

## Providing Resources that Strengthen the Fifth District

**T**he Federal Reserve Bank of Richmond is one of 12 regional Reserve Banks that, along with the Board of Governors, constitute the Federal Reserve System. This regional structure enhances the Fed's ability to facilitate payments, regulate financial institutions (most of them local or regional), and closely monitor economic conditions that inform monetary policy decisions. The regional structure also puts the Richmond Fed in a unique position to provide additional resources that strengthen communities throughout the Fifth District.

The Bank is based in Richmond with branch offices in Baltimore and Charlotte, but it gathers economic information from all parts of the Federal Reserve's Fifth District, which includes Virginia, Maryland, North Carolina, South Carolina, Washington, D.C., and most of West Virginia. The Bank conducts surveys, telephone interviews, and face-to-face meetings with people throughout the District. It then synthesizes and analyzes this information and makes it available to the public in a variety of formats, including publications, presentations, websites, and databases. The Richmond Fed often convenes conferences and seminars that bring people together from different perspectives to discuss issues that are important to the economic vitality of their communities. The Bank also partners with educators to promote economic education and financial literacy, and it works with its own employees to create a culture of community service.

### Gathering Information

The Bank's ability to collect vital economic information from throughout the Fifth District begins with its oversight boards. Nine directors oversee management of the Federal Reserve Bank of Richmond. Member banks elect six of them, and the Board of Governors

appoints the other three. The Bank's branch offices in Baltimore and Charlotte each have seven-member boards, with four directors elected by the Richmond Board and three appointed by the Board of Governors. Board members provide anecdotal information and unique perspectives from a wide variety of fields including banking, finance, housing, health care, construction, insurance, petroleum, power generation, information technology, organized labor, and higher education.

The Richmond Fed also gathers information from three advisory councils. The Community Investment Council keeps the Bank abreast of emerging economic issues in Fifth District communities, including low- and moderate-income neighborhoods in both urban and rural areas; the Community Depository Institutions Advisory Council provides information and advice about lending conditions and other concerns; and the Payments Advisory Council helps the Bank respond to the evolving needs of its banking constituency.

Boards and advisory councils bring valuable information to the Bank, but Bank officials also go out into the community to obtain first-hand knowledge of economic issues and trends. The Bank's top man-

PHOTO: JIM STRADER



Shane Griffin, assistant manager of the Perdue hatchery on Maryland's Eastern Shore, shows visitors from the Bank how to distinguish between male and female baby chicks.

agers routinely travel throughout the District, as do many other employees of the Richmond Fed. Twice a year, the Bank's president, Jeff Lacker, and first vice president, Sally Green, lead delegations on extended trips to gain more in-depth knowledge about local economies. In the past five years, these delegations have visited Central Maryland, Virginia's Southwest and Southside regions, West Virginia's Metro Valley and Mountaineer regions, South Carolina's Upstate and Charleston regions, and North Carolina's Eastern and Research Triangle regions.

In May 2011, Bank officials spent three days learning about economic activity in Northern Virginia and Washington, D.C. Among their many stops, they toured Marine Corps Base Quantico and discussed with local leaders how military base closings and realignments might affect the region's economy. They also consulted with groups of business executives and information technology professionals.

In October 2011, Bank leaders visited the Eastern Shore of Maryland and Virginia, where agriculture and aquaculture are staples of the economy. They toured a chicken hatchery and an oyster hatchery and participated in discussions about the poultry and

seafood industries. They also toured NASA's Wallops Flight Facility, where the space agency launches rockets on orbital and suborbital missions.

The Bank frequently reaches out to the community by organizing business roundtables that represent cross-sections of Fifth District economies. In 2011, the Bank's regional economics group hosted 11 roundtables, including three in Richmond, three in Charlotte, three in Baltimore, one in Charleston, S.C., and one in Charleston, W.Va. The group also conducts monthly and quarterly business surveys that track economic activity throughout the District. Survey participants share their first-hand knowledge of recent economic conditions and their expectations for the next six months.

### Sharing Resources

Although the Richmond Fed does not share proprietary information obtained in confidence from individual business leaders, the Bank often synthesizes and analyzes this information and releases it to the public in aggregate formats.

Results of the Bank's surveys, for example, are available at [richmondfed.org/research/regional\\_economy](http://richmondfed.org/research/regional_economy). This regional economics website also provides data, analysis, and presentations from the Bank's regional economists, including the Bank's contribution to the Federal Reserve's *Beige Book*, which summarizes current economic conditions in each Federal Reserve district eight times per year.

Another portion of the Bank's website, [richmondfed.org/community\\_development](http://richmondfed.org/community_development), provides a wealth of resources, including several publications from the Community Development Department. In 2011, *Community Scope* devoted two issues to exploring the strategies and results of the federal Neighborhood Stabilization Program. The department also publishes *Fifth District Footprint*, an online publication that debuted in 2011. Each issue of the *Footprint* focuses on mapping key economic trends across the District's cities and counties. The publication has highlighted

several data sets, including information on poverty rates, broadband access, vacant housing, and home-mortgage modifications.

