

## Position and Candidate Specification

### FEDERAL RESERVE BANK *of* NEW YORK

Federal Reserve Bank of New York

## President & CEO

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## **ABOUT THE FEDERAL RESERVE BANK OF NEW YORK**

The Federal Reserve Bank of New York ("New York Fed" or the "Bank") works within the Federal Reserve System and with other public and private sector institutions to foster the safety, soundness and vitality of our economic and financial systems.

The Federal Reserve Bank of New York is one of 12 regional Reserve Banks which, together with the Board of Governors in Washington, D.C., make up the Federal Reserve System. The Fed, as the system is commonly called, is an independent governmental entity created by Congress in 1913 to serve as the central bank of the United States. It is responsible for:

- Formulating and executing monetary policy
- Supervising and regulating depository institutions
- Providing an elastic currency
- Assisting the federal government's financing operations
- Serving as the banker for the U.S. government

In addition, the Federal Reserve System has important roles in operating the nation's payments systems, protecting consumers' rights in their dealings with banks and promoting community development and reinvestment.

The New York Fed oversees the Second Federal Reserve District, which includes New York state, the 12 northern counties of New Jersey, Fairfield County in Connecticut, Puerto Rico and the U.S. Virgin Islands. Though it serves a geographically small area compared with those of the other Federal Reserve Banks, the New York Fed is the largest Reserve Bank in terms of assets and volume of activity.

The New York Fed employs about 3,100 officers and staff at the head office and the office in East Rutherford, New Jersey.

In addition to responsibilities the New York Fed shares in common with the other Reserve Banks, the New York Fed has several unique responsibilities, including conducting open market operations, intervening in foreign exchange markets and storing monetary gold for foreign central banks, governments and international agencies. Foremost among its functions is the implementation of monetary policy, one of the three missions of the New York Fed. The other two are supervision and regulation and international operations.

## **KEY FEDERAL RESERVE BANK OF NEW YORK FACTS**

- At the direction of the Federal Open Markets Committee ("FOMC"), the top monetary policy-making group of the Federal Reserve System, the New York Fed conducts open market operations on behalf of the Federal Reserve System.
- The President of the Federal Reserve Bank of New York is a permanent voting member of the FOMC.
- The New York Fed conducts on-site and off-site examinations of member depository institutions and branches and agencies of foreign banks in the Second District. The Fed's responsibilities extend to allstate-

chartered banks that are members of the Federal Reserve System, all U.S. bank holding companies and many of the U.S. operations of foreign bank organizations.

- In addition, the Fed stands ready to provide temporary or long-term liquidity to any depository institution that meets its criteria for discount window borrowing.
- The New York Fed engages in foreign exchange operations on behalf of the U.S. Treasury Department and the Federal Reserve System, as well as for some foreign central banks and international organizations.
- On behalf of the Federal Reserve System, the New York Fed offers banking and financial services to about 250 central banks, governments and international official institutions.
- The New York Fed offers payment, custody and safekeeping and investment services to its customers.
- Most of the assets held in foreign official accounts are in the form of U.S. Treasury and agency securities. These accounts also hold a large quantity of foreign monetary gold at the New York Fed.
- The New York Fed serves as the Wholesale Product Office for the Federal Reserve System. In this capacity, it is responsible for strategic planning and oversight of the Fed's large-dollar funds and securities transfer businesses, as well as its net settlement services.
- The New York Fed has an office in East Rutherford, New Jersey. The Fed's state-of-the-art operations center in East Rutherford, which opened in 1992, processes cash for the metropolitan New York and New Jersey area.

The President of the Federal Reserve Bank of New York is appointed by the Board of Directors of the Bank for a renewable term of five years, or the unexpired portion thereof, subject to approval by the Board of Governors of the Federal Reserve System. The President presides over activities in the Second Federal Reserve District. The New York Fed, and thus the President, has a permanent seat on the FOMC and, by custom, serves as the Vice Chair of the FOMC. The President is responsible for the strategic vision and leadership of the Bank. In consultation with other senior officers at the Bank and the Board of Directors, the President develops a broad vision for the organization, communicates this vision throughout the organization and develops effective strategies and goals to achieve it.

