



OFFICE OF MINORITY AND WOMEN INCLUSION

Annual Report to Congress 2016

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2016

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FEDERAL RESERVE BANK *of* CLEVELAND

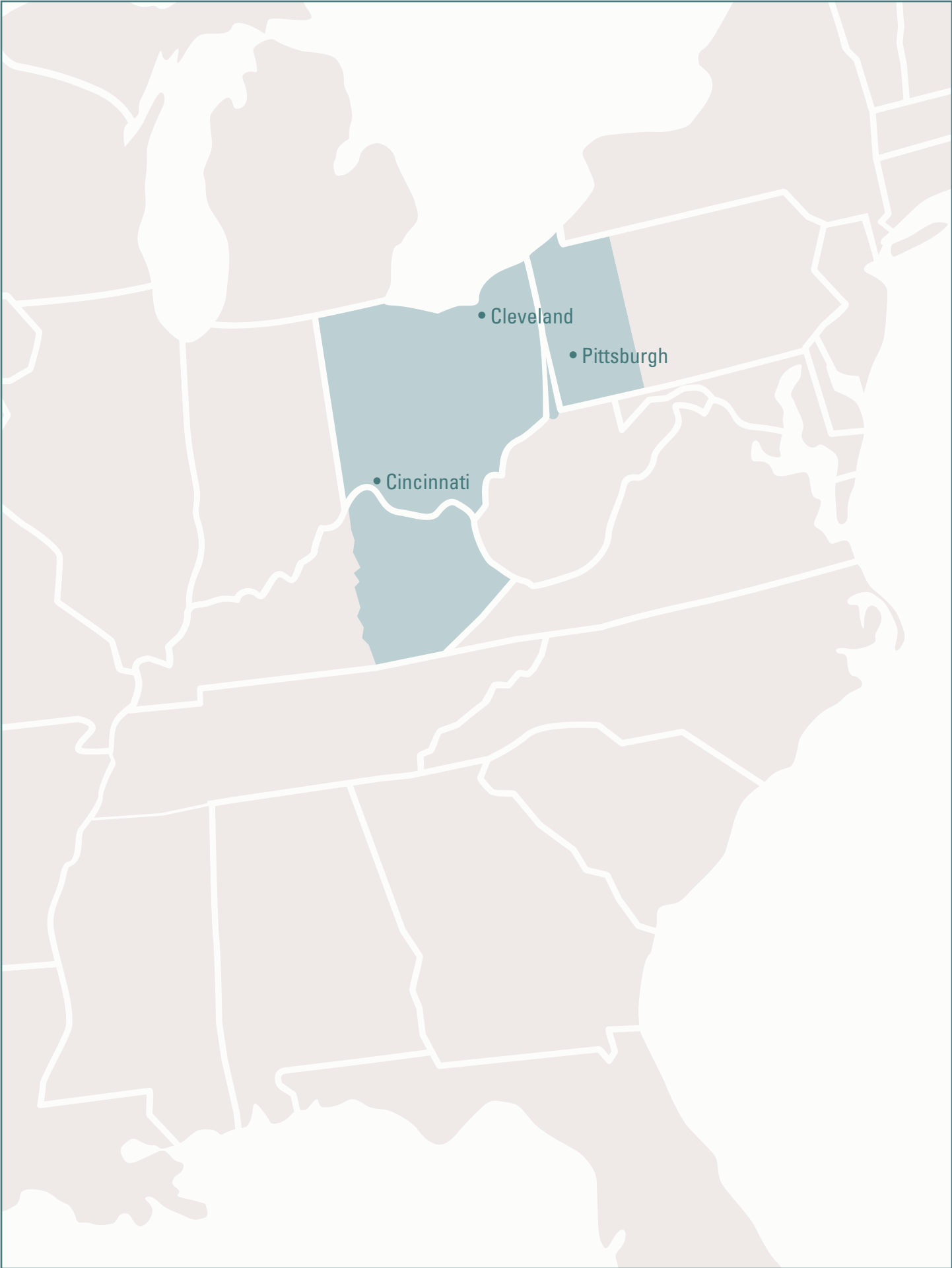
Gregory L. Stefani, First Vice President and Chief Operating Officer

This document contains an organization-wide account of the actions of the Federal Reserve Bank of Cleveland's Office of Minority and Women Inclusion 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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• Cleveland

• Pittsburgh

• Cincinnati

LETTER FROM THE FIRST VICE PRESIDENT AND CHIEF OPERATING OFFICER

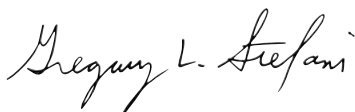
On behalf of the Federal Reserve Bank of Cleveland (Bank), I present the 2016 *Annual Report to Congress*, which points to the Bank's successes, challenges, and next steps in fulfilling the expectations of Section 342 of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010.

Throughout 2016, the Bank continued to execute its diversity and inclusion (D&I) strategic objectives. This year, the Bank placed an even greater emphasis on inclusion in the recruitment and hiring process, while also providing organizational learning opportunities and collaborating with internal stakeholders in the design and delivery of innovative solutions that further drive business inclusion.

