



Federal Reserve Bank of San Francisco

# OMWI

Office of Minority and Women Inclusion

2015 Annual Report to Congress



## BANK LEADERSHIP

*From left to right:*

**Rita Aguilar**

*Vice President, Diversity and EEO*

**Mark Gould**

*First Vice President and Chief Operating Officer*

**Susan Sutherland**

*Senior Vice President and OMWI Director*

**John Williams**

*President and Chief Executive Officer*



## KEY BUSINESS PARTNERS

*From left to right:*

**Jody Hoff**

*Economic Education Manager*

**Joseph Loroño**

*Recruiting Manager*

**Lynn Reddrick**

*Supplier Diversity Program Manager*



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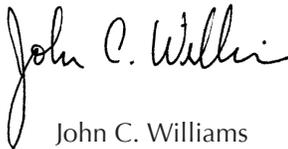
## Letter & Introduction

We are pleased to provide to Congress the 2015 Annual Report of the Office of Minority and Women Inclusion (OMWI) at the Federal Reserve Bank of San Francisco.

The Bank continued to make good progress on its OMWI-related objectives during 2015. As senior leaders and champions for diversity and inclusion in the Bank, we support diversity and inclusion as articulated in our 2016 strategic direction. Specifically, one of the tenets of our Bank's values is respect for the diversity of our people, ideas, and experiences. This core belief is an inherent part of our culture that is reinforced through our goal to invest in an exceptional workforce by attracting and retaining diverse and engaged employees.

This commitment extends to supporting our work throughout the Bank to ensure equal access for minorities and women to employment and business opportunities, and to expand the reach of financial education programs. Overall, we are encouraged by the results the Bank has achieved during the year, and are committed to continuing efforts to identify and implement practices that will further the Bank's diversity and inclusion objectives. As in past years, 2015 brought both successes and challenges. This report will provide you with information on our progress, and our plans for advancing OMWI-related objectives.

Of note on the Bank's OMWI leadership, Susan Sutherland, OMWI Director since its inception in 2011, retired in January 2016. In March 2016, Rita Aguilar, Vice President of Diversity and EEO, was selected to replace Susan as OMWI Director.



John C. Williams  
*President and Chief Executive Officer*



Mark A. Gould  
*First Vice President and Chief Operating Officer*



*Director, Office of Minority and Women Inclusion*

## Executive Summary

The Federal Reserve Bank of San Francisco (“the Bank”) is committed to the diversity of its workforce and to the inclusion of minority- and women-owned businesses in the Bank’s procurement of goods and services. We are pleased to report that the Bank continues to make progress toward achieving results in our diversity and inclusion objectives.

The Bank’s Executive Committee, composed of senior leaders in the organization, recognizes the significant value that a diverse workforce with rich perspectives contributes to carrying out the Bank’s mission. The Committee is committed to sustaining a culture that is inclusive of all individuals regardless of their characteristics or background, and which encourages each employee to contribute to his or her fullest potential. It acknowledges that the Bank benefits from being visibly diverse at all levels of the organization to attract, motivate, develop, and retain a high performing workforce. This includes our boards of directors and advisory groups, the former of which are comprised of thirty-seven members, of which 30 percent are female and 27 percent are minority. The Executive Committee also champions the principle of equal access and procurement opportunities for minority- and women-owned businesses.

The Office of Minority and Women Inclusion (“OMWI”; “the Office”) is integrated into the Office of Diversity & Inclusion (“ODI”) so that the Office is part of a broad umbrella of diversity-related functions and activities. The ODI complies with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”) by seeking to ensure: (1) the diversity of the Bank’s workforce at all levels; (2) the fair inclusion of minority- and women-owned businesses in the business and activities of the Bank; (3) that the Bank’s contractors, and subcontractors as applicable, are fairly including minorities and women in their workforce; and (4) that the Bank’s financial education curriculum reaches a diverse audience. This annual Report, as stipulated by Section 342, describes the successes and challenges the Bank and the ODI experienced during 2015. Assessment of inclusion programs in regulated entities is the responsibility of the Board of Governors of the Federal Reserve System, and therefore is not addressed in this Report.

During 2015, the ODI worked closely with officers and managers from Human Resources, Procurement, and Community Development and Public Information, along with our Executive Committee and other Bank leaders, to achieve three strategic objectives:

- Enhance the diversity of the workforce at all levels in the organization, including minority and female representation consistent with labor market availability.
- Increase the number of small, minority- and women-owned businesses that participate in our procurement efforts.
- Enhance our financial and economic education efforts to build awareness of the Federal Reserve System, and to inspire youth to explore careers in business, economics, and finance.

During 2015, the Bank’s efforts to recruit and retain a diverse workforce included these accomplishments:

- Hiring 190 new employees. The majority of our external hires, 72 percent, were to management and professional positions, ranging from entry-level analyst to officer positions. Of those, 50 percent were minority and 40 percent female.
- Introducing the “OneBank Behaviors” model that establishes a common set of professional behaviors at all levels of the organization that will help to build a culture of thought leadership, and create an atmosphere that attracts and retains top talent.
- Hosting a diverse group of 32 interns of which 72 percent were minority and 59 percent were women, including individuals recruited through partnerships with Students Rising Above and Scholarship for Service. Most noteworthy, six interns that graduated from the program accepted full-status positions with the Bank.

The Bank’s Supplier Diversity Program efforts resulted in the following accomplishments:

- Continuing the trend of significantly increasing spend with minority- and women-owned businesses to \$18.6 million in 2015 compared to \$10.5 million in 2014 — a 77 percent increase.

- Receiving four awards in 2015 from the minority- and women-owned business community, recognizing the Bank's commitment to engage, support, educate, and connect.
- Increasing the Bank's visibility in the supplier diversity community, both nationally and in our District, through outreach, attendance, and hosting of events for advocacy groups.

Highlights of the Bank's financial education efforts included:

- Expanding our outreach efforts through the use of various content delivery mechanisms such as:
  - Launching a podcast series titled *Does College Matter?* that features minority and women entrepreneurs sharing their own personal journeys after high school with the goal of inspiring and informing students.

