



FEDERAL RESERVE 101:

Supervision of Banks

Examiners in Banking Supervision conduct exams and inspections at financial institutions in our district.

FEDERAL RESERVE BANK *of* CLEVELAND



FEDERAL RESERVE 101

Supervision of Banks



The examination process ensures financial institutions operate in a safe and sound manner, provide fair access to credit, and comply with laws, regulations, and other mandates.

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The Federal Reserve supervises banks of all sizes, including:



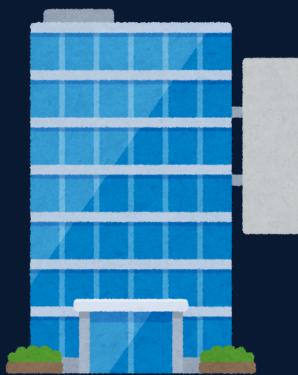
Community banks

Banks with less than \$10 billion in assets



Regional banks

Banks with total assets between \$10 billion and \$100 billion



Large banks

Banks with total assets greater than \$100 billion



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Supervision of Banks



Bank supervisors at the regional Federal Reserve Banks work to understand banks' operations, major risks, how well banks manage those risks and whether banks have sufficient financial and managerial resources.

When a bank does not manage its risk well or have sufficient financial resources, examiners require the bank to take corrective action.

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Supervision is one of the five key functions of the Federal Reserve.

A safe, sound, and efficient banking and financial system contributes to a strong economy. That's why the Federal Reserve works to ensure that financial institutions follow the laws and regulations that apply to them.

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