

FEDERAL RESERVE BANK *of* CLEVELAND

OFFICE OF MINORITY AND WOMEN INCLUSION

2013
Annual Report to Congress

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David W. Hollis, Director

This document provides an organization-wide account of the actions of the Federal Reserve Bank of Cleveland's Office of Minority and Women Inclusion (OMWI) in 2013 with regard to the requirements under Section 342 of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010.

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LETTER FROM THE OMWI DIRECTOR

The Federal Reserve Bank of Cleveland (Bank) is pleased to provide its third Annual Report to Congress. In 2013, the requirements of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 continued to be at the forefront of the Office of Minority and Women Inclusion’s body of work.

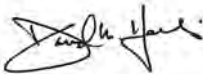
We continued to review and refine our diversity and inclusion strategies, taking steps to execute those strategies, and identifying ways to measure our effectiveness over time, as we strengthen diversity and inclusion in the Bank’s work environment. In looking for ways to measure our efforts, we review and consider local, regional, and national industry standards and participate in discussion / meeting forums for the sharing of best practices.

One of the highlights for 2013 was the Bank’s participation in the Corporate Equality Index (Index) administered by the Human Rights Campaign, in which the Bank scored 80 out of 100. The Index is the national benchmarking tool for corporate policies and practices related to lesbian, gay, bisexual, and transgender employees. Survey tools such as this assist the Bank in establishing a baseline and gauging inclusion progress over time.

In 2012, we reported the completion of a Bank-wide employee engagement survey, indicating the results revealed extremely strong workforce engagement for both minorities and women in all categories. A pulse survey was conducted in 2013 and the results confirmed that the Bank’s continuing efforts in building a more diverse and inclusive workforce is still yielding positive outcomes, and that the Bank continues to move in the right direction. We plan to conduct another Bank-wide survey in 2014 and hope to close the gap on the opportunity areas while still demonstrating the strong commitment to diversity and inclusion, and having a highly engaged workforce.

The 2013 Annual Report includes an executive summary and an overview of the Federal Reserve System (System), and speaks to the areas of diversity recruiting, supplier diversity, and financial literacy. Detailed information on the Federal Reserve Bank of Cleveland’s minority and women employment, minority- and women-owned business inclusion, and financial literacy successes, challenges, and next steps appear in separate sections of the report.

It is my hope the information in this report provides the reader with a valuable description of the Bank’s commitment to diversity and inclusion, and the progress that we continue to make.



David W. Hollis
Senior Vice President

Bank
VISION

A premier Federal Reserve Bank
whose talented and
engaged employees deliver
innovative solutions to
strengthen financial stability,
promote economic growth,
enhance payments systems
and serve as the respected
voice of the Fourth District.

FEDERAL RESERVE BANK *of* CLEVELAND
Cleveland | Pittsburgh | Cincinnati

EXECUTIVE SUMMARY



From left: Sandra Pionalto, President and Chief Executive Officer; David W. Hollis, OMWI Director; and Gregory L. Stefani, First Vice President and Chief Operating Officer

In 2013, the Office of Minority and Women Inclusion (OMWI) at the Federal Reserve Bank of Cleveland (Bank) continued to build on the Bank's strong foundation of diversity and inclusion and to invest in its communities. Three strategic areas remain our focus:

- The nature of our workforce: We strive to cultivate a diverse, inclusive, high-performing workforce that reflects the communities the Bank serves and does business with, and is consistent with the applicable job market.
- Our supplier diversity program: We strive to fully integrate the Bank's robust program into our processes, practices, and operations.
- Financial literacy: We strive to proactively promote financial literacy offerings to underrepresented communities.

These areas support the Bank's vision—to be a premier Federal Reserve Bank whose talented and engaged employees deliver innovative solutions to strengthen financial stability, promote economic growth, enhance payments systems and serve as the respected voice of the Fourth District (Ohio, and parts of West Virginia, Pennsylvania, and Kentucky). We believe diversity and inclusion (D&I) efforts are critical to having an engaged workforce that is focused on the Bank's strategic direction and high-priority initiatives. Further, inclusion of diverse businesses in our procurement process contributes to the economic growth of our region.



In 2013, the Commission on Economic Inclusion presented the Best in Class Award to the Cleveland Fed for supplier diversity for the third consecutive year.

A strong foundation

No organization can achieve its vision without the engagement of its workforce, and we are excited to report that our employees have given positive feedback regarding the Bank's inclusive environment. We are especially pleased with the workforce engagement feedback from our minority and female employees. As our 2012 Annual Report to Congress indicated, the Bank administered an employee engagement survey in the fall of 2012. The results, shared with employees in early 2013, showed women had higher levels of engagement than the Bank average, and minorities (Hispanic Americans, Asian Americans and African Americans) all had higher engagement than the Bank average. We attribute this to the Bank's long-standing commitment to D&I and its increased level of attention to inclusion since OMWI was established.

Externally, the Bank continues to bolster its efforts on diverse business inclusion. For example, due in part to its focus on continuous improvement, the Bank has seen a significant increase in its pool of qualified, diverse vendors over the past year. As even more evidence of the Bank's success, the Commission on Economic Inclusion (Commission) recognized the Cleveland Fed as the "Best-in-Class for Supplier Diversity" for the third straight year and inducted it into the Commission's Hall of Fame. Receiving these honors confirms the Bank is maintaining a standard of excellence and increases community awareness of the Bank's commitment to D&I.

In addition to diverse business inclusion, financial literacy has long been a focus of the Bank. The Bank's award-winning financial literacy workbook, *Great Minds Think: A Kid's Guide to Money*, recently reached a distribution of 500,000, and this milestone reminds us the Bank is continuing to build upon the strong D&I foundation it has established.

Investing in our communities

With a strong foundation firmly in place, the Federal Reserve Bank of Cleveland is in an ideal position to extend its D&I efforts. To build a workforce representative of the Bank's communities and applicable job market, the Bank continually reviews its workforce demographics, identifies opportunity areas, and develops talent acquisition strategies.

Recognizing the significance of maintaining diversity, the Bank establishes strong partnerships to enhance its recruitment efforts. By participating in career fairs organized by minority-focused organizations, such as the Association of Latino Professionals in Finance and Accounting (ALPFA) and the National Black MBA Association (NMBBAA), the Bank is able to strategically recruit from organizations that represent minority interests.

Just as important to the Bank is consistently providing opportunities to qualified, diverse businesses from our local and regional communities. The Bank makes this a reality through strategic relationships with entities such as the Ohio Minority Supplier Development Council (OMSDC), the Commission, and the Women's Business Enterprise National Council (WBENC). As with the Bank's recruitment efforts, these partnerships provide a more targeted approach to, in this case, sourcing minority- and women-owned businesses.

Another way the Bank has expanded its D&I efforts is by actively boosting development and education of young talent in the communities. In its third year, the Bank's Fed Scholars program welcomed more students than ever. The program is a seven-week experience in which high school students from underrepresented areas of our communities receive job readiness training, mentoring, and financial education.