The Community Development Department also maintains the Map Resource Center, online collections of data maps that cover the Fifth District as a whole, each state within the region, and the District of Columbia. The maps also display data by zip code and census tract. The Bank's other data resource centers provide extensive information about community development and foreclosure prevention.

The Richmond Fed encourages local governments and nonprofit organizations to use these and other Bank resources to make data-driven decisions that improve their operations. In October 2011, for instance, the Community Development Department held an interactive conference in Richmond called "Unleashing the Power of Local Data." The conference, which explored ways to use data to enhance neighborhood stabilization efforts, attracted 110 participants from 11 states and the District of Columbia. The Richmond Fed partnered with the Board of Governors to hold a similar conference at the Bank's Baltimore branch in December 2011. The conference attracted more than 200 leaders of community development initiatives from across the United States.

The Bank frequently convenes meetings that bring together people who share mutual interests in strengthening their communities. In June 2011, for example, the Community Development Department collaborated with Virginia Commonwealth University's Nonprofit Learning Point to introduce nonprofit managers in the Richmond area to business leaders who might be interested in serving on their boards. The event was the fourth in a series of workshops designed to help nonprofit organizations leverage their resources. In December 2011, a fifth workshop focused on how nonprofits can harness innovation.

### Teaching Money Matters

The Richmond Fed devotes considerable resources to promoting economic education and financial literacy. The Bank's economic education team helped establish a high school course on economics and personal finance that is required for graduation from Virginia's public schools, and in 2011, the team helped develop a website, [TeachingMoneyVa.org](http://TeachingMoneyVa.org), that provides resources to instructors who teach the course. The Bank partners with the Virginia Council on Economic Education and several other organizations to maintain the website and enhance its content.

The economic education team also produces *5E Educator*, an instructional resource with about 700 subscribers, including many high school and middle school teachers. *5E Educator* provides lesson plans and classroom activities based on articles from the Bank's research publications.

Another popular resource for economic education is The Fed Experience, an interactive exhibit that occupies the first floor of the Bank's Richmond headquarters. Since opening in 2010, The Fed Experience has welcomed more than 15,000 visitors with games, videos, and displays that highlight economic concepts, market dynamics, economic history, and the role of the Federal Reserve. The exhibit, which is free and open to the public, presents information on several levels, engaging visitors from kindergarteners to retirees.

The Richmond Fed partnered with the Board of Governors to host a national conference in Baltimore that focused on strategic uses of data to promote neighborhood stabilization.

PHOTO: JEN GIOVANNITTI



College students developed some of the financial literacy videos in The Fed Experience by competing in an annual contest called “Share the Wealth.” One video, produced by University of Richmond students, features a young man who falls for an easy-credit scheme and buys a big-screen TV that he cannot afford. The video’s punch line says: “Spend money you don’t have. Live in your mom’s basement. Read the fine print.”

A more scholarly competition, the College Fed Challenge, attracted teams from 30 colleges and universities throughout the Fifth District in 2011. They analyzed economic scenarios and made monetary policy decisions as though they were members of the Federal Open Market Committee. A team from the University of North Carolina at Chapel Hill won the most recent contest, which was judged by several of the Bank’s economists. Then the UNC team earned an honorable mention in the national College Fed Challenge at the Board of Governors in Washington, D.C.

Other collegiate programs are more collaborative than competitive. Afternoon @ the Fed, for example, supplements classroom experience by bringing together students, professors, and Bank economists for deeper discussions about monetary policy and the economy. In 2011, this three-part program attracted several hundred participants—in person and online—to sessions in Richmond, Baltimore, and Charlotte.

### Strengthening the Community

Serving Fifth District communities is an important part of the Richmond Fed’s daily operations, but that commitment does not end at 5 p.m. Many of the Bank’s 1,450 employees in Richmond, Baltimore, and Charlotte donate significant time, talent, and financial resources to a wide variety of nonprofit efforts.

Fedcorps, a volunteer organization run by employees and retirees, helps create a culture of community service within the Bank. In 2011, employees and retirees supported several dozen Fedcorps initiatives with thousands of community service hours. Fedcorps volunteers partnered with national organizations, such

PHOTO: LARRY CAIN



Fedcorps mentor Shonda Stewart (right) works with Ahmarri Simmons (left) and Lamar Bowman during the Bank’s lunch buddies program at Bellevue Elementary School in Richmond.

as Junior Achievement and Habitat for Humanity, and they worked with local groups, such as hospitals and food banks. They mentored students, collected clothing, served meals, donated blood, and walked or ran countless miles to raise money for worthy causes.

To encourage more employees to get involved, the Bank provides two days of paid leave each year that employees may use to work on community service projects. But the official tally of those community service days measures only a small portion of their contributions to the community. Some employees deliver Meals on Wheels during their lunch breaks. Many employees coach youth sports in the evenings and on weekends, while others pull night shifts at volunteer fire departments and rescue squads.

The Federal Reserve Bank of Richmond exemplifies 24/7 commitment. The Bank’s primary functions—conducting monetary policy, regulating financial institutions, and facilitating payments—are round-the-clock responsibilities. And that same level of dedication spills over into the Bank’s efforts to provide additional resources to the community. These initiatives are supported and encouraged by the Bank, but they are powered by the collective desire of the Bank’s employees to make a difference in the communities they serve. ■