



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

WASHINGTON, D.C. 20551

DIVISION OF SUPERVISION
AND REGULATION

DIVISION OF CONSUMER
AND COMMUNITY AFFAIRS

SR 17-6

CA 17-1

August 1, 2017

**TO THE OFFICER IN CHARGE OF SUPERVISION
AT EACH FEDERAL RESERVE BANK**

SUBJECT: Overview of the Federal Reserve's Supervisory Education Programs

Applicability: This letter applies to examiners and supervisory staff at all twelve Federal Reserve Banks, regardless of the supervision program.

The Board's Divisions of Supervision and Regulation (S&R) and Consumer and Community Affairs (C&CA) are issuing this letter to outline the Federal Reserve's supervisory education programs. This includes an overview of the oversight responsibilities of the Board's supervision learning function and the Federal Reserve's national Supervision Learning Office. Since the financial crisis of 2008, the Federal Reserve's supervision programs have evolved significantly. As a result, the examiner commissioning programs and ongoing examiner education have been updated to better fulfill the Federal Reserve's responsibility as the consolidated supervisor of certain financial institutions and to provide Federal Reserve examiners with topical and timely supervisory knowledge and information.

The Board's S&R and C&CA divisions will provide the Reserve Banks with guidance and ongoing communications that detail implementation expectations on each examiner commissioning and learning program, as well as administrative expectations.

Program Details

The Federal Reserve's supervisory education includes the following learning programs:

- Large Financial Institutions Examiner Commissioning Program (LFI ECP)
- Community Banking Organizations Examiner Commissioning Program (CBO ECP)
- Consumer Compliance Examiner Commissioning Program (CC ECP)

- Continuing Professional Development (CPD)

Reserve Bank supervisory staff (also referred to as “learners” in this letter) are required to complete foundational learning¹ related to the Federal Reserve’s role as the U.S. central bank and its responsibility to supervise and regulate various financial institutions, and any other learning topics designated as mandatory for supervisory staff. Following completion of this foundational learning, the learner will continue his or her professional development, through either an examiner commissioning or CPD program.

Learners complete training through a multitude of delivery mechanisms, including stand-alone reading materials, self-paced online learning units, virtual classroom sessions, and in-person classroom courses. For those learners in an ECP, key learning objectives are reinforced through mandatory on-the-job training components. For learners in CPD programs, various training opportunities are focused on supervisory topics or portfolios. CPD programs may have elective or mandatory on-the-job training components.

Board and Reserve Bank staff with responsibility for overseeing and guiding the examiner education programs determine mandatory learning requirements. The decision to make a training component mandatory is based on several factors, including the importance of the supervisory topic and the expected benefit for supervisory staff. Mandatory learning requirements may be for all, or a subset of, examiners and supervision staff. Learners are expected to complete the requirement within a specified time period.

S&R and C&CA Oversight

The Board’s S&R and C&CA divisions are responsible for overseeing the learning programs and national Supervision Learning Office. The oversight role involves an assessment of the effectiveness of the learning programs through ongoing monitoring and operations reviews. The Reserve Banks are responsible for tracking and assessing learner performance, including related on-the-job performance, throughout the ECP. Reserve Banks may request waivers for eligible components of the ECP for experienced hires based on their professional background and experiences. Board staff will review ECP waiver requests and determine waiver decisions. After completion of the ECP, the learner’s Reserve Bank may request a commission from the Board’s S&R division. Board staff evaluates and makes a determination as to whether to approve these commission requests.

For mandatory CPD programs, Reserve Banks monitor compliance and may waive mandatory requirements for a learner based on national supervision and local Reserve Bank criteria. Board staff reviews the waivers for mandatory CPD through ongoing oversight activities.

¹ Foundational learning is defined as basic, introductory material for individuals new to the Federal Reserve System. The content is not associated with any particular ECP.

Program Maintenance

The Federal Reserve has made substantial efforts in modernizing, creating, and maintaining its education programs for the supervision function. The maintenance process to review and update a learning program involves various Federal Reserve steering groups made up of supervisory subject matter experts, training professionals, and leaders within the supervision function.

The Board's supervision learning function, the various Federal Reserve steering groups, or the national Supervision Learning Office review annually, or more frequently, the learning programs to ensure that content is current and reflects changes in regulations and supervisory processes. Additionally, processes are in place to capture learners' perspectives on the alignment of the curriculum with the execution of their daily examination responsibilities.

Contacts

Questions regarding this guidance should be directed to Amol Vaidya, Manager, Supervision and Regulation, at (202) 475-6306, or Mayank Patel, Manager, Consumer and Community Affairs at (202) 452-2316. In addition, questions may be sent via the Board's public website.²

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Supersedes:

- SR 05-22, "Revised Training Program for Information Technology Examiners"
- SR 98-2, "New Training Program Leading to Commissioned Examiner Status"

² See <http://www.federalreserve.gov/apps/contactus/feedback.aspx>.