

# GUIDING THE NATION'S ECONOMY



Careers with the Board of Governors of the Federal Reserve System

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THE FEDERAL  
RESERVE  
SYSTEM  
IS THE CENTRAL  
BANK OF THE  
UNITED STATES.

The Federal Reserve System was created by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system. Over the years, the Federal Reserve's role in banking and the economy has expanded.

Today, the Federal Reserve's duties fall into five general areas:

- conducting the nation's monetary policy by influencing the money and credit conditions in the economy in pursuit of full employment and stable prices
- supervising and regulating bank holding companies and other selected banking institutions and activities to ensure the safety and soundness of the nation's financial system
- administering most of the nation's laws protecting the credit rights of consumers
- maintaining the stability of the financial system and containing systemic risk that may arise in financial markets
- providing certain financial services to the U.S. government, to the public, to financial institutions, and to foreign official institutions, including playing a major role in operating the nation's payments system



*"When I took the challenge of leading the Federal Reserve, I knew I could rely on the unmatched expertise and experience of the staff."*

— Chairman Ben S. Bernanke

### Structure of the System

The Federal Reserve System has a structure designed by Congress to give it a broad perspective on the economy and on economic activity in all parts of the nation. The System is basically composed of a central, governmental agency—the Board of Governors—in Washington, D.C., and twelve regional Federal Reserve Banks, located in major cities throughout the nation.

A major component of the System is the Federal Open Market Committee (FOMC). The FOMC oversees open market operations, which is the main tool used by the Federal Reserve to influence money market conditions and the growth of money and credit. Two other groups play

roles in the way the Federal Reserve System works: depository institutions, through which the tools of monetary policy operate, and advisory committees, which make recommendations to the Board of Governors and to the Reserve Banks regarding the System's responsibilities.



### Board of Governors

The Board of Governors of the Federal Reserve System (the Federal Reserve Board, or “the Board”) is made up of seven members appointed by the President of the United States and confirmed by the U.S. Senate. The full term of a governor is fourteen years.

The Chairman and the Vice Chairman of the Board are also appointed by the President and confirmed by the Senate. The nominees to these posts must already be members of the Board or must be simultaneously appointed to the Board. The terms for these positions are four years. The Board of Governors is supported by a Washington staff numbering about 1,800.

### Key positions

To meet its established goals and objectives, the Board requires a highly educated and diverse staff to work on critical domestic and international issues. The Board recruits professionals in the fields of economics, finance, law, and computer science.

# ECONOMISTS

*Economists at the Board conduct economic research and policy analysis on domestic and international issues.*

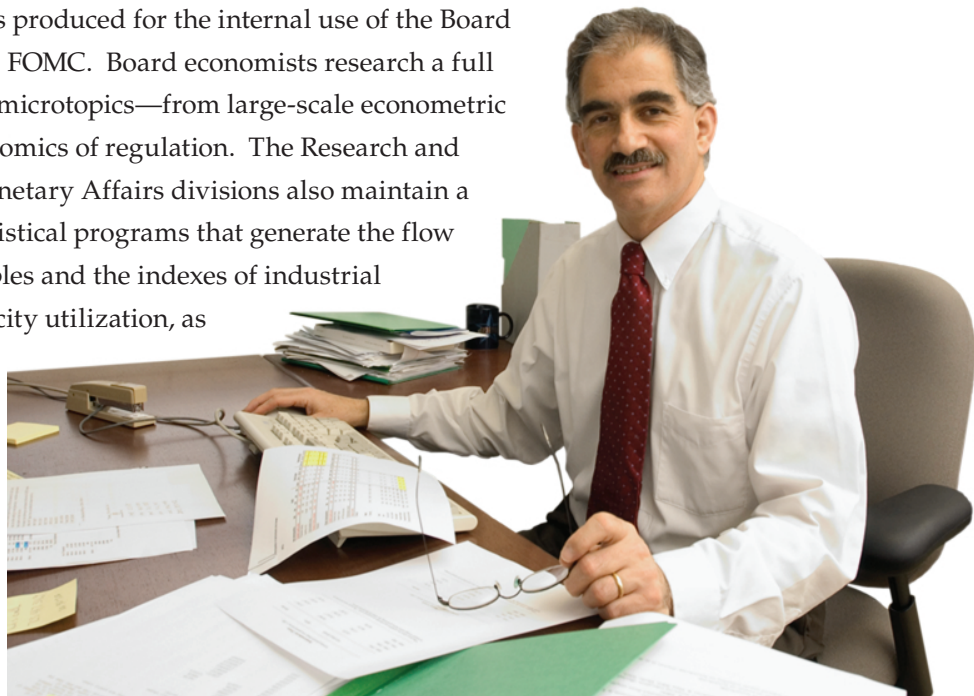
The Division of Research and Statistics and the Division of Monetary Affairs are responsible for domestic issues, and the Division of International Finance is responsible for international issues. In addition, the Division of Reserve Bank Operations and Payment Systems is responsible for payments system issues, both domestic and international.

