



OFFICE OF  
**DIVERSITY &  
INCLUSION**  
FEDERAL RESERVE BANK OF RICHMOND

# 2020 Office of Minority and Women Inclusion Annual Report to Congress

*On the implementation of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010*





# Federal Reserve Bank of Richmond

## OUR MISSION

As a regional Reserve Bank, we serve the public by fostering the stability, integrity and efficiency of our nation’s monetary, financial and payments systems.

## OUR CULTURE

We act as one team to serve the System, our customers, our communities and each other to:

- Do the right thing
- Lead from where we are to make things better
- Embrace differences and opportunities to grow

## OUR DIVERSITY & INCLUSION VISION

We excel at our public service mission by actively cultivating an inclusive culture and leveraging the skills and perspectives of our diverse workforce.

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*This annual report, as stipulated by Section 342 of the Dodd-Frank Act, details specific work and progress made during the reporting period. Information pertaining to Regulated Entities is included in the Board of Governor’s Report as the primary regulator.*

# Executive Summary

The Federal Reserve Bank of Richmond (the/our Bank or the Richmond Fed) is committed to building and maintaining a strong workforce to deliver on our public service mission while strengthening the economy and our communities. We recognize that fostering a diverse, equitable and inclusive culture is imperative — both to the success of the Richmond Fed, and to ensure our employees experience a work environment where they can be their authentic selves, share their unique perspectives and feel a sense of unity and belonging. We work to leverage differences among our employees to find the best solutions and ensure the best outcomes. This philosophy and commitment has allowed our Bank to continue building on our strong diversity and inclusion (D&I) culture and practices, both with our current employees and with our external constituents.

In order to reinforce our ongoing commitment, one of the five focus areas of the Fifth District's 2019–2021 Strategic Plan is making the Bank a Top Place for Top Talent, which includes priorities on D&I, mobility, a superior workplace and developing others.

As of December 31, 2020, the Richmond Fed employed 2,881 employees. The Bank includes two divisions — the Fifth District, or District (1,492 employees), with responsibility for the primary functions of the Bank, and National IT (1,389 employees), with responsibility for information technology for all Reserve Banks within the Federal Reserve System (the System). We are intentional about building a pipeline of diverse talent through recruitment, development and succession, and our overall representation of minorities and women are above labor market availability for the communities we serve. For 2020, minority representation increased by 1 percentage point to 36%, while the Bank's representation of women declined to 37%. As of year-end, Black/African American employees represented 19% of the total workforce, and Asians and Hispanic/Latinos represented 12% and 4%, respectively. Marginal increases in overall workforce diversity have been evident over the past several years. Minority representation at the senior leader level increased to 19% in 2020 from 11% in 2019. Bank leaders continue to keep this as a priority area of focus for improvement.

Our Bank has been intentional in our efforts to make D&I a featured part of our culture and strategic plan. Facing a year of challenges, we remained focused and adjusted

accordingly to deliver on four High Priority Objectives (HPOs) that focus our efforts on being a Top Place for Top Talent. These HPOs are 1) Increasing Bank Diversity; 2) Promoting Talent Mobility; 3) Delivering a Superior Workplace Experience; and 4) Strengthening Leaders' Ability to Develop Others. These focus areas also are reflected in the System IT Strategic Plan. Additionally, in the area of Supplier Diversity, we continued to focus on our HPO of Leading System Procurement Strategy by focusing on intentional efforts to expand diverse spend, influence the diverse supplier pipeline and opportunities, and enhance engagement with diverse suppliers in local communities. Our focus in the area of financial education continued with two objectives of 1) helping students make an informed decision about post-secondary education and careers, and 2) helping students understand how the Federal Reserve connects to the economic and financial decisions they make every day.

Although 2020 presented unique obstacles, we continued to incorporate D&I in every area of our organization, including our people practices, community and supplier engagement, and our research. Our executive leadership has a strong commitment to racial equity and made a public statement in early 2020 denouncing racism and acts of hatred in response to the tragic, racist events experienced across our nation. This statement reinforced our organization's mission and commitment to support the communities we serve. This commitment is intertwined through all the work that we do, including community development, promoting economic inclusion to benefit low- and moderate-income communities and bringing a critical eye to economic issues that impact households through unemployment disparities based on education labor market dynamics. It is also evidenced in our development of financial literacy resources for children and young adults, as well as partnerships with local schools to support and develop students.

We were also intentional in reinforcing our commitments to our employees. Leaders were provided resources to support them in engaging their teams and encouraging open conversations on difficult topics like racial equity and challenges related to remote work, feelings of isolation and our current environment. For employees, we provided resources and outlets for honest conversations. To understand challenges and opportunities to better support work life integration, we increased our sensing efforts with employees through tools such as listening

sessions to foster greater inclusion and open discussion forums focused on current relevant topics, with one forum session having more than 1,400 attendees.

We focused on building a pipeline of diverse talent through recruitment, development and succession planning that concentrated on women in technology, minority officers and early career talent. To continually cultivate a culture that allows employees to bring their whole selves to work with a true sense of belonging, we held several open and honest dialogue sessions to keep our workforce connected and supported as they adjusted to a remote work posture amidst a worldwide pandemic and a complicated social and racial equity landscape. Because of the pandemic, building a deep portfolio of diverse suppliers shifted into high gear allowing us to build a stronger pipeline of minority- and women-owned businesses. And within our communities, we continued to align with our mission to provide support, education and resources to help strengthen the economy in an unprecedented time.

There is still a great deal of work to be done, but in a challenging year our Bank was able to be agile and quickly pivot to remain focused on achieving our goals. We are proud of the work that has been done as we continue to build on an already strong foundation.

## SUCSESSES

### Workforce Diversity

#### *Increasing Bank Diversity*

- Our external hires included 42% minorities, exceeding our workforce minority representation of 36%, and 36% women, which approximated our overall women representation of 37%.
- Our minority officer representation grew from 15% (24) in 2019 to 21% (38) in 2020.
- We hired 59 interns, with 44% women and 54% minorities (an increase of 11 percentage points).
- We expanded our Career Champions to 200 employees and built upon and retained strong relationships with colleges and universities for our campus recruiting efforts.

#### *Promoting Talent Mobility*

- A total of 264 employees participated in experience-based development opportunities, an increase of 30% from 2019 with representation of 58% women and 35% minorities.
- Seventeen employees participated in System Leadership

Exchange opportunities, with representation of 71% women and 35% minorities.

- Talent mobility improved as evidenced by job family changes realizing an 8% increase, with minority and women representation of 33% and 44%, respectively.

#### *Delivering a Superior Workplace Experience*

- We reacted quickly and efficiently to COVID-19. We took proactive measures to limit onsite staffing to critical-essential employees and implemented enhanced protocols to help ensure the health of our onsite essential workers who support our critical operations in our buildings.
- In a primarily remote work environment, we continued to effectively hire and onboard new employees and provided regular employee sessions facilitated by senior leaders to promote transparency and information sharing.
- We provided leaders with resources to enable continued engagement and conversations regarding difficult topics like racial equity and challenges related to remote work, emotional wellbeing and feelings of isolation and our current environment. We also provided employees with resources and outlets for honest conversations. We increased our sensing efforts with employees through ongoing pulse surveys to understand challenges and opportunities to better support work-life integration.
- We were nationally certified as a “Great Place to Work” with an overwhelming rate of 97% of responding employees stating that they are proud to work at the Richmond Fed — highlighting our successes in delivering a superior workplace experience.
- For the fifth straight year, we met all the criteria to earn a 100 percent rating and the designation of being a 2021 “Best Place to Work for LGBTQ Equality” on the Human Rights Campaign Corporate Equality Index Survey. This award was based on actions taken during 2020 to receive the 2021 recognition award.
- The decisions we are making related to the future of our work structure include D&I as we consider how to provide flexibility to a diverse and inclusive workforce, and enhance our ability to attract, retain and develop top talent.

#### *Strengthening Leaders’ Ability to Develop Others*

- We launched “Feed Forward,” a program that plays off of the concept of feedback, and encourages ongoing, solutions-oriented conversations between leaders and employees as well as from peer to peer.
- Our employees ranked our efforts to champion D&I with

an 86% favorable score (an increase of 9% from 2019) during two pulse surveys conducted in March and September.

- Our Diversity and iNclusion Alliance (DNA) continues to provide a unique leadership opportunity for employees and is a powerful force for those who want to focus on demonstrating leadership, embedding D&I and serving as critical allies in creating an inclusive culture. In 2020, the DNA membership was 50% (7) women and 54% (9) minority.

### Supplier Diversity

#### *Focus on Intentional Efforts to Expand Diverse Spend/ Influence the Diverse Supplier Pipeline and Opportunities*

- For 2020, our Bank spent \$63.9 million with diverse suppliers, or 14.5% diverse spend. While the total of our diverse spend dollars was flat year over year, on the District side our diverse spend increased from 12% to 18%, even with deferred facilities investments during the pandemic.
- In February 2020, we held a supplier diversity matchmaking event with Facilities Management to focus on including new diverse suppliers in the bid process. The event led to a 50% inclusion rate of sourcing activities with diverse suppliers.
- We launched our internal Supplier Diversity Champions program in 2020. Participating employee Champions were trained and began partnering with their respective business lines to help drive inclusion and build the pipeline of diverse suppliers.
- As part of the Supplier Diversity Champions program, we also added Executive Sponsorship for District and National IT to represent key business areas with significant procurement needs.
- We implemented an updated education and communication plan to help employees understand our targeted approach to building our supplier diversity pipeline and how they can contribute.

#### *Enhanced Engagement with Diverse Suppliers in Local Communities*

- In 2020, we held two supplier diversity events with 75 suppliers in attendance.
- In 2020, expenditures with diverse suppliers also were expanded to meet the additional need of personal protective equipment supplies with the onset of COVID-19.
- We updated the System Procurement website to provide more streamlined communication and access for external stakeholders, with the goal of eliminating barriers for diverse suppliers.

### Financial Education

- We were able to shift from in-person to virtual programs to reach educators and students who were already in a virtual learning environment.
- During the summer of 2020, 213 teachers, including 75 from The Office of Minority & Women Inclusion (OMWI) designated high schools, participated in a series of week-long development programs to help prepare them for a new North Carolina Department of Public Instruction economics and personal finance course.
- In collaboration with the Federal Reserve Bank of San Francisco, we enrolled 6,719 high school students, including 2,574 from OMWI-designated high schools, in our “Invest in What’s Next: Life After High School” course.

## CHALLENGES

### Workforce Diversity

- Market competition for diverse talent remains high, especially in certain technical fields requiring four-year college degrees.
- In the Fifth District, female representation continued to increase along the recruiting stages, but it declined in National IT for technology roles, which also faced persistent challenges with minority recruitment.
- With a focus on mitigating concerns related to employee isolation while our workforce is primarily remote during COVID-19, we are working to increase engagement and connectedness among employees.
- We continue to look for opportunities to strengthen our talent acquisition processes and identify any impediments to diverse hiring. Our work to refine our processes and remove entry barriers for new minority candidates and foster the mobility of diverse talent already within the organization is ongoing, such as conducting training on minimizing bias in the interview process and increasing experience based development opportunities.

### Supplier Diversity

- The pandemic caused us to defer several projects, which resulted in a lower number of sourcing events and slightly reduced overall spend with diverse suppliers. For example, several large projects in Facilities Management were delayed and moved to 2021.
- We continue to address the current situation of a diverse spend concentration with a limited number of large diverse suppliers.
- There is a need to simplify and streamline the existing complex registration process for suppliers, including sharing certifications and capabilities. The National

Procurement Office (NPO) and the System have been working to implement a new enterprise resource planning program to address the existing complex registration process.