The Bank's D&I progress was recognized by several industry leaders and experts in 2016. For the third consecutive year, the Bank ranked among DiversityInc's Top 10 Regional Companies list, a national honor. The Bank was named to this list for its regional focus on its workforce and for its high scores in the four areas measured: talent pipeline, equitable talent development, CEO leadership/commitment, and supplier diversity. Additionally, the Bank was ranked 37 of 50 on *Diversity MBA Magazine's* Fifty Out Front: Best Places for Women & Diverse Managers to Work list.

In addition to the recognition from DiversityInc and *Diversity MBA Magazine*, the Bank attained a perfect score of 100 on the Human Rights Campaign Foundation's 2017 Corporate Equality Index for the second consecutive year. The index is a national benchmarking tool for corporate policies and practices pertinent to lesbian, gay, bisexual, and transgender employees. Regionally, the Bank was recognized by NorthCoast 99 as one of the best places to work in Northeast Ohio. This annual award recognizes organizations in Northeast Ohio for their ability to attract, retain, and motivate top-performing employees. This was the Bank's seventeenth consecutive year to receive this award. The Bank is tied with only one other company as the longest-standing winner. NorthCoast 99 also recognized the Bank with a special award in the organizational support and work-life benefits category for planning and coordinating the Girls Make IT Better program. This program was conceived and implemented by Bank employees to introduce area high school students to science, technology, engineering, and math (STEM) careers.

The Bank continues to benchmark its diversity and inclusion efforts and to incorporate best practices that enhance outcomes. This 2016 *Annual Report to Congress* includes an overview of Federal Reserve System activities, along with detailed information on the Bank's minority and women employment, minority- and women-owned business inclusion, and financial education for underrepresented communities. I am pleased to present this report and believe that the content illustrates the Bank's continued commitment to diversity, inclusion, and engagement in the communities within the Fourth Federal Reserve District.



Gregory L. Stefani
First Vice President and Chief Operating Officer

EXECUTIVE SUMMARY

In 2016, the Federal Reserve Bank of Cleveland continued its commitment to diversity and inclusion through an increased focus on minority and women employment, minority-owned business enterprise (MBE) and women-owned business enterprise (WBE) inclusion, and financial education provided to underrepresented communities. This report documents the successes, challenges, and next steps in fulfilling the requirements of Section 342 of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010. For additional reference, the Bank’s Office of Minority and Women Inclusion (OMWI) core metrics are available in Appendix A.

In the area of minority and women employment, the Bank onboarded 146 new hires (excluding interns and hourly workers), of whom 37 (25.3 percent) are minorities and 70 (47.9 percent) are women. In addition, the Bank’s 2016 interns comprised 46 percent minorities and 65 percent women. Regarding development, the first cohort of the Bank’s Early Career Development Program (ECDP) was hired in 2015, and participants are in the midst of their full-time professional work experiences. The program is designed to transition eligible interns to full-time employees through a series of rotational assignments that exposes the young professionals to various functions throughout the Bank. A second cohort of eligible interns was hired into the program in 2016 and will begin its full-time professional work experiences in 2017. The Bank also continues to provide development programs for managers via the Strategic Leadership Experience (SLE) certificate program, which focuses on emerging talent within the Bank, and the New Leader and Next Steps in Leadership certificate programs. At the officer level, the third and final group of officers completed the Leadership Deep Dive (LDD) program in 2016.

The Bank held a business inclusion summit in August 2016 that brought together MBEs and WBEs, officers and managers of the Bank, and strategic community leaders. The focus of the summit was on expanding economic inclusion in the region. The Bank continued site visits to diverse suppliers and, as a result, realized an increase in the contracts awarded to diverse suppliers during the year.

Financial education programming continues to be a priority for the Bank and has a strong focus on initiatives for youth, primarily high school students from underrepresented communities. These initiatives include Fed Scholars, an immersive summer internship at the Bank for high school students, and Girls Make IT Better, a technology-focused program for girls from predominantly minority high schools. In addition to a summer internship in 2016, Fed Scholars are participating in a year-long story project to help them develop their writing skills and share stories about their communities. Participants in Girls Make IT Better learn about science, technology, engineering, and math (STEM) through hands-on experiences alongside Bank employee volunteers. The Bank also created and installed the special exhibit *The Freedman’s Bank: An American Story of Faith, Family, and Finance* in its Learning Center and Money Museum, which marked its 10th anniversary in 2016. Targeted programming for students focused on personal finance and African American history.

Collectively, these efforts highlight actions the Bank took under the aegis of its Office of Minority and Women Inclusion as mandated by Section 342 of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010. The remainder of this report details specific successes, challenges, and next steps related to the Bank’s specific diversity and inclusion activities.

FEDERAL RESERVE SYSTEM OVERVIEW

Diversity Recruiting

In 2016, the Federal Reserve System (System) continued to pursue a national strategy for diversity recruiting. The System's strategic approach toward diversity recruiting, including its advertising, is an effort to sustain continuity, collaboration, and cost effectiveness across the Reserve Banks, the Board of Governors, and the Federal Reserve's Information Technology function. A key component of the strategy is active, engaged partnerships with a myriad of organizations including the Thurgood Marshall College Fund (TMCf), Prospanica (formerly National Society of Hispanic MBAs), the National Black MBA Association (NMBAA), the Association of Latino Professionals for America (ALPFA), and Equal Opportunity Publications, Inc.

In recognition of the intense competition for exceptional candidates for hiring, the System attended the aforementioned organizations' national conferences with the specific intentions of enhancing brand identity among top diverse talent and cultivating relationships with and collecting the resumes of prospective applicants.

