



OFFICE OF INSPECTOR GENERAL  
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
CONSUMER FINANCIAL PROTECTION BUREAU

September 30, 2014

**MEMORANDUM**

**TO:** Board of Governors

**FROM:** Mark Bialek  
Inspector General

**SUBJECT:** The OIG's List of Major Management Challenges for the Board

We are pleased to provide you with the Office of Inspector General's (OIG) first listing of major management challenges facing the Board of Governors of the Federal Reserve System (Board). These challenges represent what we believe to be the areas that, if not addressed, are most likely to hamper the Board's accomplishment of its strategic objectives.

We used audit and evaluation work performed by the OIG, audits performed by the U.S. Government Accountability Office, and the Board's strategic planning documentation to identify the Board's major management challenges, which are listed in the table below.

Management challenge no.	Description	Attachment 1 page no.
1	Continuing to implement a financial stability regulatory and supervisory framework	1
2	Human capital	3
3	Board governance	5
4	Capital improvement projects	8
5	Information security	11

Details on each challenge are in attachment 1 of this memorandum. Attachment 2 maps our ongoing and planned work related to the major management challenges we have identified for the Board.

We appreciate the cooperation that we received from the Board as we developed this listing of challenges. Feel free to contact me if you would like to discuss any of the challenges.

Attachments

cc: Scott Alvarez, General Counsel, Legal Division  
Eric Belsky, Director, Division of Consumer and Community Affairs  
Michell Clark, Director, Management Division  
Robert deV. Frierson, Secretary of the Board, Office of the Secretary  
William English, Director, Division of Monetary Affairs  
Michael Gibson, Director, Division of Banking Supervision and Regulation  
Donald Hammond, Chief Operating Officer, Office of the Chief Operating Officer  
Steven Kamin, Director, Division of International Finance  
J. Nellie Liang, Director, Office of Financial Stability Policy and Research  
William Mitchell, Chief Financial Officer and Director, Division of Financial Management  
Sharon Mowry, Chief Information Officer and Director, Division of Information  
Technology  
Louise Roseman, Director, Division of Reserve Bank Operations and  
Payment Systems  
Michelle Smith, Assistant to the Board, Chief of Staff, and Director, Office of  
Board Members  
David Wilcox, Director, Division of Research and Statistics