



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

# 2018 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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# Executive Summary

The Federal Reserve Bank of Richmond (the Bank or the Richmond Fed) has continued to build upon its strong foundation in how it approaches diversity and inclusion — internally with employees, as well as externally with job candidates, suppliers, community organizations and educational institutions.

To do that, the Bank encourages each employee to play a role. The Bank's new leadership, President Tom Barkin and First Vice President Becky Bareford, along with System Chief Information Officer Lyn McDermid, is focused on more visibly embracing diversity and inclusion and holding leaders accountable. They meet individually with each senior leader, and collectively as an executive team to discuss workforce diversity metrics and unlock ways to move the needle. The Bank also worked to further align with the System's diversity and inclusion initiatives, including a shared diversity and inclusion vision and goals, and metrics outlined by the Conference of First Vice Presidents to help measure progress. This shared focus, paired with increased leadership engagement and defined goals and measurements, has enabled the organization to make positive strides in intentionally embedding diversity and inclusion more broadly and deeply into all aspects of the Bank's work.

The Federal Reserve Bank of Richmond Board of Directors is comprised of nine Richmond directors and 14 branch office directors — seven in Baltimore and seven in Charlotte. In 2018, 43 percent of directors were women and 17 percent were minorities. All three board chairs were female. The geographic diversity included all states in the Fifth District. Diversity of industry in 2018 for the District included representation from banking (30 percent), commerce (30 percent), services (17 percent) and consumer/community (17 percent). The definition of the services sector is comprised of industries like higher education, health care, etc. The 2018 representation includes the president of a Historically Black College and University. There was also one class C director vacancy on the main office board in 2018.

With the long-term goal of building a workforce as diverse as the communities the Bank serves and sustaining an inclusive environment, the Bank focused its efforts during the reporting period on enhancing what's working, refining what's not, and developing the framework to support current and future business needs. Building this

continuous improvement culture and leveraging talent were — and continue to be — key assets that inspire a diverse, high-performing workforce.

These efforts set the framework for how the Bank will become a top place for top talent, which is one goal in the Fifth District's 2019–2021 Strategic Plan and an overarching theme in both the District's new Culture Statement and the System IT Strategic Plan. They also will play a critical role in how the Richmond Fed delivers System procurement services. Employees and leaders alike will play an active role in this impactful and transformative work.

## WORKFORCE DIVERSITY

As of December 31, 2018, the Bank employed 2,683 people. The Bank's representation of women remained stable at 38 percent. Minority representation increased by 2 percentage points over 2017 to 34 percent. The organization's efforts in 2018 concentrated on recruiting, developing and retaining diverse talent through both new and continuing initiatives. These efforts will be reinforced in 2019 through a high-priority objective focused on increasing Bank diversity.

To increase organizational diversity through hiring, the Richmond Fed concentrated on recruiting from diverse colleges, universities and professional organizations, and leveraging existing employee networks to broaden candidate pools. During the reporting period, the Bank had 188 external hires, including 44 percent minorities and 40 percent women.

Campus recruiting activities played a critical role in attracting diverse talent for the intern program as well as the Bank's early career programs. In 2018, the Bank had 57 interns from 27 universities, of which 57 percent were minorities and 53 percent were women. Of the 25 interns eligible for full-time employment in 2018/19, 12 have been hired or accepted offers. Of those 12, 50 percent are minorities and 58 percent women. The overall focus on entry-level talent resulted in 16 percent of all new hires being entry-level, 50 percent minorities and 50 percent women.

To reinforce accountability across the organization, the Bank's recruiting practices were enhanced and require that diverse talent pools exist for all job openings. The enhanced process highlights the shared responsibility leaders have regarding diversity and inclusion with each

open position, and also reinforces the expectations around candidate pools with messaging coming from the first vice president or System chief information officer. Leaders also were held accountable to a common set of performance objectives that addressed organizational development and operational excellence. These objectives aligned with goals to increase organizational diversity and build a culture of inclusion while also driving greater clarity and consistency in expectations of leaders. This accountability through common objectives will continue in 2019.

As part of succession efforts, the Bank continued to address the talent needs of the organization by assessing, planning, developing and leveraging a diverse pipeline of versatile talent to fill current and future leadership roles. The Bank defines versatile talent as an individual who has the ability and aspiration to move to another function or division and still perform at a high level. The cadence of talent reviews increased to four times per year and has helped solidify succession plans across the organization. To date, the Bank has identified 76 non-officers in the versatile talent pipeline, of which 41 percent are women and 36 percent are minority. It also has 60 identified officer successors for critical roles, of which 47 percent are women and 20 percent are minority. While incremental, the pipeline for these critical roles has a higher percentage of minorities and women when compared to current officer representation. Progress was also made in officer promotions, which were 52 percent women and 29 percent minority in 2018.

In addition to several ongoing formal development programs, the Richmond Fed expanded its experiential learning opportunities. Employees participated in cross-functional assignments and mentoring relationships to increase their business acumen and skill sets, while broadening their networks and increasing their visibility within the Bank.

The Bank continued to build a culture of inclusion and belonging through ongoing initiatives that build awareness and connection between employees. The eight Employee Resource Networks helped ensure inclusive policies are in place, hosted a robust schedule of events that built cultural competence and provided professional development opportunities. The second year of the Richmond Fed's Let's Connect open dialogue series encouraged employees to engage in open discussion with each other and their leaders. These sessions

were facilitated by 13 of the Bank's senior executives. Employees were also able to participate in an Inclusive Leadership Speakers Series event where they were encouraged to "lead from where they are." Employee engagement score results in 2018 were well above results from comparable organizations. Additionally, engagement scores were highly consistent across the Bank's demographic groups, including race and gender.

## MINORITY- AND WOMEN-OWNED BUSINESSES

The Bank's 2018 supplier diversity action plan centered around five objectives: continuing work with business lines to develop longer-term procurement forecasts and corresponding supplier pipelines, exploring additional diverse supplier subcontracting opportunities with the Bank's prime suppliers, implementing practices to provide feedback to suppliers, investigating factors that contribute to diverse supplier response rates, and continuing effective outreach and technical assistance activities.

Expenditures with diverse suppliers increased by 34 percent, up from \$38.70 million and 10.7 percent in 2017 to \$51.95 million and 13.1 percent in 2018.

Supplier diversity efforts also focused on building relationships internally and externally. Proactive collaboration with key business lines to identify strategic opportunities drove increased inclusion of a robust slate of diverse suppliers for Requests for Proposals. The inclusion rate increased from 73 percent in 2017 to 78 percent in 2018. Additionally, the Bank continued its strong emphasis on diverse supplier education and awareness during the reporting period by hosting a second consecutive supplier diversity vendor fair at its Baltimore branch, in addition to its annual flagship outreach event held in Richmond.

Home to the Federal Reserve System's National Procurement Office (NPO), the Richmond Fed plays a critical role in delivering System procurement services. The NPO drove an initiative to track key System metrics that demonstrate the value and success of procurement. One of the four metrics is diverse supplier utilization, including percentage of total contracts awarded to diverse suppliers and diverse spend percentage. The launch of the District's 2019–2021 Strategic Plan and continued implementation of the System procurement strategies provide additional leadership focus on advancing supplier diversity efforts.

## FINANCIAL EDUCATION

The Bank continued its outreach efforts with students, teachers, and community and educational organizations, reaching 230 educators and, by extension, 17,250 students from OMWI-designated high schools in 2018. These efforts include launching the third and final lesson of the System's online course for high school students called "Invest in What's Next: Life After High School," and participating in the Mission Tomorrow career expo, where more than 12,000 middle school students were exposed to possible career opportunities by employers across the Richmond area. Employee ambassadors also helped the public better understand the Fed by delivering presentations to 1,830 students in 2018, including 380 students from OMWI-designated high schools.

In 2019, the Bank will build on the year's success while working to increase reach and collaboration opportunities with external partners in the Fifth District region. It also will continue to work toward implementing new functionality on the public website to give teachers a pathway to more of the Bank's educational material, including publications, research articles and data.

## CONCLUSION

Everyone at the Richmond Fed plays a role in our diversity and inclusion efforts — from playing a part in becoming a top place for top talent to participating in diverse supplier networking events to volunteering for financial education programs in underserved communities.

In 2018, the Richmond Fed enhanced its approach in a number of areas, including creating the structure to move versatile talent across the organization, attracting and recruiting more entry-level talent, increasing spend with diverse suppliers and expanding the reach of financial education resources and programs.

Collectively, these enhancements serve as the framework for how the Bank will inspire a high-performing and diverse workforce and sharpen how it delivers on its public service mission through its strategic plans and Culture Statement. An intentional approach with success metrics, a shared commitment and an inclusive culture are critical factors to this transformative work.

