

Conversations with the Fed:

Board Chair

Dr. MayKao Y. Hang

March 10, 2016

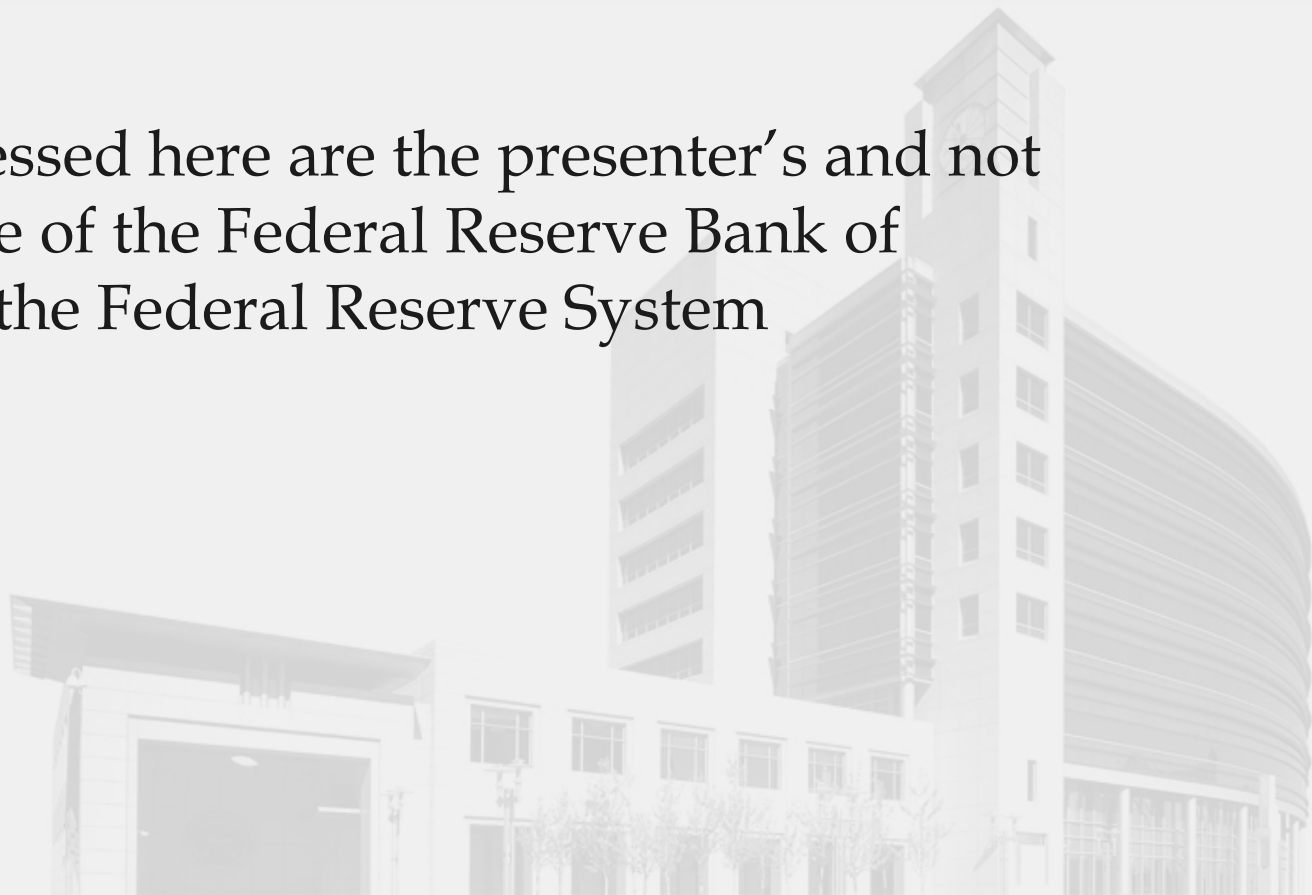


FEDERAL RESERVE BANK *of* MINNEAPOLIS



Disclaimer

The views expressed here are the presenter's and not necessarily those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System





Agenda

- My Background
- Structure of the Federal Reserve Banks
- Role of Reserve Bank Directors
- Role of Board Chair
- President Search Process
- Q&A



My Regular Job:

President and CEO

Amherst H. Wilder Foundation

St. Paul, MN

The Wilder Foundation is a nonprofit organization that improves lives in St. Paul and beyond through direct services, research, and community building.



AMHERST H.
WILDER
FOUNDATION

Here for good.





Values

Responsiveness.

Innovation.

Effectiveness.

Mission Values





Our Aspirations

- **Children and Families:** Children and families have what they need to achieve their full potential.
- **Community Service for Aging:** Older adults have what they need to maximize their quality of life.
- **Community, Research, and Leadership:** Residents and leaders are engaged and informed in creating solutions to address vital community issues.





A few facts about Wilder...