### **Financial Education**

- The pandemic shined a bright light on the disparities in education in diverse and rural communities, and it made it difficult to reach the students and teachers who could benefit the most from our economic education programs.
- We faced challenges responding in a timely manner to teachers' feedback for making the "Invest in What's Next" online course work for classrooms during distance learning.

## **NEXT STEPS**

### **Workforce Diversity**

In 2021, we will continue to focus on women in the workforce and technology roles, minority officers and early career pipelines. We will also concentrate on building relationships with diverse professional organizations and expanding external outreach to share more about what it is like to work at the Richmond Fed. Employee input gathered through listening sessions, surveys and other resources will inform our internal and external D&I initiatives. We also will continue working to engrain D&I practices in everyday behaviors and assess internal processes for bias, focusing on our talent management processes, and we will continue sensing with employees through multiple avenues, such as Let's Connect sessions and our eight Employee Resource Networks (ERNs).

Opportunities for leadership and development, inclusive of women and minorities, will be expanded, with an eye to experiential learning opportunities, cross-functional mobility and succession planning.

### **Supplier Diversity**

We will expand and improve internal awareness and education on the benefits of using diverse suppliers through our Supplier Diversity Champions and Executive Sponsorship program. Externally, we will build on our model of hosting targeted supplier diversity events to improve engagement with diverse suppliers and host an event in the second half of 2021. We also will co-lead an effort to increase the number of diverse suppliers at the regional level with other Reserve Banks.

### **Financial Education**

We will continue to analyze the learnings we gained from adjusting to a virtual format and will explore a more robust instructor management solution for our educators in 2021 to improve usability of "Invest in What's Next" and reach a larger audience. Additionally, without the ability to provide tours of our onsite museum due to COVID-19, we are exploring innovative ways to continue to share the information that would be provided during those tours.

## **BOARD DIVERSITY**

The Richmond Fed's Boards of Directors are comprised of 23 directors: nine in Richmond, seven in Baltimore, Maryland, and seven in Charlotte, North Carolina. As of January 1, 2021, we have two vacancies: one in Richmond and one in Charlotte. Directors are comprised of those appointed or elected in 2020 to terms that began on January 1, 2021, as well as directors who are currently serving in existing terms. All Richmond Fed directors are expected to participate in the formulation of monetary policy and act as a link between the System and the public.

In terms of diversity, our boards have representation of women and minorities of 35% and 30%, respectively, and two of our three board chairs are minorities. The boards' geographic diversity encompasses all states in the Fifth District, as well as the District of Columbia. Our board members represent significant diversity across industries, which allows our senior leaders to have a better understanding of our differing communities and local economies. Industry diversity in 2021 for the District includes representatives from banking (26%), commerce/industry (25%), services (26%) and consumer/community (13%). The services sector is comprised of industries, such as health care, higher education, public utilities and telecommunications. Additionally, our 2021 directors also include the president of a historically Black college or university (HBCU).

Diversity is a priority across our organization, including on our boards of directors. Recruiting directors is a continuous process and we consider many factors when looking for potential members. Individuals with diversity of background, career experiences, industry representation, race, gender and geography bring a variety of perspectives that benefit the boards' work and provide valuable insights and are representative of the communities we serve in our District. Detailed metrics for our boards of directors are located in Appendix 3.

# Overview & Introduction

## THE RICHMOND FED

As one of 12 regional Reserve Banks across the country, the Federal Reserve Bank of Richmond represents the Fifth District, which is comprised of the Carolinas, Maryland, Virginia, Washington, D.C., and most of West Virginia. Our Bank works together with the other regional Reserve Banks and the Board of Governors to achieve our public service mission by promoting stable prices, employment and moderate interest rates through monetary policy; ensuring the nation's financial system is safe and sound; providing a secure and efficient way to transfer funds; and connecting with Fifth District community and business leaders to better understand local economic conditions and address issues facing Fifth District communities.

The Richmond Fed is headquartered in Richmond, Virginia, with branch offices in Baltimore, Maryland, and Charlotte, North Carolina. The Bank includes two divisions — the Fifth District, or District (1,492 employees), with responsibility for the primary functions of the Bank, and National IT (1,389 employees), with responsibility for information technology for all Reserve Banks within the Federal Reserve System. Bank employees are located across the U.S. and within offices of each of the 12 Federal Reserve Districts across the System.

## OMWI OFFICE AND OVERSIGHT

The Office of Minority & Women Inclusion (OMWI), known as the Office of Diversity & Inclusion (the Office) at the Richmond Fed, seeks to increase the diversity of the Bank's workforce at all levels of the organization, increase the number of minority- and women-owned businesses that participate in procurement efforts and enhance financial education efforts — with a focus on majority-minority schools — to support informed decision-making.

Senior Vice President and Chief Human Resources Officer Brielle Stanley serves as OMWI director and head of our People, Culture + Wellness function. She reports to President Thomas Barkin on OMWI matters and to First Vice President and Chief Operating Officer Becky Bareford on other people and culture initiatives. Stanley also oversees the workforce diversity outreach efforts of the Richmond Fed. Beth Panilaitis serves as the deputy OMWI director and EEO officer. Panilaitis reports to the OMWI director and oversees our workforce diversity and inclusion efforts, including supporting D&I business line needs, D&I education and the embedding of D&I into business practices.

In addition to the deputy OMWI director, the Office includes one full-time D&I business advisor and an early career analyst from our Discover rotational program. In 2020, the Office benefitted from several experience-based development/talent mobility opportunities from individuals participating in job rotations to assist with D&I work. The Office also partners with individuals across the People, Culture + Wellness function and throughout the business lines to carry out our Bank's D&I mission.

# Workforce Diversity & Inclusion

D&I are integral and intentional parts of how the Richmond Fed does business every day. Diversity, equity and inclusion are foundational at our Bank, and they are incorporated in every area of our organization. We continually focus on our commitment to inspire a workforce as diverse as the communities that we serve and to cultivate an inclusive culture where all employees can bring diverse perspectives to the table. We believe that a diverse and inclusive workforce allows us to build stronger and more effective teams and fulfill our mission and strategic goals. The decisions we are making related to the future of our work structure include D&I as we consider how to provide flexibility to a diverse and inclusive workforce, and enhance our ability to attract, retain and develop top talent.

D&I are also fundamental components of our 2019–2021 strategic plan. The plan identifies four key HPOs focusing on our Bank being a Top Place for Top Talent and were created to inspire a high-performing and diverse workforce through selection, training and development of diverse and talented employees. These HPOs concentrate on 1) Increasing Bank Diversity, 2) Promoting Talent Mobility, 3) Delivering a Superior Workplace Experience and 4) Strengthening the Ability to Develop Others. Highlights of our accomplishments and challenges of the HPOs are showcased in this report. These key focus areas are also reflected in the System IT Strategic Plan.

To help foster success, we use a multi-pronged approach to D&I that incorporates an internal and external strategy. We continue to focus on strengthening our internal pipeline through experience-based development, talent mobility and growth opportunities. We are also ensuring a deeper external pipeline by having a focused sourcing strategy and more concentrated efforts on our external networks and partnerships with universities and professional organizations. Not only are we working to attract and recruit diverse candidates, we also are retaining the dynamic employees who are already here by offering opportunities to develop, grow and connect with each other, and by supporting a culture that allows employees to bring their whole selves to work, respect and support each other, and feel a true sense of belonging.

Everyone plays a role in D&I at the Richmond Fed. We are successful because of the engagement and accountability of our employees, starting from the top. Senior leaders promote a diverse and inclusive environment across all elements, drive progress through Federal Reserve System goals and our Bank’s strategic plan and play active roles in initiatives across the organization. Our people make D&I efforts a top priority in everything they do, including establishing diverse teams, creating diverse applicant pools and interview panels, and establishing a culture where it is easier to learn more about each other’s unique self.

## Analysts Discover the Fed



In 2020, we kicked off our Discover Program by welcoming 24 Discover Analysts into our Bank.

Discover is a two-year rotational program providing entry-level analysts roles to recent college graduates. These analysts are working in two business areas, supporting nearly every business line across our District and National IT over the next two years. Building on a foundation of growth, mentoring and continuous learning, Discover is providing analysts with the experiences and connections to successfully contribute to the Fed’s mission. Throughout the program analysts will engage in various projects, certifications and trainings intended to both

challenge and prepare them for long-lasting careers at our Bank. “The program brings our Bank closer to realizing our goal of sharing talent across our organization, creating a pipeline of opportunities for early career individuals and becoming a top place for top talent”, said Angie Collier, Discover Program Lead.



As of December 31, 2020, the Richmond Fed employed 2,881 employees. We are intentional about building a pipeline of diverse talent through recruitment, development and succession, and our overall representation of minorities and women are above labor market availability. For 2020, minority representation increased by 1 percentage point to 36%, while the Bank's representation of women declined to 37%. As of year-end 2020, Black/African American employees represented 19% of the total workforce, and Asians and Hispanic/Latinos represented 12% and 4%, respectively. Marginal increases in overall workforce diversity have been evident over the past several years.

Minority representation at the senior leader level increased to 19% in 2020 from 11% in 2019. Bank leaders continue to keep this as a priority area of focus for improvement. Additional information on workforce trends and minority and women representation is contained in Appendix 1.

During the reporting period, senior leaders met on a quarterly basis with our president, first vice president and the system chief information officer to discuss their diversity workforce metrics and progress; identified actions toward increasing organizational diversity and inclusion; shared best practices; and addressed key challenges. We leveraged a workforce metrics dashboard to increase accountability and in 2020 included specific callouts and measurements around women in technology, minority officer representation and early career hires – three specific areas of focus for our Bank.

We also continued to hold people leaders accountable for supporting our people and culture focused organizational goals (becoming a Top Place for Top Talent and Operating with Excellence) through two shared performance objectives, which made up 50% of their total 2020 performance objective rating. Additionally, the importance of D&I in our Bank was emphasized by including it in the People and Culture objective of the officer team incentives in 2020.

## SUCSESSES

During 2020, we faced unfamiliar situations as we met the challenges and effects of the COVID-19 pandemic on our workforce, communities and nation. The strong foundation that we have been building over the past years, coupled with an agile workforce, allowed us to quickly pivot in reaction to the pandemic and continue to drive momentum and make progress on our HPOs and D&I

goals. We used technology and innovation to allow for a substantially remote workforce while continuing to keep our employees connected and engaged with each other and supporting the important work we do. For our critical-essential employees who were required to be onsite to support the critical operations in our buildings, we maintained strong engineering protocols to ensure their health and safety. We continued to effectively hire and onboard new employees and provided regularly scheduled employee connect sessions facilitated by senior leaders to promote transparency and information sharing.

Through our defined goals and measurements, as well as increased leader accountability, we continued to make headway with diversifying our workforce at all levels. This was done by focusing on external hires and internal promotions, hiring early career talent, and promoting a culture of talent mobility through our experience based development (EBD) program. The EBD program provides employees with expanded development experiences, strengthens the diversity of the leadership pipeline and advances a culture that embraces differences and opportunities to grow.

The pandemic didn't slow down our efforts to effectively hire and onboard new employees. There were 278 external hires. This included 42% minorities, which exceeds our workforce minority representation of 36%, and 36% women, which approximated our overall women representation of 37%. Our workforce promotions had 34% minority and 45% women representation. While representation of women in our professional workforce has remained flat at 38% since 2016, minority representation increased to 37% in 2020, reflecting an increase of 8 percentage points over the past five years. Additionally, minority officer representation increased by 6 percentage points from 15% to 21%, an increase from 24 minority officers in 2019 to 38 in 2020.