*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.*

# Overview & Introduction

## THE RICHMOND FED

As one of 12 regional Reserve Banks across the country, the Federal Reserve Bank of Richmond (Richmond Fed or the Bank) represents the Fifth District, which is comprised of the Carolinas, Maryland, Virginia, Washington, D.C., and most of West Virginia. The Bank works together with the other regional Reserve Banks and the Board of Governors to achieve its 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 (1,438 employees), with responsibility for the primary functions of the Bank, and National IT (1,245 employees), with responsibility for information technology for all Reserve Banks within the Federal Reserve System (the System). Therefore, 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, 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 in 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.

Donnie Harper is senior vice president and director of the Office, and reports to President Thomas Barkin on OMWI matters and to Chief Human Resources (HR) Officer Brie Stanley on other HR initiatives. He also oversees the workforce diversity outreach efforts of the Bank. Christopher Tunstall, assistant vice president, serves as the deputy director.

The Office includes one full-time D&I program manager who supports D&I business line needs, D&I education, the embedding of D&I into business practices, and Employee Resource Network activities and programs. A workforce diversity specialist also is embedded into the talent acquisition function to support the Bank's workforce diversity outreach strategy.



# Workforce Diversity & Inclusion

The Richmond Fed is committed to being a top place for top talent by building a workforce as diverse as the communities it serves and a workplace that provides opportunities for employees to bring their full selves to work, connect and grow. Sustaining this culture and leveraging talent are key assets that inspire a diverse, high-performing workforce.

Through defined goals and measurements as well as increased leadership accountability, the Bank made significant advancements in the past year — most notably in the areas of attracting and retaining diverse talent, strengthening the diversity of the leadership pipeline, and sustaining a culture that embraces differences and opportunities to grow. Together, these efforts help the Bank provide the best solutions and support the Federal Reserve System's diversity and inclusion vision to excel at its public service mission by actively cultivating an inclusive culture and leveraging the skills and perspectives of its diverse workforce.

As of December 31, 2018, the Bank employed 2,683 people. Minority representation increased by 2 percentage points to 34 percent compared to 2017. The Bank's representation of women remained stable at 38 percent. As of December 31, 2018, Black/African American employees represented 18.7 percent of the

Bank's workforce, Asians represented 10.1 percent and Hispanic/Latinos represented 3.9 percent. These numbers remain consistent with the previous reporting period and, combined, have increased by 4 percentage points since 2014. Additional information on changes over time and minority and women representation is contained in Appendix 1.

The Bank uses analytics and reporting to better understand the current environment, proactively identify trends and talent gaps, and develop and implement action plans. The commitment and active engagement of employees and leaders is critical to these efforts. This included a heightened focus by the Bank's most senior leaders. For example, during the reporting period, leaders across the organization participated in quarterly discussions with President Tom Barkin, First Vice President Becky Bareford and System Chief Information Officer Lyn McDermid about diversity workforce metrics and proposed actions to increase the Bank's diversity. Additionally, leaders were actively involved in inclusion efforts, with 13 senior executives facilitating various Let's Connect employee sessions — the Bank's open dialogue series that encourages employees to engage in open discussion with each other and their leaders. Several senior leaders also served on the Executive Diversity and Inclusion Council (EDIC) and as executive sponsors of

## Becky Bareford Named First Vice President



The Federal Reserve Bank of Richmond was excited to welcome Becky C. Bareford as the organization's first vice president and chief operating officer, effective June 1, 2018. She works with the Bank's president and management committee in setting strategic vision and business objectives, ensuring financial and operational performance, as well as supporting the Federal Reserve System's operational strategy.

A respected and influential leader within the Federal Reserve System, Becky has an impressive track record and 20 years of experience. She has successfully led multiple functions and support services within the organization, as well as a variety of complex programs across the Federal Reserve System. Becky began her Richmond Fed career in 1998, and has served in various roles and functions, including corporate accounting, procurement, payroll services and human resources.

Becky has also served as director of the Richmond Fed's Office of Minority and Women Inclusion and chair of the Federal Reserve's Subcommittee on Human Resources. She is a passionate and committed champion for diversity, talent development and inclusion, and is bringing this experience and dedication to her new role to help the organization continue to increase diversity and build a culture of belonging.

the Bank's employee resource networks, where all are expected to model inclusive leadership behaviors.

Employee engagement score results in 2018 were well above results from comparable organizations. Additionally, engagement scores were highly consistent across the Bank's demographic groups, including race and gender.

Everyone at the Richmond Fed plays a role in promoting a diverse and inclusive environment. This shared responsibility — along with an increased focus on the ways in which the Bank will become a top place for top talent — is front and center in the new Fifth District Strategic Plan and Culture Statement that rolled out in October. This includes a specific high-priority objective on increasing Bank workforce diversity so the organization better reflects the communities it serves. Additional focus areas, shared across the organization and reflected in the System IT Strategic Plan, include promoting talent mobility, developing a superior workplace experience for employees and strengthening leader's ability to develop

others. Together, these strategic focuses amplify the Richmond Fed's commitment to attracting, developing and retaining outstanding professionals and enabling them to maximize their contributions.

## SUCCESSSES

### *Attracting and Recruiting Diverse Candidates*

Attracting diverse candidates requires proactively sourcing talent and building an active pipeline for current and future organizational needs. In 2018, efforts focused on sourcing and recruiting talent from colleges, universities and professional organizations; leveraging the diversity, expertise and connections of Fed employees in recruitment efforts; enhancing diverse and inclusive recruiting practices; and augmenting programs that prepare new employees, especially entry-level talent, for success. These efforts included a focus on the Bank's brand and culture as ways to connect more deeply with candidates.

## Heightening the Bank's Focus

In late 2018, the Bank unveiled its new Fifth District Strategic Plan and Culture Statement — commonly referred to internally as "what we will do" and "how we will do it."

The Strategic Plan builds on the Bank's strengths and areas where it can be distinctive. It also identifies opportunities to improve performance, try new things, and seek out opportunities to grow and develop. Within the three-year plan, which will be implemented beginning in January 2019, are five goals as well as 12 high-priority objectives that reflect 2019 priorities. Serving as the foundation of the plan is the Bank's public service mission and commitment to its communities.

One of the five goals is "Becoming a Top Place for Top Talent." With this as a primary focus area for the Bank, all employees will share in the responsibility to increase development opportunities and diversity results and help make the Richmond Fed the "best place to work." Many of the initiatives outlined in this report will be enhanced in 2019 as part of this heightened and targeted focus.

The new Culture Statement goes hand-in-hand with the Strategic Plan. The three simple phrases are both an acknowledgment of what we do well and what we aspire to do better. The statement will serve as guidance to encourage and focus behaviors on how employees work as one team to deliver on the Bank's public service mission to support a healthy economy. Workforce diversity and inclusion is woven throughout the statement most explicitly in embracing differences and opportunities to grow.

### Culture Statement:

**We do the right thing.**

**We lead from where we are  
to make things better.**

**We embrace differences and  
opportunities to grow.**

During the reporting period, the Bank had 188 external hires, including 44 percent minorities and 40 percent women.

Complementing broad campus recruiting activities, the Bank utilizes the Engaging Qualified Underutilized Individuals Program (EQUIP) to strategically build relationships with Hampton University and North Carolina A&T, both Historically Black Colleges and Universities (HBCUs). In addition to participating in career fairs and classroom activities, the Richmond Fed has senior executives assigned to both schools whose role is to lead the efforts in further strengthening these relationships. For example, one executive spent a day with 100 MBA students at Hampton University and spoke about careers at the Fed. President Barkin also visited the North Carolina A&T campus and met with the university president.

These campus activities and events play a critical role in recruitment. In 2018, the Bank had 57 interns from 27 universities, of which 57 percent were minority and 53 percent were women. Of the 25 interns eligible for full-time employment in 2018/19, 12 have been hired or accepted offers. Of those 12, 50 percent were minority and 58 percent were women. Recruiting for 2019 interns launched in the second half of 2018 and next year's program will be designed to recruit a higher percentage of interns who will be eligible for employment within a year.

The Bank also continued community partnerships targeting underserved high school- and college-aged students, including hosting three NPower and one Year Up student interns. Upon completion, all three NPower interns were hired within the Federal Reserve System. The Year Up student returned to school and the Bank is planning to host another student in Baltimore in 2019. Additionally, two students had internships from Partnership for the Future, a program that helps motivated high school students with limited resources transition from high school to college and employment.