Understanding the importance of communicating its business priorities with the public, the Bank continues to place ads in publications that include minority and female readership, such as *Kaleidoscope Magazine*, a Northeast Ohio publication, and nationally, with *DiversityInc*, which has print and electronic subscribers. The purpose of the ads is to complement the Bank's recruitment strategy, to assist with supplier diversity efforts, and to build awareness of the Bank's inclusive environment.

As with all of its actions, the Federal Reserve Bank of Cleveland demonstrates accountability for its D&I initiatives. We measure progress through consistent metrics and information and share the results internally and externally in reports like this. The following report outlines the Bank's progress in the three strategic areas, describes opportunity areas, and identifies the next steps in the journey.



FEDERAL RESERVE SYSTEM OVERVIEW

The Federal Reserve System comprises 12 regional Reserve Banks that serve different districts and the Board of Governors in Washington, DC. The Federal Reserve Bank of Cleveland, along with the other 11 Reserve Banks in the System, is supported by the National Procurement Office (NPO). The NPO is a procurement function within the Federal Reserve System that develops and executes national contracts for certain goods and services that, when sourced collectively, provide the best value for multiple Reserve Banks.

The Office of Employee Benefits (OEB) is an unincorporated Federal Reserve entity that serves as agent for the Committee on Plan Administration and the Board of Governors, for administering benefits to Federal Reserve System employees, retirees, and their beneficiaries. The OEB provides leadership in formulating employee benefits programs and in operating these programs, which include the Thrift Plan (i.e., a defined contribution plan), health benefits, long-term disability, personal accident insurance, business travel accident insurance, group universal life insurance, long-term care, group legal, auto and homeowners insurance, and basic life insurance plans.

Diversity Recruiting

Since 2007, the Federal Reserve System has collaborated to implement and execute strategic national diversity recruiting and advertising efforts across all 12 Reserve Banks, the Board of Governors, and Federal Reserve Information Technology (FRIT). The System Diversity Recruiting project uses this collaborative and cost-effective approach toward participation in five national, diversity-focused conferences and several regional conferences. Diversity advertising via online, print, and social media vehicles aligns with conference presence to position the Fed as an employer of choice.

During 2013, the System collectively attended the following six national diversity conferences: National Black MBA Association (NBMBA), National Society of Hispanic MBAs (NSHMBA), Association of Latino Professionals in Finance and Accounting (ALPFA), National Society of Hispanic Professional Engineers (SHPE), National Association of Black Accountants (NABA), and Thurgood Marshall College Fund Leadership and Recruitment fair (TGMCF). Working closely with these nationally recognized organizations with a focus on advertising and recruitment helps Reserve Banks make successful diverse hires and creates awareness among prospective employees of the Federal Reserve System as an inclusive employer. In order to proactively source talent, the System screened over 2,100 resumes, interviewed more than 78 candidates via phone and onsite interviews, and utilized Twitter to advertise opportunities, and increase visibility. Additional coordinated activities include:

- Nine employees from across the Federal Reserve System served as career management coaches through volunteering to assist job seekers at the NSHMBA conference with resume review, career coaching, and mock interviews.
- The Federal Reserve System facilitated a workshop on Emerging Leaders, and Key Strategies for Navigating your Career after College at the Association of Latino Professionals in Finance and Accounting (ALPFA) career fair.
- The Federal Reserve System also featured three diverse employees in Diversity/Careers in the Engineering & Information Technology magazine, highlighting our success stories as a diverse employer.

The Federal Reserve System was recognized as the Best of the Best diversity organizations in *Professional Woman's Magazine*.

Supplier Diversity

The Reserve Banks collectively work together to identify opportunities to further the System's supplier diversity programs, practices, and actions. This includes coordinating national outreach efforts as well as participating in national supplier diversity conferences. In 2013, the Federal Reserve System collaboratively participated in two supplier diversity conferences to reach minority- and women-owned firms. The conferences attended were sponsored by the Women's Business Enterprise National Council (WBENC) and the National Minority Supplier Development Council (NMSDC).

The NMSDC 2013 Conference in San Antonio and the WBENC 2013 Conference in Minneapolis were successful endeavors. The System was able to further its strategic goals of attracting a high number of diverse suppliers and enhancing its booth presence at these national conferences.

Participating as the System provided an opportunity to:

- Announce our new procurement website and streamline data collection and distribution of vendor information to procurement areas.
- Meet with many vendors simultaneously in a cost-effective manner.
- Educate attendees about the role of the System.
- Assemble a list of procurement opportunities currently available throughout the System.

The System was able to capture information on 129 vendors electronically via iPads during the 2013 conferences—75 registered at the WBENC conference and 54 at the NMSDC. In an effort to improve customer service, a follow-up email was sent to all 129 vendors that registered at the conferences thanking them for visiting the booth, directing them to each Federal Reserve Bank's website, and asking them to provide a more detailed profile of their company.

The core mission of the Federal Reserve Supplier Diversity Program is providing minority- and women-owned businesses access to opportunities. Positive feedback was received from suppliers and corporations regarding their ability to register on the spot and the availability of representatives from across the System. The suppliers and corporations indicated they could see the commitment to Supplier Diversity in the System.

Financial Literacy

The Reserve Banks and the Board of Governors partner to identify opportunities for the Federal Reserve System to collaborate on financial literacy programming, mentoring opportunities, and other related activities for inner-city high schools, girls' high schools, and high schools with majority-minority populations. In 2013, coordinated programming included events such as the Federal Reserve System Financial Literacy Day, which included common metrics, post session evaluations, and marketing. Additionally, several Reserve Banks provided local financial education activities in conjunction with the Congressional Hispanic Caucus and the Congressional Black Caucus annual legislative conferences in September.

Branding

In an effort to better reach the target audiences for diversity recruiting conferences, as well as supplier diversity conferences, the Federal Reserve System OMWI directors worked together to develop updated branding images and accompanying messages that better conveyed why minorities and women would want to align themselves with the Federal Reserve from both an employment and contractor perspective. The group retained a communications firm that is certified as a minority, women-owned business, to develop the images and messaging, with the new look being introduced during the second-half of the year at various conferences, as well as on-line advertisements.

System Leadership Initiative (SLI)

The System Leadership Initiative is a development program for the Federal Reserve System's high-potential talent sponsored by the Reserve Bank Presidents. In 2013, three conferences were offered at each of the leadership tiers. Given the reach of these leadership conferences to a broad pipeline of talent in the System, the OMWI directors and SLI collaborated to expand the content and discussion of Diversity and Inclusion in the leadership conferences. Conference content in this area was expanded and 2013 speakers included Dr. Scott Page, University of Michigan; Ms. Gloria Castillo, Chicago United; Doug Harris, Kaleidoscope Group; and Dr. Rohini Anand, Sodexo. Additionally, other external speakers and System senior leaders were asked to incorporate the importance of diversity and inclusion into their presentations.

Additionally, OMWI directors were involved in piloting a follow-up program with their local conference participants to further discuss application of the diversity and inclusion content. This proved successful and will be expanded in 2014.