Our continued work in these areas has built a strong foundation. We continue striving for ongoing positive results and successes that will provide more opportunities and expand diversity in all levels of our Bank. Our next steps outline future opportunities, currently underway, that will allow for an even greater impact in our organization.

### High Priority Objective: Increasing Bank Diversity

#### Hiring Highlights

To increase organizational diversity through hiring, the Richmond Fed continues to employ a sourcing strategy concentrated on recruiting from diverse colleges,

universities and professional organizations, and leveraging existing employee networks to broaden candidate pools. While our recruiting principles did not change significantly in 2020, we continued working to make them clearer. Maintaining a diverse workforce requires recruiting and hiring practices that support it, and to strengthen our processes, all of our recruiters obtained certified diversity recruiter credentials. We implemented diverse and inclusive recruiting principles to improve sourcing and selection of qualified candidates — including using a variety of methods to reach a diverse pool of qualified candidates, utilizing technology to screen our postings for biased language, assembling diverse panels for interviews, and actively self-monitoring during the evaluation process to challenge assumptions and help mitigate hidden bias.

### ***Building Relationships and Partnerships***

To support and maintain a diverse and multifaceted employee population, we have worked to strategically build relationships through external networking and outreach events. Additionally, we continue to develop a deeper focus on targeted relationships with diverse professional organizations, which allows us to better target specific groups. These relationships enhance understanding of the Federal Reserve System and create pathways to diverse talent acquisition. In 2020, we also launched a new “Find Your Fed Career” email newsletter and talent networking tool, which we promoted via internal and external communications.

Through senior leader engagement and our Employee Resource Networks (ERN), we have created and continued to nurture strategic partnerships with professional organizations and universities whose constituencies align with our Bank’s business needs, especially in information technology, finance and economics. These relationships allow us to intentionally target candidates in certain areas of expertise and build pipelines of talent from a much more diverse and qualified talent pool. In 2020, we hosted several events, including the Diverse Economics Conference, Women in Banking Conference and the Financial Technology Summit on Cloud Computing, all of which showcased growth opportunities and female leadership in their respective areas.

For campus recruiting, we continued our tiered approach, which concentrates our efforts and resources on key colleges and universities in the region that have diverse talent pools. At our focus schools, we expanded our Career Champions program and its role in our recruiting strategy. Now, 200 trained Career Champions — comprised of

employees from a variety of business areas and our diverse ERNs — help foster relationships and coordinate activities with these universities. While the pandemic resulted in a significant drop in our participation in college recruiting events to 22 opportunities, ongoing contact by our Career Champions, as well as our senior leaders who continued to serve as executive sponsors, helped to maintain and strengthen our relationship with each school.

To leverage the diverse networks of our employees, we utilize an employee referral program. As part of the program, employees are encouraged and incentivized to tap into their networks of top talent to refer candidates for open roles — particularly those that are hard to fill.

### ***The Results***

Of our 278 external hires, 54% were hired into entry-level (associate- and intermediate-level) roles — a decrease from 61% in 2019 resulting primarily from low organizational turnover. Despite the decline, we continue to have heightened attention and effort to increase the number of qualified interns who are converted into full-time roles upon graduation, including through a new two-year, entry-level rotational program called Discover. The program provides recent college graduates the opportunity to gain knowledge, skills and experience through rotations in various departments, culminating with an assignment to a permanent business line at the end of year two. Eight interns were hired into our inaugural Discover Program cohort, which included a total of 24 recent graduates; 50% of which were women (12) and 42% minority (10). Despite operating in a remote work environment during most of 2020, our Bank employed 59 interns, including 54% minorities and 44% women. Our 2020 interns will provide a rich pool of candidates for our 2021 Discover cohort, as we expand program participation to 57 analysts.

### ***High Priority Objective: Promoting Talent Mobility***

Our Bank continued to prioritize the growth and development of employees through leadership accountability, formal programs, experiential learning and targeted leadership development. Despite our remote work environment, we maintained our forward momentum through 2020.

### ***Creating Opportunities***

Talent mobility and career development for current employees remained a prominent focus area within our overarching goal to be a Top Place for Top Talent. Fostering employee mobility provides broader experiences and exposure within and across functional areas, prepares

employees to move faster in the organization, allows for talent identification for succession planning and creates deeper talent pipelines. Our EBD program provided increased experiential learning opportunities in 2020. Through the program, employees expanded their organizational understanding — ultimately supporting their growth, building skills and expanding career possibilities across the organization and Federal Reserve System.

During 2020, enthusiasm for the successful EBD program continued as 264 employees (30% increase) participated in 328 mobility opportunities (52% increase). Of the participants, 35% were minorities and 58% were women. The EBD program has been mutually beneficial for the Richmond Fed and our employees: our Bank has seen positive gains from an agile, cross-trained workforce that better meets business needs, and employees have been able to pursue desired development opportunities that help prepare them for future roles. In addition, 17 employees took advantage of System Leadership Exchange opportunities with other Reserve Banks, National IT and the Board of Governors, 71% of whom were women and 35% minorities. As our EBD program continues, we will monitor the impact of these opportunities to determine if they are leading to longer-term career growth and mobility prospects for talent across the organization. In 2020, movement was tracked through job family changes, which had an 8% increase, 53% of which were by high performing individuals (33% minority; 44% women).

### Succession Pipeline

The goals of our succession management efforts, including talent mobility, are to support the business needs of the organization by building a diverse pipeline of versatile employees to fill current and future leadership and critical roles. As part of this process, we review demographics and diversity details of our workforce and pursue opportunities to provide development and visibility for high-potential talent. In 2020, we maintained our focus on assessing talent deeper in the organization and identifying opportunities to further align and encourage employees across the organization to enhance their knowledge and experience.

### High Priority Objective: Delivering Superior Workplace Experience

#### Onboarding Strategies

At the Richmond Fed, we believe that employees should experience our superior work environment from the very beginning. We have streamlined our new hire orientation process so that they receive coordinated managerial and team support from their first day of employment. This strong start helps lay a foundation for retention and plants the seed about our commitment to D&I, which is continually cultivated during the employee's tenure. We also provide a standard set of tools for hiring managers, which provides the information needed to help them support a positive and consistent new employee experience.

## Talent Mobility Spotlight: David McClenney



One of our Bank's strategic goals is to become a Top Place for Top Talent. Delivering a superior workplace experience and retaining employees through talent mobility is part of those efforts.

Employees can engage in mobile experiences for many reasons, but David McClenney used his experiences to bridge the gap between Fifth District and National IT. David worked as an auditor for many years and served in a managerial role. As much as he enjoyed the work and the people, he always thought it would be valuable to better understand the operational and support side of the area that he has audited for many years – National IT. He saw an EBD/SLE role as a stretch opportunity to do something he'd never done before. The position allowed him to

better understand the level of effort, thought leadership and time commitment it takes to transition an idea into practice. He was able to gather insight and perspective that his Audit role would not have afforded him, and the experience gave him clarity about the Bank and how each function and department within it are interrelated. At the completion of his rotational role, David returned to Audit and is now in an Assistant Vice President role.

### *Remaining Connected*

As a significant number of our employees have worked in remote settings for most of the year due to COVID-19, we have provided regularly scheduled employee sessions facilitated by senior leaders to promote transparency and information sharing. Ongoing discussions included topics around our new normal, conducting business, health concerns, operational updates, economic overviews and general discussions to help employees remain connected and engaged with our Bank and each other.

In response to the tragic, racist events experienced across our nation in early 2020, senior leaders made a public commitment to racial equity, denouncing racism and acts of hatred, and reinforcing our organization's mission and commitment to better the communities we serve through community development, economic inclusion, financial literacy and economic education. We were also intentional in reinforcing our commitments to our employees. We provided leaders with resources to support them in engaging their teams and encouraging open conversation on difficult topics like racial equity and challenges related to remote work, feelings of isolation and our current environment, while providing employees with resources and outlets for honest conversations. We also increased our sensing efforts with employees to understand challenges and opportunities to better support work-life integration.

### *Connecting Through Conversations*

Additionally, we developed and implemented the Our Path Forward Regarding Racial Equity plan (Path Forward) as we worked toward a goal of healing and building lasting change. The plan included three primary areas of focus – supporting employees and building relationships, building knowledge and skills, and supporting racial equity through policies and practices.

We believe open and honest dialogue leads to the best outcomes and reinforces our culture, so we foster and provide opportunities where employees can openly and safely discuss topics and learn from each other. Let's Connect sessions are open to all employees, facilitated by senior leaders and designed to cultivate an open environment by building relationships and trust, creating awareness of different experiences that exist between individuals and supporting employees in bringing their whole selves to work. In these facilitated sessions, employees are encouraged to have candid discussions with each other and leaders on topics that they care about and that relate to our culture and workplace environment, as well as their own personal experience. These sessions

promote a safe and inclusive environment for employees and are viewed as a leading D&I practice.

In 2020, we pivoted to virtual sessions in our remote work environment and prioritized creating a safe space for employees as we discussed timely and emotionally charged topics. We held six successful Let's Connect sessions during the year, and eight senior leaders each moderated at least one session. Topics included adjusting to change, navigating our new normal during the pandemic, recent tragic events and how to be an ally. Two sessions following the cases of discrimination, racism and violence against individuals in our communities and across our nation allowed employees to share how recent events were affecting them personally, and how we can support each other as a Bank community.

During our remote work posture, employee participation for the sessions skyrocketed, with attendance as high as 1,400 during one of the sessions on racism. Strong leader engagement and employee participation is an indicator of the positive impact on encouraging a culture of inclusion and acceptance. Furthermore, the Let's Connect format has been adopted by several business lines across the organization to allow ongoing conversations on important and timely topics at a more personal level. These ongoing sessions were held with the assistance of D&I team members to support a safe environment for difficult conversations regarding racial inequity and other topics.

During this time, employees throughout our Bank supported each other, shared perspectives and personal experiences, and united in a desire to break down barriers and build bridges to racial equity. Our senior leaders conducted nine listening sessions with employees of color, and themes from those discussions are being woven into our current D&I plans. Additionally, our Diversity & iNclusion Alliance (DNA), in collaboration with the Office, worked quickly to focus on the importance of allyship in making progress to racial equity, and produced and shared resources, including an allyship guide.

### *Employees Leading the Way*

Our employees continued to be a strong force in embedding D&I, serving as critical allies in creating an inclusive culture. For example, in 2020, we were nationally certified as a "Great Place to Work" with an overwhelming rate of 97% of responding employees stating that they are proud to work at the Richmond Fed highlighting our successes in delivering a superior workplace experience. Additionally, with support from our LGBTQ Pride, Respect,

Inclusion, Safe and Mutual support (PRISM) ERN, the Richmond Fed again met all the criteria to earn a 100 percent rating and the designation of being a 2021 “Best Place to Work for LGBTQ Equality” on the Human Rights Campaign Corporate Equality Index Survey — the fifth consecutive year (based on work and accomplishments in 2020).

After moving to a remote work posture, our ERNs successfully shifted and approached their work in an unprecedented way, providing virtual informational and educational forums, cultural displays, health focused messages and touch points to check in with employees to see if they were receiving needed support. Additionally, participating in ERNs provided strong on-the-job development opportunities to build leadership skills, such as building strategy, budget management and improved communication. Our ERN program continued to engage talent, including women and minorities, in cross-functional growth with support and sponsorship from Bank officers.