It's also important to note that the Richmond Fed has responsibility for several key System functions; therefore, it has unique opportunities with several key jobs in these areas, most notably within information technology.

During the reporting period, the Bank's focus on entry-level talent saw significant success — 16 percent of all new hires were entry-level roles. Through programs like the Talent Development Program (TDP), which focuses on technical IT roles, and the Supplement Talent Employment

Project (STEP), the Richmond Fed recruits entry-level employees and provides support, such as mentors to offer guidance and coaching. The two programs hired a total of 15 individuals — 60 percent minority and 47 percent women — into entry-level roles. These program participants frequently assist in campus recruiting events because they are both closest to the work and familiar with the targeted campuses. The Bank transitioned the STEP program to broader efforts to recruit for entry-level roles across the organization. There is a focus on working with all business lines to rethink each new hire posting to determine if the role could be filled with entry-level talent.

The Bank also leverages employees from business lines to serve as trained Career Champions who participate in on-campus recruiting events. In 2018, there were 33 Career Champions, 67 percent women and 70 percent minority. Leveraging those closest to the work, customizing recruiting displays and information for specific audiences, and streamlining the application process (including giving the option of applying via mobile device) have been effective recruiting techniques. Additionally, increasing participation of business line staff improved the effectiveness of outcomes with these campus events.

### *Building Relationships with Diverse Professional Organizations*

The Bank participates in a robust schedule of external networking and outreach events to cultivate and build relationships with diverse professional organizations that align with the current and future business and talent needs of the Bank.

The Richmond Fed assumed a leadership role in the Federal Reserve System's efforts to plan and conduct three System events at the following conferences and career expos: Prospanica, the National Black MBA Association and Grace Hopper Celebration. Collectively, there were 330 resumes collected. To attract women in Information Technology, the Bank hosted an event with Black Women in Science and Engineering (BWISE) at the Grace Hopper Celebration, where approximately 35 African-American women attended.

Local relationships also were expanded with Black Engineer of the Year (BEYA), Women of Color STEM (WOC) and Black Data Processor Associates (BDPA). The Richmond Fed was featured as a speaker and/or panelist on six occasions with BEYA and WOC, and employees

helped facilitate the national high school computer science competition at BDPA. A new partnership to recruit leadership talent was built with the IT Senior Management Forum, a national consortium of over 500 minority and female senior leaders.

### *Diverse and Inclusive Recruiting Practices*

The Bank continued utilizing diverse and inclusive recruiting practices to improve the sourcing and selection of qualified candidates. During the reporting period, practices were revised to reinforce accountability to require that diverse talent pools exist for all job openings. When a job is posted, the hiring manager will receive a message from the first vice president or System chief information officer as a reminder of their responsibility to uphold these principles and other resources as they begin recruiting and throughout the process. This revision highlights the shared responsibility leaders have regarding diversity and inclusion and also reinforces the expectations coming from the senior-most leaders in the Bank. Plans are underway to further enhance this process in 2019.

### *Workforce Planning*

In 2018, efforts were focused on addressing the talent needs of the organization by assessing, planning, developing and leveraging a diverse pipeline of versatile talent to fill current and future leadership roles.

In order to assess the current and future needs of the Bank, Human Resources and business line leaders meet regularly to proactively discuss current and future talent needs, assess performance and measure capabilities. This information is then rolled up as part of a broader Bank view of workforce trends, opportunities and solutions, including the identification of high-potential versatile talent. These talent reviews and discussions increased to four times per year starting in 2018 and have improved accountability for solidifying succession and development plans across the organization.

Focus was also placed on building a pipeline of diverse talent for both officer and non-officer critical roles, acknowledging that over the long term, the non-officer pipeline will grow into one of highly talented, diverse officer successors. To date, the Bank has 60 identified officer successors for critical roles, of which 47 percent are women and 20 percent are minority. While incremental, the pipeline for these critical roles has a higher percentage of

minorities and women when compared to current officer representation. It also has 76 non-officers in the versatile talent pipeline, of which 41 percent are women and 36 percent are minorities. The Bank defines versatile talent as an individual who has the ability and aspiration to move to another function or division and still perform at a high level. In creating this pipeline, the Bank is able to better address workforce needs by moving qualified, ready-now leaders into critical roles across the organization. In 2018, officer promotions were 52 percent women and 29 percent minority.

Computer and technology fields where women and minorities have historically been underrepresented, account for 47 percent of positions at the Richmond Fed. The Bank is meeting or exceeding market availability of both women and minorities in these positions and will continue to actively build networks within these areas. In order to build the talent pipeline and increase representation of women and minorities in these fields long term, earlier education is critical to help students understand the types of jobs available and corresponding salary possibilities. This aligns with the Bank's financial education efforts, especially the "Invest in What's Next" program that helps students understand potential education and career paths.

An important part of this work is ensuring employees are provided opportunities to further develop their leadership skills through experiential learning, cross-functional assignments and formal training. The Bank has heightened its attention in these areas, as referenced in the following section.

### *Training and Development*

The Bank's professional development efforts in 2018 centered on providing employees opportunities to grow through increased leader accountability, formal programming, experiential learning and targeted leadership development. These development efforts deepen pipelines and provide growth opportunities, which also increases employee engagement.

To drive greater clarity and consistency in expectations, leaders were held accountable to a common set of objectives that addressed organizational development and operational excellence. These objectives aligned with some of the System Conference of Presidents and Conference of First Vice Presidents (CFVP) priorities around (1) driving progress with diversity and inclusion

efforts, (2) enhancing spending management efficiency and effectiveness, and (3) advancing long-term System IT Strategic Plans. This accountability through common objectives will continue in 2019.

In addition to learning through external speakers as part of the Partners in Growth program and Inclusive Leadership speaker series, a variety of formal training programs help employees at all levels grow and develop their leadership skills. For example, the Bank offers the Leadership Development Program and the Peer Accountability and Transformation Huddles program for leaders to continue building their skills in driving change across the organization, demonstrating inclusive leader behaviors and encouraging growth and development in their employees.

The Partners in Professional Development program for high-potential individual contributors also continues to serve as a vital way to build and strengthen the Bank's pipeline of diverse, future leaders. In 2018, 40 employees graduated from the program, of which 52 percent were minorities and 54 percent were women. The program, which focuses on leadership concepts and competencies, has continued to evolve over time and now includes a diversity and inclusion module and a peer-coach model to reinforce learning through relationships.

In addition to these formal training programs, the Richmond Fed expanded its experiential learning opportunities to reach more employees. Cross-functional assignments and mentoring relationships were arranged for employees to increase their business acumen and skill sets, while broadening their networks and increasing their visibility. Based on positive outcomes, the Bank is working to further expand these offerings through a formal Experience-Based Development Program slated for implementation in 2019. On a System level, 17 Richmond Fed employees were selected to participate in System Leadership Exchange opportunities, including 76 percent women and 47 percent minorities. Additionally, 23 employees (43 percent women and 26 percent minority) were selected to participate in FRS System Leadership conferences. These conferences provide tools to build stronger, more diverse networks as well as develop an appreciation for the value of diverse perspectives and the opportunities to leverage diversity within their function. Four other Richmond Fed employees (50 percent women and 50 percent minority) participated in the CFVP development initiative across the System. The purpose

is to identify and develop top talent across the Federal Reserve System with a focus on diversifying the pipeline for senior leadership positions.

Broadly, employees also participated in on-the-job development opportunities through serving on the Bank's EDIC, the Diversity & iNclusion Alliance (DNA) and eight employee resource networks (ERNs). The DNA, ERNs and EDIC include representation from across the Bank and have strong women and minority engagement. In 2018, the 14 members of the DNA were 57 percent women and 79 percent minority. The 16 ERN executive sponsors were 31 percent minority and 62 percent women. The 53 employees responsible for day-to-day leadership of the ERNs represented 49 percent minorities and 64 percent women. See descriptions of these D&I champions in Appendix 3.

## CHALLENGES

The Bank continues to face challenges in its efforts to increase the diversity of employees through hiring and promotion, especially at more senior levels within the organization. While women in senior executive roles increased by 11 percentage points during the reporting period, minorities in senior executive roles decreased by 7 percentage points (see Appendix 2). To mitigate this challenge, the Bank is implementing a multi-pronged approach both externally and internally. With pipeline challenges in industries that have less diversity, the organization is actively building networks with external business leaders, professional organizations and potential candidates, which will create a more robust executive pipeline for minority and women candidates in the long term. Additionally, by deepening internal programs with a focus on identifying and developing versatile talent, the organization will continue building a diverse internal leadership pipeline that is ready when opportunities arise.