Minority and female participation in the conferences is tracked to assure that this important development initiative is reaching a diverse pool of leaders. Participation has been comparable or better than representation at these levels across the System and will continue to be an area of emphasis by conveying the importance of broadly evaluating traditional and non-traditional candidates to attend. The first offerings of the Thrive session in 2009–2011 had greater participation of minorities and that has tapered in 2012–2013. A challenge has been that typically this is a program attended by managers and new officers after several years in the organization, so it takes some time to establish the pipeline from which participants are recruited to attend a System leadership program.

The System's Leadership Exchange Program affords an important avenue to support career development for professionals across the System. In 2013, 35 assignments were offered and completed by 32 participants. Every Bank either offered, hosted, or both offered and hosted assignments. Minority and female participation continues to grow since the program postings have become open and there is more transparency and marketing about the opportunities.

FIGURE 1

	Female	Minority
Thrive		
Manager/New Officer	50%	13%
Trailblazers		
Assistant Vice President	30%	14%
Senior Leadership		
Vice President/ Senior Vice President	46%	17%
Leadership Exchange Program	50%	34%

The development and engagement of System talent is a key goal of SLI. Similarly, the System's human resource and OMWI leaders are key owners of work in this area. A joint project is underway to identify gaps and opportunities and will be discussed in January 2014 with the leaders of these groups.

MINORITY AND WOMEN EMPLOYMENT

In 2013, senior Bank management of the Federal Reserve Bank of Cleveland met with all officers and managers on a quarterly basis to convey key messages that reinforced the strategic direction of the Bank. During the year, the Bank refreshed and enhanced the execution of its talent acquisition strategy developed in 2012. The strategy is focused on identifying and attracting a diverse, high-performing workforce through targeted outreach and effective outcome measurement. Specific tactics include sourcing minority and female candidates for open positions and identifying hiring opportunities early in the budget planning phase to provide enough time to get the full benefit of all available resources.

To measure progress related to this strategy, the Bank requires that a diverse candidate slate be developed for all exempt positions. A diverse candidate slate is comprised of both minorities and females. Managed by human resources and hiring managers, the slates are reviewed with senior management before final hiring decisions are made to ensure every available resource has been exhausted to recruit diverse candidates.

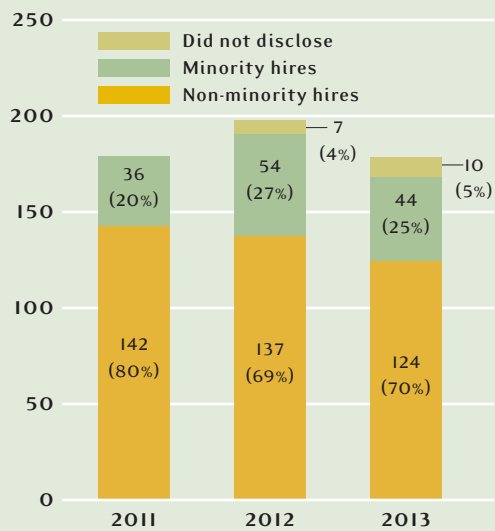
In addition, the Bank conducted discussions with senior management with the purpose of reviewing applicant data and workforce analysis, identifying challenges in filling positions with diverse candidates, and addressing staffing needs through a collaborative process between human resources and business areas.

Talent acquisition results indicated 25% (44) of new hires were minorities with 5% (10) not disclosing for 2013. The data, as illustrated in figure 2, shows aggregate talent acquisition, including interns and hourly workers.

Successes

To better attract diverse candidates, the Bank targeted its outreach efforts and made continued progress. The Bank participated in college career fairs, posted positions with minority professional organizations and diversity job boards, attended networking events, and collaborated with professional organizations. For example, Bank representatives attended several national career fairs, including those of the Association of Latino Professionals in Finance and Accounting (ALPFA), the National Association of Black Accountants (NABA), the National Black MBA Association (NBMBA), the National Society of Hispanic MBAs (NSHMBA), the Thurgood Marshall College Fund, and National Society of Hispanic Professional Engineers (SHPE).

FIGURE 2
Aggregate Talent Acquisition



Source: Federal Reserve Bank of Cleveland, Human Resources.



Law Enforcement Unit engages Fed Scholars participants.

There was increased diversity in the hiring of economists from 2012 to 2013; even though the hiring of minority and female economists has been a continuing challenge due in part to the limited availability of diverse candidates that meet the qualifications of the position, as well as, competition within the System.

Levels of Bank intern hiring have remained consistent with the previous year demonstrating 36% female and 28% minority for 2013 compared to 40% female and 30% minority interns in 2012. The Bank believes a successful internship program assists the Bank in developing qualified applicants for future full-time job opportunities.

A review of the Bank's human capital needs at the officer level to support the Bank's strategic plan was completed. Targeted additions and developmental movement in the officer team were identified and plans were developed. Through this work, senior Bank management developed an approach and recommendations for a comprehensive talent acquisition strategy including guiding principles that builds leadership capability, improves diversity at the officer level, increases cross-functional movement of talent in the organization, and increases System involvement and external experiences.

The Bank continues to experience a strong level of participation in its Fed Scholars Program. Implemented in 2011, the Fed Scholars Program welcomes select high school students from underrepresented areas of our communities to participate in a seven-week immersion work program experience during the summer. The Fed Scholars Program is a partnership between the Bank's Community Relations department; Youth Opportunities Unlimited (Y.O.U.), a local non-profit youth services agency; and Esperanza, an agency that works to improve the academic achievement of Hispanics in Greater Cleveland. The participants acquire job skills and mentoring that prepares them to either further their education or to enter the job market.

Finally, as a member of Diversity Best Practices, an industry leader in helping entities develop, implement, and measure diversity practices, Bank representatives attended a forum where diversity thought leaders and practitioners shared best practices and new strategies and techniques for talent acquisition. Forum presenters discussed how to market the Bank to different demographics and tools to communicate applicant data to key decision-makers. Takeaways from the session are being reviewed, discussed, and, where appropriate, incorporated into the Bank's processes and practices.

Challenges

The Bank continues its journey of transforming from an operations-based organization to a knowledge-based and professional services organization. The hiring of the Bank has shifted, requiring a more highly technically skilled staff, and it is adjusting its recruitment efforts to meet the changing needs of the organization. The Bank continues to expand its eGovernment function, which primarily services the US Treasury and requires highly technical staffing resources whose skills are in short supply. While sourcing and attracting a diverse pool of candidates for this function has proven challenging given the aggressive business timelines and unique information technology experience requirements, the Bank continues to meet staffing requirements in this business area.

Other challenges the Bank is experiencing include:

- Geographically, compared to other larger, metropolitan areas, the Cleveland Fed encounters barriers to acquiring talent due in part to the climate and minimal employment opportunities for candidates' family members.
- There's a need for better marketing and branding for the Bank to be recognized as a premier employer of choice among private sector entities.
- The inability to offer competitive salaries due to the officer salary freeze for three consecutive years and the Bank's salary ranges not reflective of the job market were a point of discussion with many external candidates.