Basic economic research is the central activity conducted in the research divisions—Board economists are among the leading producers of papers published in professional journals or presented at professional meetings. A less visible but crucial function is the economic forecasting and policy analysis that is produced for the internal use of the Board of Governors and the FOMC. Board economists research a full range of macro- and microtopics—from large-scale econometric modeling to the economics of regulation. The Research and Statistics and the Monetary Affairs divisions also maintain a number of major statistical programs that generate the flow of funds accounts tables and the indexes of industrial production and capacity utilization, as well as other data on the money stock and commercial banking. In addition, the divisions conduct several microeconomic



*"Because the work that we do has a direct effect on people's lives and on the world economy, the Fed is one of those institutions that people watch."*

— Alba Melara  
Division Administrator



surveys. International Finance is responsible for basic research, policy analysis, and reporting on foreign economic and financial developments, U.S. external trade and capital flows, and developments in international financial markets. Staff members of the three divisions help members of the Board prepare congressional testimony and other presentations. Staff members also work with other central banks, in some cases

providing technical assistance, and represent the Board in interagency activities and at international meetings.



For decades, the Board has had a strong, stable, and highly regarded professional staff. The staff's reputation has been built on a solid record of state-of-the-art research, disseminated in Board publications and outside journals, and of careful analysis and forecasting in support of policymaking. The research divisions encourage creative thought and the lively and free exchange of ideas. A pleasant, collegial atmosphere is a major plus: Staff members find not only many bright, highly knowledgeable people with similar interests (an advantage of the Board's size) but also a spirit of cooperation that is conducive to good teamwork and mutual support. The facilities for research, including the library and computer and programming support, are excellent. A regular

seminar series, featuring top-notch outside researchers, is an important part of the intellectual life of the Board.

### Qualifications

The diverse responsibilities of the research divisions require a staff with varied skills and interests. A PhD in economics, finance, or a related field is required. For entry-level economists, the Board's primary concern is that individuals have a strong grounding in economic theory and quantitative methods. Specialized coursework or research in an area closely related to the staff's areas of activity is desirable. An enthusiasm for applying one's knowledge to real-world issues and an ability to communicate clearly, both orally and in writing, are important, as are personal energy, initiative, and collegiality.

*The Board's responsibilities in the supervision and regulation of the U.S. banking system extend to the roughly 900 state banks that are members of the Federal Reserve System, all bank holding companies and their nonbank subsidiaries, all financial holding companies, Edge Act and agreement corporations (institutions that engage in foreign banking business), the foreign activities of member banks, and the U.S. activities of foreign banks.*



*"I can tell you from personal experience that going to work each morning knowing that how well you do your job could affect the welfare of your fellow citizens can be a little scary, but it is also tremendously challenging and rewarding."*

