

## Federal Reserve Finalizes Board Effectiveness Guidance

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POSTED IN [BANK REGULATION](#), [CORPORATE GOVERNANCE](#), [FEDERAL RESERVE](#), [GUIDANCE & FAQs](#)

The Federal Reserve has finalized its supervisory guidance on board of directors' effectiveness (**Board Effectiveness Guidance**) more than three years after it was proposed. The final Board Effectiveness Guidance is a key milestone in the Federal Reserve's multi-year review of the practices of boards of directors, particularly at the largest banking organizations.

In addition to finalizing the Board Effectiveness Guidance, the Federal Reserve also announced the results of its review of 27 SR letters which contain supervisory expectations for boards. The changes to the SR letters show a clear trend towards fewer tasks for the board and a greater understanding of the board's oversight role.

Please see our [client memorandum](#) for more details on the Board Effectiveness Guidance and the Federal Reserve's SR letter review.