As with employee recruitment, the Bank also strives to maintain a consistent level of diversity in its internship pool. The Bank realizes there's an opportunity to improve upon the number of diverse interns transitioning to full-time positions within the Bank.

Next Steps

One of the Bank's strategic focus areas is to develop a highly engaged workforce that serves as the Bank's ambassadors to the public and promotes the Federal Reserve Bank of Cleveland as an employer of choice. To demonstrate its commitment, the Bank considerably increased the allowable volunteer time allotment an employee can use to volunteer outside of the Bank. The expanded volunteer policy will be implemented in 2014. The intent is to encourage employees to be involved in their communities, spread the word about the Bank's quality work environment, and enhance support to the Bank's strategic outreach efforts.

For intern talent recruitment, the Bank is continuing to work with INROADS and plans to coordinate efforts, which is expected to provide greater success for the 2015 intern hires. In addition, the Bank is enhancing its outreach with Historically Black Colleges and Universities by working with the regional alumni association and will continue to attend career fairs at Central State University, Wilberforce University, and Kentucky State University.

Internally, a cross-functional workgroup has convened to refresh the Bank's approach to diverse intern recruitment with the objective of increasing the minority and female representation in the selection and conversion of interns to full-time hires, piloting the effort with the Bank's largest functional area.

For talent development, Bank Leadership has developed a talent strategy to build leadership capacity at the officer level that is inclusive of high performers, minorities and females. The strategy for individuals identified through this work involves targeted job rotational assignments, development opportunities and increased exposure to senior leaders.

MINORITY- AND WOMEN-OWNED BUSINESS INCLUSION

OMWI and the Bank's Contracts Administration and Purchasing Services function continue to coordinate efforts in the supplier diversity area. The Bank monitors the number of contract opportunities available to potential bidders for projects \$10,000 and greater (\$20,000 and greater for construction) and also evaluates the actual spend with diverse vendors.

Successes

For the third consecutive year, the Greater Cleveland Partnership's Commission on Economic Inclusion awarded the Bank the "Best-in-Class for Supplier Diversity." The increased visibility of the Bank's supplier diversity program resulting from this award has provided the Bank an opportunity to build meaningful relationships with corporate diversity professionals in the region and to become involved in such supplier diversity groups in a leadership capacity. For example, as a member of the Northern Ohio Minority Supplier Development Council (NOMSDC), the Bank in 2013 led the facilitation of a corporate-to-corporate forum of local corporations that regularly meets to discuss best practices. The forum gave the Bank direct access to leading supplier diversity professionals in the region, which enables it to exchange supplier diversity best practices and learn from one another.

To further its practice of benchmarking regionally, the Bank participates in quarterly discussions on supplier diversity with chief procurement officers from the Northeast Ohio geographic area. Participants share best practices, internal reporting, and supplier experience to advance economic inclusion in the region.

Internally, the Bank continues to assess its efforts and measure its progress. The Bank has improved its planning process by developing a pipeline report that identifies upcoming projects in their early stages. This gives the Bank more lead time to source and identify qualified diverse suppliers for these business opportunities.

In addition, the Bank conducted several internal training sessions to educate management and staff on updated procurement policies and processes related to supplier diversity. These sessions were well attended, and the facilitators received positive feedback.

The implementation of the Bank's Supplier Diversity Strategic Plan has proven effective, as the Bank's pool of qualified diverse vendors has increased 178% from 2012. The Bank continues to monitor the inclusion of diverse businesses on requests for quotes and proposals. As of December 31, 2013, 49 of 60 (82%) included at least one qualified, diverse company.

Challenges

As of December 31, 2013, the Bank's total diverse spend was \$1,908,188 or 6.8% of the total reportable spend of \$28,009,551, which consists of 2.0% minority-owned business enterprises (MBEs) and 4.8% women-owned business enterprises (WBEs). Contracts awarded to MBEs lag behind those awarded to WBEs which creates an opportunity to further review the reasons for the gap and the availability of diverse vendors.

The Bank's potential to spend with diverse companies is limited by the number of procurement opportunities, and with Federal Reserve System's focus on reducing overall expenses, where feasible, the number of opportunities is not expected to increase. The Bank continues to be committed to improving supplier diversity. We believe this can be done through improved business planning cycles, continued outreach efforts to locate and qualify diverse suppliers, and further integrating supplier diversity best practices into our work streams.

Next Steps

To attract qualified diverse suppliers and align itself with industry best practices, the Bank will continue to execute its Supplier Diversity Strategic Plan. Plans include:

- Continuing to meet with qualified suppliers to gain insight into ways for the Bank to improve our supplier diversity program.
- Developing an external supplier diversity communication strategy to increase awareness and understanding of the Bank's procurement policies and procedures.
- Enhancing the Bank's external website to provide more information on the Bank's supplier diversity program.
- Continuing to expand outreach through attendance at additional external events.

Further, the Bank will continue to actively engage with partners such as the Commission on Economic Inclusion, Ohio Minority Supplier Development Council (OMSDC), and the Cincinnati USA Regional Chamber's Minority Business Accelerator to attract diverse businesses, more specifically MBEs. These relationships cultivate the sharing of best practices and provide the Bank with industry specific resources.

FINANCIAL EDUCATION FOR UNDERREPRESENTED COMMUNITIES

The Bank continues to expand access to its financial education and engagement offerings by aligning its outreach efforts with strategic Bank initiatives. In 2013, the Bank continued to provide program initiatives in support of OMWI strategies with a particular emphasis on financial education and mentoring. The key areas of focus were the Bank's Learning Center and Money Museum, regional education outreach and engagement, and access.

Successes

The Learning Center and Money Museum remains a cornerstone of the Bank's outreach initiatives and continues to attract real and virtual visitors to the on-site facility and its online presence. The free programs, hands-on exhibits, interactive games, and state curriculum-aligned program offerings focus visitors on critical thinking. It creates a fitting platform for the Bank's ongoing efforts to provide financial education and mentoring to students in underrepresented communities.

A proud moment for the Bank was when its award-winning financial literacy workbook, "Great Minds Think: A Kid's Guide to Money," reached a milestone distribution of 500,000. Available for free in English and Spanish, the workbook is a resource that continues to be used by Reserve Bank colleagues, educators, businesses, governments, families, and community groups worldwide. The success is due in no small part to an ongoing awareness campaign in regional minority publications and community-based programs.

The relationships that the Bank has developed through its community outreach efforts are pivotal. For instance, in response to the ongoing concerns of young Cleveland Hispanic business professionals regarding their lack of access to the city's corporate leaders, President Sandra Pianalto hosted a networking event that provided these young rising Hispanic business leaders an opportunity to meet with area chief executive officers. The CEOs came from a wide cross-section of business sectors and included Chris Connor, chairman and CEO of Sherwin Williams and deputy chairman of the Bank's Board of Directors.