Heightening our positive workplace culture remained a priority during 2020. Our culture statement focuses on how employees work as one team to deliver on our mission of supporting a healthy economy and is embedded in everything we do. We have integrated an emphasis on the role of the individual in advancing our culture into messaging, behaviors, peer-to-peer interactions and the overall culture of our Bank. Additionally, we have trained 30 Culture Ambassadors — employees from various backgrounds, business and management areas — to be champions of our efforts. The Culture Ambassadors have led the exploration of innovative ways to continue evolving our culture and reinforce positive behaviors (such as storytelling, engaging those closest to the work and encouraging constructive dialogue and feedback).

### **External Outreach**

Our increased use of social media has improved our potential to reach a broad audience of prospective talent by showcasing our diverse and inclusive culture, sharing employee experiences, providing understanding of our business and increasing knowledge of opportunities at the Fed. In 2020, we grew and enhanced our social media presence across four major platforms: Twitter, LinkedIn, Facebook and Instagram. We leveraged Twitter as a primary outlet, sharing our Bank’s story with our 42,000 followers. During 2020, one thread used to promote the Diverse Economics Conference received approximately 10,000 impressions. LinkedIn also served as a linchpin: we reached almost 15,000 followers during the year, a 50%

increase from 2019. On that platform, we used a targeted approach, increasing the frequency of posts and focusing content on the experience of working at the Richmond Fed. Employees shared their personal experiences about our Bank’s culture, benefits, talent mobility and more.

### **Enhanced Benefits**

To be a Top Place for Top Talent, we continue to focus on offering top-tier, equitable benefits that are attractive to all, including diverse candidates. In response to the COVID-19 pandemic, we enhanced our top-tier benefits for employees. We followed provisions in the CARES Act, which allowed for special provisions in regard to Thrift Plan withdrawals or loan repayment extensions, as well as for Flexible Spending Accounts and Health Savings Account eligible expenses and extending usage timeframes. We expanded our backup childcare benefit through Bright Horizons and added a component where \$100 per day of childcare costs were covered. We also allowed employees the ability to make changes to their commuter benefit elections with our transition to our remote work posture. To encourage the ongoing wellbeing of our employees, we added an emotional support line free of charge and available to anyone, where professionals connect callers with resources to help them cope with stress and anxiety. We also made telehealth available to all medical plan participants and their dependents, free COVID-19 testing, as well as free virtual dental care through May 2020. Furthermore, we offered premium pay for essential, key onsite and critical system infrastructure employees and offered a flexible work schedule for employees working remotely.

### **High Priority Objective: Strengthening Ability to Develop Others**

Our Bank continued to prioritize the growth and development of employees through leadership accountability, experiential learning and targeted leadership development. Despite our remote work environment, we maintained our forward momentum during the year. Our goal is to equip employees to lead from where they are and provide additional opportunities for leaders to improve how they lead teams, develop others, and give and receive feedback. Additionally, we expect our leaders to champion D&I and build a more diverse and inclusive workplace.

### **Enabling Leaders**

During 2020, we measured how we culturally are doing in these behavioral areas through pulse surveys in March and September. We asked employees to assess our leaders’

demonstration of our culture through behaviors like giving and receiving feedback, seeking alternative lines of thinking, leading from where you are, considering and acting on ways to get better, and championing D&I. Pulse survey results showed positive responses to each of the statements about key behaviors that help define our Bank's culture and noted progress from March to September. Areas our employees ranked highest were championing D&I, with an 86% (+9) favorable rating, and leading from where you are, at 81% (+7) favorable. Areas of ongoing focus from our March survey included leaders giving and receiving feedback, and seeking alternative lines of thinking, which also showed marked improvements to 77% (+10) and 74% (+9) favorable ratings, respectively.

We launched Feed Forward, a mindset that encourages ongoing, solutions-oriented conversations between leaders and employees, and also between peers. It pushes us to use what we learn when we receive feedback and hear diverse perspectives to work toward a positive future outcome, be it a change or continuation in behavior. In doing so, we build stronger relationships, trust and transparency within our teams and our Bank, and continue to advance our culture in a positive way. The launch included Feed Forward tools and resources that were distributed and discussed across the organization. Additionally, we introduced an aligned approach to get people leaders and individual contributors "back to basics" on giving and receiving feedback during performance reviews and beyond, and also incorporated performance check-ins throughout the year so that performance and talent assessments are connected.

Also included in the Path Forward plan was information and educational opportunities for employees, including two racial equity webinars to help employees gain a better understanding and acquire tools to help them be an ally, and educational events sponsored by our Valuing the Inclusion of Talented African Americans and Latinos (VITAL) ERN. Our leaders have been visible and active by participating in multiple conversations with Bank audiences. We have also provided training and resources to our leaders to help them navigate tough conversations.

Our employees have been a powerful force for demonstrating leadership, embedding D&I and serving as critical allies in creating an inclusive culture. Many employees have taken an active D&I role by serving on our DNA team and/or participating in ERNs. Not only do these roles provide a different kind of leadership experience, they provide a much broader overview of D&I and the

Bank's culture, which allows these employees to make connections and expand perspectives. The DNA and our ERN leaders have representation from all employee levels and multiple business lines across our Bank, with strong engagement from minorities and women. In 2020, the DNA membership was 50% (7) women and 54% (9) minority. Sixteen officers served as ERN sponsors during 2020, with representation of 25% (4) minority and 69% (11) women. The day-to-day leadership of ERNs by non-officer level employees totaled 62 people, including 60% women and 48% minorities. See descriptions of these D&I champions in Appendix 4.

### *Continued Commitment*

The success of our collective efforts is directly tied to the commitment, engagement and accountability of every employee in our organization, starting from the top. Our most senior leaders, President Tom Barkin, First Vice President and Chief Operating Officer Becky Bareford, and System Chief Information Officer Ghada Ijam continue to focus on visibly embracing D&I and holding leaders accountable. They meet with each senior leader, both individually and collectively as an executive team, to discuss workforce diversity metrics and unlock ways to move the needle and address key challenges. All people leaders also have access to workforce metrics, which allows for accountability deeper in the organization.

Taking it one step further, to emphasize the importance of D&I and its link to our culture and strategic plan, all people leaders were assigned two shared performance objectives focused on People and Culture and Operating with Excellence. The People and Culture objective aligns with one of the System Conference of Presidents' and Conference of First Vice Presidents' (CFVP) priorities, which is driving progress with diversity and inclusion efforts across the Federal Reserve System. Additionally, D&I was incorporated into the People and Culture objective of Fifth District officer level team incentives in 2020. Collectively, leaders continued to participate in D&I efforts during 2020, including serving on the Executive Diversity and Inclusion Council (EDIC) and DNA, sponsoring ERNs, facilitating D&I employee sessions and playing a role in diverse recruiting work.

This shared focus, paired with increased leadership engagement, defined goals, measurements and intentionality, has enabled the organization to make positive strides in embedding D&I more broadly and deeply into all aspects of our work.



## CHALLENGES

Even with the successes discussed, the Richmond Fed faces ongoing challenges in our long-term efforts to increase the diversity of employees through hiring and promotion. These challenges notably affect the representation of women in technology and minorities in officer positions. We continue to look for opportunities to gain insight into our talent acquisition processes to identify any impediments to diverse hiring. Our work to refine our processes and remove entry barriers, such as conducting training on minimizing bias in the interview process, for new minority candidates as well as the mobility of minorities already within the organization is ongoing. Incremental changes have been made over the past year. While the representation of women within the total workforce has remained relatively constant, and we saw marked increases for minority representation at the senior leadership level from 11% in 2019 to 19% in 2020, the representation of women at that level decreased to 38% in 2020 from 42% one year prior.

During 2020, our adjustment to a primarily remote work posture required that we pivot our processes to recruit in a unique and challenging environment. Our recruiting experiences indicated that some women were exiting the workforce and working parents were hesitant to make career changes while navigating virtual learning or unpredictable school schedules for their children. Additionally, we were already operating in a tight employment market, and our challenges in increasing diversity across the organization were exacerbated by an exceptionally low turnover rate of 4%. Consequently, our women in technology metrics remained relatively flat.

To help, we employ dedicated recruiters with expertise in these specific areas and who are focused on sourcing hard-to-fill roles, as well as pairing recruitment teams with ERNs to get additional perspectives and make connections with diverse talent. A Women in IT team has been established to focus on attracting top female talent by increasing the name recognition of the Federal Reserve in the IT environment and creating awareness of our IT opportunities.

We also work with a variety of internal networks to connect with diverse talent through our employees, such as collaborating with ERNs, encouraging employees to refer top talent through our employee referral program, leveraging employee ambassadors and Career Champions, and expanding and deepening relationships with external

professional organizations to share job opportunities and source for officer roles. As such, we will continue to strengthen the diversity of our officer leadership pipeline by identifying the next generation of leaders earlier, encouraging mobility and experience-based learning, and ensuring they are prepared for leadership roles as they become available.

COVID-19 and our shift to a primarily remote work posture created challenges for our internal learning programs in 2020, including The Peer Accountability and Transformation Huddles (PATH) program and our Partners in Professional Development (PPD) program. These programs are built around in-person training, collaboration and development, so we suspended them in 2020 until we could resume under the right working conditions. Pausing the programs also gave our Programs and Development team time to review course offerings and confirm that the curricula builds capabilities that support working remotely, can be delivered in a remote or hybrid environment and prominently includes D&I.

## NEXT STEPS

Our work in 2021 will continue to build upon and enhance work completed to date around our High Priority Objectives to increase Bank diversity at all levels, promote talent mobility, develop a superior workplace experience and strengthen our leadership's ability to develop others.

To achieve our goal of an upward three-year trend in workforce diversity composition, particularly in minority officers, women in technology and early career hiring, we will operationalize our diversity recruitment strategy with a specific focus on sourcing from diverse professional organizations.

We will also focus on equipping leaders and employees with skills and knowledge that support a diverse, equitable and inclusive work environment, and holding our team members accountable for putting them into practice. To achieve this goal, we will assess performance and talent management processes to mitigate bias. We also will conduct D&I enterprise-wide experiential training and reinforce D&I attributes in existing development programs and hiring decisions and implement a leadership sponsorship program with a focus of building a more diverse pipeline of talent.

In 2021, we plan to continue the strong momentum from 2020 and hope to achieve 15% workforce mobility

by increasing targeted, experience-based development opportunities and by creating and supporting short- and long-term versatility opportunities tied to development and succession plans. We will work to drive intentional leader mobility in areas with transferable skills by aligning cross-functional talent discussions with the succession planning process. Additionally, we will seek opportunities to enhance our talent mobility strategies to increase participation of women and minorities in our development programs. For 2021, our focus will also include a heightened view into metrics and insights from program participation and outcomes.

We will continue to utilize our Culture Ambassadors and organization leaders to help engrain culture initiative tools and practices into everyday behaviors. Through consistent, ongoing execution, we will reinforce specific behaviors, such as engaging those closest to the work, practicing employee recognition, using storytelling, seeking alternative lines of thinking, and giving and receiving feedback. We will also leverage our planned 2021 Engagement Survey to identify opportunities where employees feel we can improve our workplace and their overall experience, specifically reviewing results to make sure experiences of women and minorities are consistent with those of nonmarginalized groups, and purposely address challenges as they are identified.

We will utilize the themes gathered from our listening sessions with employees of color to gain a better understanding of the lived experiences of our employees both inside and outside of the workplace to help guide the organization on our Path Forward while demonstrating our commitment to our D&I objectives, and we will continue sensing with employees through multiple venues, such as Let's Connect sessions and our ERNs.

We will deepen our Bank's succession pipelines through consistent workforce planning and talent management practices, using common tools and practices with a key focus on cross-functional mobility. We will work to create development offerings that strengthen critical leader capabilities for a remote work environment, allowing us to optimize performance in a remote work posture by building workforce competencies and employee engagement.

