applicable laws.
  - \* Provides guidance to the MSF board and its employees on compliance with internal policies and procedures and applicable laws.
  - Recommends to the MSF board and its employees the appropriate evaluation, investigation and resolution of issues concerning compliance with internal policies and procedures and applicable laws.
  - Reviews and evaluates compliance with internal policies and procedures and applicable laws.
- Cooperates with the Office of the Auditor General as it performs its duties.
  - Reports quarterly to the MSF Board and the State Administrative Board regarding compliance with internal policies and procedures and applicable laws.
  - Prepares and distributes a written annual report evaluating compliance with internal policies and procedures and applicable laws, explaining any compliance matters that arose during the year and suggesting revisions to agency policies and procedures.

## LINKS TO RELATED LEGAL STATUTES

Michigan Strategic Fund Act: [MCL 125.2001 et seq](#)

[Constitution 1963, Article 4, Section 10](#): Legislators and state officers, government contracts, conflict of interest

Conflict of Interest: [MCL 15.301 et seq](#)

Contracts of Public Servants with Public Entities: [MCL 15.321 et seq](#)

Standards of Conduct for Public Officers and Employees: [MCL 15.341 et seq](#)