Further, in response to repeated community agency requests for sustained opportunities for high school youth in underserved communities, the Bank again hosted its Fed Scholars program. Now in its third year, the program provides year-round mentoring and a paid summer opportunity designed to provide students mentoring and career readiness skills. In addition, the Bank continued to provide financial literacy education and training for Cleveland-area middle and high school students and educators—bringing in more than 500 Cleveland Metropolitan School District students for programming—as well as providing advisory services, training and resource materials for educators and students throughout the Fourth District.

Collaborating with other Federal Reserve Banks within the System has remained an integral way of creating greater access to the Cleveland Fed's offerings. In 2013, the Cleveland and Kansas City Reserve Banks partnered to provide financial education programming at the Congressional Black Caucus and Congressional Hispanic Caucus annual legislative conferences.



Cleveland Fed hosts Hispanic business professionals to network with local area CEOs.

Challenges

State and local schools from within the Fourth District have differing requirements for financial literacy for high school students, creating the need for tailored program offerings.

Significant decreases in school district budgets severely limit student access to field trips and extracurricular education opportunities.

Greater community awareness of the Bank's education programs has prompted an increase in requests for programming, partnerships, and resource assistance throughout the Fourth District. Ensuring the successful operational excellence of the Bank's Learning Center and Money Museum requires most staff time be spent in the Bank's main office, limiting the time and resources available for on-site programming in the Bank's other offices.

Next Steps

The Learning Center and Money Museum continues to update its web presence, which will provide increased opportunities for online engagement offerings to meet the growing requests for financial education programming. The Bank will continue to engage in outreach with community groups and to provide resource assistance in ways that will provide access and measurable support for community programs and activities.

Minority and Women Employment

Workforce analytics and benchmarking will continue to be used to measure Bank performance and track progress. In an effort to better support alignment of data analysis and reporting across the System, future talent acquisition reporting will exclude intern, and contracted and hourly worker data.

Internally, diverse candidate slates will continue to be reviewed and results discussed by senior management to uphold the Bank's desire to have a diverse labor force.

In addition, the Bank will enhance workforce planning efforts to be ahead of real-time employment needs. This will allow better identification of sourcing opportunities, communication with strategic partners that have a focus on minority and women employment, placement of online advertisements and strategic utilization of recruitment firms, and planning around the inclusive interviewing and selection of highly qualified candidates.

Minority- and Women-Owned Business Inclusion

The Bank will continue to execute its Supplier Diversity Strategic Plan and enhance strategic partnerships with organizations that have a focus on business inclusion. Our past successes are opportunities for us to share and learn best practices and to build greater capability around planning and execution to ensure opportunities and inclusion are properly aligned.

Financial Education and Outreach

To provide increased opportunities for the general public, students, and educators to obtain information on financial education programming the Bank will continue to enhance its web presence. Through continued collaboration and the 2014 expanded outreach efforts and volunteer hours, we are expecting increased opportunities for Bank employees to support this area in a consistent and focused manner that will provide support for community programs and activities.

The Voice of the Fourth District

The Bank will continue to be an influential voice in our region and provide leadership in the Federal Reserve System. As an aspect of the new Bank strategy, one goal is to develop a highly engaged workforce that serves as the Bank's ambassadors to the public and promotes the Bank as an employer of choice. A cross-functional team is being formed to identify key messages about the Bank to be used in various settings by key stakeholder groups in their role as ambassadors. This, coupled with enhancements to the Bank's volunteer hours' program, is expected to enhance community awareness about the Bank, enrich talent acquisition, and strengthen the Bank's reputation in our region.

ACRONYMS USED IN THIS REPORT

ALPFA	Association of Latino Professionals in Finance and Accounting
BOG	Federal Reserve System Board of Governors
CAPS	Contracts Administration and Purchasing Services
CR	Community Relations
EEO	Equal Employment Opportunity
FRIT	Federal Reserve Information Technology
HR	Human Resources
MBE/WBES	minority- and women-owned businesses
NBMBAA	National Black MBA Association
NMSDC	National Minority Supplier Development Council
NOMSDC	Northern Ohio Minority Supplier Development Council
NPO	National Procurement Office
NSHMBA	National Society of Hispanic MBAs
OEB	Office of Employee Benefits
OMSDC	Ohio Minority Supplier Development Council
OMWI	Office of Minority and Women Inclusion
SHPE	National Society of Hispanic Professional Engineers
WBENC	Women's Business Enterprise National Council

APPENDICES

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EEO REPORT

Unclassified

CO= 1231043
U= 1231043

**EQUAL EMPLOYMENT OPPORTUNITY
2013 EMPLOYER INFORMATION REPORT
CONSOLIDATED REPORT - TYPE 2**

SECTION B - COMPANY IDENTIFICATION

1. FEDERAL RESERVE BANK OF CLEVELAND
1455 EAST SIXTH STREET
CLEVELAND, OH 44114

2.a. FEDERAL RESERVE BANK OF CLEVELAND
1455 EAST SIXTH STREET
CLEVELAND, OH 44114

SECTION C - TEST FOR FILING REQUIREMENT

1-Y 2-N 3-Y DUNS NO.:004454450

c. Y

SECTION E - ESTABLISHMENT INFORMATION

NAICS:

SECTION D - EMPLOYMENT DATA

JOB CATEGORIES	HISPANIC OR LATINO		NOT-HISPANIC OR LATINO											OVERALL TOTALS		
	MALE	FEMALE	***** MALE *****						***** FEMALE *****							
			WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE		TWO OR MORE RACES	
EXECUTIVE/SR OFFICIALS & MGRS	0	0	8	1	0	0	0	0	4	0	0	0	0	0	0	13
FIRST/MID OFFICIALS & MGRS	1	0	95	6	0	3	0	1	52	11	0	0	0	0	0	169
PROFESSIONALS	4	4	256	19	2	13	2	1	161	30	0	18	0	3	513	
TECHNICIANS	0	0	0	1	0	0	0	0	1	0	0	0	0	0	2	
SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
ADMINISTRATIVE SUPPORT	0	1	28	9	0	0	0	0	51	37	0	1	0	0	127	
CRAFT WORKERS	2	0	22	3	0	0	0	0	0	0	0	0	0	0	27	
OPERATIVES	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2	
LABORERS & HELPERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SERVICE WORKERS	2	0	47	8	1	0	1	0	4	2	0	0	0	0	65	
TOTAL	9	5	458	47	3	16	3	2	273	80	0	19	0	3	918	
PREVIOUS REPORT TOTAL	9	4	477	53	2	17	3	2	306	87	0	18	0	2	980	