To support our culture of feedback and coaching in the remote environment, we will promote continued adoption of a "feed forward" mindset. This approach uses feedback as a development tool to move forward and focus on future opportunities to develop.

We will also continue to focus on growing leaders' skills and abilities to navigate difficult conversations and hold themselves and others accountable for the D&I objectives of the organization, as well as provide opportunities for leaders to participate in facilitator training to give them the tools and knowledge they need to support employees, lead diverse and inclusive teams and be successful in their roles.

Collectively, the priorities identified by our senior leaders enable the Richmond Fed to create and maintain a high-performing and diverse workforce and to be a Top Place for Top Talent. Our employees across the organization are committed to this important and impactful work.

# Minority- and Women-Owned Businesses

## INCLUSION & ENGAGEMENT WITH DIVERSE SUPPLIERS

Our commitment to diversity and inclusion extends to all our business operations. In building a strong economy for everyone, our procurement function plays an important role.

The Bank's 2020 supplier diversity action plan centered around four objectives:

- Leveraging internal partnerships, specifically key executive sponsors and Supplier Diversity Champions to further internal education, communication and awareness focused on educating business lines and identifying opportunities for diverse supplier participation.
- Promoting tools and resources, including stronger external and internal partnerships, to ensure consistent integration of diverse suppliers in the overall procurement process and activities.
- Implementing comprehensive reporting of organizational metrics and goals that inform the business and help to drive diverse spend.
- Executing end-to-end supplier engagement to open doors for diverse suppliers by providing technical assistance and education on working with our Bank, hosting industry specific vendor fairs and connecting diverse suppliers to other community resources.

### Supplier Diversity Program Impact

Our Bank will continue to foster diversity and inclusion within our supplier base by supporting a proactive and sustainable supplier diversity program. In 2020, the Bank's supplier diversity program focused on building internal business line champions to increase awareness and educate on how our Bank engages with diverse suppliers. We hosted two industry-specific supplier diversity matchmaking events (one virtually), launched the inaugural Supplier Diversity Champions program and increased our inclusion rate through our matchmaking efforts. Our Bank increased its pipeline of diverse suppliers through active engagement by the business lines. Adjusting for the pandemic, we approached matchmaking events virtually for the first time, implemented new program approaches and developed additional trend reporting to identify areas of focus. All of these efforts will be repeated in 2021. Trend reporting, for example, will

assist us in identifying potential gaps to diverse spend goals and help drive action.

Our supplier diversity program influence is at both the District level and the System level through the National Procurement Office (NPO) and System IT (which is comprised of National IT and all other IT functions within the Federal Reserve System).

## DIVERSE SPEND

Expenditures with all suppliers during the 2020 fiscal year totaled \$441.2 million. Of the total expenditures for the Bank, payment to minority- and women-owned businesses accounted for a total of \$63.9 million or 14.5%, broken out as follows:

**Minority-owned businesses:**

**\$54.3 million or 12.3%**

**Women-owned businesses:**

**\$22.4 million or 5.1%**

The Bank's top categories in expenditures with minority- and women-owned businesses were:

**Computer Equipment and Accessories:**

**\$29.5 million**

**Human Resources Services: \$6.6 million**

**Business and Corporate Management  
Consultation Services: \$4.4 million**

**Information Technology Consultation  
Services: \$3.5 million**

**Food and Nutrition Services: \$2.9 million**

We have maintained our spend with diverse suppliers. In 2019, expenditures with diverse suppliers were \$64.6 million and 14.9%. While the total of our diverse spend dollars was flat year over year, on the District side our diverse spend percent increased from 12% to 18%. Some specific business areas saw a decrease in total overall spend. Facilities Management, where traditionally more diverse suppliers are engaged, saw a direct COVID-19 impact with several construction projects halted or delayed when our Bank made the decision to limit access to our locations. This decision required us to pause some spend opportunities and sourcing events.

During this time, we were able to identify opportunities to put contracts in place during the pandemic and build the pipeline of diverse suppliers for activities post-pandemic. For example, some unique sourcing opportunities directly related to the pandemic were purchases of personal protective equipment (PPE). This opportunity resulted in several contracts with diverse suppliers and a spend of approximately \$70,000. Planning for the future, the focused pipeline efforts have resulted in more than \$2 million in Facilities Management diverse contract awards for 2021–2022. Our Bank also developed a multiyear plan for expiring contracts to provide lead time to identify potential diverse suppliers.

Overall operating expenses decreased in 2020 but the technology investment increased for both District and National IT. This spend shift resulted in expenditures with diverse suppliers remaining flat compared to our 2019 total diverse spend. Additional technology investment was the result of a shift to a remote work posture during the COVID-19 pandemic. We balanced managing risk while swiftly meeting critical business needs by contracting with large technology suppliers where no diverse supplier opportunities existed. In order to provide more opportunities to diverse suppliers in the technology space and collaborating with System IT, we are identifying contract opportunities where diverse suppliers can be introduced into the pipeline in 2021

### **Tier 2 Contractors**

Tier 2 contractors are made up of subcontractors of our suppliers. In addition to monitoring our diverse spend metrics, we also continued efforts to better capture Tier 2 spend from three Bank prime suppliers. Two of the reporting primes are diverse. Collectively, these primes reported \$1.8 million in Tier 2 spend.

### **Measuring Inclusion, Access and Opportunity**

Our Bank tracks diverse supplier inclusion, response and award rates for competitive bids on a quarterly basis. The inclusion rate is calculated by the total number of diverse suppliers included in the reporting period divided by the total number of suppliers. In 2020, the inclusion rate increased from 27% in 2019 to 32%. In 2020, the response rate of diverse suppliers increased from 64% to 65% for the same timeframe. An additional 15 contracts, or 35% of the total competitively bid contracts in 2020, were awarded to the diverse suppliers. Our focused attention with targeted matchmaking events contributed to increasing the diverse supplier pipeline. Our Bank will continue to focus on increasing inclusion and response rates in 2021.

In addition to tracking inclusion, response and award rates, we also conduct surveys to measure the overall satisfaction of suppliers who attend supplier diversity events. One potential supplier, who attended the supplier diversity event in February 2020 commented, “I liked the format this year as I feel like I had a lot of opportunity to meet with other vendors, and the facilities and procurement teams. It was excellent to be able to meet the key players within your organization.” Another supplier said, “I really walked away impressed with the Bank and, frankly, surprised at how much of the needs I heard everyone describe align with me so well.”

## **SUCSESSES**

### **Supplier Diversity Champions**

In 2020, we launched our internal Supplier Diversity Champions program to drive accountability and awareness. Champions received education to help drive inclusion and build the pipeline of diverse suppliers within their respective business lines. Our Bank and National IT Executive Sponsors represented key business areas with significant procurement activities. The executive sponsors were able to assist with opportunity planning and identifying strategic opportunities for 2021. Both the champions and executive sponsors have helped to lay the foundation for increased inclusion of diverse suppliers in 2021.

### **Support to Diverse Suppliers & Community Outreach**

During the pandemic, our Bank proactively looked for ways to support diverse suppliers. This included unique sourcing opportunities directly related to the pandemic, such as purchases of PPE. In addition, similar to other Reserve Banks, the Richmond Fed took strides to support a critical food services vendor during the pandemic, assisting them in retaining their employees while maintaining a long-standing relationship with this minority-owned business. The Federal Reserve System and our Bank also initiated immediate payments with its suppliers beginning in March 2020 to ensure cash flow was not a concern for current suppliers.

Outreach has quickly changed to virtual support and relationships since March 2020. New virtual tools will not replace in-person connections, but we learned that some of these new ways of doing business can maximize our outreach going forward. In a typical year, we would attend multiple in-person events and conferences to identify and engage with diverse suppliers. In 2020, these events were either postponed or experienced a format

change, in which case we attended multiple external virtual matchmaking events. The Richmond Fed continues to prepare and align with our advocacy partners — the National Minority Supplier Development Council, Women’s Business Enterprise National Council and the National LGBT Chamber of Commerce— while they create virtual and socially distanced 2021 events. These different formats have allowed us to identify new ways to conduct community outreach and identify new partners like the Metropolitan Business League.

As a direct result from our outreach activities:

- The Bank participated in eight virtual business opportunity fairs (both internally and externally).
- The Bank conducted 120 matchmaking conversations with diverse suppliers and 35 of those diverse suppliers were included in sourcing events.
- Six of those diverse suppliers were awarded both competitive and non-competitively bid contracts.

**Business Line Partnership**

In 2020, our Bank launched a targeted approach to increase the procurement opportunity pipeline and pool of qualified diverse suppliers. In February 2020, we held an in-person supplier diversity matchmaking

event with Facilities Management. Our business line representatives took an active role in planning the events and participating in roundtable conversations. The 15 vendors who attended represented seven women-owned businesses, 11 small businesses and nine minority-owned businesses, and the event led to a 50% inclusion rate of sourcing activities with diverse suppliers. This included awarding a \$700,000 contract to a new, minority-owned local business that attended the event.

In October 2020, we held a virtual Supplier Diversity Exchange, focusing on our Human Resources and Health Services business lines. Fifty diverse suppliers attended, 26 of whom attended matchmaking sessions with our business leaders. Of the total attendees, 80% were vetted with 31% of attendees already identified for three upcoming sourcing opportunities in 2021. The Supplier Diversity Exchange event attendees represented:

- 22 women-and minority-owned businesses
- 16 women-owned businesses
- 5 minority-owned businesses
- 22 from Virginia, 12 from the District of Columbia and Maryland, 4 from North and South Carolina

**Supplier Diversity Champion Program Launched**



Fifteen colleagues from the Fifth District and two from National IT serve our Bank as Supplier Diversity Champions in 2020. Supplier Diversity Champions are advocates representing a cross-section of our Bank’s departments who support the Supplier Diversity program with the ultimate goal of expanding or retaining diverse suppliers.

“In doing this work, we help address the wealth gap, support underserved communities, invest in the economy and level the playing field. I am honored and excited to be a change advocate for Supplier Diversity alongside so many passionate Richmond Fed leaders.” -- Patricia Perry, assistant vice president , Supervision, Regulation, and Credit



“Even during a pandemic, business must continue,” shares Terry, executive sponsor for the supplier diversity champions. “The Richmond Fed continues to engage with vendors and contractors to meet our needs. It is imperative that those partners reflect the community we serve. We work hard to identify and engage with diverse partners across a spectrum of industries. I am proud to support this effort.” -- Terry Wright, senior vice president, Critical Operations & Payments; Charlotte branch executive

An additional goal of these events was to create direct engagement and increase knowledge within the business lines to build and influence a diverse pipeline. The 2020 supplier diversity events involved 17 business line leaders from Human Resources, Health Services and Facilities Management. These business line decision-makers participated in a total of 21 matchmaking sessions between the two events.

### **Sustainable Program**

One of our 2020 focus areas was to leverage internal partnerships, specifically Supplier Diversity Champions, to implement an internal education and communication plan to increase awareness and understanding of supplier diversity goals. The investment in establishing a larger internal community focused on supplier diversity has helped to create more awareness beyond the procurement function. In addition to our Bank, the System is also leading proactive efforts to creating a more sustainable supplier diversity program.

The System Procurement Strategic Plan, under the direction of the NPO, has identified a specific objective for supplier diversity. One of the major focus areas for this three-year (2021–2023) plan will be to help “make the current supplier diversity program proactive and sustainable, incorporating increased accountability within our Bank.” The key focus areas have been built into the 2021 next steps for the Bank’s supplier diversity program.

The NPO also established direct alignment between the 2020 System Procurement HPOs and the 2020 OMWI Supplier Diversity Workgroup HPOs. This effort helped to align Reserve Banks’ internal practices and behaviors within the System’s priority to effectively build supplier diversity and expand the use of minority- and women-owned businesses.