Further complicating these challenges is the Bank's employee turnover. Although the Bank's turnover rate increased slightly in 2018, it remains below industry average, which impacts the pace of change.

Competition for talent with four-year college degrees — particularly minorities and women — is expected to intensify over the coming years. This external competition, coupled with current low unemployment, will increase the challenges to recruit diverse talent, especially in technical fields. Consequently, the Bank is recruiting nationally, employing more remote and flexible work

arrangements, and is beginning to build relationships with local community and junior colleges, particularly in technical disciplines. To further address this challenge, the Bank is collaborating with other Reserve Banks to develop a Systemwide approach to sharing talent as a recruitment, engagement and career development strategy.

The Bank values its internship program as a potential way to source early career candidates to increase the diversity of the talent pipeline, but has a relatively low number of entry-level positions. Bank leadership is evaluating open positions as they come up with the purposeful goal of bringing in more entry-level talent. Programs like STEP and TDP augment this process. Because the organization has recently initiated this process, the shift to open more entry-level opportunities will take time. However, the Bank's efforts in 2018 proved successful, with the hiring of 46 associate level positions, of which 50 percent were minorities and 50 percent were women.

## NEXT STEPS

By aligning with the Federal Reserve System D&I vision, and the Fifth District and System IT Strategic Plans and the Culture Statement, the Richmond Fed will continue to build on the positive progress made to be a top place for top talent. This intentional approach will focus on increasing employee diversity, promoting development and mobility within the Bank and the System, and ensuring employees have a superior workplace experience.

### *Increasing Bank Diversity*

The Bank will further embed D&I more broadly and deeply into the organization and into all aspects of selecting, developing and retaining talent at the Bank. This includes a periodic review to ensure all practices and policies are inclusive. Leaders will continue to leverage quarterly reviews and discussions about workforce diversity metrics to track talent movement and promotions, and following through on actions taken to increase organizational diversity. To increase accountability, 25 percent of officer variable pay will, in part, be tied to an incentive that includes improving diversity and inclusion in the Bank, beginning in 2019.

To equip and support an inclusive workplace, the Bank will sustain active inclusion programming, like Let's Connect and ERNs, which builds awareness of the connections between different and varied experiences and the

implications to decision-making. These efforts will be evaluated to determine effectiveness and alignment to the broader Strategic Plan and culture goals. New focus will also be placed on "signature management practices" that encourage leaders to utilize storytelling and better engage employees who are closest to the work in promoting greater inclusion and engagement.

The Bank will implement a targeted sourcing strategy where delivering a broad spectrum of qualified diverse candidates and outcomes is a collective organizational responsibility. In addition to a tiered approach with campus recruiting, the Bank will also source candidates from diverse professional career fairs to build the pipeline of diverse talent at all levels. The Bank will host more specific events targeting areas of underutilization, such as College Day at the Fed in Baltimore, Information Technology Senior Management Forum and Black Women in Science Engineering, during the first half of the next reporting period. In 2019, there will be added emphasis on entry-level positions and converting interns into full-time employees. As a shared responsibility, the Bank will better leverage employee relationships and networks to source talent, including connecting with potential candidates through professional organizations and social media platforms like LinkedIn.

### *Promote Talent Mobility*

To foster a culture of employee mobility, the Bank will develop talent through an intentional approach that provides varied experiences and exposure within and across functional areas. This approach will broaden leadership experience and capabilities, provide deeper organizational understanding and better prepare employees to move faster within the organization. In 2019, the Bank will continue the increased cadence of hosting talent discussions four times per year, identify both officer and non-officer versatile talent and conduct talent reviews at all levels to identify talent more broadly. These practices serve to deepen talent pipelines by providing broader experiences for career growth and development.

The organization will also implement an experience-based development program that provides increased experiential learning opportunities for employees to broaden their organizational experiences, which supports growth, builds skills and expands career possibilities across the Bank and System. For example, employees can take part in job shadowing, job swaps, temporary

assignments and project opportunities. The development of this program and increased development opportunities addresses employees' feedback in the employee engagement survey and feedback sessions that this should be an area of focus.

#### *Develop a Superior Workplace Experience*

To enhance the overall employee experience, the Bank will focus its efforts on ensuring a positive and consistent onboarding for new hires and evolving its culture through intentional focus on key behaviors.

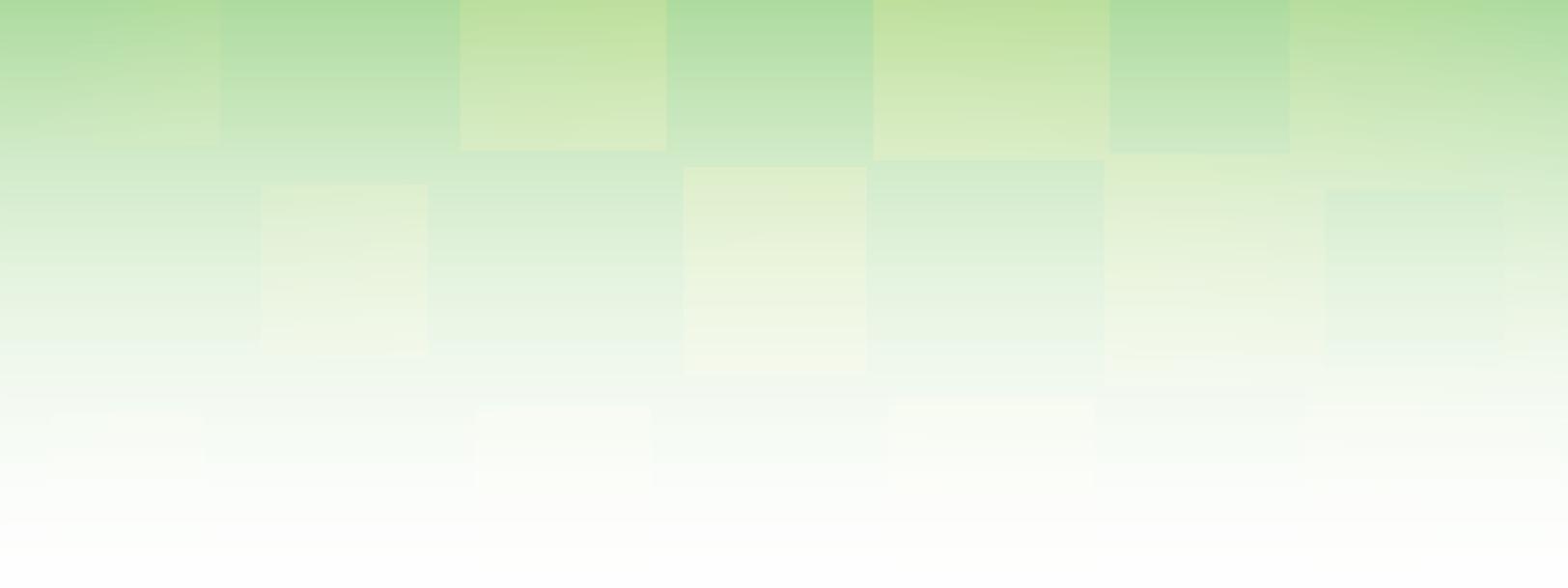
In early 2019, the Bank will launch a streamlined new hire orientation process where new employees attend orientation and receive managerial support needed on their first day. There also will be a set of standardized tools, including checklists and templates, to help hiring managers ensure the experience is positive.

With the District's new Culture Statement as its guide, the Richmond Fed will also work to enhance and evolve its culture into one that embraces differences and opportunities to grow and encourages a mindset of continuous improvement through leading from where you are, trying different ways of doing things and taking appropriate risks to make things better. To do this, the Bank will implement several tools and resources and integrate culture components into Bank initiatives. Key culture behaviors, such as empowering the person closest to the work to speak up and lead from where they are, will be reinforced through sharing experiences and storytelling. To help gauge how the Bank is doing, employee feedback will be solicited through three pulse surveys throughout the year.

#### *Strengthen Leaders' Ability to Develop Others*

To equip employees to lead from where they are, lead teams and develop others, the Bank will revamp its professional development offerings to focus on leading self, leading others and leading the organization. Specifically, it will implement targeted curriculums that include an expanded list of open enrollment professional development classes for employees. The Bank will host a leadership conference in the fall to reach more people leaders with development programming, focusing on areas such as strengthening the ability to give and receive feedback.

Collectively, these organizational priorities will enable the Richmond Fed to inspire a high-performing and diverse workforce and become a top place for top talent. An intentional approach with success metrics, a shared commitment and an inclusive culture are key assets to this transformative work.