SECTION F - REMARKS

DATES OF PAYROLL PERIOD: 09/01/2013 THRU 09/15/2013

SECTION G - CERTIFICATION



**2012 Employers Survey on Diversity
Individual Scorecard
Federal Reserve Bank of Cleveland**

Legend

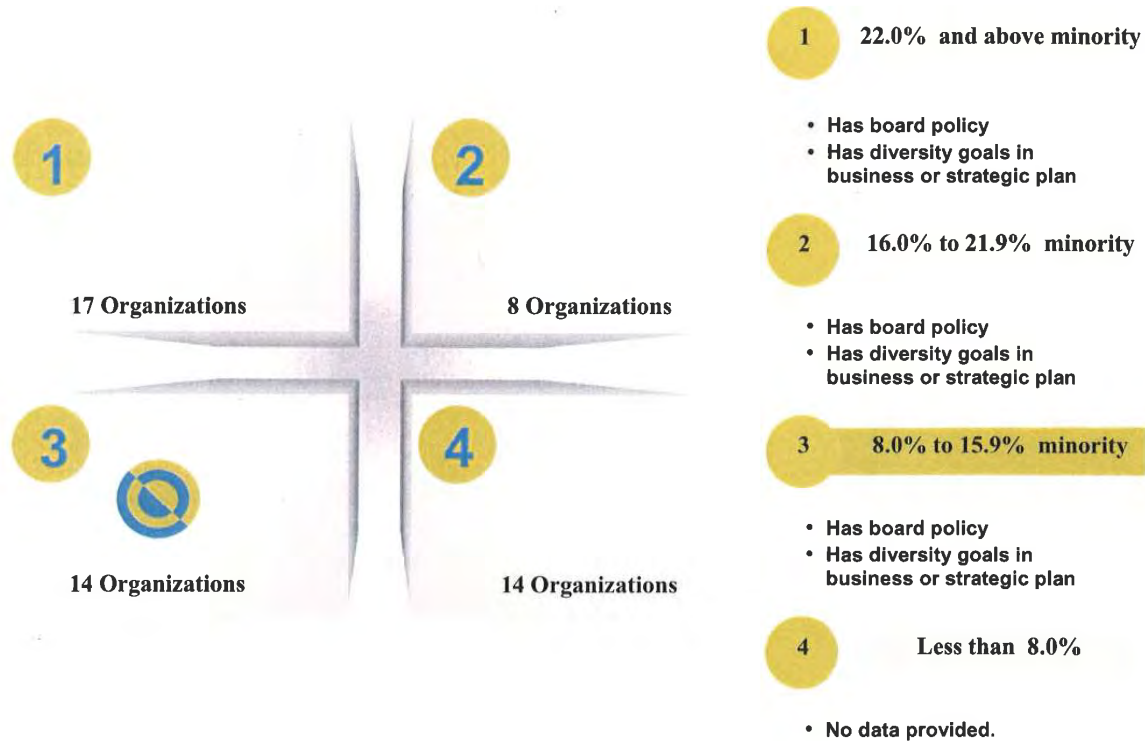


Your organization is in this quadrant and has accomplished both the quantitative and qualitative requirements



Your organization is in this quadrant and accomplished the quantitative requirements but has not accomplished one or more of the qualitative requirements

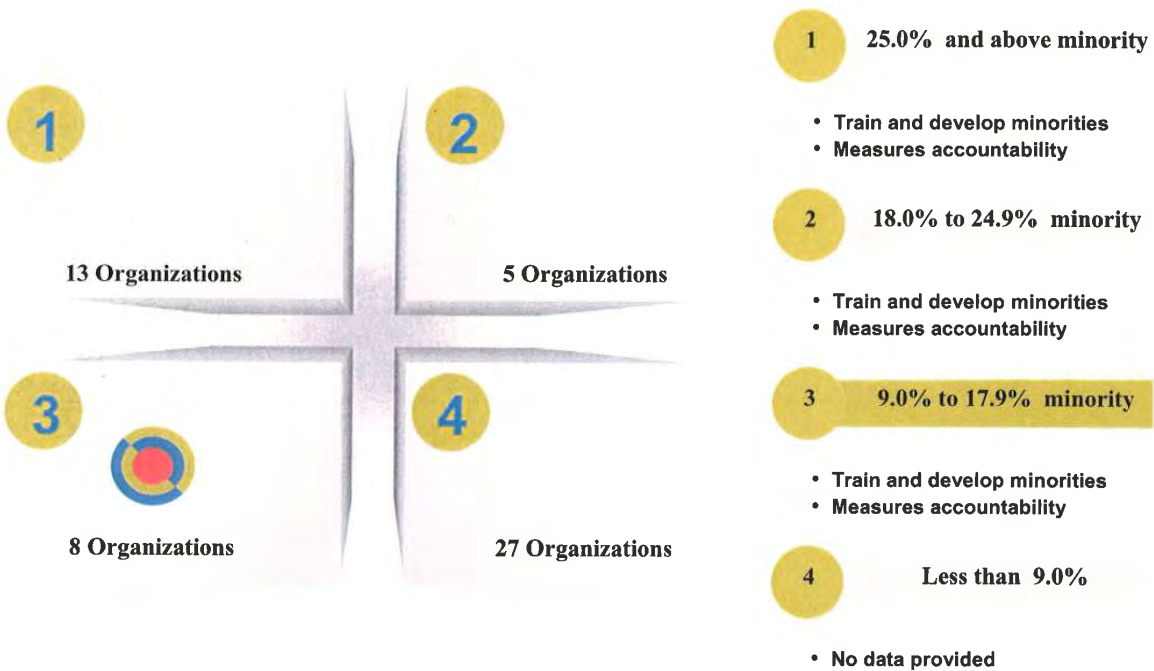
Board of Directors (Minority Representation)



Survey Results For This Area (Minority Representation)

• <i>The DiversityInc Top 50 Organizations for Diversity</i> ®	22.0%
• Commission Aggregate Non-Profit:	16.1%
• Your Organization:	13.0%
◦ Written board policy on diversity and inclusion?	Y
◦ Does business plan include diversity management goals?	Y