The System's advertising efforts remained a vital component to its promotional efforts. The System was represented in a variety of publications such as *Hispanic Network Magazine*, in which the System purchased a full-page print ad and Internet advertisements. Deciding to partner with this particular publication allowed the System to leverage its financial resources, as the magazine was distributed at more than 25 national conferences. The System also partnered with *Professional Woman's Magazine* and the ALPFA's *Spotlight Magazine*.

Talent Management

The Bank continued to utilize the development programs offered by the System Leadership Initiative (SLI), a program sponsored by Reserve Bank presidents for high-potential talent across the System. Launched in 1998, the SLI has grown to include leadership conferences, the System Leadership Exchange program, the SLI Speaker Series, and the provision of additional professional development opportunities. The mission of SLI is to offer a unique and essential learning experience to develop System leaders through exposure to world-class speakers, opportunities for powerful skills development, and interaction among System colleagues. In 2016, the System's Leadership Exchange program remained a model career-development program for professionals.

Supplier Diversity

Supplier diversity remained a priority for the System. The National Procurement Office manages national contracts and national membership with strategic partner organizations such as the National Minority Supplier Development Council (NMSDC) and the Women's Business Enterprise National Council (WBENC). In 2016, the Federal Reserve System participated in both the WBENC conference in Orlando, Florida, where staff from the Reserve Banks worked and gathered information from 73 vendors, and the NMSDC Conference and Business Opportunity Fair in Chicago, Illinois, where System staff gathered information from 84 vendors. Attending the national conferences provided System representatives an opportunity to join both representatives from top multinational companies and diverse business owners all working to strengthen the involvement of minority firms in the global corporate supply chain.

Financial Literacy

The System continued its collaborative strategies in financial education. Realizing that improved financial literacy, particularly among minority communities, is a critical component to our nation's economic health and growth, the System sustained its focus on outreach efforts toward this end.

Minority and Women Employment

Successes

The Bank remains committed to diversity and inclusion (D&I) at all levels of its workforce. In 2016, the Bank implemented improved internal metrics and reporting capabilities by providing senior executives with information on human capital data in their respective areas. Quarterly distribution of updated data is provided to senior executives, with specific recommendations that are being monitored throughout the year.

Employee engagement is integral to the Bank's D&I efforts. The 2016 engagement survey results show the Bank is successfully addressing "opportunity areas" identified from the previous engagement survey through offering an improved career framework and facilitating awareness of the career progression process, information regarding competencies, and the ways in which skills and behaviors contribute to performance. Employee engagement survey results also indicate the Bank has taken positive actions to improve the availability of information about jobs, including descriptions, qualifications, and salary ranges, all of which are made available on the Bank's internal website. The Bank provided function-specific survey results to leaders, who were encouraged to develop action plans. In addition, the Bank implemented opportunities throughout 2016 to increase employees' engagement with senior leadership.

The Bank's resource network group (RNG) program also contributed to its employee engagement efforts in 2016. Employees from eight RNGs assisted in planning and supporting Bankwide initiatives and multiple learning, development, and volunteer opportunities. RNG chairs meet regularly to collaborate on events and activities to advance the inclusion of the groups' members, share information to build awareness of strategic initiatives, and engage with business functions. Volunteers from the RNGs joined officers and managers in participating in the Bank's expanded use of inclusive interview panels.

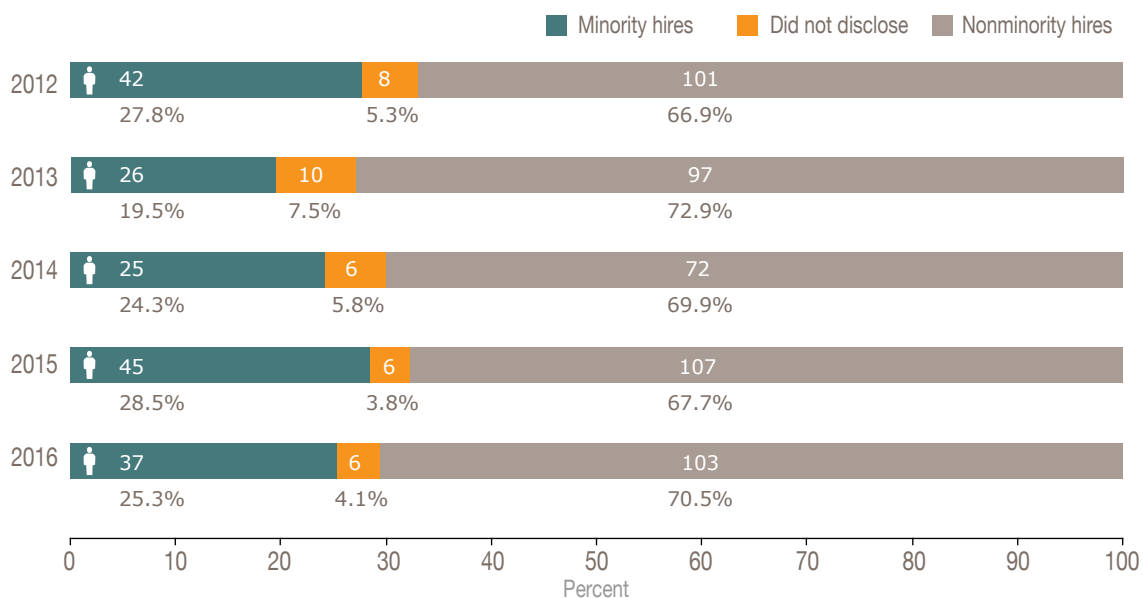
Training on the Bank's interview process was provided to all volunteers. Additionally, the Bank expanded its D&I Speaker Series to provide an educational seminar and presentation on unconscious bias by Dr. Mahzarin R. Banaji, a renowned Harvard professor and coauthor of the book *Blind Spot: Hidden Biases of Good People*. The session was attended by Bank leadership, Bank management, and the pool of interview volunteers. The session was followed by discussion with executive leadership, providing executive leadership the opportunity for a deeper conversation. Harvard's implicit association tests were incorporated into the learning and development process and are available to all employees.