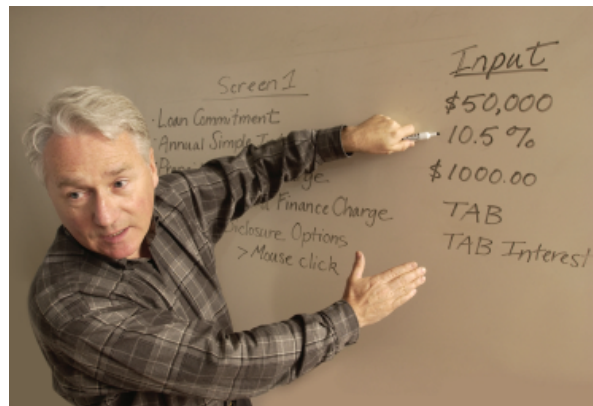
— Donald L. Kohn  
Vice Chairman

## ANALYSTS

Analysts at the Board oversee the operations of the twelve Federal Reserve Banks and develop payments system policy. In addition, the Board hires examiners to conduct Bank Secrecy Act investigations of domestic and foreign banking organizations and of individuals associated with these organizations. Board analysts also examine bank and bank holding company applications involving Community Reinvestment Act issues and consumer compliance supervision.

In the Board's Division of Banking Supervision and Regulation, financial analysts review applications seeking Board approvals for such actions as the formation of a bank holding company or the acquisition of a bank by a bank holding company. Analysts also monitor the condition of state member banks and bank holding companies; help develop supervisory policy and examination and inspection practices; provide technical support to field examiners on operational, credit, market, and liquidity risks; and design, negotiate, and implement corrective action for supervised institutions.

Analysts in the Division of Reserve Bank Operations and Payment Systems oversee many of the operations of the Federal Reserve Banks, including the financial services provided by the Banks, as well as critical support functions such as information technology, financial and cost accounting, physical security, and human resources. They assess the future direction of the Reserve Banks' operations and financial services, oversee the implementation of major



initiatives, and monitor the efficiency and effectiveness of ongoing operations. In addition, analysts participate in the development of policy for the nation's payments system and participate in the development of G-10 central bank policies to promote efficiency and manage risk in the payments system.

In the Division of Consumer and Community Affairs, analysts support and oversee the Reserve Banks' supervisory efforts to ensure that consumer protection laws and regulations are fully and fairly enforced. Analysts supervise the implementation and administration of the Board's consumer compliance examination, applications, and complaint-handling programs by identifying emerging issues and by providing guidance on consumer protection laws, regulations, and enforcement techniques. In addition, the analysts develop and revise the Board's policies, procedures, and guidelines; coordinate comprehensive training programs for consumer compliance examiners; participate in interagency activities; and identify complaint trends. Finally, analysts identify ways to encourage public-private partnerships and private-sector initiatives to respond to community development needs. They conduct research and provide technical assistance on urban and rural economic development issues and underserved financial services markets.

### Qualifications

Individuals interested in a career as an analyst should have a degree in business administration with a concentration in accounting or finance, as well as have experience in financial analysis as it relates to banking. Knowledge of the laws and regulations governing banks and bank holding companies is preferred. A master's degree is required for most higher-level positions.



*The Federal Reserve Board offers attorneys a unique opportunity to work on challenging and significant legal issues related to banking and finance. Attorneys counsel the Board on commercial, corporate, antitrust, administrative, and banking law. Attorneys also administer the Board's statutory responsibilities in consumer credit protection.*

## ATTORNEYS

Attorneys in the Board's Legal Division provide analysis and counsel on all aspects of the statutory and regulatory responsibilities and authority given to the Federal Reserve System by Congress. They prepare rules, regulations, and interpretations for consideration by the Board of Governors. They also prepare proposals for legislation, draft bills, report on pending bills, and provide opinions on the legal basis and effect of proposed actions. In addition, attorneys in the Legal Division participate, on behalf of the Board, in administrative proceedings under the Bank Holding Company Act, the Bank Merger Act, and other statutes. They also prepare the Board's orders, statements, and briefs and participate in litigation involving the Board.

Attorneys in the Division of Banking Supervision and Regulation are primarily responsible for providing the Board with specialized advice on formal supervisory actions against institutions regulated by the Federal Reserve and against individuals associated with such institutions. The division also hires attorneys to carry out enforcement actions and conduct special investigations into member banks and bank holding companies for violations of laws, rules, or regulations; unsafe or unsound practices; breaches of fiduciary duty; and violations of final orders.