## **CHALLENGES**

### **Concentration Risk**

In 2021, our Bank plans to assist in addressing the current situation of a diverse spend concentration with a limited number of large suppliers. In collaboration with the NPO and National IT, opportunities have been identified to introduce diverse suppliers. In addition, we will work with our procurement constituents across the System to leverage new System contracts. We will assist by identifying new diverse suppliers.

We will also focus on increasing access to and the number of opportunities for diverse suppliers. While addressing the issue of spend concentration risk, we will also focus on increasing the total number of diverse suppliers doing business with our Bank.

### **Eliminating Barriers**

The existing complex registration process has led to the need for a streamlined and simplified process for suppliers to register with us, including sharing their certifications and capabilities. The NPO and the Federal Reserve System have been working to implement a new enterprise resource planning (ERP) program that will focus on efficiency and productivity. This new ERP program will help with access and opportunity for all suppliers, including diverse suppliers. The NPO, in partnership with the System Supplier Diversity Workgroup, also launched the System Procurement website in 2020 to provide more streamlined communication and access for external stakeholders. This updated approach for the website is aimed at eliminating barriers for diverse suppliers, allowing them to understand how to register as a supplier and identify procurement contacts.

### **Project Delays**

As discussed earlier, opportunity pipelines were impacted by project delays due to the pandemic, which resulted in a lower number of sourcing events and spend with diverse suppliers. For example, several large projects in Facilities Management were delayed and moved to 2021. Facilities Management is traditionally an area where more diverse suppliers are engaged and when projects are paused it can impact the overall diverse spend. The Supplier Diversity program and sourcing specialists however have been building a pipeline and putting contracts in place with diverse vendors to be ready when projects resume in 2021.

### **Pandemic Continues into 2021**

The Bank is also planning as much as possible for the unknowns of how the pandemic may impact our diverse suppliers in 2021. We are preparing for potential continued project delays, sustaining support we started in 2020 for diverse suppliers and creating additional ways we can provide outreach in our communities.



## NEXT STEPS

For 2021, our focus will be on increasing diverse spend, increasing the diverse supplier pipeline and increasing community engagement through the following:

- Implementing a multichannel, action-oriented internal and external communication plan.
- Continuing to support our Supplier Diversity Champions in order to drive action with forward-thinking data and metrics, in partnership with executive sponsors and their direct connection to our business lines.
- Targeting research and identifying potential suppliers to address “spend concentration risk,” specifically in large spend areas (National Procurement Office, National IT, Facilities Management) renewals, holding targeted matchmaking events based on demand for new sourcing events. Revisiting with other business lines and actively increasing our participation (number of diverse contracts) with diverse suppliers.
- Leveraging the Ariba Network to identify diverse suppliers in addition to enhanced reporting capability.
- Developing and executing a multiyear, end-to-end supplier engagement plan to attract, support and enhance our pipeline of diverse suppliers.
- Increasing accountability through organizational supplier diversity goals, with a continued focus on our inclusion rate.
- Enhancing community engagement activities and partnerships that will offer support/retain diverse suppliers through technical assistance and support, especially with the effects of COVID-19.
- Implementing a regional Supplier Diversity event with other Reserve Banks in the second half of 2021, with the goal of increasing the number of diverse suppliers engaged for business opportunities.

# Financial Education

Despite the COVID-19 pandemic, we continued our efforts with students, teachers, the community and educational organizations to provide targeted financial education resources and programs. While the delivery mechanism of these programs changed to a virtual format, they remained largely focused on two primary objectives: 1) helping students make an informed decision about post-secondary education and careers, and 2) helping students understand how the Federal Reserve connects to the economic and financial decisions they make every day.

In addition to the two primary objectives, the circumstances of this year led to an increased focus on inequality, especially on the unequal economic impact of the pandemic and the causes of the racial wealth gap.

## SUCCESSSES

The shift from in-person to virtual programs afforded us an opportunity to reach educators and students in new and different physical locations within the Fifth District. It also provided an opportunity to reach students and teachers with financial education content through first-time collaborations.

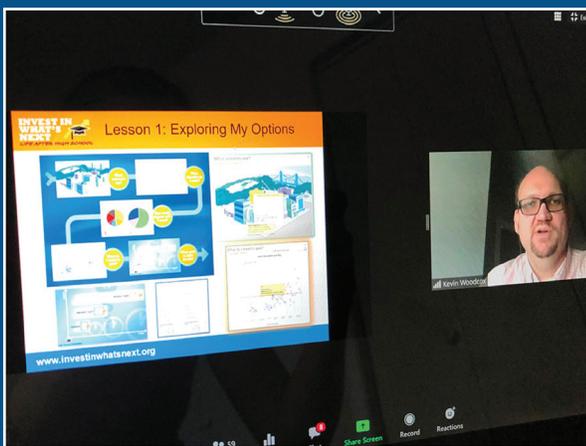
### Meeting Teachers Where They Are

The pandemic introduced a unique challenge to the

rollout of the North Carolina Department of Public Instruction's new economics and personal finance course that was scheduled to launch in fall 2020. We offered support to its partner financial literacy organizations to deliver the planned educator professional development virtually rather than in person. Throughout the summer, 213 teachers, including 75 from OMWI-designated high schools, participated in a series of week-long professional development programs to help prepare them to teach the new course. As research shows, quality teacher training is important for improving student outcomes. This partnership also allowed our Bank to grow the connections we have with teachers and organizations throughout North Carolina.

In addition to the professional development programs to prepare North Carolina educators to teach the new economics and personal finance course, the other programs for educators scheduled after March 2020 also transitioned to a virtual platform. We continued to identify opportunities to share financial education resources with educators. By partnering with other financial education organizations in the Fifth District and nationally, the Richmond Fed presented personal financial literacy resources, including "Invest in What's Next," to another 367 educators, including more than 54 from OMWI-designated high schools.

## Econ Ed Expands Virtual Learning Options



As teachers and students adapt to new ways of learning, the Richmond Fed's Economic Education team has developed additional virtual programming to meet their educational needs. In October, Economic Education launched Richmond Fed on Campus, a webinar series for college students designed to increase their knowledge of economics and the Fed. The first webinar, *Defining Moments of Federal Reserve and Economic History*, provided an overview of Federal Reserve history, from its creation to its ever-changing role in the economy over the past century. The second webinar, *Race, Income and Wealth Disparities*, provided an economic perspective on these disparities.

"This year has required us to rethink how we deliver financial education," said Alexandra Cornwell, outreach specialist for Economic Education. "We want to make sure everyone in our District has access to financial education, and these virtual options are helping us connect with more teachers and students."

The economic impact of the COVID-19 pandemic and increased focus on racial justice resulted in teachers seeking out high-quality, unbiased information they could share with their students. This provided an opportunity for us to share subject-matter expertise with teachers and help answer their students' questions. We hosted webinars for teachers on the economic and monetary policy impact of the pandemic; race, income and wealth disparities; long-term impact of COVID-19 on education; and the impact of COVID on entrepreneurship. We reached a combined 207 educators, including 28 from OMWI-designated high schools.

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### **Giving Students Information They Need**

The COVID-19 pandemic helped shine a light on the disparities in education that have long been present. We continued to try to address the issue by providing access to high-quality information about post-secondary education and career options to students. With the shift from in-person to virtual education in the spring, the Richmond Fed, in collaboration with the Federal Reserve Bank of San Francisco, refocused the outreach to educators about our online course for high school students called "Invest in What's Next: Life After High School." In 2020, 6,719 students, including 2,574 from OMWI-designated high schools, enrolled in the course.

In addition to "Invest in What's Next," the Richmond Fed increased its educational outreach to college students, with a focus on engaging students at historically Black colleges and universities. One area of emphasis is on careers in the economics profession. Through the Diverse Economics: People, Perspectives, Careers Conference, the Richmond Fed and its partners explored the range of career options available to undergraduate students who major in economics, including pursuing a graduate education in economics or employment at the Federal Reserve. In 2020, 149 people attended the virtual

conference via the interactive platform while another 300 tuned in to a livestream of the conference.

Another area of emphasis was to engage directly with students on topics they are interested in, such as the impact of COVID-19 on the economy and the racial wealth gap. Throughout 2020, the Richmond Fed reached 146 high school and college students through its Ask an Economist and Richmond Fed on Campus programs.

In 2020, we were able to share financial education lessons directly with youth through community engagements. We continued our partnership with Richmond's Mayor's Youth Academy, virtually hosting more than 75 students to share lessons in financial literacy, information on the role of the Federal Reserve and an overview of the career paths they could explore at our Bank after high school graduation. Our Bank also shared information about the Federal Reserve and financial literacy lessons with youth members of the Nation's Capital Chapter of Jack and Jill of America, Inc.

## **CHALLENGES**

While the Richmond Fed was able to continue our financial education efforts in 2020, we continued to face some existing and new challenges due to the pandemic.

As mentioned previously, the pandemic exposed and brought renewed attention to persistent educational disparities. These disparities in access and outcomes disproportionately impact communities of color. However, the pandemic made it difficult to reach the teachers and students that could benefit most from the educational resources and programs that the Richmond Fed offers. Even teachers who were able to access the programs were simultaneously re-learning their jobs in a virtual environment and supporting their students as they faced multiple challenges. We sought input from our Teacher Collaborative Committee to help understand the challenges they were facing and prioritize where we could offer support. Our Bank will continue to seek input from educators as we strive to address educational disparities.

The pandemic and resulting shift to virtual learning also made us more aware of the challenges teachers faced using the "Invest in What's Next" online course in a remote classroom. Unfortunately, we were not able to respond to the teachers feedback quickly enough to offer a complete solution, though the Richmond and San Francisco Reserve Banks took steps to improve the classroom management

options for teachers. In 2021, we hope to offer a more robust instructor management solution to our educators.

## NEXT STEPS

We will apply the lessons of 2020 to our work going forward by continuing to meet teachers and students where they are and continuing to shine a light on solutions to educational disparities.

The shift of the Richmond Fed's educator advisory group, the Teacher Collaborative Committee, to virtual engagement will allow teachers from all areas of the Fifth District to participate. This year's committee will focus on input and outreach to OMWI-designated high schools outside of the three metro areas where the Richmond Fed has a physical presence. This focus will allow us to focus on causes and solutions to the educational disparities students face and build relationships with educational leaders in those schools and districts.

Prior to March 2020, we offered The Fed Experience tours to children and other groups in our museum. The pandemic closed the physical museum to the public but allowed us to reach students, virtually, in parts of the District where in-person museum visits had been impractical. Going forward, the Bank plans to find innovative ways to share how the Federal Reserve connects to the economic and financial decisions individuals make every day.