# Minority- and Women-Owned Businesses

The Bank's 2018 supplier diversity action plan centered around five objectives: continuing work with business lines to develop longer-term procurement forecasts and corresponding supplier pipelines, exploring additional diverse subcontracting opportunities with the Bank's prime suppliers, implementing practices to provide feedback to suppliers, investigating factors that contribute to diverse supplier response rates, and continuing effective outreach and technical assistance activities.

## AMOUNTS PAID TO CONTRACTORS

Expenditures with all suppliers was \$362.4 million in 2017 and \$397.98 million in 2018. Expenditures with diverse suppliers increased by 34 percent, up from \$38.70 million and 10.7 percent in 2017, to \$51.95 million and 13.1 percent in 2018.

Expenditures with minority businesses owned by men totaled \$31.91 million, or 8 percent of total spend, up from \$19.56 million and 5.4 percent in 2017. Expenditures with women-owned minority businesses totaled \$12.68 million, or 3.2 percent of total expenditures, down from \$15.48 million and 4.3 percent in 2017. Expenditures with non-minority women-owned businesses totaled \$7.36 million, or 1.8 percent of total expenditures, up from \$3.66 million in 2017.

The Bank also continued to track Tier 2 spend from selected Bank prime suppliers, including two additional prime contractors in 2018. Four of the reporting primes are diverse. Collectively, these four primes reported \$3.66 million in Tier 2 spend; Tier 2 spend from majority-owned primes totaled \$960,000.

## SUCSESSES

### *Increased Payments to Diverse Suppliers*

The Bank increased payments to diverse suppliers from \$38.70 million in 2017 to \$51.95 million in 2018, an increase of 34 percent. Contributing to this increase were a \$1.2 million contract award to a diverse supplier for a one-time roofing project, a \$2.3 million payment to a diverse supplier for an annual hardware maintenance contract and an award of a distributed computing equipment reseller contract to a diverse supplier. The computer equipment contract took effect July 1 and represents an estimated \$35 million, three-year System spend.

The Bank also relied on Dun & Bradstreet, a leading industry aggregator of supplier data, to define diverse suppliers. This approach broadens the pool of diverse suppliers that the Bank can leverage for bidding opportunities, as well as recognizes expenditures with suppliers not previously identified as diverse.

## Supplier Diversity Efforts Recognized

The Maryland Hispanic Chamber of Commerce named the Bank's Baltimore branch the Chamber's 2018 Outstanding Corporate Partner of the Year. The award recognizes individuals and organizations who have shown continued dedication and commitment to the Hispanic business community and the organizations that support it. The branch had a number of employees engaged in the Chamber's events throughout the year and hosted the Chamber's quarterly new member orientation breakfasts at the branch.



The Carolinas-Virginia Minority Supplier Development Council (CVMSDC) recognized the Bank as its 2018 National Corporate Member of the Year, citing the Bank's commitment to supplier diversity and inclusive supply chain practices. The Bank partners closely with CVMSDC to advance supplier diverse strategies and identify potential diverse suppliers to include in Bank procurement opportunities. The award honors those efforts, specifically the active pursuit of creating opportunities for certified minority businesses (MBEs), community awareness and involvement, and the volume of business currently conducted with Council MBEs.

### *Integrated Supplier Diversity Into Bank and System Procurement Strategic Plans*

The Fifth District's 2019–2021 Strategic Plan defines the key areas of focus over the next three years. The Richmond Fed's public service mission and commitment to our communities continue to be our foundation, but the Bank is broadening how it delivers on that mission. Home to the Federal Reserve System's National Procurement Office (NPO), the Richmond Fed plays a critical role in the delivery of System procurement services. The Bank's Strategic Plan includes a high priority objective to lead the System procurement strategy that will deliver, among other benefits, a new technology platform and meaningful improvements in strategic sourcing and supplier diversity.

The NPO drove an initiative to track key System metrics that demonstrate the value and success of procurement. One of the four metrics is diverse supplier utilization, including percentage of total contracts awarded to diverse suppliers and diverse spend percentage. The NPO will begin reporting these metrics to the System's CFVP in 2019, raising visibility of supplier diversity across the System.

The Bank subsequently began revising the organization's supplier diversity plan to align with the strategic plan and the NPO's System procurement strategies and initiatives. This process will continue in 2019.

### *Enhanced Procurement and Supplier Pipeline Strategies*

Proactive collaboration with key business lines to identify strategic opportunities drove inclusion of a robust slate of diverse suppliers for the Requests for Proposals (RFP) resulting in the contract awards referenced earlier. The computer hardware contract, a sourcing effort led by the NPO, represents an estimated \$35 million in diverse System spend over three years. Collectively, NPO contracts with diverse suppliers represent 63 percent of the 12 Reserve Banks' total diverse spend, reflecting the NPO's leadership in driving supplier diversity initiatives across the System.

The Bank continued to build on pipeline efforts in 2018, piloting a strategy with HR to develop a two-year procurement opportunity pipeline and identify potential diverse suppliers that align with those opportunities. Following a review of existing contracts and a discussion focused on new initiatives, the Bank used a newly

designed prequalification document to invite a large pool of diverse suppliers to submit company information and qualifications. This resulted in 78 potential suppliers to consider for future procurement opportunities. An HR industry outreach event is planned for 2019 to continue building relationships with and understanding the capabilities and expertise of these diverse suppliers. In 2019, the Bank will roll out this strategy to additional business lines. It will also leverage its budgeting and business planning processes more effectively to further enhance procurement opportunity forecasting strategies.

### *Continued Comprehensive Outreach and Technical Assistance Activities*

The Bank continued its strong emphasis on diverse supplier education and awareness during the reporting period, hosting a second consecutive supplier diversity vendor fair at its Baltimore branch in addition to its annual flagship outreach event held in Richmond. Partnering with new and current diverse supplier community partners, including the Maryland Hispanic Chamber of Commerce, the Baltimore event reached new suppliers not previously known. The Chamber president noted the tremendous value of MDHCC's association with the Bank and recognized the fair as an example of the great programming and opportunities both organizations are bringing to minority communities in Maryland.

The Bank also participates in a robust schedule of external networking and outreach events, both to enhance the Bank's presence and reputation in the diverse supplier community and to identify potential diverse suppliers for upcoming procurement opportunities. During the reporting period, Bank staff attended 13 external outreach, networking and matchmaking events and met one-on-one with 38 diverse suppliers with capabilities specific to upcoming opportunities. The supplier diversity manager referred 21 of the suppliers met at outreach events for subsequent sourcing opportunities and one of which received a contract award. A number of the opportunities for which suppliers were referred are scheduled to be bid in 2019.

The Bank is a national member of the National Minority Supplier Development Council, Women's Business Enterprise National Council and the Financial Services Roundtable for Supplier Diversity. Leveraging membership and involvement in these well-regarded diverse supplier development organizations, the Bank continued to expand its visibility and presence in the diverse supplier

community as well as benefit from the sharing of industry best practices.

### *Supplier Responsiveness Research*

The Bank tracks diverse supplier inclusion, response and award rates on a quarterly basis. The inclusion rate increased from 73 percent in 2017 to 78 percent in 2018. While diverse suppliers were included in a high percentage of the Bank's competitively bid events, only 55 percent of the suppliers invited to bid submitted a response. Understanding and removing barriers that may hinder diverse suppliers from responding continues to be a focus for the Bank.

In 2018, the Bank chose to leverage its Richmond outreach event to close any information gaps that may prevent diverse suppliers from bid responses. During the luncheon, a Bank staff member served as a host at each table and facilitated a discussion on challenges suppliers experience in doing business with the Fed and other large buying organizations. This approach was well-received by the participants and many noted how much they valued the opportunity to share their perspectives. The Bank will review insights from these discussions, along with quarterly inclusion, response and award data, to identify potential barriers to diverse supplier participation. Findings from these analyses will be used to inform and enhance the Bank's supplier diversity strategies moving forward.

## **CHALLENGES**

The Bank experiences varied and complex challenges in seeking to increase the diversity of suppliers throughout its supply chain. Many suppliers (including diverse suppliers) struggle to meet the Bank's stringent security and business requirements. Additionally, diverse suppliers often face a disadvantage when competing against incumbents or other suppliers who have a proven performance track record on projects or with RFP stakeholders through previous experience or by virtue of their industry standing or reputation. This awareness and knowledge gap can make it difficult to introduce new vendors into the supplier mix. In 2019, the Bank will enhance internal communication and education to increase stakeholder understanding of their role in driving continued supplier diversity success, and will seek to better identify procurement needs that do not involve special requirements that may more easily allow for broader supplier engagement.