- Within 2.5 miles every day in our capital city of St. Paul, a Wilder staff person or volunteer is delivering services
- 150 research reports written per year (300 projects annually)
- 10,000 people served
- 40,000 people per year in mission-related activities to build social capital at Wilder Center



The Federal Reserve: The Nation's Central Bank

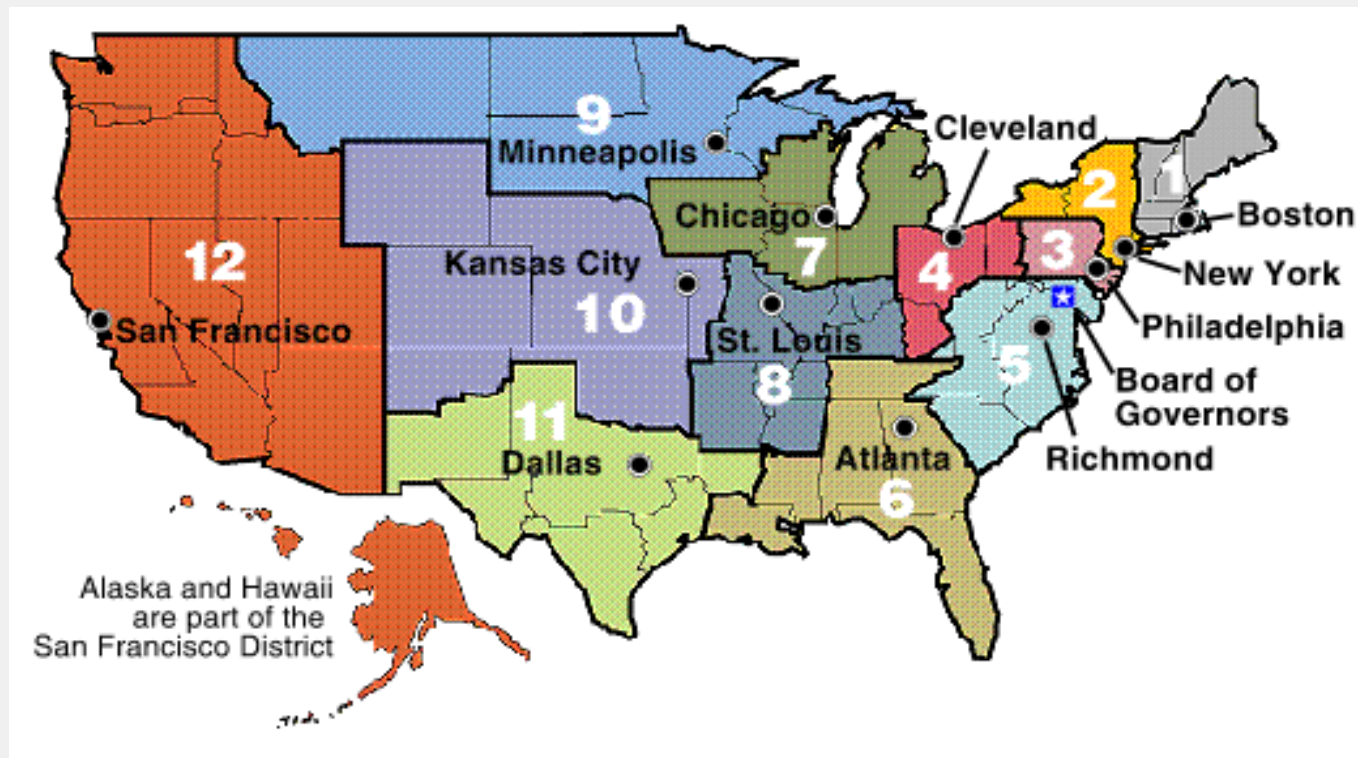
- Federal Reserve System created by U.S. Congress in 1913
- Federal Reserve System:
 - 12 regional Reserve Banks and the Board of Governors
- Federal Reserve has a governmental purpose, but is independent of Congress and the President
 - Congress's charge: public accountability for making and executing effective monetary policy

This model gives “main street” a voice in monetary policy.



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Federal Reserve Districts...