Attorneys in the Division of Consumer and Community Affairs help administer the Board's statutory responsibilities for consumer protection. Since the late 1960s, the number of federal laws that







*"The Federal Reserve is the central bank for the world's most powerful economy. Issues that come before the Board make a difference not only for the American public, but for people throughout the world."*

— Stephen R. Malphrus  
Staff Director for Management

protect consumers in credit and other financial transactions has been growing, and Congress has assigned the Federal Reserve the duty of implementing these laws. These laws include the Truth in Lending, Truth in Savings, Consumer Leasing, Equal Credit Opportunity, Fair Credit Reporting, Electronic Fund Transfer, Home Mortgage Disclosure, and Community Reinvestment acts. Attorneys in this division help formulate policy recommendations and prepare rules, regulations, and interpretations for consideration by the Board of Governors. They also draft legislative proposals, prepare Board testimony for congressional hearings, and write amicus curiae briefs when invited by the court. They work closely with the Federal Reserve Banks and the other federal agencies on matters involving the administration of consumer laws.

### Qualifications

The Board hires recent law school graduates and experienced attorneys. Applicants with excellent scholastic records, including law review experience and involvement in areas related to the Board's responsibilities, are preferred. Experienced attorneys should be members of an accredited bar.



## INFORMATION TECHNOLOGY PROFESSIONALS

*As the nation's central bank, the Federal Reserve depends on information to make policy and to conduct the Board's business.*

The Board offers information technology professionals a wide range of opportunities to work with sophisticated information technologies and contribute to the work of the central bank. IT professionals build web-based, distributed, and mainframe-based applications; implement local and wide-area networks; and evaluate and introduce innovative new

technologies. Staff members also provide technical training, database administration, information security, and data and statistical analysis.

At the Board, communications analysts design, deploy, and support telecommunications networks. Computer applications analysts, drawing on their knowledge of economics and finance, design and develop systems using contemporary database-management systems and web development tools. Financial systems analysts use statistical techniques to ensure the accuracy of data used for decision making.

The Board employs modern management techniques in which staff from other divisions and IT staff work together to develop information systems. IT professionals have opportunities to learn and apply new technologies. The technologies used at the Board include Java, Microsoft.NET, ColdFusion, C++, Lotus Notes, Visual Basic, Microsoft Windows, Unix, Linux, HTML, XML, and advanced IBM mainframe databases and languages.

### Qualifications

The Board offers graduates in computer science, engineering, and information science challenging career opportunities in many information technology fields. Applicants should have experience in distributed systems, web technology, mainframes, or telecommunications. Some information technology positions require hands-on work experience while others require academic knowledge. Knowledge of economics, finance, or accounting is also valuable for many positions.



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SAVINGS AND  
INVESTMENT  
PROGRAMS, AND  
RETIREMENT  
PLANS.

# BENEFITS

## Health, Dental, and Vision Benefits

The Board offers health coverage through the Federal Employees Health Benefits (FEHB) Program. Employees may choose individual or family health coverage; FEHB offers a broad choice of health plans, including fee-for-service plans, health maintenance organizations, and consumer-driven plans. In addition to health coverage, the Board provides comprehensive dental and vision coverage. The Board pays a portion of the premium for health, dental, and vision plans.

Employees may choose to pay their health, dental, and vision insurance premiums on a pretax basis. They may also set aside pretax dollars to pay for eligible health-care expenses not covered by insurance and certain dependent-care expenses, such as daycare and eldercare.

## Life Insurance

The Board offers two programs for group term life insurance: Federal Employees' Group Life Insurance (FEGLI) and Board Employees Group Life Insurance (BEGLI). Employees may elect coverage for up to five times their salary; optional coverage for spouses and children is available. The Board pays a portion of the premium for basic coverage.

## Other Insurance Programs

The Board provides long-term disability income protection and business travel insurance at no cost to employees. Employees have the option to enroll in the Board's personal accident insurance plan, the Board's group legal plan, and two long-term care insurance plans. Employees may also obtain group rates for automobile and homeowners insurance.