The Bank continues to conduct a detailed review of talent acquisition from the applicant stage through the hire stage in order to look for opportunities to enhance the effectiveness of the Bank's hiring processes. In 2016, enhanced reporting capabilities were implemented along with specific actions to enhance minority representation in the Bank.

Another focus of the Bank’s talent management approach is the acquisition of diverse talent (see Appendix B for equal employment opportunity (EEO) data). In 2016, the Bank onboarded 146 new hires (excluding interns and hourly workers), of whom 37 (25.3 percent) are minorities and 70 (47.9 percent) are women. These numbers reflect a decrease in minorities and an increase in women hired compared to the Bank’s new hires in 2015. The chart below shows the aggregate talent acquisition and internal movement of the Bank’s minority and nonminority hires from 2012 through 2016.

Aggregate Talent Acquisition and Internal Movement

(Excludes intern and hourly job positions)



Source: Human Resources Information System (Taleo)

Annually, the Bank’s intern program provides 25 to 30 college students at the undergraduate, graduate, and postgraduate levels the opportunity to obtain meaningful real-world work experience. In addition, the program is structured to give students the chance to network with fellow interns, Bank officers, and employees and to participate in outreach opportunities in the community. Through this program, the Bank established both another channel for drawing diverse talent to summer opportunities and a diverse talent pool for future opportunities. The Bank recruits interns through state and local universities, outreach to organizations such as INROADS/North Central Region Inc. and the Hispanic Association of Colleges and Universities (HACU), and social media. As with employee recruitment, the Bank also strives to maintain a consistent level of diversity in its internship pool. In 2015, the diversity of the 27 interns was 37 percent minorities and 30 percent women. In 2016, the diversity of the 26 interns was 46 percent minorities and 65 percent women.

Following completion of the 2016 intern process, the Bank identified a number of schools for possibly cultivating strategic partnerships with their alumni and student organizations and with the multicultural affairs offices of universities where the Bank has identified a fit based on areas of study and on the development of a comprehensive recruitment strategy. Both of these potential partnership areas would provide an avenue to enhance current and future staffing needs of the Bank.

Internship Hiring

Year	Total	Minorities	Women
2012	20	6 (30%)	8 (40%)
2013	25	7 (28%)	9 (36%)
2014	24	8 (33%)	10 (42%)
2015	27	10 (37%)	8 (30%)
2016	26	12 (46%)	17 (65%)

Source: Human Resources Information System (Taleo)

Note: Women of color are included in both the Minorities and Women categories

The Early Career Development Program (ECDP) is designed both to enhance the Bank's ability to attract and onboard top talent with diverse backgrounds and perspectives and to serve as a pipeline of talented candidates from all backgrounds to job opportunities. The inaugural cohort of ECDP associates includes six individuals who are participating in a yearlong rotation through positions related to their areas of study and career interest. At the end of the year—or sooner, if a suitable full-time opening is available—each associate will be placed in a full-time role or can apply for open positions at the Bank. The 2016 associates are 33 percent minorities and 33 percent women. Participants for the second cohort are 25 percent minorities and 50 percent women. The associates will begin their assignments following graduation in 2017. The Bank has an opportunity to strengthen the diversity of the intern pool to improve the pipeline of ECDP participants.

Internally, the Bank encouraged employees to help with its recruiting efforts through sharing monthly notifications of open positions with their networks and on social media.

The Bank in 2016 continued to collaborate with and to support the System at national recruitment fairs and conferences and is currently reviewing opportunities to enhance results going forward.

Challenges

Diversity and inclusion in succession planning continues to be an area of focus for the Bank. Actions to enhance and sustain efforts to develop and increase minority representation through the pipeline to leadership levels are reviewed quarterly, as are efforts aimed at retaining diverse talent, particularly at the exempt level.

The Bank remains challenged in filling technical positions such as those in information technology fields. The number of eligible candidates for highly technical and specialized fields is often limited, resulting in small applicant pools. The Bank continues to expand its recruitment efforts for these fields through the use of contracted recruiting services and national executive search firms.

Next Steps

Advancing minority representation at the exempt level will continue to be an area of focus, as will retention of diverse talent. The Bank will enhance its recruitment efforts through an increased social media presence and continue its learning and development work in the areas of unconscious bias and bias management. The Bank will continue the D&I Speaker Series, career development planning, and the effective use of the Bank's performance management system. Additionally, the Bank will prepare for 2018 EEO pay data reporting requirements.