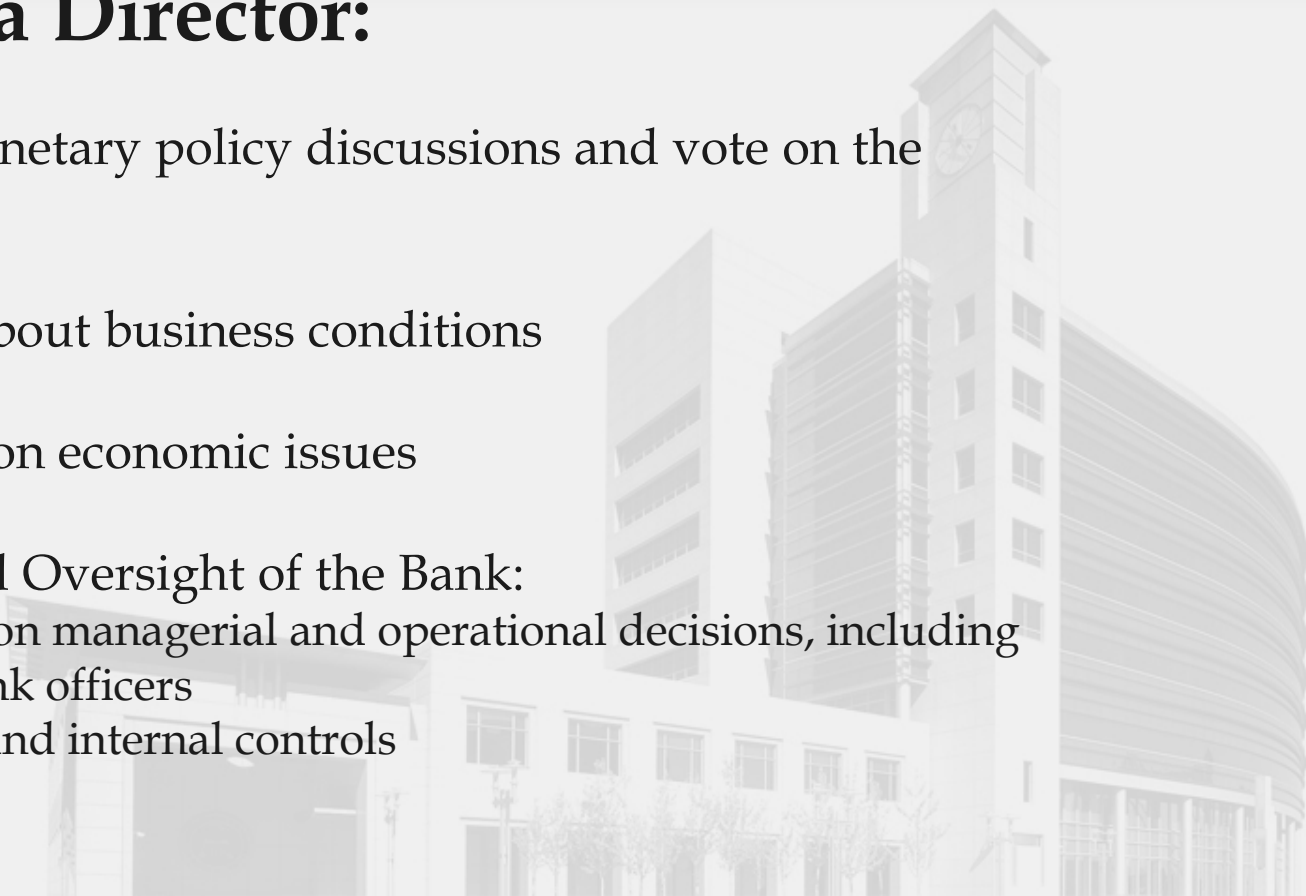


...capture
diversity of
regional
conditions
and
perspectives



The Role of a Director:

- Participate in monetary policy discussions and vote on the discount rate
- Inform the Fed about business conditions
- Provide counsel on economic issues
- Management and Oversight of the Bank:
 - Provide input on managerial and operational decisions, including appointing Bank officers
 - Manage risks and internal controls





Structure of the Board of Directors

- Nine directors from three classes:
 - Class A: Elected by member banks to represent member banks
 - Class B: Elected by member banks to represent the public
 - Class C: Appointed by the Board of Governors to represent the public
- Serve staggered terms; up to two three-year terms



Structure of Board of Directors

Represent Member Banks

A



6 Elected by District Member Banks

Represent the Public

B



C



3 Appointed by BoG
May not own stock in a bank

May not be an employee or officer of a bank



2016 Board of Directors

B

Larry Simkins
The Washington
Companies

C

Deputy Chair
Ken Powell
General Mills

A

Thomas Armstrong
First National Bank of
Park Falls, WI

B

Christine
Hamilton
Christiansen
Land
and Cattle

A

Catherine
Kelly
Minnesota
Bank and
Trust

A

Randy
Newman
Alerus
Financial



B

Kathleen Neset
Neset
Consulting

C

Chair
MayKao Hang
Amherst Wilder
Foundation

C

Harry Melander
MN Building and
Construction Trades
Council



Helena Branch Directors

Barbara Stiffarm
Opportunity Link, Inc.

Chair

Sarah Walsh
PayneWest Insurance

Duane Kurokawa
Western Bank of Wolf Point



Tom Swenson
Bank of Montana

Deputy Chair
Martha Goetting
Montana State University





My Role as Board Chair

- Lead the Meetings of the Board
- Manage the Committee Structure
 - The Board of Directors has four committees:
 - Executive Committee
 - Audit Committee
 - Budget, Evaluation and Risk Committee
 - Nominating and Governance Committee
- Attend Conference of Chairs Meetings
 - Twice per year at the Board of Governors
 - Chair the Directors' Committee on Employee Benefits



President Search Process

- Search Committee
 - Class B and C Directors
- Transparent Process:
 - Conducted Nationwide Search
 - Published a Summary of Desired Attributes
 - Released Educational Materials – Videos on Bank’s website



President Neel Kashkari,
Took office January 1, 2016

Questions?



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