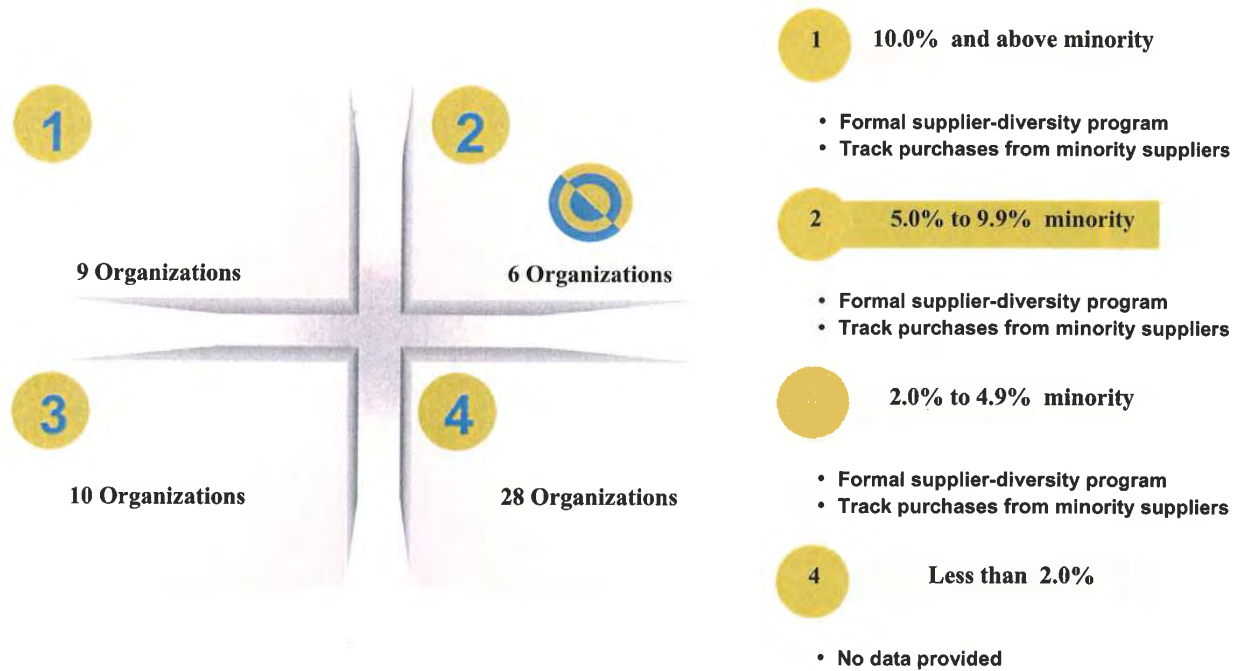
Senior Management (Minority Representation)



Survey Results For This Area (Minority Representation)

• <i>The DiversityInc Top 50 Organizations for Diversity®</i>	15.0%
• Commission Aggregate Non-Profit:	18.2%
• Your Organization:	14.4%
◦ Written policies toward the development of minorities?	N
◦ Managers held accountable through performance appraisals?	Y

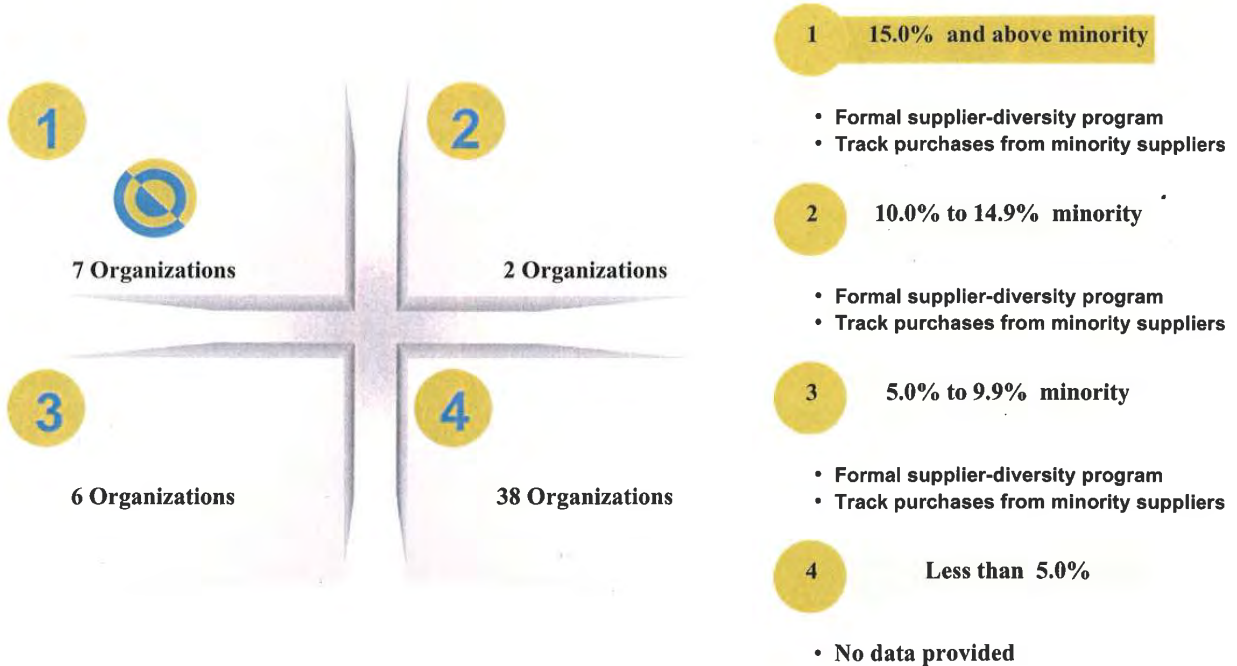
Supplier-Diversity Spend (Total)



Survey Results For This Area (Minority Representation)

• <i>The DiversityInc Top 50 Organizations for Diversity</i> ®	5.1%
• Commission Aggregate Non-Profit:	5.2%
• Your Organization:	7.1%
◦ Formal supplier-diversity program?	Y
◦ Track purchases from minority vendors and suppliers?	Y

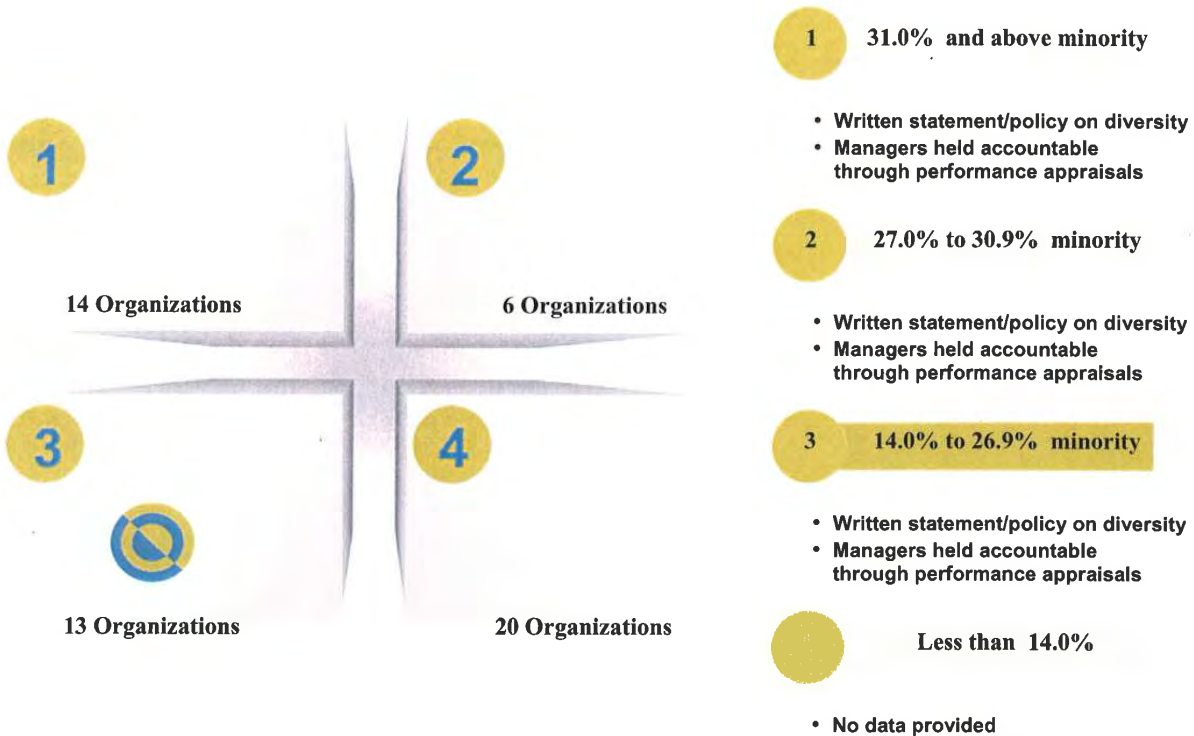
Supplier-Diversity Spend (Regional)



