

*O*pportunities at the

TO CARRY OUT ITS RESPONSIBILITIES, THE DIVISION SEEKS

*Board of Governors
of the Federal Reserve System*

TALENTED AND INSIGHTFUL INDIVIDUALS TO WORK

in the

ON CHALLENGING POLICY, REGULATORY, AND OPERATIONAL ISSUES.

*Division of
Reserve Bank Operations
and Payment Systems*



*E*ach business day, the nation's payments system moves more than \$3 trillion to pay for goods, services, and financial instruments. One of the Board's primary missions is to regulate and improve the nation's payments system, including overseeing the policies and operations of the Federal Reserve Banks as providers of financial services to depository institutions, the Treasury, and other government agencies. The Board's Division of Reserve Bank Operations and Payment Systems oversees these operations. The division also develops policies and regulations to foster the integrity and efficiency of the U.S. payments system, works closely with other central banks and international organizations to improve the payments system and other central bank responsibilities more broadly, and conducts research and studies on payments issues.

*T*o carry out its responsibilities, the division seeks talented and insightful individuals to work on complex policy, regulatory, and operational issues. The division's workforce of about 140 employees is organized into programs that range in size from 2 to 13 employees each. The workforce is largely composed of analytical staff with graduate degrees in public policy, business, finance, economics, or computer science, many of whom have experience at a Reserve Bank or within the private sector. Employees routinely collaborate with other professionals in the division, elsewhere at the Board and the Reserve Banks, in the financial industry, and at other central banks on a variety of issues.

Reserve Bank Oversight

Most of the work performed in the division involves oversight of the Reserve Banks. Our oversight includes assessing the future direction of the Reserve Banks' operations and services, the implementation of major initiatives, and ongoing operations.

We conduct oversight of the Reserve Banks through a variety of means, including analysis of strategies, objectives, major initiatives, new products/services, large capital acquisitions, and major structural changes; our liaison to various Federal Reserve System groups; monitoring of Reserve Bank activities; review of proposed procedures and standards; on-site reviews; budget reviews; and annual Reserve Bank performance evaluations.

A key objective of our oversight is to help ensure that the Reserve Banks are efficient and well controlled. As Reserve Banks consider or implement new initiatives or assess how to improve their operations, division staff members offer the Reserve Banks the benefit of a broader System perspective and specialized expertise. We help achieve the System's objective to be an effective, prudently managed organization by helping to ensure that good decisions are made and that sound processes are in place to implement those decisions.

Although the division's oversight of Reserve Bank operations spans many programs, two programs deal solely with oversight matters: oversight coordination and audit review.

The division's **oversight coordination** program integrates the various aspects of overseeing Federal Reserve Banks. Program staff guides the development of the division's annual Reserve Bank examinations and works with other division programs to promote efficient resource allocation and adequate attention to on-site reviews of Reserve Bank operations. Staff also

works to ensure consistency in the division's assessments and recommendations across programs.

The division's **audit review** program promotes a high-quality internal audit function in the Federal Reserve Banks. Staff reviews Reserve Bank internal audit departments to assess the effectiveness of internal audit coverage and serves as liaison to System audit groups. Program staff members are specialists with experience in auditing and bank operations and with expertise in auditing standards, practices, and concepts.



Financial Services

The **retail payments** program oversees the retail payment services provided by the Reserve Banks by evaluating service strategies, pricing, performance, risks, and service/product design. The staff also researches and analyzes existing

and emerging payment mechanisms, and recommends policies and regulations that foster the reliability, efficiency, and accessibility of these systems. The program focuses on check collection, automated clearinghouse (ACH) transactions, credit and debit card processing, and Internet payment mechanisms.

The **wholesale payments** program oversees large-value Fedwire funds transfer and securities transfer services that are critical to the underpinnings of the nation's financial markets. The staff also oversees the Reserve Banks' net settlement service, which is used by key private-sector clearing mechanisms. Program staff evaluates service strategies, pricing, performance, risks, and service/product design of the wholesale payment services provided by the Reserve Banks.

The **cash** program oversees the flow of and controls over currency and coin managed by the Reserve Banks. Program staff works with Reserve Banks, the Treasury's Bureau of Engrav-

ing and Printing, and the United States Mint in developing plans to meet currency and coin demand. Staff also works closely with the Treasury and with other central banks to develop new currency designs and combat counterfeiting activities. Finally, because two-thirds of U.S. currency circulates outside the United States, section staff analyzes factors affecting international currency flows.

The **fiscal agency** program oversees securities and financial services provided by Reserve Banks to the U.S. Government. The Federal Reserve assists the Treasury in a number of its major initiatives, including efforts to make payments to and from the Treasury electronically, and to help the government improve the management and operation of its financial services programs.

The **payment system risk** program provides leadership in developing and reviewing policies to reduce risk and safeguard the integrity and efficiency of the payment system in the United States. Staff also monitors changes in private-sector payment systems to determine their effects on the soundness of the payment system, including potential effects on Reserve Bank services and the risk to payment system participants.