## Thrift Plan

The Board's Thrift Plan provides an opportunity for employees to save for their future financial security. Participation in the Thrift Plan is voluntary. Thrift Plan members can choose to contribute to two separate accounts: a savings account and a deferred account. Seven investment fund options are available to meet various financial goals. For each dollar an employee contributes, the Board contributes 80 cents, up to 6 percent of the employee's eligible or annual salary. The Board's contribution vests at a rate of 20 percent each year and becomes fully

vested after an employee completes five years of service. After five years of service, the Board matches an employee's contribution dollar for dollar, up to 6 percent of the employee's annual salary.

### Retirement

Most new employees participate in the Federal Reserve System Bank Retirement Plan. The Board pays the retirement plan contribution for each employee, and employees become vested after five years of service.

### Transportation Subsidy

The Board offers a monthly transportation subsidy to those employees who regularly use public transportation or a vanpool. Before and after work, a free shuttle service is available to transport employees to and from a subway stop convenient to the Board.

### Academic Assistance and Career Development Opportunities

The Board strives to create a workplace in which all employees can be effective and continue to develop their skills and knowledge. The Board offers extensive opportunities for training and development, including internal workshops and external programs. In addition, the Board's technical training program provides excellent, cost-effective training in the computer software applications used at the Board.

The Board also offers a generous academic assistance benefit. After six months, an employee may be reimbursed up to \$9,000 per calendar year for tuition, required books, and certain fees.

### Leave

The Board provides annual and sick leave to staff. The amount of annual leave earned is based on an employee's length of service, starting with 104 hours annually and increasing to 160 hours after three years of creditable service. After completing fifteen years of service, employees earn 208 hours of annual leave each year. Sick leave is credited at the rate of 104 hours a year for all employees.

### Alternative Work Arrangements

To provide employees with flexibility to meet their work, family, and personal needs, the Board offers employees the opportunity to participate in alternative work arrangements. The Board offers compressed work schedules, flextime, job sharing, voluntary part-time employment, and telecommuting.

## OTHER BENEFITS

In addition to the benefits programs outlined here, the Board provides these on-site benefits: credit union offices, fitness and health services centers, a cafeteria, and a fine arts program.



*"The Federal Reserve values its employees – both professionally and personally. Obviously, this cultivates an environment where people grow in their careers and feel that they are an important part of this organization."*

— Glenn Eskow  
Manager

# OTHER INFORMATION AND HOW TO APPLY



FEW CITIES  
BOAST  
THE CULTURAL,  
EDUCATIONAL,  
AND HISTORICAL  
RESOURCES  
THAT  
WASHINGTON  
OFFERS.



## We Are Committed to Creating a Diverse Work Environment

One of the core values of the Board is a commitment to adhering to the highest standards of integrity in our dealings with the public, the financial community, and our employees.

We value our employees' diverse backgrounds and rely on strong teamwork to mold independent viewpoints into coherent, effective practices and policies. We provide an environment of inclusion and respect that clears the way for our employees to use their individual talents to maximize their potential.

Our ability to develop and carry out monetary policy is a direct result of the contributions of a highly talented, diverse workforce whose backgrounds and experiences mirror the global workplace.

## Location

The Federal Reserve Board is located in Washington, D.C. Popular attractions include the White House; the U.S. Capitol; the Lincoln, Jefferson, World War II, Korean War Veterans, and Vietnam Veterans memorials; the John F. Kennedy Center for the Performing Arts; the Smithsonian Institution museums; and the National Zoo. The Washington area has numerous parks and opportunities for leisure-time activities. It is home to professional football, baseball, basketball, and hockey teams. Local residents find the metropolitan area perfect for hiking, bicycling, boating, fishing, running, ice skating, and golfing. Also, mountain and beach resorts are within driving distance. For the spectator or participant, the ever-changing Washington scene offers a kaleidoscope of opportunities.

## How to Apply

If you are interested in career opportunities at the Federal Reserve Board, you can visit our web site to learn more and to apply online.

[www.federalreserve.gov/careers](http://www.federalreserve.gov/careers)



VISIT US ON THE WEB AT  
[WWW.FEDERALRESERVE.GOV](http://WWW.FEDERALRESERVE.GOV)