- Publishing a new book, *What It's Worth: Strengthening the Financial Future of Families, Communities and the Nation*, that explores the topic of financial well-being, with particular relevance on minority communities.
- Continuing to develop the second lesson for the three-part online course *Invest in What's Next: Life after High School*, in partnership with the Federal Reserve Bank of Richmond.
- Partnering with the Congressional Hispanic Caucus Institute's "Ready to Lead" program, and participating in the Federal Reserve System's nation-wide Financial Education Day.

Additional details, including some of the challenges we experienced during the year and next steps for 2016, are outlined more fully in the remainder of this Report. Overall, we are encouraged by the progress made in 2015 and look forward to implementing our plans for 2016. ■

Figure 1. Twelfth District of the Federal Reserve System



## Bank Overview

The Federal Reserve Bank of San Francisco established the Office of Minority and Women Inclusion (“OMWI”) in accordance with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. In 2015, the Bank’s Office of Minority and Women Inclusion was headed by Susan Sutherland, Senior Vice President and Director of the OMWI. Ms. Sutherland was joined by Rita Aguilar, Vice President, Diversity and EEO Officer to oversee EEO compliance and lead diversity and inclusion efforts.

The Director, the Bank’s Diversity and EEO Officer, and two analysts comprise the staff of the OMWI. To meet the obligations of the Office, we draw on existing personnel from a range of functions, including the officers and man-

agers from the Human Resources, Procurement, and Community Development and Public Information functions, as well as the Bank’s Diversity Council, its Employee Resource Groups (ERGs), and others who, over the years, have championed and contributed to the progress of the Bank’s diversity objectives.

### Regional Geography

The Federal Reserve Bank of San Francisco, the Twelfth District of the Federal Reserve System as illustrated in Figure 1, is the largest district geographically. The District’s estimated 66.1 million people accounted for nearly 21 percent of the total U.S. population in 2014. The District also ranks first in the size of its economy; its 27.2 million workers accounted

for about 19 percent of the nation's total nonfarm employment and those workers earned close to 21 percent of the nation's total personal income in 2014. Altogether, District states accounted for over 21 percent of the nation's exports of manufactured goods in 2014.

In addition to the head office in San Francisco, four branch offices are located in Los Angeles, Portland, Salt Lake City, and Seattle, along with a cash processing center in Phoenix. As of December 31, 2015, the Bank's workforce was comprised of 1,654 employees. Appendix A provides additional detail on the Bank's workforce composition as reported to the Equal Employment Opportunity Commission.

## The Work of the Bank

The mission of the Federal Reserve Bank of San Francisco is to promote low inflation, full employment and financial stability, and to provide services to financial institutions and the U.S. Treasury.

Key functions that support our mission are:

**Cash Product Office** (CPO) provides product strategy, policy development, business direction, and automation tools and operational support to all Reserve Banks to meet global demand for U.S. currency and coin.

**Cash Services** provides currency and coin to financial institutions in the Twelfth District.

**Community Engagement** promotes community development across the District through research and analysis, education and training, and by convening financial institutions, community-based organizations and government entities to address community development issues affecting lower-income individuals and communities. It also delivers economic education programs to K-12 and university students, and economic outlook speeches to a range of business groups.

**Economic Research** conducts research on monetary policy, banking, financial markets, and the regional economy. The function also hosts the Center for Pacific Basin Studies (CPBS), a program to promote cooperation among central banks in the region and enhance public understanding of major Pacific Basin monetary and economic policy issues.

**Financial Institution Supervision and Credit** (FISC) includes the functions of: supervision of financial institutions and credit risk management. The supervision function promotes

*The mission of the Federal Reserve Bank of San Francisco is to promote low inflation, full employment and financial stability, and to provide services to financial institutions and the U.S. Treasury.*

a safe, sound, and stable banking and financial system through its oversight of state-chartered member banks, bank holding companies, and foreign banking organizations operating in the Twelfth District. They do this through a combination of on-site examinations and off-site activities, which include processing applications, conducting surveillance and risk monitoring, and instituting enforcement actions, when warranted. The credit risk management function promotes economic stability and provides liquidity to the payment system by serving as a contingency lender to depository institutions through its discount window and payment system risk activities.

**Information Technology Services** delivers innovative, business-oriented technology solutions to a broad base of District and Federal Reserve System customers.

**Public Affairs** communicates, educates, and increases understanding of the work and structure of the Federal Reserve to foster public confidence in the nation's central bank. It also manages media relations, the Bank's social media presence, and Congressional outreach programs.

**Statistics** collects and analyzes regulatory and financial report data from depository institutions that are used for myriad purposes, such as determining the nation's money supply, interest rates, and financial institution compliance with regulations.

In addition to these core functions and the OMWI, the Bank has a variety of support functions, including Accounting, Human Resources, Procurement, Legal, Police Services, and Facilities, all of which aid the Bank in meeting its mission. ■



*A Federal Reserve Bank of SF recruiter meeting with a potential candidate at a college recruiting event.*

## Employment of Minorities and Women

The Federal Reserve Bank of San Francisco is committed to equal employment opportunity and to promoting a workplace climate in which all employees are respected regardless of race, color, religion, national origin, age, sex, sexual orientation, gender, gender identity, physical or mental disability, veteran status, genetic information, or because an individual has exercised rights protected by applicable federal law.

Also, in compliance with Section 342, the Bank has taken steps to augment its efforts related to the recruitment and retention of minorities and women. This commitment goes beyond legal compliance. The Bank's leadership believes there is significant value to the contributions that a diverse workforce can make to achieve the Bank's business objectives, and this conviction is reflected in the core values of the Bank's 2016 Strategic Direction: "We respect the diversity of our people, ideas, and experiences." Further, one of the Bank's goals is to invest in an exceptional workforce whereby we "attract and retain diverse and engaged employees."

### Successes

The Bank has a robust system of programs and practices that support the Bank's diversity and inclusion objectives, including many recognized best practices among diversity experts. In 2015, the Bank continued these programs to

promote equal access to employment and advancement opportunities for all employees and candidates for employment. We are pleased to report the following activities and successes that demonstrate our efforts toward employment of a diverse workforce.