In order to allow for more strategic identification and development of potential suppliers that align with procurement opportunities, the Bank piloted a pipeline strategy session with our HR business line. The Bank will implement this strategy with additional business lines in 2019 and will partner more closely with budgeting and business planning functions to develop meaningful procurement forecasts.

Changes in business strategy and related workforce requirements may reduce spend with two diverse suppliers that have contributed substantially to the Bank's diverse spend. The changing landscape may also present new opportunities to engage other diverse suppliers. The Bank will work closely with appropriate stakeholders to understand these business trends, their related procurement requirements and the opportunities they represent to include additional diverse suppliers. The Bank will strive to ensure diverse suppliers have maximum opportunity to participate in procurement requirements that will support the new operating models.

During 2019, the Bank plans to fully implement debriefing guidelines, a practice to provide feedback to diverse suppliers who participate in a procurement opportunity but are unsuccessful in winning a contract.

## **NEXT STEPS**

In 2019, the Bank will enhance its supplier diversity plan to align with the increased focus on supplier diversity in the District's Strategic Plan and the System procurement strategy. The plan will focus on the following high priority objectives:

1. Refine internal education and communication strategies to increase understanding of supplier diversity throughout the Bank and the roles and responsibilities of key stakeholders.
2. Develop an end-to-end supplier engagement plan to attract and broaden pools of diverse suppliers, educate them on Bank procurement practices, provide technical assistance and feedback that will help them compete more effectively for Bank business, and solicit feedback on real or perceived barriers to diverse supplier inclusion.
3. Refine and enhance organizational metrics to provide actionable information on supplier diversity progress, accomplishments and challenges.

4. Improve and streamline process and practices across District procurement to improve internal effectiveness.

These strategies will better enable the Bank to source diverse suppliers, equip them to compete effectively for opportunities and drive increased spend with these suppliers.



### *Increasing Understanding of the Fed*

The Bank continues to place a great deal of focus on helping the public better understand who we are and what we do. Teacher and student engagement is an important part of these efforts. Through guided tours and facilitated activities in The Fed Experience museum in the Bank's Richmond office, students explore their personal connection to the economy and how the Federal Reserve impacts their lives. In 2018, 3,890 individuals visited The Fed Experience, including 350 students from OMWI-designated high schools.

The Bank also expanded its delivery of a new interactive presentation for high school students. The presentation, based on the Bank's infographic titled "Your Connection to the Economy and the Federal Reserve," guides students through their role in the economy, the Federal Reserve's role in the economy and the ways the Federal Reserve connects to their daily life. Employees who serve as Fed Ambassadors and give presentations to the public about the Federal Reserve, presented to 1,830 students in 2018, including 380 students from OMWI-designated high schools.

### *Continuous Engagement with Teachers*

The Bank strives to continuously improve the effectiveness of its financial education resources and programs through engagement with its teacher advisory group. In 2018, the Bank further expanded its Teacher Collaborative Committee beyond the metro Richmond and Baltimore areas to include teachers from the Charlotte metro area as well. The expansion to Charlotte brings additional diverse perspectives into the Bank to help ensure its programs and resources are meeting the needs of teachers and students across the Fifth District. Specifically in 2018, committee members across all three offices provided input on a forthcoming Parent Guide for "Invest in What's Next," and have helped the Bank brainstorm new classroom activities to accompany the "Your Connection to the Economy and the Federal Reserve" infographic. In the Bank's three offices combined, the committee has 49 members, including 22 teachers from OMWI-designated high schools.

### *Partnerships with Schools and Community*

The Bank continued its long tradition of partnering with schools and other financial literacy organizations, including state councils on economic education and

Jump\$tart coalitions within the Fifth District. In addition to serving on boards and partnering on events such as financial literacy summits for educators and financial literacy competitions for students, the Bank worked to provide subject matter expertise to enhance its partners' financial education resources and programs.

The Bank brought together leaders of economic and financial education organizations in the Fifth District for its annual Joint Council on Economic Education meeting in Richmond. Joint Council meetings are designed to build the collective expertise of participants and explore opportunities to collaborate. The 2018 meeting focused on supporting deeper learning in economics and personal finance through performance-based learning and assessment, which requires students to apply their knowledge and skills to real-life situations. Participants left the meeting with information and tools to help them create new performance assessments for their instructional materials, enhance their teacher training programs and improve their student programs, such as competitions.

In addition to the Bank's core economic and financial education programs like the Joint Council meeting, the Bank partners with schools and the community through employee volunteers. In 2018, 19 employee volunteers spent 581 hours mentoring 20 students at Huguenot High School, a majority-minority school in Richmond. Mentors, who meet with their mentees approximately twice a month, covered topics such as communication, self-awareness and representation, teamwork, time management and lifelong learning. The Bank's mentoring program also reached 25 elementary school students, where 24 Richmond Fed volunteers spent 279 hours focusing on personal and learning competencies as well as economic and financial education. Moreover, 72 Bank employees volunteered in Junior Achievement programs in Richmond in 2018, impacting 970 students.

## **CHALLENGES**

Evaluating the impact of the Bank's financial education programs is a challenge. However, the Bank addresses this challenge by looking to existing research on financial decision-making and bringing in subject matter experts to share research-informed perspectives at events such as the Bank's Joint Council on Economic Education meetings. The Bank also receives guidance throughout the year from its Teacher Collaborative Committee about what works well in the classroom. These channels for incorporating



best practices raise the probability of success for the Bank's programs.

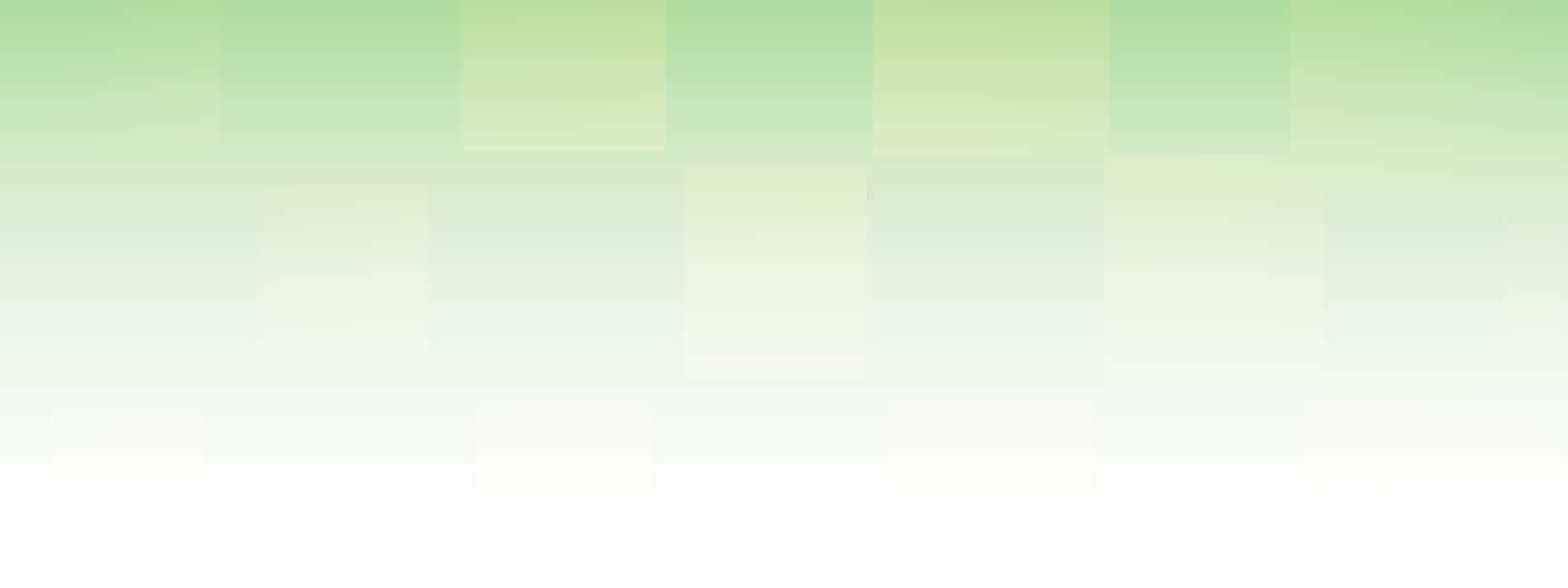
The Bank has identified two other challenges it is actively working to address — uptake of the Bank's online educational resources and uneven connections with educators and financial education organizations across the Fifth District. In 2019, the Bank will build on progress made in 2018 to improve its websites for educational materials and prioritize teacher outreach and partnership development outside the Richmond, Baltimore and Charlotte metro areas.