# Appendix



## APPENDIX 1. OMWI STANDARD CORE METRICS REPORT

Category	Description	Measure	2016	2017	2018	2019	2020
Workforce Diversity	Senior Executives	Total #	26	25	23	19	21
		% Minorities	19%	24%	17%	11%	19%
		% Women	27%	24%	35%	42%	38%
	Mid-Level Managers	Total #	562	485	498	486	518
		% Minorities	23%	22%	23%	23%	25%
		% Women	36%	38%	37%	37%	36%
	Professionals	Total #	1,540	1,667	1,723	1,805	1,912
		% Minorities	29%	32%	34%	36%	37%
		% Women	38%	38%	38%	38%	38%
	Total External Hires	Total #	150	129	188	258	278
		% Minorities	42%	50%	44%	43%	42%
		% Women	28%	43%	40%	43%	36%
	Total Interns	Total #	61	60	51	75	59
		% Minorities	38%	43%	67%	43%	54%
% Women		36%	48%	53%	51%	44%	
Overall Bank Turnover Rate	%	6.9%	7.9%	8.8%	7.2%	4.4%	
Supplier Diversity	Total Reportable Spend	\$ (millions)	\$311.00	\$362.43	\$397.98	\$433.44	\$441.24
	Total Diverse Spend <sup>1</sup>	\$ (millions)	\$39.07	\$38.70	\$51.95	\$64.64	\$63.92
		%	12.6%	10.7%	13.1%	14.9%	14.5%
	Minority-owned <sup>2</sup>	\$ (millions)	\$34.83	\$35.04	\$44.59	\$56.05	\$54.29
		%	11.2%	9.7%	11.2%	12.9%	12.3%
	Minority-owned (men)	\$ (millions)	\$16.56	\$19.56	\$31.91	\$38.61	\$41.47
		%	5.3%	5.4%	8.0%	8.9%	9.4%
	Minority-owned (women)	\$ (millions)	\$18.27	\$15.48	\$12.68	\$17.44	\$12.81
		%	5.9%	4.3%	3.2%	4.0%	2.9%
	Women-owned <sup>2</sup>	\$ (millions)	\$22.51	\$19.14	\$20.04	\$26.03	\$22.44
		%	7.2%	5.3%	5.0%	6.0%	5.1%
	Women-owned (non-minority)	\$ (millions)	\$4.24	\$3.66	\$7.36	\$8.59	\$9.63
		%	1.4%	1.0%	1.8%	1.9%	2.2%
	Women-owned (minority)	\$ (millions)	\$18.27	\$15.48	\$12.68	\$17.44	\$12.81
%		5.9%	4.3%	3.2%	4.0%	2.9%	

<sup>1</sup>Total Diverse Spend = Minority-owned (men) + Minority-owned (women) + Women-owned (non-minority).

<sup>2</sup>Women-minority numbers are included in both Minority-owned and Women-owned totals.

		2020
Financial Literacy <sup>1</sup>	Program Type - Teacher centric - Student centric - Hybrid	Hybrid
	Number of Students <sup>2</sup>	1,435
	Number of Educators <sup>3</sup>	163
	Number of Students Reached <sup>4</sup>	12,225

<sup>1</sup> Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus. OMWI targeted schools are considered to be inner-city, majority-minority, and all-girls high schools.

<sup>2</sup> Students who attended in-person programs and enrolled in online programs.

<sup>3</sup> Educators who attended in-person programs and enrolled in online professional development programs.

<sup>4</sup> Students reached through educators using a common multiplier of 75.

APPENDIX 2. EEO-1 DATA

Federal Reserve Bank of Richmond 2020 Employer Information Report EEO-1							
Occupational Categories	Total Employees			Hispanic or Latino		White	
				Male	Female	Male	Female
	All	Male	Female	Male	Female	Male	Female
<b>Executive/Sr. Level Officials</b>							
By total	21	13	8	0	0	9	8
By percent	100.00%	61.90%	38.10%	0.00%	0.00%	42.86%	38.10%
<b>First/Mid-Level Officials</b>							
By total	518	329	189	11	6	255	131
By percent	100.00%	63.51%	36.49%	2.12%	1.16%	49.23%	25.29%
<b>Professionals</b>							
By total	1,912	1,187	725	58	26	774	429
By percent	100.00%	62.08%	37.92%	3.03%	1.36%	40.48%	22.44%
<b>Technicians</b>							
By total	5	4	1	0	0	3	1
By percent	100.00%	80.00%	20.00%	0.00%	0.00%	60.00%	20.00%
<b>Sales Workers</b>							
By total	2	1	1	0	0	1	1
By percent	100.00%	50.00%	50.00%	0.00%	0.00%	50.00%	50.00%
<b>Administrative Support Workers</b>							
By total	126	21	105	2	8	11	57
By percent	100.00%	16.67%	83.33%	1.59%	6.35%	8.73%	45.24%
<b>Craft Workers</b>							
By total	66	64	2	1	0	42	1
By percent	100.00%	96.97%	3.03%	1.52%	0.00%	63.64%	1.52%
<b>Operatives</b>							
By total	77	48	29	3	4	23	7
By percent	100.00%	62.34%	37.66%	3.90%	5.19%	29.87%	9.09%
<b>Laborers and Helpers</b>							
By total	8	5	3	1	0	2	3
By percent	100.00%	62.50%	37.50%	12.50%	0.00%	25.00%	37.50%
<b>Service Workers</b>							
By total	146	129	17	8	0	65	7
By percent	100.00%	88.36%	11.64%	5.48%	0.00%	44.52%	4.79%
<b>Total Workers</b>							
By total	2,881	1,801	1,080	84	44	1,185	645
By Percent	100.00%	62.51%	37.49%	2.92%	1.53%	41.13%	22.39%

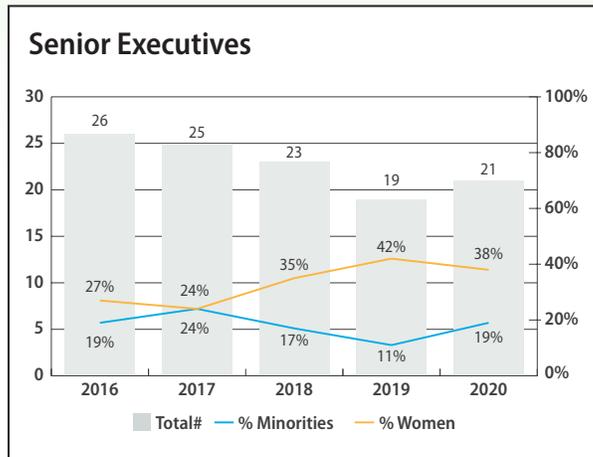
Race/Ethnicity									
Non-Hispanic or Latino									
Black or African American		Asian		Native Hawaiian or Other Pacific Islander		American Indian or Alaska Native		Two or More Races	
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
2	0	1	0	0	0	1	0	0	0
9.52%	0.00%	4.76%	0.00%	0.00%	0.00%	4.76%	0.00%	0.00%	0.00%
27	35	32	16	1	0	2	0	1	1
5.21%	6.76%	6.18%	3.09%	0.19%	0.00%	0.39%	0.00%	0.19%	0.19%
148	185	191	73	1	0	6	2	9	10
7.74%	9.68%	9.99%	3.82%	0.05%	0.00%	0.31%	0.10%	0.47%	0.52%
0	0	1	0	0	0	0	0	0	0
0.00%	0.00%	20.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
0	0	0	0	0	0	0	0	0	0
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7	37	1	2	0	0	0	0	0	1
5.56%	29.37%	0.79%	1.59%	0.00%	0.00%	0.00%	0.00%	0.00%	0.79%
17	1	1	0	0	0	3	0	0	0
25.76%	1.52%	1.52%	0.00%	0.00%	0.00%	4.55%	0.00%	0.00%	0.00%
12	14	8	4	1	0	0	0	1	0
15.58%	18.18%	10.39%	5.19%	1.30%	0.00%	0.00%	0.00%	1.30%	0.00%
2	0	0	0	0	0	0	0	0	0
25.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
52	10	3	0	0	0	0	0	1	0
35.62%	6.85%	2.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.68%	0.00%
267	282	238	95	3	0	12	2	12	12
9.27%	9.79%	8.26%	3.30%	0.10%	0.00%	0.42%	0.07%	0.42%	0.42%



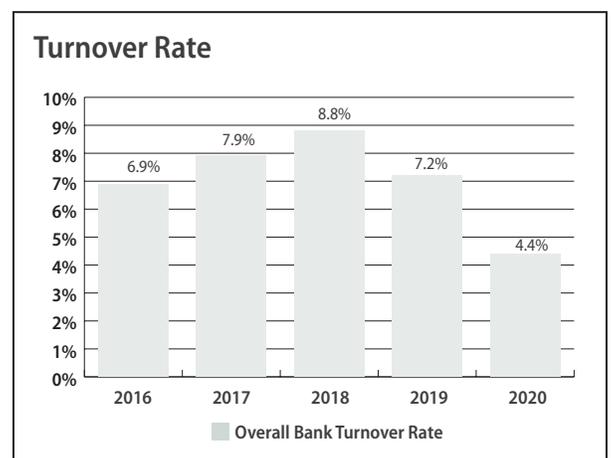
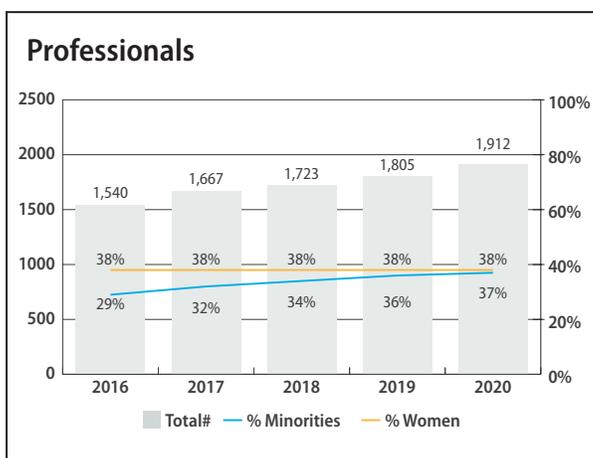
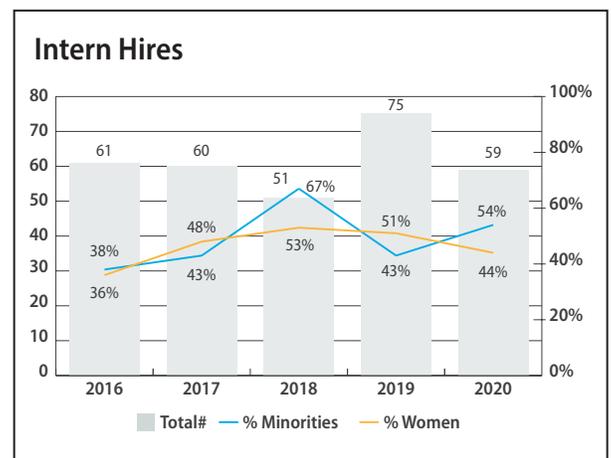
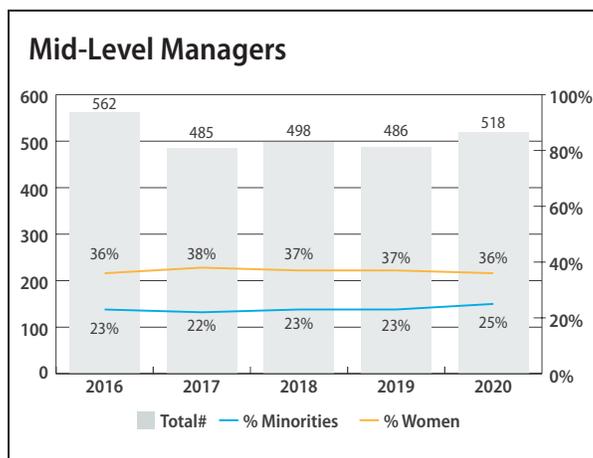
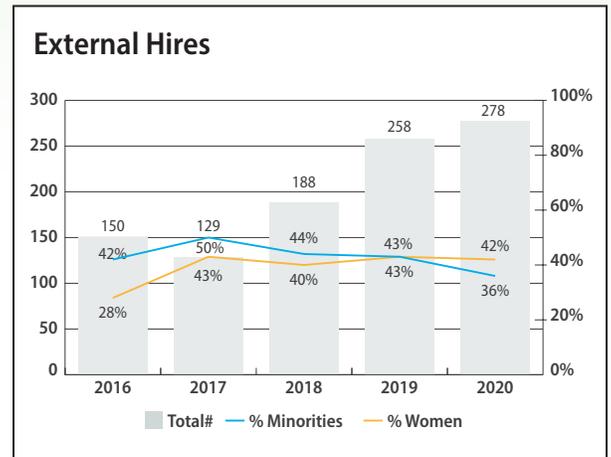
## APPENDIX 2. EEO-1 DATA CONTINUED