### 1. Demonstrated Leadership Commitment

**Leadership Commitment** – A newly re-chartered Diversity Council chaired by Senior Vice President Jim Narron in partnership with the Office of Diversity and Inclusion launched in May 2015. Through its chair and its membership, the Diversity Council has a direct line to the Bank's lines of business and will report to the Executive Committee on its objectives. This year, the Executive Committee approved a strategic framework that will guide the Diversity Council's work in the areas of:

- Recruitment, talent management, and employee engagement
- Inclusion and responsiveness to diversity of thought, including leveraging the Bank's Employee Resource Groups
- Inclusion of minority- and women-owned businesses
- Outreach to the community

**Learning and Growth** – A successful officer leadership event was held in September titled, “Engage. Enable. Excel.” It focused on the importance of being thought leaders and championing and modeling behaviors that make the Bank’s culture one where innovation and collaboration thrive. The event featured Richard Lyons, Dean of UC Berkeley’s Haas School of Business, and focused on the importance of building the future from within by creating intentional cultures.

The senior executive team, which includes President John Williams and First Vice President Mark Gould, were central participants in the event. It introduced the “OneBank Behaviors” model that established a common set of professional behaviors at all levels of the organization that will help build a culture of thought leadership and create an atmosphere that attracts and retains top talent.

The Bank offers two mentoring programs that seek to reinforce an inclusive culture by retaining skilled employees, developing future leaders and helping employees appreciate their own importance to the Bank. The two programs are:

- OneBank Peer Mentoring Program which brings together managers, supervisors and team leads in an informal confidential group setting to network and learn from other people managers on day-to-day management issues and challenges. Participation increased to 74 participants in 2015, much higher than the 41 participants in 2014.
- FRBSF Mentor Bank is designed to allow employees at any level in the organization to select from a group of qualified mentors to assist in individual and professional growth at the Bank. Participation in the FRBSF Mentor Bank program for 2015 included 40 pairings between mentors and mentees.

**Culture and Climate** – The Bank launched a redesigned frbsf.org external website with the goal of sharing with the public the impactful work of the Bank. The new website highlights the story of the diverse cultures of the employees at the Bank through a section called “#unreserved”, which is a collection of stories written about employees and their experiences working at the Bank. These stories help showcase the diversity and inclusiveness of the Bank’s culture and staff.

The Bank’s Employee Resource Groups (ERGs) are employee-driven affinity groups with Bank officer sponsorship that promote a sense of community and engagement, provide professional development opportunities, and allow employees to contribute to the Bank’s objectives outside their routine assignments. Highlighted below are some of the activities hosted by the identity-based ERGs.

#### Women’s Professional Network

- Hosted three “Coffee Talks” with female executive leaders, which offered attendees the opportunity to hear

about these leaders’ careers, and to engage in discussion about professional and career development.

- Expanded its Buddy Program which pairs new employees with more tenured employees, to provide support on topics such as Bank culture and increasing networks across the Bank.

#### 12LGBTF

- Spearheaded an education campaign in the month of June featuring information on Pride Month, the significance of the rainbow flag, and articles on adoption and surrogacy.
- Hosted a panel discussion titled, “Adoption or Surrogacy: the Path to Parenthood.” The panel consisted of Bank employees, adoption and surrogacy subject matter experts, and a sitting Los Angeles Branch board director. Panelists shared poignant individual stories of navigating the adoption and surrogacy process as LGBT parents.

## **2. Recruited a Diverse Workforce**

The Federal Reserve System’s recruiting strategy uses a collaborative and cost-effective approach toward participation in five national diversity-focused conferences and collaborates with local Banks for regional conferences. Diversity advertising via online, print, and Systemwide social media vehicles aligns with conference presence and positioning the System as an employer of choice. Locally, the Bank’s ongoing recruitment strategy aligns closely to the System’s approach and includes broad participation in professional and university career outreach events, an emphasis on establishing an online brand and presence through social media, as well as partnerships with professional and community organizations to achieve a diverse applicant pool.

**Hiring Summary** – In 2015, the Bank hired 190 new employees. The majority of our external hires, 72 percent, were to management and professional positions, ranging from entry-level analyst to officer positions. Of those, 50 percent were minority and 40 percent were female.

**Executive Search Firm Assistance** – In 2015, the Bank contracted with a minority-owned executive search firm specializing in diversity hiring to lead recruitment for several executive vacancies. The search firm assisted the Bank with filling key executive vacancies in the Audit and Human Resources divisions. Both hires were minorities and one a woman. The Bank has begun to negotiate contracts with several other minority-owned firms specializing in diverse candidate slates.

**Partnerships with Professional Associations** – The Bank continued to proactively source diverse talent and partici-

pated in career events hosted by professional organizations including the local and national chapters of the National Society of Hispanic MBAs (NSHMBA), National Black/African-American MBAs (NBMBA), the Association of Latino Professionals in Finance and Accounting (ALPFA), Reach Our MBA's, Women in Technology, Women in Federal Law Enforcement (WIFLE) and RecruitMilitary.

The Bank continued to partner with local STEM (science, technology, engineering, and mathematics) and community-focused initiatives to help increase visibility as an employer of choice for young women and minorities in the technology and engineering fields.

**FRB GOLD Internship Program** – This program is a key initiative in developing a strong “entry level” pipeline for the Bank. The Bank continued its enhanced use of the program as a vehicle for marketing the Bank’s career opportunities to broader audiences.

- The Bank hosted a diverse group of 32 interns. Of the group, 18 were female (59 percent) and 23 ethnically diverse (72 percent). The Bank continued to leverage its partnerships with Students Rising Above, which provides corporate internship and placement opportunities for low-income individuals who are first-generation college students; and Scholarship for Service, a program funded by the National Science Foundation that seeks to increase the number of qualified students entering the fields of information assurance and cyber-security. Six of the 32 interns were sourced as a direct result of our partnerships with the two entities.
- The program continued to make progress with regard to the conversion of interns to full status positions. Six former interns from the 2013 and 2014 intern class were offered, and accepted, full-time positions with the Bank. In addition, four of the 32 interns from 2015 were extended through the end of the year, and it is anticipated that full-time offers will be extended to four of the 2015 interns. The Bank is aggressively exploring a full-time conversion plan with executive leadership, targeting a conversion rate of 40 percent in 2016-2017.
- The Bank partnered with a variety of universities within the District including Santa Clara University, CSU Sacramento, Washington State University, University of Washington, Cal State East Bay, UC Berkeley, CSU Long Beach, Boise State, San Francisco State University, and UC Davis, to expand our outreach for potential intern candidates. The Bank is also exploring ongoing partnerships with the Mayors Youth Jobs program which targets ethnically diverse, high performing students within the San Francisco Unified School District, San Francisco

State University, University of San Francisco, as well as several Bay Area junior and community colleges.