The **clearance and settlement systems** program focuses on the operations, rules, and risk management practices of private-sector systemically important payment systems, securities settlement systems, and related organizations that are crucial to the operation of financial markets. Program staff ensures that the Board has access to a broad policy perspective, in-depth technical information, and sound analyses with regard to such systems and organizations. Program staff develops and shapes policies that foster sound risk controls and promote efficiency in the clearance and settlement process as well as serving as a source of technical and policy expertise on clearance and settlement issues to the Board, Reserve Banks, and other agencies.



Payment System Studies

The **payment system studies** program is the division's primary research arm. Program staff analyzes policy issues associated with emerging and established payment mechanisms and disseminates information on payment and settlement systems and issues. The program undertakes original research into issues of interest to the Federal Reserve in the area of payment and settlement systems, including the interrelationships among systems, long-run technological trends and their economic and risk implications, systemic risk, and interbank and correspondent banking relationships.

The financial services and payment system studies programs help formulate Federal Reserve payment and settlement policy. They also support the Bank for International Settlements' Committee on Payments and Settlement Systems with analyses and information regarding the ways that central banks can promote efficiency and prevent risk controls in clearing and settlement services.

Information Technology and Systems

The **information technology** (IT) program researches and analyzes a broad range of emerging IT issues. Program staff oversees IT operations and assesses whether planning, acquisition, and implementation processes for the Federal Reserve Banks are efficient and effectively managed. Staff evaluates opportunities to introduce new technologies in areas such as e-commerce, information security, and knowledge management. Program staff also serves as the division's competency center to provide technical expertise in the examination of the Reserve Banks' information security controls. IT professionals work with a wide range of technical and business experts within the Federal Reserve and the financial services

industry to identify preferred practices, interoperability standards, and state-of-the-art technologies that improve the stability and efficiency of payment systems and IT controls. Program staff uses an internally developed remote-access tool to analyze the controls and security of Reserve Bank local area networks, including firewalls and intrusion-detection configurations.

The **information systems** program oversees the division's internal technology needs, providing network and user support for e-mail, office automation tools, and web-based products for the distribution of information and the exchange of documents among division staff and outside of the division. The staff develops small to medium-sized applications for use within the division and provides project-management support for other application-development efforts.



Financial Control

The **Reserve Bank financial accounting** program formulates and interprets accounting policy for the Federal Reserve Banks, which have more than \$600 billion in assets. Program staff also oversees Reserve Bank accounting functions and related processes, monitors general ledger account balances and accounting systems, and coordinates external audit services. Program staff oversees the development of the Reserve Banks' financial statements and develops pro forma financial statements for the financial services provided by the Reserve Banks. Staff also oversees the framework used for imputing costs that would have been incurred and profits that would have been earned if the Federal Reserve were a private firm to ensure that the Reserve Banks' financial services to depository institutions are priced competitively.

The **Reserve Bank planning and control** program oversees the budget process and cost-accounting operations of the Reserve Banks,

which have expenditures that exceed \$2 billion per year. Program staff works closely with Reserve Bank and other Board staff to assess the cost-accounting practices used in the Reserve Banks and to ensure that related policies are reasonable.

Personnel and Facilities

The division's **Reserve Bank human resources (HR)** program oversees the Federal Reserve Bank HR functions, with a concentration on the compensation and benefits areas. The Reserve Banks' HR programs reflect contemporary practices found in the private sector and cover more than 24,000 active employees and 12,000 retirees. Program staff members have backgrounds in private-sector or Reserve Bank HR consulting or management and participate in a wide range of activities, including program consultation, proposal analysis, policy development, and personnel database management.

The **building planning** program oversees the planning, design, and construction of new Reserve Bank buildings and major renovations of existing facilities. Program staff members are engineering and architectural experts who evaluate new building and major renovation programs for Reserve Banks, perform financial and design analyses, and oversee major building projects.

The **Reserve Bank protection** program oversees issues related to physical security, protection of valuables, and workplace violence involving the Reserve Banks. Program staff interacts with the Reserve Banks and law enforcement agencies on known and emerging threats.

Building Internships

Internship opportunities provide exposure to various aspects of Reserve Bank operations. Interns assist professional staff members in the development and implementation of special projects. The duration of an internship, which is a paid position, depends on the needs of the specific program. Both short and extended assignments provide an opportunity to observe the Federal Reserve System from the inside.

Benefits and Compensation

We offer an excellent compensation and benefits package, including health and dental insurance as well as savings/investment and retirement plans. We offer a tuition-reimbursement program and an excellent in-house technical training center. We have a business-casual dress policy, and we also offer staff the opportunity to participate in a variety of flexible work arrangements. Our most popular arrangement allows employees to condense their regular responsibilities into nine business days over a two-week period, instead of the standard ten days, thus allowing the employee to have a weekday off every other week. Participation is voluntary and subject to the nature of work assignments, business area needs, coverage issues, and employee performance.

Interested candidates should mail or fax resume and salary requirement to

Board of Governors of the Federal Reserve System
Attn: Management Division, Recruitment M/S 129
20th and C Streets, N.W.
Washington, DC 20551

Fax: 202-452-3863

For more information, please visit our web site at www.federalreserve.gov or call us toll-free at 800-448-4894.

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