## NEXT STEPS

To address the challenges described above and build on the year's successes, the Bank, in partnership with the Federal Reserve Bank of San Francisco, will continue to actively promote "Invest in What's Next" and enhance its flexibility of use. Notably, the Bank will present the course to school counseling professionals at the American School Counselor Association national conference in 2019. The Bank will make the course easier for teachers to use in the classroom by providing them with instructor management solutions, complementary activities and assessments.

Beyond "Invest in What's Next," the Bank will continue to work toward implementing new functionality on its public website to allow teachers to easily search for educational materials by grade level, topic and resource type. This initiative will also give teachers a pathway to a greater amount of the Bank's educational material, including publications, research articles and data.

The Bank also has a high-priority objective to apply our research and expertise and to work with stakeholder groups to strengthen our communities across the Fifth District. This includes strengthening financial literacy. In particular, the Bank's Regional Executives will be engaged with our economic education group in building partnerships with educational and financial literacy organizations. The Bank will continue to strengthen new partnerships in South Carolina and West Virginia that were started in 2018, and will work to forge new partnerships in Washington, D.C. In addition, the Bank will hold its 2019 Joint Council on Economic Education meeting in Charlotte to attract new participants from North and South Carolina.





# Appendix



## APPENDIX 1. STANDARD CORE METRICS

Category	Description	Measure	2014	2015	2016	2017	2018
Workforce Diversity	Senior Executives	Total #	26	28	26	25	23
		% Minorities	12%	14%	19%	24%	17%
		% Women	27%	25%	27%	24%	35%
	Mid-Level Managers	Total #	579	585	562	485	498
		% Minorities	21%	22%	23%	22%	23%
		% Women	39%	39%	36%	38%	37%
	Professionals	Total #	1,557	1,603	1,540	1,667	1,723
		% Minorities	30%	30%	29%	32%	34%
		% Women	38%	36%	38%	38%	38%
	Total External Hires	Total #	202	188	150	129	188
		% Minorities	36%	39%	42%	50%	44%
		% Women	39%	37%	28%	43%	40%
	Total Interns	Total #	55	67	61	60	51
% Minorities		44%	43%	38%	43%	67%	
% Women		38%	40%	36%	48%	53%	
Overall Bank Turnover Rate	%	7.8%	7.8%	6.9%	7.9%	8.8%	
Supplier Diversity	Total Reportable Spend	\$ (millions)	\$357.63	\$350.61	\$311.00	\$362.43	\$397.98
	Total Diverse Spend <sup>1</sup>	\$ (millions)	\$57.42	\$58.35	\$39.07	\$38.70	\$51.95
		%	16.06%	16.64%	12.56%	10.7%	13.05%
	Minority-owned <sup>2</sup>	\$ (millions)	\$52.54	\$55.50	\$34.83	\$35.04	\$44.59
		%	14.69%	15.83%	11.20%	9.7%	11.20%
	Minority-owned (men)	\$ (millions)	\$27.71	\$35.02	\$16.56	\$19.56	\$31.91
		%	7.75%	9.99%	5.32%	5.4%	8.02%
	Minority-owned (women)	\$ (millions)	\$24.83	\$20.48	\$18.27	\$15.48	\$12.68
		%	6.94%	5.84%	5.88%	4.3%	3.19%
	Women-owned <sup>2</sup>	\$ (millions)	\$29.71	\$23.32	\$22.51	\$19.14	\$20.04
		%	8.31%	6.65%	7.24%	5.3%	5.04%
	Women-owned (non-minority)	\$ (millions)	\$4.88	\$2.84	\$4.24	\$3.66	\$7.36
		%	1.36%	0.81%	1.36%	1.0%	1.85%
Women-owned (minority)	\$ (millions)	\$24.83	\$20.48	\$18.27	\$15.48	\$12.68	
	%	6.94%	5.84%	5.88%	4.3%	3.19%	

<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.

		2018
Financial Literacy <sup>1</sup>	Program Type - Teacher centric - Student centric - Hybrid	Hybrid
	Number of Students <sup>2</sup>	2,110
	Number of Educators <sup>3</sup>	230
	Number of Students Reached <sup>4</sup>	17,250

<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.

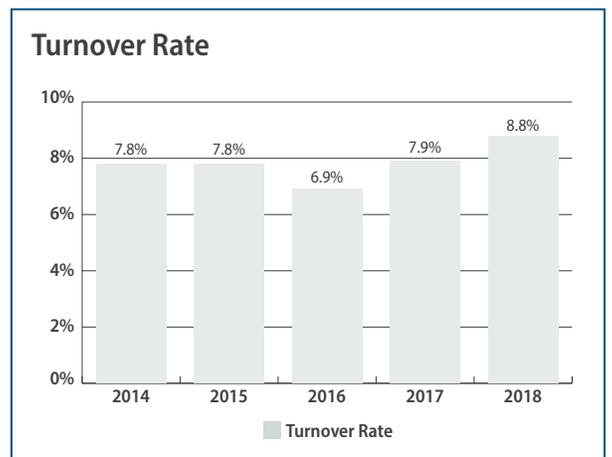
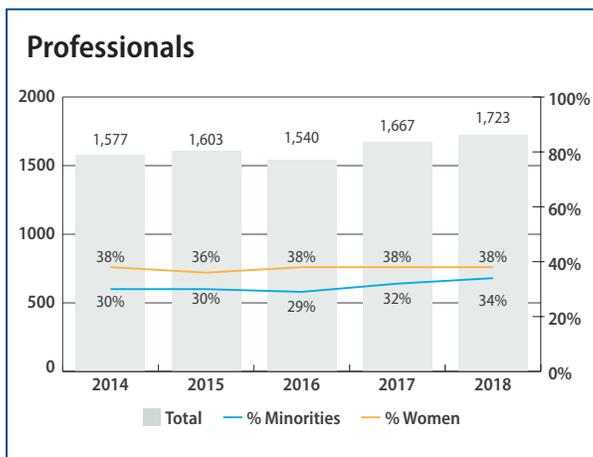
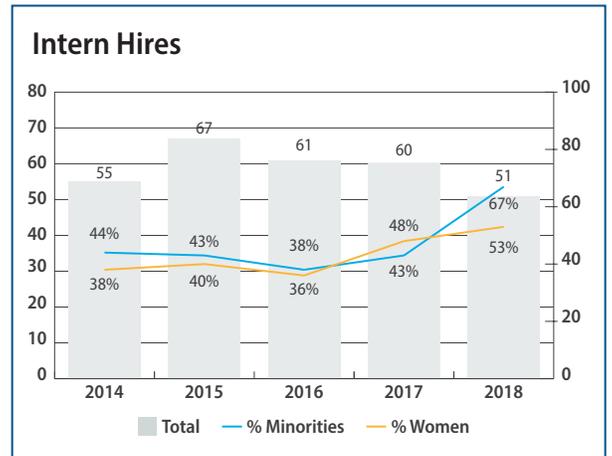
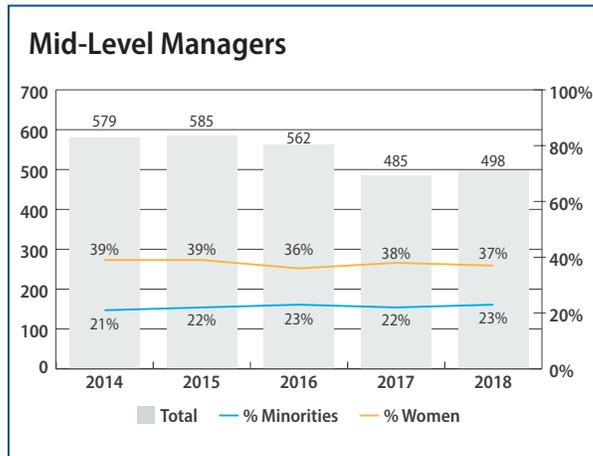
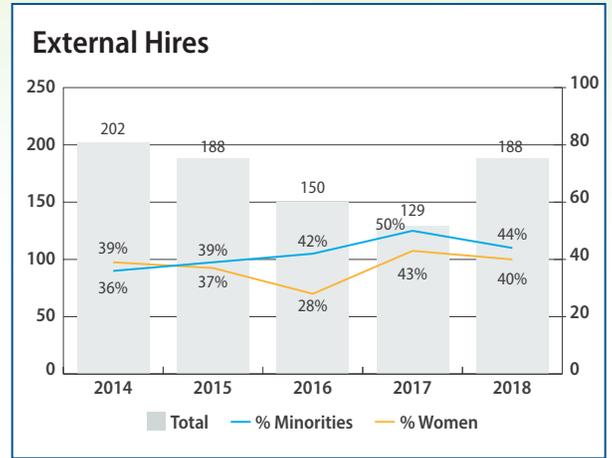
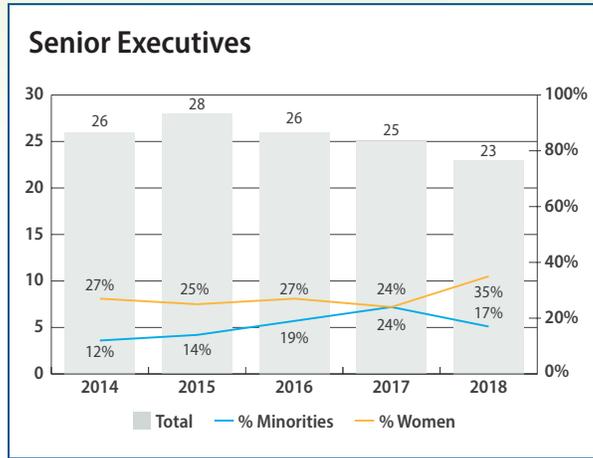
<sup>4</sup> Students reached through educators using a common multiplier of 75.