**Career Fairs** – The Bank participated in 18 career fairs targeting diverse candidates including:

- National Society of Hispanic MBAs
- National Society of Black MBAs
- Diversity HIREvents (in partnership with television station KGO 7)
- Scholarships for Service
- Students Rising Above
- Lee Hecht Harrison (virtual fair)
- Reach Out MBA
- Women in Technology (WITI)
- Thurgood Marshall

**Veteran and Military Events** – The Bank participated in several military- and veteran-focused events. Our diversity partner, RecruitMilitary, held an event in Oakland, CA that generated over 75 resumes. The Bank also attended two events in the Seattle, WA area in collaboration with Joint Base Lewis-McCord. These events catered to empowering veterans transitioning from active service into professional and private industry roles.

**Collaboration with the Financial Education Team** – The Bank’s Talent Acquisition function continued its collaboration with the Financial Education function in outreach to community colleges and cohorts. The Bank continued to participate in the Academy of Business Leadership and hosted the Mountain Pacific Association of Colleges and Educators (MPACE). Those events were attended by an ethnically diverse population.

**Online Advertising** – The Bank continued to utilize a broad range of online recruitment tools to source diverse candidates. Targeted sites in this plan year included Women for Hire, Women in Technology, WIFLE.org, NACELink, Career-BUILDER Diversity, and the California Job Journal. The Bank also utilized DiversityJobs.com (SanFranciscoJobs.com), in association with the California Local JobNetwork, which provides online gateways to over 200 diversity “partners,” state employment development offices, and community-based organizations. Additionally, the Bank continued to leverage and partner with social network sites including Glassdoor, LinkedIn, and Facebook, as well as System feeds through TalentVine (alumni-focused) initiatives.

**Print Advertising** – The Federal Reserve System was prominently featured in career-oriented advertisements in both the Hispanic Network Magazine and Professional Woman’s Magazine. These magazines were distributed at the 2015 National Society of Hispanic MBA conference as well as the National Black MBA Association conference.

### 3. Emphasized Staff Development and Retention

**Training for Hiring Managers** – Human Resources continued to offer training for all potential interviewers and is planning on enhancing future training to include an updated competency model – OneBank Behaviors. The current training curriculum consists of content that is intended to reduce implicit bias and improve behavior-based hiring. This includes the use of “diversity slate” reports provided post hire to hiring teams, that indicate applicant flow demographics through the various interview and selection stages to increase awareness of unintended bias.

**System Leadership Initiative (SLI)** – This development program for the Federal Reserve System’s key talent is sponsored by the Reserve Bank Presidents. In 2015, two conferences were offered at the emerging and senior executive leadership tiers. Notably, sessions on bias, particularly unconscious bias, were presented by an industry expert at both conferences. The SLI team has worked to evolve the content and worked with all speakers to address broader collaboration, engaging different perspectives and getting the most from leading diverse teams. As the leadership conferences reach a broad pipeline of talent across the System, the OMWI directors and SLI continued to collaborate to expand the content and discussion of diversity and inclusion.

#### Challenges

- The Bank continued to face significant hiring challenges relating to the employment of minorities and women. Nearly 25 percent of the vacancies filled in the District in 2014-2015 were in the technology sector, and while the availability of minorities and women in the District is adequate, that pool is significantly impacted by the increasing number of technology companies and new enterprises locally. These organizations have significantly increased their outreach and presence at external outreach events, and in some cases have exhausted space availability for organizations to participate. In addition, growing monetary investment in “diverse recruitment activity” as illustrated in several national print articles, mass media outlets and internet communication has created further competition and hiring constraints.

- While the Bank focused on national markets to offset the highly competitive local labor market, it continued to experience growing reluctance of diverse candidates to relocate to the region due to the steady increase in housing costs and reduced availability of affordable housing. The Bank will continue to look for ways to address these challenges, including alternate work arrangements (remote work, flexible hours) as a way to offset this challenge, as well as working with impacted business areas to increase their use of remote, flexible work arrangements.

#### Next Steps

The Bank is committed to enhancing the diversity of the workforce at all levels in the organization, including minority and women representation consistent with labor market availability, through targeted sourcing and outreach activities that promote awareness of job opportunities, and inspire youth to consider education and careers in finance. Our action plan for 2016 includes the following:

- Increase targeted outreach to diverse community groups and partners, develop new partnering opportunities, and increase communication of the Bank’s business objectives and career opportunities to a broader audience.
- Enhance training programs for hiring managers and other interviewers in interview and selection skills to standardize selection criteria based on OneBank Behavior objective performance indicators, and mitigate the impact of hidden biases in hiring through the deployment of classroom and electronic learning modules.
- Continued dissemination of post-hire diversity slate data to hiring teams with a broader inclusion of senior Bank leadership.
- Continued focus on the Bank’s use of summer student internships and implementation of defined conversion targets, and assertively marketing full-time opportunities for conversion-eligible interns.
- Enhance the Bank’s university outreach strategy to include local universities, historically Black colleges and universities, and Hispanic colleges and universities by creating university/campus outreach teams, and utilizing applicant data to track return on initiative information. ■



*Bank employees with Bay Area supplier diversity professionals at the “Best Practices in Supplier Diversity Summit” held at the Federal Reserve Bank of SF.*

## Inclusion of Minority- and Women-Owned Businesses

The Bank is committed to ensuring, to the maximum extent possible, the fair inclusion of minority- and women-owned businesses in the Bank’s procurement efforts. This commitment includes:

- Communication of the supplier diversity policy and initiatives to Bank staff.
- Development and maintenance of a comprehensive outreach program.
- Outreach efforts to familiarize minority- and women-owned businesses with the Bank’s supplier needs and procedures.

Further, it is the Bank’s policy to require that contractors will ensure, to the maximum extent possible, the fair inclusion of minorities and women in their workforces, and as applicable, the workforces of their subcontractors. The Bank’s ODI is responsible for ensuring compliance with this policy.