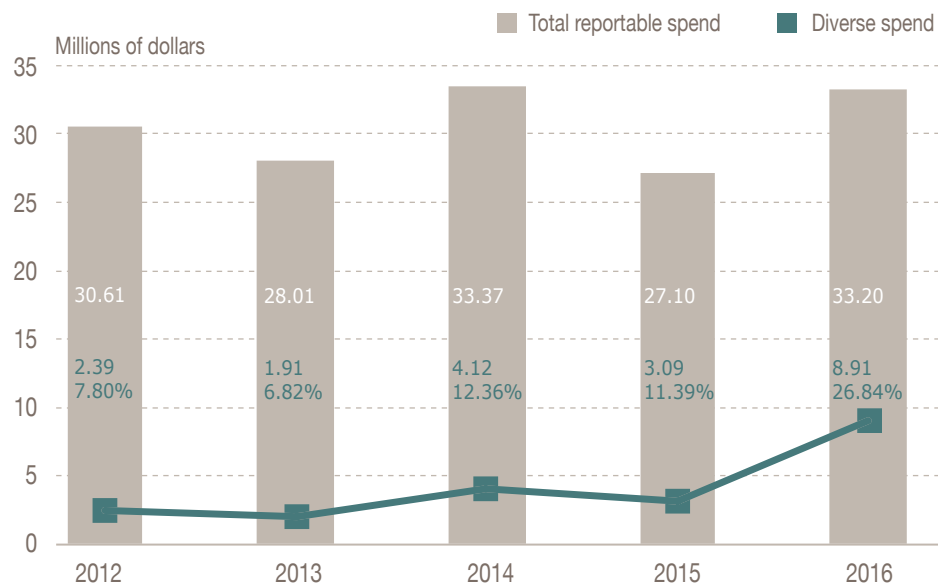
Minority- and Women-Owned Business Inclusion

Successes

The Bank continues to actively pursue its supplier diversity mission to maximize the overall level of participation by certified MBEs and WBEs in its purchase of materials and services. As a corporate member of the National Minority Supplier Development Council (NMSDC) and the Women's Business Enterprise National Council (WBENC) and through its affiliation with the Ohio Minority Supplier Development Council (OMSDC), the Bank is able to strengthen its supplier sourcing capability.

In 2016, the Bank had a total reportable spend of \$33.2 million, of which \$8.9 million (26.8 percent) was spent with MBEs and WBEs. This substantial increase in reportable spend over that of previous years is attributable primarily to a large construction and renovation project undertaken during 2016 that was awarded to an MBE. The Bank also partnered with this general contractor to launch the Bank's program for reporting tier II diverse spend with subcontractors to establish a more comprehensive view of the Bank's diverse supplier spend. Tier II spend serves as an enhancement to the Bank's existing efforts aimed at increasing meaningful opportunities for MBEs and WBEs. Further, language is included in the Bank's Request for Proposals that addresses the use of tier II suppliers and the responsibility of the tier I supplier in this regard if awarded the contract. For more details on the Bank's procurement spend during the past five years, see Appendix C.

Total Reportable Spend and Percent of Diverse Spend



Source: National Procurement Office (NPO)

The Bank also enhanced its outreach during 2016. In August, the Bank convened a business inclusion summit attended by more than 75 external suppliers and business partners. The summit featured a keynote address by Joset Wright-Lacy, NMSDC president and chief executive officer.

Attendees also heard a presentation by a Bank economist on the regional landscape for small businesses and a panel discussion that focused on business inclusion in the Federal Reserve System. Additionally, the Bank held a formal meet and greet to introduce MBEs and WBEs to leaders of various business functions in the Bank, and the event concluded with a reception to accommodate further conversation and networking among business leaders and community partners. Subsequent follow-up meetings have been held with suppliers when a possible supply opportunity may exist. In addition to providing the keynote speech, Ms. Wright-Lacy also met with many of the Bank's decision makers during a morning "coffee chat" to discuss the importance of supplier diversity in the Bank's region.

The Bank established the position of senior supplier diversity advisor, with key responsibilities for identification and relationship management of diverse suppliers and a close working relationship with the Office of Diversity and Inclusion regarding supplier diversity matters. The Bank continues to increase its engagement in the supplier diversity community, both locally and nationally, with participation at the NMSDC and WBENC national business opportunity fairs and conferences and the OMSDC annual business opportunity fair. Attendance at these types of events provides opportunities for the Bank to demonstrate its commitment to supplier diversity, reach a target audience in a cost-effective manner, strengthen relationships with diverse suppliers that are essential to the Bank's success, and establish relationships with new suppliers attending these events. The Bank also expanded its reach beyond the Fourth Federal Reserve District by participating in the Federal Reserve Bank of Chicago's business opportunity fair held in Detroit, Michigan, in July to identify potential suppliers for services to our Bank. During 2016, the Bank had 67 contracting opportunities, of which 40 included an MBE or a WBE. Of those opportunities, 16 were awarded to an MBE or WBE and totaled \$5,588,095, or 59 percent of the total available contracts.

Challenges

The Bank has struggled to identify diverse suppliers for specialized commodities and services, including specific technology needs (software applications) and consulting services in our eGovernment function that supports the US Department of the Treasury. The Bank also continues to focus its efforts on increasing the responsiveness of MBEs and WBEs to requests for quotes and proposals. Additionally, in situations in which an MBE or a WBE does respond but is not selected, the reason is generally because the bidder is not the lowest-cost provider.