APPENDIX 2. EEO-1 DATA

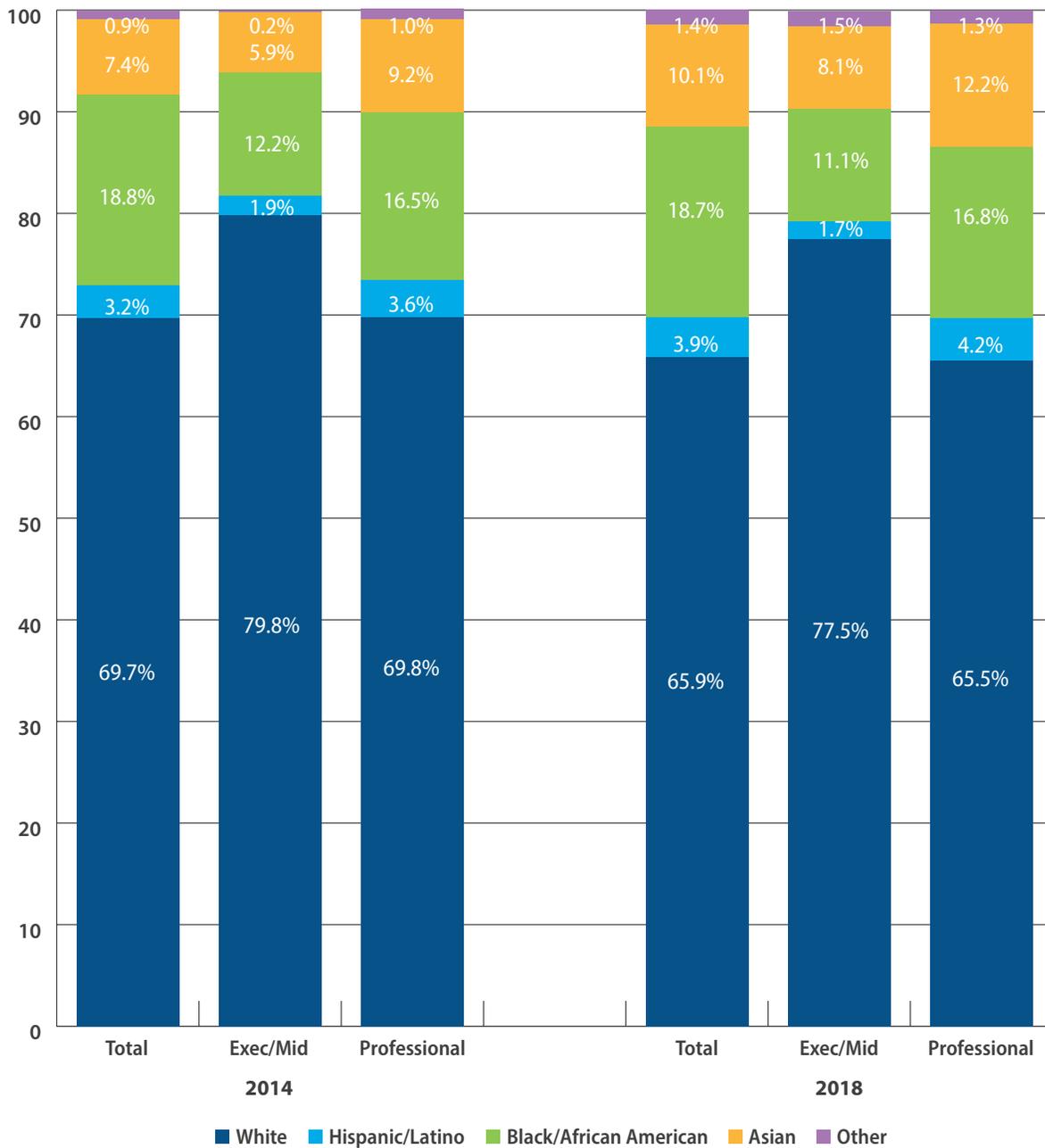
Federal Reserve Bank of Richmond 2018 Employer Information Report EEO-1							
Occupational Categories	Total Employees			Hispanic or Latino		White	
				Male	Female	Male	Female
	All	Male	Female	Male	Female	Male	Female
<b>Executive/Sr. Level Officials</b>							
By total	23	15	8	0	0	11	8
By percent	100%	65.22%	34.78%	0.00%	0.00%	47.83%	34.78%
<b>First/Mid-Level Officials</b>							
By total	498	314	184	6	3	250	135
By percent	100%	63.05%	36.95%	1.20%	0.60%	50.20%	27.11%
<b>Professionals</b>							
By total	1,723	1,073	650	51	22	729	400
By percent	100%	62.28%	37.72%	2.96%	1.28%	42.31%	23.22%
<b>Technicians</b>							
By total	5	4	1	0	0	3	1
By percent	100%	80.00%	20.00%	0.00%	0.00%	60.00%	20.00%
<b>Sales Workers</b>							
By total	3	1	2	0	0	1	2
By percent	100%	33.33%	66.67%	0.00%	0.00%	33.33%	66.67%
<b>Administrative Support Workers</b>							
By total	134	28	106	2	5	14	64
By percent	100%	20.90%	79.10%	1.49%	3.73%	10.45%	47.76%
<b>Craft Workers</b>							
By total	63	61	2	1	0	41	0
By percent	100%	96.83%	3.17%	1.59%	0.00%	65.08%	0.00%
<b>Operatives</b>							
By total	80	47	33	2	5	23	8
By percent	100%	58.75%	41.25%	2.50%	6.25%	28.75%	10.00%
<b>Laborers and Helpers</b>							
By total	9	6	3	1	0	3	3
By percent	100%	66.67%	33.33%	11.11%	0.00%	33.33%	33.33%
<b>Service Workers</b>							
By total	145	128	17	7	0	65	8
By percent	100%	88.28%	11.72%	4.83%	0.00%	44.83%	5.52%
<b>Total Workers</b>							
By total	2,683	1,677	1,006	70	35	1,140	629
By Percent	100%	62.50%	37.50%	2.61%	1.30%	42.49%	23.44%

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	2	0	0	0	0	0	0	0
8.70%	0.00%	8.70%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
24	32	28	12	1	0	4	0	1	2
4.82%	6.43%	5.62%	2.41%	0.20%	0.00%	0.80%	0.00%	0.20%	0.40%
126	163	153	57	1	0	5	2	8	6
7.31%	9.46%	8.88%	3.31%	0.06%	0.00%	0.29%	0.12%	0.46%	0.35%
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%
10	35	2	1	0	0	0	0	0	1
7.46%	26.12%	1.49%	0.75%	0.00%	0.00%	0.00%	0.00%	0.00%	0.75%
16	2	0	0	0	0	3	0	0	0
25.40%	3.17%	0.00%	0.00%	0.00%	0.00%	4.76%	0.00%	0.00%	0.00%
11	16	8	4	1	0	0	0	2	0
13.75%	20.00%	10.00%	5.00%	1.25%	0.00%	0.00%	0.00%	2.50%	0.00%
2	0	0	0	0	0	0	0	0	0
22.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
54	9	2	0	0	0	0	0	0	0
37.24%	6.21%	1.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
245	257	196	74	3	0	12	2	11	9
9.13%	9.58%	7.31%	2.76%	0.11%	0.00%	0.45%	0.07%	0.41%	0.34%

## APPENDIX 2. EEO-1 DATA CONTINUED



### Ethnicity Representation Comparison 2014 & 2018



## APPENDIX 3. 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.

### *2018 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.

#### **The Bank's eight ERNs are:**

##### **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.





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