### Successes

The Bank has a primary objective to increase the opportunity for minority- and women-owned businesses to compete for the Bank’s business. The Bank has an established Supplier Diversity Policy, strongly endorsed by the Bank’s

senior management, which is the foundation for our plans and procedures. The Bank’s Procurement Division’s procedures, established four years ago using the best practice guidelines of the National Minority Supplier Development Council (NMSDC), were assessed in 2015 and compared to the other Reserve Banks.

The minority- and women-owned business community recognized the Bank’s commitment to engage, support, educate, and connect. The Bank received four awards in 2015 from our regional partners of NMSDC and Women’s Business Enterprise National Council (WBENC).

Additionally, the Federal Reserve System’s OMWI directors and supplier diversity managers collaborate to identify opportunities that will further the Federal Reserve’s supplier diversity objectives, including national outreach efforts, collective participation in national conferences, and development of capacity building and technical assistance initiatives.

We are pleased to report on a number of activities and successes related to the Bank’s supplier diversity objectives:

### Amounts Paid to Contractors

The Bank’s total spend reported below includes expenditures on procurements that both the Bank and the National Procurement Office originated. For the 2015 fiscal year,

the Bank's total expenditure on goods and services was \$70.0 million<sup>1</sup>. Of that amount, payment to minority- and women-owned businesses account for \$18.6 million or 26.5 percent. This expenditure represents an \$8.1 million or 77.4 percent increase over 2014.

- Percentage of above paid to minority-owned businesses<sup>2</sup>: 23.9 percent or \$16.7 million – a 112.7 percent or \$8.9 million increase over 2014.
- Percentage of above paid to women-owned businesses: 2.6 percent or \$1.8 million – a 29.6 percent or \$0.8 million decrease over 2014.

The key factors that contributed to the Bank's substantial growth in spend with minority-owned businesses included the consolidation of the Bank's contingent staffing services to a managed service provider and awarding that contract to a minority business only partially offset by the loss of incumbent minority businesses in the contingent staffing space. The decrease in spend with women-owned businesses is primarily attributable to the loss of incumbent women businesses in the contingent staffing space.

A four-year trend of the Bank's procurement spend with minority-owned and women-owned businesses is attached as Appendix D.

### **1. Continued Outreach and Networking**

The Bank continued to increase its visibility in the supplier diversity community, both nationally and within the District, through outreach, communication, and technical assistance events. This increased visibility was achieved through both Federal Reserve System and Bank-initiated activities.

- The Bank hosted and participated in 32 "matchmaking" and networking events, and two national conferences for minority- and women-owned businesses. Specifically, the Bank's supplier diversity representatives attended and participated in events hosted by the following advocacy groups:
  - National Minority Supplier Development Council (NMSDC)
  - Women's Business Enterprise National Council (WBENC)
  - Western Regional Minority Supplier Development Council
  - Southern California Minority Supplier Development Council

*The Bank continued to increase its visibility in the supplier diversity community, both nationally and within the District, through outreach, communication, and technical assistance events.*

- Northwest Mountain Minority Supplier Development Council
- Astra Women's Business Alliance
- Women's Business Enterprise Council - West
- U.S. Pan Asian American Chamber of Commerce
- California Hispanic Chamber of Commerce
- Financial Services Roundtable for Supplier Diversity
- Asian Commercial Professionals
- Bay Area Business Roundtable
- San Francisco Small Business Week
- Rainbow Push Tech 2020 Summit
- The Greenlining Institute / Comerica Bank
- California Public Utilities Commission (CPUC) Small Business Program
- The Bank planned, hosted, and participated in these 11 technical assistance meetings:
  - Three technical assistance workshops for the Southern California Women's Business Enterprise National Council (WBENC) regional partner that provided guidance on vendor registration, marketing plan, and capability statement development, 30-second and two-minute business pitch assessments, and supplier diversity panel discussion on tips to market their business to potential customers.
  - Northern California Leadership Forum technical assistance workshop for the Astra Women's Business Alliance regional partner that included a workshop on the strategies to create a competitive advantage in "sources sought" responses for government contracting.
  - Minority Business Enterprise Input Committee general assembly meeting for the local Minority Supplier Development Council, which included workshops on persuasive communication and winning business by

<sup>1</sup> The total dollar amount of spend (includes all vendor payments except those made for/to association memberships, dues and fees; international banks; charities; inter-company/inter-Fed transfers; government payments; legal settlements; payment network fees; rent; and utilities).

<sup>2</sup> Minority women-owned business spend is captured in spend for minority-owned businesses and is not double counted in the women-owned business spend category.

delivering the right experience. A second Minority Business Enterprise (MBE) Input Committee meeting for the voting members and interested certified MBEs was held and included a Bank tour.

- Local Asian Commercial Professionals business group technical assistance and networking event including how to do business with the Bank.
- 2015 Diverse Investor Forum West conference and one-on-one meetings.
- Bay Area Supplier Diversity Best Practices Summit with Astra Women's Business Alliance. The Summit included an economic outlook for small businesses presentation by a Bank economist.
- Super Bowl 50 Committee's Business Connect Program Technical Assistance Workshops for certified minority- and women-owned businesses to enhance their opportunities to participate in Super Bowl 50 contracts. The day-long meeting included speakers, one-on-one counseling sessions, and a networking reception.
- Operation Hope's Small Business Certification Seminar for local minority- and women-owned businesses. The seminar included two panel discussions covering the types of certifications, the benefits of becoming certified, the certification process, developing capability statements, access to capital options, and networking. The Supplier Diversity manager moderated the certification options and process panel.
- The Bank attended an Astra Women's Business Alliance Economic Summit, the Greenlining Institute's Economic Summit, the California Hispanic Chamber of Commerce Statewide Procurement Matchmaking, San Francisco Small Business Week workshop and networking events, California Public Utilities Commission's (CPUC) Small Business Fair and matchmaking event, and a U.S. Pan Asian American Chamber of Commerce West networking event.
- The supplier diversity manager attended quarterly Financial Services Roundtable for Supplier Diversity meetings, actively participating in the membership subcommittee, executive committee, and serving as a co-secretary on its board of directors.
- The supplier diversity manager attended Astra Women's Business Alliance board of directors meetings and contributed on its strategic plan development, and succession planning initiatives.
- The procurement services manager and supplier diversity program manager reestablished a relationship with the Minority Business Development Agency (MBDA) Bay Area offices, and met to discuss future opportunities to

provide technical assistance and utilize MBDA's network of MBEs as a sourcing tool.