While the Bank's minority- and women-owned business spend in 2016 increased significantly compared to that of previous years, it will be difficult to sustain the tier I spend level because of the size of planned projects going out to bid. However, setting the expectation for prime contractors to report on tier II diverse providers should position the Bank to drive additional spend and greater economic inclusion in the business community. For example, a large construction project is underway (with expected completion in late 2017), and the contractor is providing tier II reporting. Tier II spend will enhance the Bank's existing efforts aimed at increasing meaningful opportunities for MBEs and WBEs.

Next Steps

The Bank remains committed to increasing the opportunities for MBEs and WBEs to participate in the Bank's procurement efforts. To make meaningful progress on the challenges identified previously, the Bank will continue to drive awareness of supplier diversity internally and externally. During the business planning process, the Bank will continue to promote supplier diversity to business functions and senior management through increased Bankwide communication. The Bank will also establish a strategic presence on the Bank's internal and external websites to provide more comprehensive information on the Bank's supplier diversity program. In addition, the Bank will work with MBEs and WBEs to better understand the reason(s) that suppliers choose not to bid when invited to do so.

In late 2016, the Bank signed a participation agreement to utilize the services of a minority-owned cafeteria and catering service, an agreement that was negotiated by the Federal Reserve System's National Procurement Office (NPO). This decision will positively impact diverse spend for the next five years, beginning in 2017.

The Bank's refreshed 2016–2019 Strategic Supplier Diversity Plan will continue to serve as a roadmap in the Bank's efforts to enhance and increase the pool of diverse suppliers and related sourcing opportunities. This objective will be accomplished by continuing to educate suppliers regarding how to do business with the Bank, continuing to ensure effective communication to build internal and external stakeholders' awareness about the value of supplier diversity, and continuing to ensure that effective reporting is in place to monitor the overall participation of MBEs and WBEs in the Bank's purchases of goods and services.

Financial Education for Underrepresented Communities

The Learning Center and Money Museum, a cornerstone of the Bank's financial education outreach, marked its 10th anniversary in 2016. Designed as an educational venue to inspire critical thinking and lifelong learning, the museum drew a 25 percent increase in the number of visitors in 2016. A special exhibit, *The Freedman's Bank: An American Story of Faith, Family, and Finance*, was created to commemorate the Freedman's Bank, an institution established in 1865 to provide banking services and financial education to newly emancipated slaves and to African American Civil War veterans. The Bank collaborated with various agencies and community partners to launch the exhibit at the Cleveland Fed's main office. A traveling version of the exhibit that is on long-term loan to the US Department of the Treasury is currently on display in the Treasury's newly renamed Freedman's Bank Building.

Targeted programming for students was focused on personal finance and African American history. The exhibit included computer stations at which visitors could conduct their own genealogy research using a database of Freedman's Bank records. The exhibit's opening reception was attended by community leaders, educators, faith-based leaders, and community groups that helped raise awareness of the exhibit—and the story it tells—in targeted regional communities.

The special exhibit and the Money Museum are part of the Bank's sustained commitment to providing financial education outreach. This section describes the successes, challenges, and next steps of the Bank's outreach.

Successes

The Bank continued to realize high levels of interest in its *Great Minds Think: A Kid's Guide to Money* workbook and to date has filled orders for more than 700,000 print copies in English and Spanish for families, groups, and organizations. The guide is also available as a download from the Bank's website.

The Bank continued to work with educators and youth services agencies in targeted programming for the Cleveland Metropolitan School District to identify high school students to participate in the Bank's Fed Scholars program. The program is a paid summer internship immersion program that teaches critical thinking and job readiness skills. The Bank's Education and Museum Outreach (EMO) Department facilitates the Fed Scholars program, which was expanded for the 2016–2017 school year to include a writing component in partnership between EMO and the Bank's Community Development Department. The story project will give voice to and offer a broad audience for students' stories about their personal experiences growing up in Cleveland. The resulting book, a compilation of the scholars' stories, will publish in spring 2017 and will present a unique Main Street voice. The Bank continues to find ways to build stronger connections with and understanding of the communities the Bank serves. In addition, the Bank's story project will be featured in a session at the Bank's 2017 Policy Summit on Housing, Human Capital, and Inequality and will be offered to other Reserve Banks as a replicable project.

Another ongoing partnership involves the Bank's annual Job Skills Bootcamp, which the Bank hosts in partnership with Youth Opportunities Unlimited (YOU). A record 120 attendees participated in the 2016 session. The Job Skills Bootcamp has become a model for the Federal Reserve System Financial Education Day student program: It was replicated in three additional Federal Reserve Districts during 2016.

For the second consecutive year, the Bank partnered with YOU and the Cleveland Public Library to host Girls Make IT Better. In 2016, female students from the East Cleveland City Schools school district attended hands-on workshops to learn about a variety of technology careers, and Bank employees in IT-related fields mentored the students. After the workshop, students have been encouraged to continue their engagement with this program via the program's Facebook page.

In 2016, the Bank hosted a STEM leadership lunch to connect female college students who are majoring in STEM fields with Bank technology leaders and hiring managers. The students' professors were also invited to participate. This program helped the Bank form relationships with area colleges and universities in order to help advance the success of student graduates in pursuing STEM-related careers. STEM students at colleges located in urban areas were targeted for invitation to this program.