The President also plays a lead role with respect to the strategic vision for the Federal Reserve System. The President is expected to interact and communicate regularly with his/her colleagues at the other Federal Reserve Banks and the Board of Governors and maintain constructive and collaborative relationships with other Federal Reserve entities while also acting as the Bank's chief advocate where appropriate. Likewise, the President is expected to maintain effective relationships with key stakeholders in the District. Finally, the President is also responsible for the oversight of budgeting, planning and financial management at the Bank.

## KEY RELATIONSHIPS

Reports to	Federal Reserve Bank of New York Board of Directors
Direct reports	First Vice President and Chief Operating Officer Executive Vice President and Wholesale Product Director, Financial Services Group Executive Vice President and Director of Research, Research and Statistics Group Executive Vice President, Markets Group Executive Vice President, Supervision Group Executive Vice President and Chief Financial Officer, Corporate Group Executive Vice President and Chief Information Officer, Technology Group Executive Vice President, Communications and Outreach Group Executive Vice President and General Counsel, Legal Group Executive Vice President and Chief Risk Officer, Risk Group Executive Vice President, Human Resources Group
Other key relationships	Board of Governors and staff Other Federal Reserve Bank Presidents and Reserve Bank leaders Bank and Branch staff Banking, labor, business, community and civic leaders in the Second District Other regulators, public officials and media

## KEY ATTRIBUTES & RESPONSIBILITIES

As CEO of the Bank, an organization with complex, challenging and sensitive responsibilities, the President must demonstrate the common leadership traits expected of the CEO of any complex, interdisciplinary organization – most particularly one in the public sector. Key attributes and responsibilities are set forth below:

- *Strategic Orientation and Leadership:* In consultation with other senior officers at the Bank and the Board of Directors, develops the Bank’s strategic objectives, communicates this strategy throughout the organization and inspires others and develops effective strategies and goals to accomplish the strategic objectives.
- *Management and Operational Skills:* Demonstrates strong management and operational skills so as to effectively manage and lead a large complex, multi-disciplinary organization.
- *Business Performance and Risk Management:* Fosters a culture of strong and disciplined business performance, robust, efficient and service-oriented infrastructure support and effective risk management that comprehensively addresses key risk dimensions, including (but not limited to) reputational risk, cyber risk, compliance risk and credit risk. Provides strong and effective stewardship of public resources and is accountable for the budget and financial performance of the Bank.
- *Judgment:* Demonstrates effective economic, financial and operational judgment – often arrived at with limited time and in reliance on partial or incomplete data – including an ability to develop optimal and pragmatic responses to market stresses and volatility. Ability to make difficult or unpopular decisions independently.
- *Ability to Drive Results:* Coordinates and galvanizes diverse governmental and nongovernmental entities to adopt necessarily complex and timely solutions to immensely complex and urgent challenges. Demonstrates an ability both to form policy and then to effectively lead successful implementation of policy directives. The execution skill entails the ability to advocate positions in a forceful, effective manner while maintaining constructive relationships with other stakeholders. Ability to interact and work collaboratively with wide-ranging constituencies and stakeholders, including the Board of Governors, other Reserve Banks, the U.S. Treasury Department and other elements of government (including Congress and the Executive branch), as well as the private sector.
- *Director Relations:* Develops a strong and collaborative relationship with the Bank’s Board of Directors. Advises and consults with the Bank’s Board of Directors regarding issues of strategic direction and policy, and keeps the Board informed regarding ongoing operations and progress on business goals and objectives, as well as material risk events. Assists in the ongoing process of identifying and recruiting strong and diverse potential Directors for election by shareholder banks and appointment by the Board of Governors. Ensures that individual Directors are well prepared and supported to fully contribute to Board discussions.
- *Development of Leadership Talent and Teamwork:* Fosters a culture that identifies, recruits, develops and retains a strong and diverse cadre of leaders for the organization. Builds teamwork across functional areas and with other colleagues throughout the Federal Reserve System.
- *Community and Civic Involvement:* Represents the Bank and the Federal Reserve System to the community within the District. Educates community leaders and the public about the Federal Reserve’s roles and

responsibilities. Promotes the Federal Reserve as an involved and supportive organization within the cities and localities where the Bank has a presence. Fosters goodwill and respect for the Federal Reserve among the Bank's constituencies.