## **2. Drove Awareness and Engagement**

The Bank continued to drive awareness and engagement in its supplier diversity objectives by:

- Conducting eight business division training sessions in sourcing diverse suppliers, including launching and promoting an internal web portal to support the supplier diversity program and providing expanded resources for all business divisions.
- Completing 21 diverse vendor sourcing assistance requests to departments.
- Presenting supplier diversity program updates and vendor search demonstration at the District Facilities Management conference.
- Working with business areas to identify short- and long-term contracting opportunities in 17 Bank divisions covering 2015-2016.
- Using social media (Twitter and Facebook) to announce its presence and invite attendees to visit the FRS booth at the WBENC and NMSDC national conferences.

## **3. Enhanced Supplier Diversity Program Operations**

The Bank continued its efforts to identify best practices and enhance its supplier diversity program. Activities in 2015 included the following initiatives:

- Co-chaired the System's Supplier Diversity Program Managers Workgroup, which was established to provide a forum for ongoing discussion and implementation of best practices, and collaboration around Federal Reserve initiatives. The workgroup worked to enhance Federal Reserve System visibility at national conferences, enrich metrics, update individual Federal Reserve Bank performance assessments based on National Minority Supplier Development Council best practices, and planned and participated in the September 29 – October 1 System Supplier Diversity and Procurement Summit: Driving Stakeholder Engagement and Value.
- Joined the Federal Reserve System OMWI Council Supplier Diversity Work Group.
- Attended bi-monthly Bay Area Business Roundtable networking meetings and Executive Council meetings.
- Participated in quarterly Supplier Diversity Best Practices Summits in the Bay Area and Seattle discussing current supplier diversity issues and initiatives.
- Attended NMSDC National Corporate Member Supplier Diversity Program Managers Seminar.

#### 4. Awards and Recognition

- 2014 MBE Choice Award for a corporation that demonstrated commitment to MBEs at the Western Regional Minority Supplier Development Council's Excellence in Supplier Diversity Awards meeting in May. This is the one award that is selected solely by the MBE community versus the Board of Directors of the Western Regional Minority Supplier Development Council.
- "Recognition of Impact" award for engaging, educating, and connecting with WBENC certified businesses during 2015 from the Women's Business Enterprise Council – West's Southern California Forum in December.
- "Done Deals" award from Astra Women's Business Alliance for doing business with a minimum of three WBENC certified women business enterprises domiciled in Northern California, Washington, and Oregon in December.
- 2015 Support Award for championing the MBE Community at the Western Regional Minority Supplier Development Council's Annual Meeting in December.

#### Challenges

While the Bank achieved success in its supplier diversity initiatives, it encountered challenges, some of which have been previously identified:

- The lack of responses from minority- and women-owned businesses to some procurement opportunities makes it difficult to understand the barriers they may be facing. The Bank will enhance its effort to determine the concerns minority- and women-owned businesses have with our procurement process. This effort will include following up with diverse vendors that were sent opportunities but did not respond; continuing to solicit feedback at the Bank's technical assistance events; soliciting feedback from System work groups and vendor conferences; and exploring options to perform a supplier diversity-oriented review of statements of work for contracts prior to release.
- Sourcing minority- and women-owned businesses can be very labor intensive for both the business divisions

and the Bank's procurement function, and requires continued support and training of business division staff. The procurement team will continue to expand and upgrade the technology, training, planning initiatives, increased access to diverse vendor databases, and other resources for business divisions to source minority- and women-owned businesses.

- Despite improved access to diverse supplier resources and ongoing outreach efforts, business divisions and the procurement function encounter challenges in identifying qualified minority- and women-owned businesses for some unique, specialized, and large-scale goods and services. Continuing to build on the business division pipeline and budget planning to allow sufficient time to identify minority- and women-owned businesses will be supported by the Procurement department.

#### Next Steps

The Bank remains committed to making every effort to increase the opportunity for small, minority- and women-owned businesses to participate in our procurement efforts and receive technical assistance. The action plan for 2016 includes the following:

- Continue to drive awareness and support the engagement of business divisions by providing necessary training and resources, which facilitate sourcing diverse suppliers, and by publishing metrics by business divisions to assess progress.
- Enhance partnerships with diverse supplier advocacy groups and financial services organizations to grow our directory of potential service providers, and provide resources for Districtwide technical assistance and capacity building opportunities.
- Collaborate with the Supplier Diversity Program Manager System Workgroup to develop a three-year strategic plan, enhance sourcing, capacity building and technical assistance programs, provide consistent reporting and analytics of first- and second-tier suppliers, enhancing Bank contract templates to include second-tier tracking language, and expanding the Federal Reserve presence at national conferences. ■



A young entrepreneur panel discussion during the Federal Reserve System's Financial Education Day event.

## Financial Education and Outreach Programs

The Bank is committed to financial and economic education efforts that engage OWMI audiences (urban and inner-city, all-girls, and majority-minority schools) and promote financial well-being. It strives to build awareness of job opportunities in the Federal Reserve System, and inspire minorities, women, and youth to develop skills in personal financial decision-making and to explore careers in business, economics, and finance.

In addition, the Reserve Banks and 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 2015, coordinated programming included events such as the Congressional Hispanic Caucus Institute's Ready to Lead workshops and Financial Education Day in collaboration with System Economic Education colleagues.

### Successes

Most notably in 2015, the Bank launched a podcast series titled *Does College Matter?*, based on the Federal Reserve Bank of San Francisco's 2014 Annual Report. The series was developed using the young entrepreneur panel discussion model, and features minority and women entrepreneurs sharing their own personal journeys after high school with the goal to inspire, empower, and inform students and life-

long learners alike. Season one of the podcast received over 1.13 million downloads, placing the series in the top one percent of downloaded podcast content. Season two will air in 2016.

The Bank's economic education team also continued to conduct a variety of programs in 2015 to support economic and financial education for OWMI-designated audiences throughout the Twelfth District. The data provided in this report is school-based and specifically reflects the ethnic composition and setting of the school (urban, rural, and suburban) as reported in the National Center for Education Statistics database. We also highlight other contributions by our Community Development function. We are pleased to report the following activities and successes in this area.