Survey Results For This Area (% of Regional Budget Spent With Minority Suppliers)

• Commission Aggregate Non-Profit:	10.2%
• Your Organization:	17.3%
◦ Formal supplier-diversity program?	Y
◦ Track purchases from minority vendors and suppliers?	Y

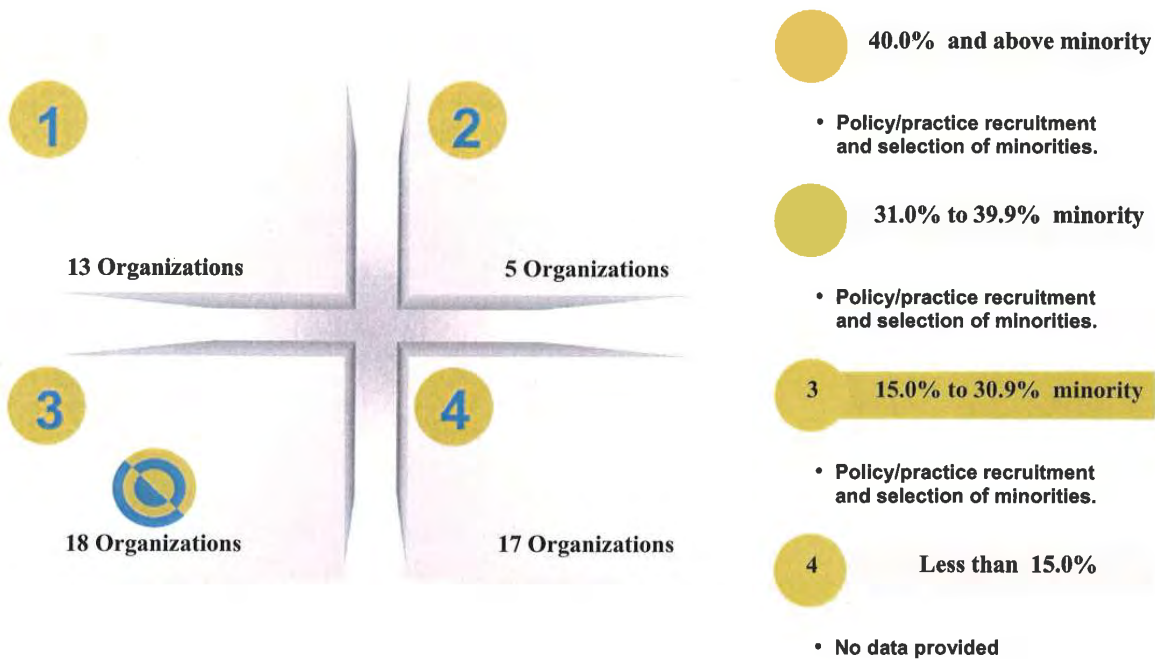
Work Force(Minority Representation)



Survey Results For This Area (Minority Representation)

• <i>The DiversityInc Top 50 Organizations for Diversity®</i>	33.0%
• Commission Aggregate Non-Profit:	26.8%
• Your Organization:	20.0%
◦ Written statement/policy on diversity?	Y
◦ Managers held accountable through performance appraisals?	Y

New Hires (Minority Representation)



Survey Results For This Area (Minority Representation)

• <i>The DiversityInc Top 50 Organizations for Diversity®</i>	39.0%
• Commission Aggregate Non-Profit:	31.4%
• Your Organization:	27.6%
◦ Written policy for recruitment/selection of minorities?	Y

DIVERSITY AND INCLUSION ADS



Education helps unlock your **TALENT!**

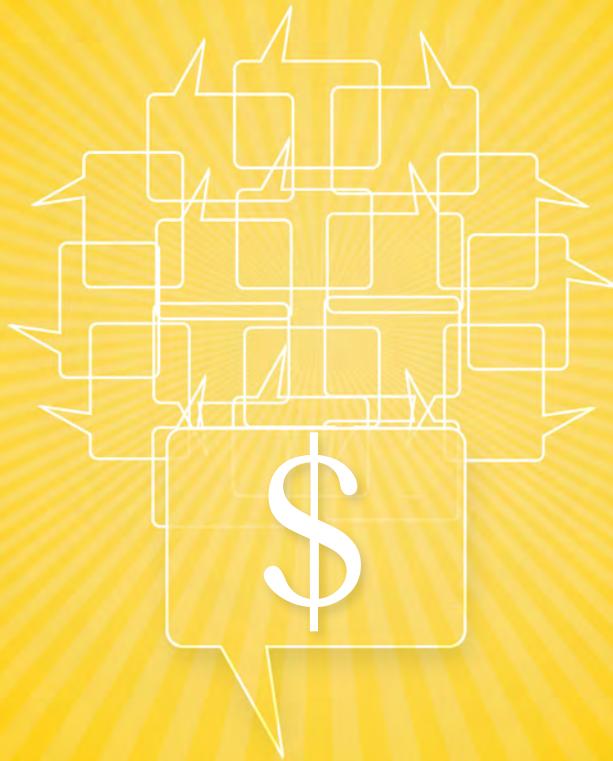
FEDERAL RESERVE BANK
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**Summer is just around the corner,
but the learning doesn't have to stop.**



**Begin a family conversation
about money.**

FEDERAL RESERVE BANK *of* CLEVELAND

Visit the Learning Center and Money Museum at the Federal Reserve Bank of Cleveland.
Learn all about money with our videos, games, and hands-on exhibits.
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Hours: M–Th, 10 am – 2 pm (closed holidays)

For groups of 10 or more or guided tours call 216.579.3188 or visit us at clevelandfed.org/learningcenter
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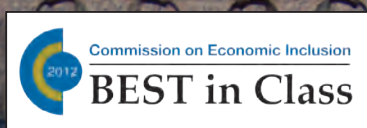
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FEDERAL RESERVE BANK *of* CLEVELAND

The Federal Reserve Bank of Cleveland is committed to promoting inclusion in its procurement practices, its talent acquisition efforts, and its financial education initiatives. We foster innovation through diversity of background, thought, and experience.

Learn more about our commitment to diversity and inclusion.

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www.clevelandfed.org



FEDERAL RESERVE BANK *of* CLEVELAND

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