### Workforce Diversity

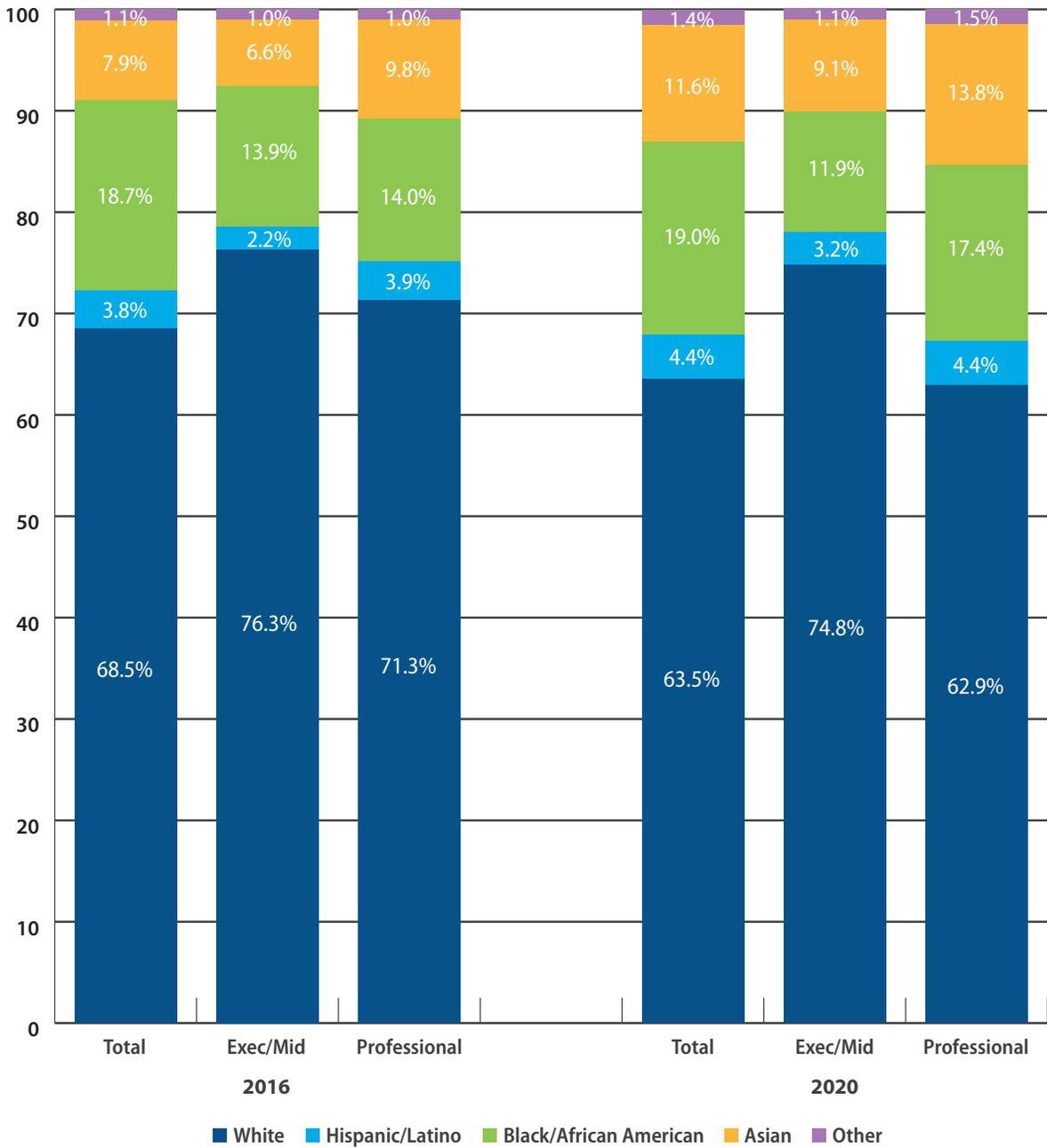
#### Representation at Top 3 EEO Categories



#### Hiring and Turnover



### Ethnicity Representation Comparison 2016 & 2020



## APPENDIX 3. BOARD OF DIRECTORS, DEMOGRAPHICS

Federal Reserve Bank of Richmond Bank and Branch Directors as of January 1, 2021 <sup>1</sup>							
Director Categories	Current Directors <sup>2</sup>			Hispanic or Latino		White	
				Male	Female	Male	Female
	All	Male	Female	Male	Female	Male	Female
<b>Reserve Bank Directors</b>							
<b>Class A (Total Positions 3)</b>							
By total	3	2	1	0	0	1	1
By percent	100%	67%	33%	0%	0%	33%	33%
<b>Class B (Total Positions 3)</b>							
By total	3	2	1	0	0	1	1
By percent	100%	67%	33%	0%	0%	33%	33%
<b>Class C (Total Positions 3)</b>							
By total	2	1	1	0	0	0	1
By percent	67%	33%	33%	0%	0%	0%	33%
<b>Branch Directors</b>							
<b>Branch Directors, appointed by Reserve Bank (Total Positions 8)</b>							
By total	7	3	4	0	0	2	4
By percent	88%	38%	50%	0%	0%	25%	50%
<b>Branch Directors, appointed by Board of Governors (Total Positions 6)</b>							
By total	6	5	1	0	0	3	0
By percent	100%	83%	17%	0%	0%	50%	0%
<b>Totals</b>							
<b>All Reserve Bank Directors (Total Positions 9)</b>							
By total	8	5	3	0	0	2	3
By percent	89%	56%	33%	0%	0%	22%	33%
<b>All Branch Directors (Total Positions 14)</b>							
By total	13	8	5	0	0	5	4
By percent	93%	57%	36%	0%	0%	36%	29%
<b>All Reserve Bank and Branch Directors (Total Positions 23)</b>							
By total	21	13	8	0	0	7	7
By percent	91%	57%	35%	0%	0%	30%	30%

Note: <sup>1</sup>Reserve Bank directors are elected or appointed to three-year, staggered terms (see <https://www.federalreserve.gov/aboutthefed/directors/about.htm> for more information). This report includes directors who were appointed or elected in 2020 to terms that began on January 1, 2021, as well as directors who are currently serving in existing terms. <sup>2</sup>Directors are given the option to self-identify their race/ethnicity. Totals reflect two vacant positions.

Race/Ethnicity									
Non-Hispanic or Latino									
Black or African American		Asian		Native Hawaiian or other Pacific Islander		American Indian or Alaska Native		Two or More Races	
Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1	0	0	0	0	0	0	0	0	0
33%	0%	0%	0%	0%	0%	0%	0%	0%	0%
1	0	0	0	0	0	0	0	0	0
33%	0%	0%	0%	0%	0%	0%	0%	0%	0%
0	0	0	0	0	0	0	0	1	0
0%	0%	0%	0%	0%	0%	0%	0%	33%	0%
0	0	0	0	0	0	0	0	1	0
0	0	0%	0%	0%	0%	0%	0%	13%	0%
1	1	0	0	0	0	0	0	1	0
17%	17%	0%	0%	0%	0%	0%	0%	17%	0%
2	0	0	0	0	0	0	0	1	0
22%	0%	0%	0%	0%	0%	0%	0%	11%	0%
1	1	0	0	0	0	0	0	2	0
7%	7%	0%	0%	0%	0%	0%	0%	14%	0%
3	1	0	0	0	0	0	0	3	0
13%	4%	0%	0%	0%	0%	0%	0%	13%	0%

## APPENDIX 4. DIVERSITY AND INCLUSION CHAMPIONS

### *Executive Diversity & Inclusion Council (EDIC)*

The EDIC is comprised of a cross-functional team of Bank senior executives — led by the Bank’s chief diversity officer — whose role is to serve as advocates and drivers of the Bank’s D&I strategies. The EDIC serves as a key partner with the Office and the Diversity and Inclusion Alliance to support and advance a diverse and inclusive culture.

### *Diversity & Inclusion Alliance (DNA)*

The DNA is guided by the EDIC and serves as a key partner — with the EDIC and the Office — to support and advance a diverse workplace and inclusive culture. The DNA also provides oversight for the Bank’s eight employee resource networks. The DNA is comprised of a cross-functional and diverse group of 14 Bank employees.

### *Supplier Diversity Champions*

Supplier Diversity Champions are advocates representing a cross-section of our Bank’s departments who support the Supplier Diversity program throughout the year with the ultimate goal of increasing spend and engagement with diverse suppliers. Fifteen colleagues from the Fifth District and two from National IT have served our Bank as Supplier Diversity Champions in 2020.

### *2020 Employee Resource Networks (ERNs)*

The ERN program is comprised of eight employee-led groups sanctioned by the Bank, governed by the DNA and formed around shared characteristics, affinities or professional interests for the purpose of supporting the Bank’s D&I efforts and other strategic initiatives of the organization. Networks are voluntary, aligned with the Bank’s D&I mission and support the strategic goals of the Bank.

### **ABLE (Ability Beyond the Label)**

Mission: ABLe works to assist the Bank in achieving its strategic goal of maintaining a diverse work environment by raising awareness of the value differently abled individuals bring to the organization, where all employees can contribute at their maximum potential.

### **First to Serve**

Mission: First to Serve is a resource for harnessing the talents, experiences and interests of those who have or are currently serving in the uniform services and those who support them in the Bank and in the community at large.

### **Generations United**

Mission: Generations United is a multigenerational

resource network that represents our entire workforce through all “Generations United.” They support the Bank’s objective of attracting, retaining and developing a world-class, diverse workforce by sponsoring activities that promote the interaction and engagement of today’s multigenerational workforce.

### **GROW (Generating Recognition of Women)**

Mission: GROW promotes, recognizes and respects the value of women and encourages their professional and personal development.

### **LiPM (Leading in Project Management)**

Mission: LiPM supports the Bank’s strategic goal of being an employer of choice by encouraging civic engagement, learning from each other, and understanding the strengths and needs of project management across all business areas.

### **PRISM (Pride, Respect, Inclusion, Safe and Mutual support — lesbian, gay, bisexual and transgender employees and allies)**

Mission: PRISM supports the Bank’s organizational objectives by sponsoring activities that assist the Bank in maintaining an inclusive work environment where all employees can fulfill their maximum potential, and by promoting an environment that recognizes strengths, values and differences as well as respect and mutual support.

### **STAAART (Supporting the Advancement of Asian American Recognition and Talent)**

Mission: STAAART supports the Federal Reserve Bank of Richmond in maintaining a diverse and inclusive work environment where all employees can fulfill their maximum potential through the promotion of professional development, networking, cultural awareness, recruitment and retention, and knowledge sharing.

### **VITAL (Valuing the Inclusion of Talented African Americans and Latinos)**

Mission: VITAL supports the Bank’s organizational objectives by sponsoring activities that assist the Bank in maintaining an inclusive work environment where all employees can fulfill their maximum potential, and by promoting an environment that recognizes and values the contribution of diverse talent.





## FIFTH FEDERAL RESERVE BANK DISTRICT OFFICES

**Richmond**  
701 East Byrd Street  
Richmond, VA 23219  
(804) 697-8000

**Baltimore**  
502 South Sharp Street  
Baltimore, MD 21201  
(410) 576-3300

**Charlotte**  
530 East Trade Street  
Charlotte, NC 28202  
(704) 358-2100