### 1. Provided Personal Finance Education

- The Bank continued to provide personal finance and financing college workshops at Congressional Hispanic Caucus Institute (CHCI) Ready to Lead events throughout the Twelfth District. In 2015, we reached 675 students at CHCI events held in Merced and Fullerton, CA.
- The Bank established a relationship with Kamehameha Schools, providing personal finance content to 11th and 12th grade students at their Oahu campus. President John Williams discussed monetary policy and provided his perspective on the importance of education.

Kamehameha Schools is a private, educational, charitable trust founded and endowed by the legacy of Princess Bernice Pauahi Bishop. Kamehameha Schools operate a statewide educational system enrolling nearly 6,900 students of Hawaiian ancestry at K-12 campuses on the islands of Oahu, Maui, and Hawaii.

- For the past 12 years, the Bank has collaborated with the Academy of Business Leadership to provide personal finance programming to underserved, diverse teens in the Los Angeles area. In 2015, the economic education team reached 89 high-potential high school students, providing two one-day sessions that focused on budgeting, financing college, and an interactive mentoring session.
- The Bank also continued its partnership with Girl Scouts of Greater Los Angeles to provide personal finance classes, in combination with tours of the Los Angeles Branch, to over 550 young women from across Southern California.

## **2. Hosted, Sponsored, and Attended Conferences and Events**

The Bank hosted, sponsored and attended a range of conferences and events in support of our financial education and outreach objectives, including the following:

- Participated in the Federal Reserve System's Financial Education Day on October 21, 2015. During this one-day event, the Bank hosted students from Los Angeles OMWI-defined schools to participate in the event, which included sessions on various topics such as budgeting and financing college, a mentoring roundtable, and a panel discussion with young entrepreneurs. In addition to the in-person audience, the panel discussion was broadcast live to high school classrooms in the Twelfth District and posted on our public website ([frbsf.org](http://frbsf.org)) and the Economic Education YouTube channel.
- Continued the Education Advisory Group (EAG), which was comprised of five community college and 16 high school teachers carefully selected for their leadership potential and commitment to education. The EAG helped identify and address challenges in economic education and offered feedback on the Bank's educational resources. Selected teachers represented a diverse set of schools from across the Twelfth District such as Arcadia High School, a large school in Southern California, and Raymond S. Kellis High School, a mid-sized school in Glendale, AZ. The Bank's investment in this small group offered the economic education team expanded reach to target audiences throughout the District. In December 2015, the Bank welcomed the incoming 2016 EAG.

- Sponsored the 6th annual Northern California Summit on Children and Youth in partnership with the Richmond Community Foundation. The forum focused on academic pathways and internship opportunities to increase minorities and women in STEM (science, technology, engineering, and math) occupations. Staff moderated a panel on the topic of strategic partnerships with speakers from BioRad Labs and Chevron, who discussed their companies' special initiatives to raise awareness about career opportunities and increase employment among populations that are underrepresented.
- Hosted the 2015 Emerging Investment Manager and Broker Forum. The purpose of this convening was to educate institutional investment professionals within the endowment, foundation and corporate investment communities about the broad spectrum of skills and products offered by emerging firms classified as minority- or women-owned business enterprises (MWBES). First Vice President Mark Gould provided welcoming remarks for the forum attendees and spoke about the San Francisco District's workforce being one of the most diverse in the Federal Reserve System.
- Hosted the Greenlining Academy Summer Associates to meet with President John Williams and the staff of the community development function. The associates are predominantly female, ethnic minority, or from a low socio-economic background. The program is focused on addressing inequality in the areas of health, income, and workforce.
- Facilitated the July 2015 Inland Empire Small Business Resource Forum where bankers, nonprofits and municipal directors engaged in a discussion on the most pressing issues, and most effective technical assistance and loan referral solutions for small businesses, many of whom are minority- and/or women-owned.

## **3. Developed Financial Education Curriculum and Conducted Research and Data Analysis**

- The Bank, in collaboration with the Federal Reserve Bank of Richmond, continued to develop lessons for *Invest in What's Next: Life After High School*. The online course is designed to help students explore their post-high school options and build a plan that is right for them. During 2015, 2,950 users, including 900 from OMWI designated high schools, enrolled in Lesson 1, "Exploring My Options." These students were able to explore their job interests and desired lifestyle, assess levels of education needed to reach their goals, and research school options.

In 2015, the Bank began developing Lesson 2, "Budgeting for My Future". This lesson will help students with long-term planning for income, saving and spending, as

well as funding education and managing student loans. Lesson 2 is expected to launch in the spring of 2016.

- The Bank published a new book, *What It's Worth: Strengthening the Financial Future of Families, Communities and the Nation*, in partnership with Corporation for Enterprise Development (CFED), a nationally recognized nonprofit dedicated to expanding economic opportunity for low-income Americans. The book explores the topic of financial well-being, with particular attention paid to the demographic drivers of wealth, including race/ethnicity and age. The book includes individual chapters from various leaders of minority-serving nonprofit organizations, including Mission Asset Fund (serving Latinos in San Francisco's Mission District), National Coalition for Asian Pacific American Community Development, National Association for the Advancement of Colored People, and the Lakota Fund (serving the Pine Ridge Reservation in South Dakota). The book also includes a chapter focused on building cognitive and emotional skills among youth to help them develop financially healthy behaviors, such as impulse control and future orientation. These essays, along with over 30 others covering topics of relevance to minority communities, such as affordable housing, health, workforce development, and financial services, explore new ideas for building financial security for all Americans.