Challenges

The immediate impact of the Bank's programming is gauged by its successful execution and by participant satisfaction and feedback, but the impact does not easily translate into the Bank's ability to gauge long-term financial success. An intentional focus on critical thinking and lifelong learning helps schools meet state education standards and encourages students to think critically about their own financial choices. Challenges are mitigated by working closely with community partners and collaborating with Federal Reserve System partners to meet the unique needs of our District communities.

Next Steps

In 2017, the Bank will publish the Fed Scholars writing project to give the scholars a platform for sharing their experiences of growing up in Cleveland and to expose a broad audience to these experiences. The museum has engaged community focus groups to refresh its exhibits with an eye toward increasing personal finance content so that the communities the Bank serves will see themselves in the museum. The Education Advisory Council will continue to add members with diverse backgrounds to help ensure programming and resources connect effectively with diverse audiences. In addition, the Bank will continue to provide personal finance resources and meet students where they are by expanding print, electronic, and in-person delivery channels for museum content.

Federal Reserve Bank of Cleveland Conclusion and Next Steps

Minority and Women Employment

The Bank will continue to promote the inclusion of minorities and women in hiring, learning and development, and succession planning opportunities. Additional effort will be placed on addressing challenges associated with retention of talent through improved onboarding, employee engagement, and monitoring of work assignments and development opportunities. Furthering training on unconscious bias and including D&I-focused speakers will support these efforts.

Minority- and Women-Owned Business Inclusion

The work completed in 2016 to enhance business inclusion in contracting continues to demonstrate the Bank's commitment to supplier diversity. The Bank will look for opportunities to expand the pool of suppliers and to further leverage those suppliers identified previously. Additionally, the Bank will continue to engage with the NMSDC and the WBENC to enhance both the Bank's presence and contractor awareness and readiness for doing business with the Bank.

Financial Education and Outreach

The Bank will continue its programming in providing outreach opportunities to students through collaboration with strategic educational partners that include the Cleveland Metropolitan School District, East Cleveland City Schools, and Youth Opportunities Unlimited. In 2017, the Bank will publish the Fed Scholars writing project to give a broad audience the opportunity to learn about the students' experiences of growing up in Cleveland. The museum will engage community focus groups to refresh its exhibits with an eye toward increasing personal finance content so that the communities the Bank serves will see themselves in the museum.

ABBREVIATIONS USED IN THIS REPORT

ALPFA	Association of Latino Professionals for America
Bank	Federal Reserve Bank of Cleveland
D&I	Diversity and inclusion
ECDP	Early Career Development Program
EEO	Equal Employment Opportunity
EMO	Education and Museum Outreach
HACU	Hispanic Association of Colleges and Universities
LDD	Leadership Deep Dive
MBE	Minority-owned business enterprise
NBMBA	National Black MBA Association
NMSDC	National Minority Supplier Development Council
NPO	National Procurement Office
OMSDC	Ohio Minority Supplier Development Council
OMWI	Office of Minority and Women Inclusion
RNG	Resource network group
SLE	Strategic Leadership Experience
SLI	System Leadership Initiative
STEM	Science, technology, engineering, and math
System	Federal Reserve System
TMCF	Thurgood Marshall College Fund
WBE	Women-owned business enterprise
WBENC	Women’s Business Enterprise National Council
YOU	Youth Opportunities Unlimited

APPENDIX A: 2016 Federal Reserve Bank of Cleveland Core OMWI Metrics

Workforce Diversity, 2012–2016								
Description	Measure		2012	2013	2014	2015	2016	Comments/Notes
Senior executives	Total	#	13	13	13	13	13	The data incorporated within this section of the template are based on payroll periods submitted to the EEOC for compliance mandated by federal statute and regulations.
	Minorities	%	8	8	8	8	8	
	Women	%	31	31	38	38	38	
Midlevel managers	Total	#	163	169	164	169	163	
	Minorities	%	14	13	13	15	15	
	Women	%	39	37	41	41	42	
Professionals	Total	#	493	513	526	553	553	Workforce transitioned from process-based to knowledge-based operations.
	Minorities	%	16	19	18	18	19	
	Women	%	42	42	41	42	43	
Total external hires	Total	#	90	92	71	92	101	Excludes contract workers, hourly workers, and interns.
	Minorities	%	32	28	25	30	32	
	Women	%	41	33	38	35	45	
Total interns	Total	#	20	25	24	27	26	Restructuring of specific functional areas occurred during the 2012 and 2016 calendar years.
	Minorities	%	30	28	33	37	46	
	Women	%	40	36	42	30	65	
Overall bank turnover rate		%	11.9	7.7	5.6	7.7	12.2	

Supplier Diversity Spend, 2012–2016								
Total reportable spend		\$	30,605,502	28,009,551	33,366,788	27,104,363	33,197,444	Dollars and percent figures by demographics are provided by the National Procurement Office Spend Model for 2016.
Total diverse spend¹		\$	2,386,935	1,911,339	4,124,847	3,086,756	8,908,754	
		%	7.80	6.82	12.36	11.39	26.84	
Minority-owned²		\$	374,684	551,987	1,733,137	1,075,772	5,280,786	
		%	1.22	1.97	5.19	3.97	15.91	
Minority-owned (<i>Men</i>)		\$	294,114	406,280	1,519,698	819,938	4,982,936	
		%	0.96	1.45	4.55	3.03	15.01	
Minority-owned (<i>Women</i>)		\$	80,570	145,707	213,439	255,834	297,850	
		%	0.26	0.52	0.64	0.94	0.90	
Women-owned²		\$	2,012,251	1,359,352	2,391,710	2,010,984	3,627,968	
		%	6.57	4.85	7.17	7.42	10.93	
Women-owned (<i>Nonminority</i>)		\$	2,012,251	1,359,352	2,391,710	2,010,984	3,333,023	
		%	6.57	4.85	7.17	7.42	10.04	
Women-owned (<i>Minority</i>)		\$	NA*	NA*	NA*	NA*	294,945	
		%					0.89	

¹ Total Diverse Spend = Minority-owned + Women-owned.

