

**Statement of FCA Board Member Jill Long Thompson
at the FCA Board Meeting
November 9, 2011**

This week the Board approved Notational Vote 11-25, Policy Statement 81 on Ethics, Independence, Arm's-Length Role, Ex Parte Communications and Open Government. I thank fellow Board Members Strom and Spearman for their support. I also thank Wendy Laguarda, the Agency's ethics officer who does an excellent job running our ethics program, for her wise counsel and tireless work in developing this Policy Statement. And I thank the three Executive Assistants, Mike Stokke, Howard Rubin, and Inga Smulkstys, as well as Chief Operating Officer Bill Hoffman, for their diligence in helping the Board find common ground on this issue. This Board action makes me more than a little proud.

As an independent, arm's length regulatory agency, the Farm Credit Administration is entrusted with responsibilities that are unique to prudential regulators. We are charged not only with ensuring the safety and soundness of the Farm Credit System, but doing so based upon objective criteria, independent of the Legislative and Executive Branches, and at arm's length from the System. Public trust is a pillar of a democratic government; as regulators, we have been entrusted with ensuring the highest of standards, as well as the appearance of the highest of standards. We also have responsibility to ensure continuity in upholding such standards.

Because the FCA is an independent, arm's length prudential regulator, it performs a different function than other Executive Branch agencies of the Federal Government. Our ethics rules must reflect those differences and that is why it is important that we go beyond what is required in the Government-wide Standards of Ethical Conduct. Policy Statement 81 was written after a benchmarking study found a number of other prudential regulatory agencies had adopted additional policies and standards pertinent to their specific authorities and responsibilities. In adopting this Policy Statement, we have acknowledged the uniqueness of our own charge. Even more, we have acknowledged the significance of the Farm Credit System in advancing the agricultural and rural economy. This member-owned System is so critical to rural America and it deserves the highest of standards from its regulator. With the adoption of Policy Statement 81, we make clear our confidence and belief in the Farm Credit System and we also make clear our dedication to being the best and most effective regulator we can be.