



NEWS

**1777 F Street, N.W., Washington, D.C. 20006
(202) 408-2500**

**FOR RELEASE:
September 25, 2002
FHFB 02-46**

Contact: Carter Wood (202) 408-2817

FEDERAL HOUSING FINANCE BOARD ANNOUNCES NEW HIRINGS TO BOLSTER SUPERVISION

The Federal Housing Finance Board has made several significant personnel moves in the Office of Supervision, including the hiring of the first examiner to be stationed outside Washington, D.C.

Stephen M. Cross, Director of the Office of Supervision, announced the new positions this week, saying they represented a major step toward enhancing the Finance Board's oversight of the safety and soundness of the Federal Home Loan Bank System.

"We are moving deliberately to put the right people in the right places to expand our supervisory capabilities," Cross said. "These personnel decisions reflect Chairman Korsmo's emphasis on safety and soundness, which must be the priority for a regulatory agency such as the Finance Board."

The Finance Board recently underwent a major reorganization with the primary goal of allocating more resources to supervision of the individual Banks. The Fiscal Year 2003 budget includes a \$2.8 million increase for the Office of Supervision, allowing the addition of 11 new bank examiners, four analysts, one senior risk advisor and two associate directors.

Cross announced the following staffing changes:

- Gwen Grogan has been selected as the Associate Director for Bank Supervision Policy. Grogan has more than 10 years as an examiner, financial analyst and Acting Deputy Director in the Office of Supervision. Over the last several years, she has assumed increased responsibility in the Office of Supervision, including budgeting and planning. Before joining the Finance Board in January 1992, she was an examiner for the Federal Deposit Insurance Corporation, having joined the FDIC in 1986.
- Karen Walter has been selected as the Associate Director for Supervision and Examinations, and will join the Finance Board on Oct. 1. For the last five years, she has been the Chief of the International Branch of the FDIC's Division of Supervision and Consumer Affairs. Walter has a total of 18 years in bank supervision as an examiner, team leader and review examiner.
- Duane Creel, supervisory bank examiner at the FHFB, will assume the position of Deputy Associate Director for Supervision and Examinations. In that position, he will be the leader of a

team of examiners initially assigned a portfolio of six of the 12 Federal Home Loan Banks. He will also serve as Acting Associate Director whenever the Associate Director is unavailable.

- Gary Ternullo will be joining the Office of Supervision on Sept. 30 as a Senior Risk Analyst. Ternullo has more than 13 years experience at the FDIC as a Risk Analyst and Financial Analyst. For the past six years, he has been a Financial Project Manager in the FDIC's Division of Insurance and Research.
- Dale Blackburn has been selected as a Senior Examiner beginning October 1 to be located in Seattle, Wash. Blackburn has been a bank examiner and case manager for the FDIC for 22 years, serving in the FDIC's Chicago, Dallas, Boston and San Francisco regions. Since 1996, he has been a Field Office Supervisor in Seattle responsible for 122 banks in the Seattle and Portland offices.

Blackburn is the first examiner for the Federal Housing Finance Board to be located outside of the central office in Washington, D.C. Placing examiners in Federal Home Loan Bank cities will improve the supervision of the Home Loan Banks, make recruitment easier, and reduce travel and related overhead costs.

Hiring is continuing for bank examiners. Information is available at:
<http://www.fhfb.gov/CareerOps/Jobs.htm>.