² Women-minority numbers are included in both Minority-owned and Women-owned Totals.

* NA: Not available

Financial Literacy ¹		
Program type	2016	
Teacher-centric (3) Student-centric (16) Hybrid (0)	19	¹ Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus.
Number of students²	534	OMWI-targeted schools are considered to be inner-city, majority-minority, and all-girls high schools.
Number of educators³	137	² Students who attended in-person programs and enrolled in online programs.
Number of students reached⁴	10,275	³ Educators who attended in-person programs and enrolled in online professional development programs.
		⁴ Students reached through educators using a common multiplier of 75.

APPENDIX B: 2016 Federal Reserve Bank of Cleveland Employer Information Report

Job categories		White		Black or African American		Asian		Hispanic or Latino		American Indian or Alaskan Native		Native Hawaiian or Pacific Islander		Two or more races		GRAND TOTAL
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	
Executive/senior officials & managers	♀	7	5	1	0	0	0	0	0	0	0	0	0	0	0	13
	%	53.8	38.5	7.7	0	0	0	0	0	0	0	0	0	0	0	
First/midlevel officials & managers	♀	84	54	2	11	5	3	2	0	0	0	0	0	1	1	163
	%	51.5	33.1	1.2	6.7	3.1	1.8	1.2	0	0	0	0	0	0.6	0.6	
Professionals	♀	270	180	21	33	16	14	5	5	2	0	1	0	3	3	553
	%	48.8	32.5	3.8	6.0	2.9	2.5	0.9	0.9	0.4	0	0.2	0	0.5	0.5	
Technicians	♀	1	1	0	0	0	0	0	0	0	0	0	0	0	0	2
	%	50.0	50.0	0	0	0	0	0	0	0	0	0	0	0	0	
Administrative support	♀	12	40	2	21	0	0	0	2	0	0	0	0	0	0	77
	%	15.6	51.9	2.6	27.3	0	0	0	2.6	0	0	0	0	0	0	
Craft workers	♀	24	0	2	0	0	0	1	0	0	0	0	0	0	0	27
	%	88.9	0	7.4	0	0	0	3.7	0	0	0	0	0	0	0	
Operatives	♀	9	6	4	8	0	1	1	1	0	0	0	0	0	1	31
	%	29.0	19.4	12.9	25.8	0	3.2	3.2	3.2	0	0	0	0	0	3.2	
Service workers	♀	48	3	11	4	0	0	6	0	1	0	1	0	0	1	75
	%	64.0	4.0	14.7	5.3	0	0	8.0	0	1.3	0	1.3	0	0	1.3	
GRAND TOTAL	♀	455	289	43	77	21	18	15	8	3	0	2	0	4	6	941
	%	48.4	30.7	4.6	8.2	2.2	1.9	1.6	0.9	0.3	0	0.2	0	0.4	0.6	

♂ Male representation ♀ Female representation Dates of payroll period: 08.16.2016—08.31.2016 | Certification date: 09.20.2016

APPENDIX C: Procurement Spend, Five-Year Trend

	Fiscal Year/Calendar Year				
	2012	2013	2014	2015	2016
TOTAL SPEND	\$ 30,605,502	\$ 28,009,551	\$ 33,366,788	\$ 27,104,363	\$ 33,197,444
Minority-owned	\$ 374,684	\$ 551,987	\$ 1,733,137	\$ 1,075,772	\$ 5,280,786
	% 1.22	% 1.97	% 5.19	% 3.97	% 15.91
Women-owned	\$ 2,012,251	\$ 1,359,352	\$ 2,391,710	\$ 2,010,984	\$ 3,627,968
	% 6.57	% 4.85	% 7.17	% 7.42	% 10.93
Both minority-owned and women-owned	\$ 2,386,935	\$ 1,911,339	\$ 4,124,847	\$ 3,086,756	\$ 8,908,754
	% 7.80	% 6.82	% 12.36	% 11.39	% 26.84

Ethnicity Spend Breakdown for MBE - Reported in Thousands

	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or Pacific Islander	Two or more races
2016	\$ 412	\$ 4,802	\$ 0	\$ 12	\$ 56
	% 1.24	% 14.46	% 0	% 0.04	% 0.17

Note: Dollar amounts are reported in thousands, and rounding errors may occur.

Inquiries concerning this report should be directed to **OMWI@clev.frb.org**.

Cleveland

1455 East Sixth Street
Cleveland, OH 44114
216.579.2000

Cincinnati

150 East Fourth Street
Cincinnati, OH 45202
513.721.4787

Pittsburgh

One Oxford Center, Suite 3000
301 Grant Street
Pittsburgh, PA 15219
412.261.7800

FEDERAL RESERVE BANK *of* CLEVELAND