- *Economic Research:* Leverages a strong economic expertise to guide the focus of Bank-level economic research, often in collaboration with other researchers inside and outside the Fed, to inform the policy debate and general understanding of important economic issues.
- *Regional Economic Intelligence:* Gathers insightful, anecdotal economic intelligence through interactions with the Board of Directors and other business and community contacts. Provides strong support to the Board of Directors in developing the Directors' discount rate recommendations.
- *Policy Debate and Decision-Making:* Participates in FOMC policy debates, bringing both regional insights and independent views on national and international economic issues.
- *Policy Communication:* Is actively involved in the process of informing the Federal Reserve's various constituents about monetary policy issues and actions.
- *Financial Market Knowledge and Experience:* Demonstrates and leverages a practical, in-depth understanding of complex financial markets in the contexts of policy-making, communication and execution.
- *Influence with Respect to Legislative Developments:* Demonstrates the ability to utilize legislative and political understanding to ensure that the Bank plays a constructive role with respect to legislative developments affecting the Federal Reserve System.
- *Personal Qualities:* Demonstrates a very high level of energy, intelligence and intellectual curiosity; the ability to absorb and digest vast amounts of information; highest standards of personal integrity, discretion and judgment; genuine commitment to public service and public policy and willingness to always place the well-being of the institution ahead of personal agenda.
- *Supervisory Policy:* Pursuant to Section 11(k) of the Federal Reserve Act, the Board of Governors has exclusive authority to establish policies for the supervision and regulation of depository institution holding companies and other financial firms subject to its supervision. The President of the Bank is responsible for ensuring that the Bank's supervisory staff carries out their responsibilities as set forth by the Board of Governors. The President also plays an important contact role, especially in times of financial stress. While bank supervision and regulatory decisions are made by the Board of Governors, the President is expected provide valuable input into the regulatory process through participation on joint Bank/Board committees and providing comments and insight on regulatory proposals.
- *System Leadership:* While each Reserve Bank operates as a distinct legal entity, the success of the New York Fed and the overall Federal Reserve System depends upon the effective collaboration and cooperation among the Reserve Banks. That intellectual and operational partnership among Reserve Banks has several dimensions:
  - System Contributions. Contributes to the Conference of Presidents' debate and decision-making on issues that transcend individual Reserve Bank authority, recognizing the duty to

ensure that decisions on such matters need to reflect the broad interests and strategies of the Federal Reserve System. Leads or contributes to individual Federal Reserve System committees, projects or other efforts to ensure that the best ideas and thinking from across the System are identified. Follows through in leadership assignments to build consensus, make decisions, implement decisions and assess results.

- Support for Coordinated System Direction. Ensures that the New York Fed effectively contributes to the development of coordinated System objectives and effectively supports such objectives when they are approved. In addition, the New York Fed President is accountable for the Bank's performance on its System-related responsibilities, including fulfillment of its obligations with respect to the Wholesale Product Office.
- Staff Contributions. Identifies New York Fed staff with the experience, interest and ability to take roles in System subcommittees, task forces and project work. Makes such staff available and provides appropriate support for such System assignments.

## IDEAL EXPERIENCE

Strategic and integrative thought process with the ability to make critical, difficult and timely decisions, execute and follow through to completion

Demonstrated executive leadership of a highly sophisticated and complex organization, including a track record of people management of a sizable and diverse staff, and a commitment to best practices in long-range planning, team building, organizational effectiveness, and enterprise-wide risk management

Comprehensive working experience in markets, credit, banking and/or financial services, ideally with an understanding of the “plumbing” of the banking system, the international role of the New York Fed, the new economy and labor markets

Familiarity with the Federal Reserve System and/or prior public policy experience in order to, among other roles, function effectively as the Vice Chair of the Federal Open Markets Committee (“FOMC”)

History of active community participation and civic leadership, and an understanding of and commitment to the community engagement responsibilities required for the position

Proven ability to interact with, engage and communicate effectively across multiple constituencies, and to communicate clearly the Federal Reserve’s policy stance to market participants globally

Ability to obtain and maintain a Top Secret-level security clearance

Advanced degree in business, economics or finance preferred

## CORE COMPETENCIES

### Big Picture Orientation

- Takes a broad view of the external environment; makes connections and devises forward-looking strategies and insights.
- Creates short and long-term strategies in the service of the public interest based on the Bank’s strategies and insights.
- Shifts strategic direction in anticipation of and/or response to key economic or regulatory events.
- Proactively develops insightful analysis, strategies, plans and tactics that span his/her area of specialty.
- Holds others accountable for broadening their expertise based on new data, policies and regulations.
- Systematically seeks out and engages with the broadest range of constituencies and stakeholders across the Second Federal Reserve District and within the Federal Reserve System.



### One-Bank Focus

- Knows when and how to appropriately subordinate individual or Group priorities to those that are in service of broader Bank outcomes.
- Proactively works with others to achieve the best outcomes for Bank-wide and cross-business objectives.
- Consistently seeks others' views, particularly when engaged in similar work, to solve key problems across the Bank and System works to reduce duplication of efforts.
- Is open-minded towards others, even when engaged in disagreement.
- Has a constructive attitude toward the Bank, both inside and outside the organization.

### Manages and Develops Talent

- Builds individual and team capability and holds people accountable for their performance and development.
- Ensures staff is frequently and accurately evaluated on their performance.
- Provides ongoing feedback to develop the skills and potential of others.
- Develops successors and a talent pipeline for key positions.
- Leverages the Bank's people management and development programs and processes, as designed, to enhance business results.

### Experience, Judgment and Execution

- Influences others through a track record of sound judgments resulting in effective outcomes.
- Demonstrates self-awareness of the limits of his/her expertise; knows when and how to leverage the experience and expertise of others.
- Creates and maintains an environment in which others can proactively deliver insightful analyses and practical solutions that advance the Bank's strategic priorities.
- Elicits alternative points of view from others and reconciles differences to achieve optimal outcomes.
- Holds self and others accountable to accomplish results in a timely manner with the highest quality execution.

### Advances Diversity and Inclusion

- Actively supports the Bank's diversity agenda, and holds self and others accountable for creating an inclusive workplace.

## **PROHIBITED ACTIVITIES**

It is indispensable to the proper functioning of, and the maintenance of public confidence in, the Federal Reserve Bank of New York and the Federal Reserve System that every employee perform his or her duties with honesty, integrity and impartiality, and without improper preferential treatment of any person or organization. Each employee has a responsibility to the Bank and to the Federal Reserve System to avoid conduct which places private gain above his or her duties to the Bank, which gives rise to an actual or apparent conflict of interest, or which might result in a question being raised regarding the independence of the employee's judgment or the employee's ability to perform the duties of his or her position satisfactorily. The Bank's code of conduct generally prohibits activities such as:

- Publicly traded company board positions
- Partisan campaign roles/positions
- Partisan elected office
- Stock ownership or other financial interests in depository institutions (e.g., banks and thrifts) and certain other financial institutions; holdings of U.S. Treasury securities in excess of \$50,000; the purchase or sale of securities during FOMC blackout periods

The Bank prohibits outside employment with certain financial services providers and restricts employees from accepting compensation from third parties for teaching, speaking or writing on a subject that relates to your responsibilities at the Bank.