*The Bank published a new book, What It's Worth: Strengthening the Financial Future of Families, Communities and the Nation, in partnership with Corporation for Enterprise Development.*

- The Bank, in partnership with the UCLA Iris Cantor Women's Health Education and Research Center, supported the development of financial literacy curriculum that will be delivered to low-wage working women at employer sites and job training centers in the manufacturing sector of Los Angeles, CA. The curriculum is entitled: *Women's Health & Money @ Work* and is intended to help those women more effectively manage the health and finances of their family.
- The Bank published an article on an innovative youth financial capability initiative in the *Journal of Consumer Affairs*, in partnership with Vernon Loke of Eastern Washington University and Margaret Libby of MyPath. The initiative, called MyPath, targets low-income youth who are

#### Summary of Financial Education for OMWI Audiences – 2015

PROGRAM	Number of events	Number of students attended	Number of educators attended	Total Number of students reached*	Number of students reached through enrollments in online courses
Tours	68	1,688	68	6,788	–
Personal Finance	39	1,397	3	1,622	–
Conferences	6	–	130	9,750	–
Meet the Experts	1	–	37	2,775	–
System Financial Education Day	1	53	6	503	–
Education Advisory Group	1	–	14	1,050	–
Invest in What's Next Course	–	–	–	–	900
<b>Total</b>	<b>116</b>	<b>3,138</b>	<b>258</b>	<b>22,488</b>	<b>900</b>

\* Total students reached through tours, personal finance training sessions, conferences, Meet the Experts, System Financial Education Day, and the Education Advisory Group using a common multiplier of 75 for educators.

participating in a youth workforce development program with the City of San Francisco, reaching them at the “teachable moment” of earning their first paychecks. MyPath equips the youth with financial education and financial goal setting in combination with access to accounts in their own name at a mainstream financial institution.

## Challenges

The Bank’s economic education team continues to develop strategies and adopt best practices to target key audiences and obtain a more accurate measure of impact in an online environment. The topic of personal finance continues to struggle in finding a solid base in the school curriculum because it is not frequently required or tested. To address this challenge, the Bank, in collaboration with the Federal Reserve Bank of Richmond, developed a personal finance module for the *Invest in What’s Next: Life After High School* website.

## Next Steps

The Bank is committed to engaging OWMI audiences (urban and inner-city, all girls, and majority-minority schools)

to build awareness of the Federal Reserve System, and to inspire minorities, women and youth to develop skills in personal financial decision-making and to explore careers in business, economics, and finance. The Bank’s action plan for 2016 includes the following:

- Continue to take a more active role in developing partnerships with diverse community groups and school systems with large concentrations of urban and inner-city, all girls, and majority-minority schools to deliver programs.
- Share the learnings from the *What It’s Worth* book in various district and out-of-district audiences through conferences.
- Promote *Invest in What’s Next*, personal finance module at conferences, events, and targeted marketing channels.
- Continue to update financial and economic education materials and activities to ensure that they meet the needs of OMWI audiences.
- Expand content delivery mechanisms to increase outreach to diverse audiences. ■

## Conclusions and Future Plans

Outlined within the report are the broad range of activities and outcomes that demonstrate the Bank's progress and commitment to diversity and inclusion, and the provisions of Section 342 of the Dodd-Frank Act. We are encouraged by the results of our efforts, and are confident that our persistence will continue to further our objectives for a diverse workforce and a diverse supplier pool despite the challenges we faced in some areas. Our plans for 2016 continue to include:

- Advancing the diversity of our workforce, including representation of minorities and women, through targeted sourcing and outreach activities that promote awareness of job opportunities consistent with the Bank's goal of investing in an exceptional workforce.
- Increasing the opportunity for minority- and women-owned businesses to participate in our procurement efforts by expanding partnerships with advocacy groups and providing resources for technical assistance. Over time, these efforts should assist in identifying potential suppliers for the Bank's business needs.
- Actively developing partnerships with diverse community groups and school systems with large concentrations

*We are encouraged by the results of our efforts, and are confident that our persistence will continue to further our objectives for a diverse workforce and a diverse supplier pool.*

of urban and inner-city, all-girls, and majority-minority schools by expanding content delivery mechanisms to increase outreach to these diverse audiences.

- Leveraging the Diversity Council, composed of senior leaders from across the Bank, to advance the Bank's diversity and inclusion strategies, goals, and actions.

We appreciate the opportunity to provide this Report to Congress. We welcome feedback and guidance as that will assist in continuing to successfully meet our goals on minority and women inclusion in the Bank. ■

# Appendix A

## Organizational Structure and Workforce Analysis

### Organizational Structure

Assessing the Bank’s progress toward enhancing opportunity and ensuring the inclusion of minorities and women in the workforce includes an analysis of the composition of the Bank’s workforce. The Workforce Representation Report, provided as Appendix B, describes the gender and racial/ethnic composition of the District’s workforce by the job categories used in the Employer Information Report (EEO-1), which is submitted annually to the Equal Employment Opportunity Commission. Last year’s submission used data as of 8/31/2015.

The first three job categories listed in the representation table comprise 74 percent of the District’s workforce and are equivalent to the Bank’s organizational structure as follows:

**Executive/Senior Officials** – This category represents the highest ranks of the organization and includes the President and Chief Executive Officer, First Vice President and Chief Operating Officer, Executive Vice Presidents and Senior Vice Presidents. These individuals comprise the Executive Committee which formulates Districtwide strategies and policies. This category also includes the General Auditor.

**First/Mid Officials & Management** – The scope of responsibility of individuals in this group ranges from setting

policies and providing direction for large, multi-functional divisions, to supervising the routine activities of small functional groups. Positions in this job group include Group Vice Presidents, Vice Presidents, Directors, Senior Professionals, Managers, and Supervisors.

**Professionals** – Jobs in this category generally require bachelor or graduate degrees, professional certification, and/or comparable experience that establish qualification. The positions in this group include economists, auditors, bank examiners, analysts, and information technology professionals.

**All Other Job Categories** – Technicians, sales, administrative, craft, and service workers comprise 26 percent of the District’s workforce. Generally, the largest job groups are in the District’s Cash and Police Services functions.

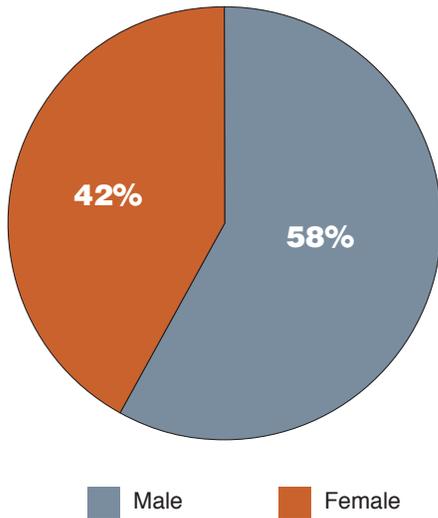
### Workforce Representation Summary

As of 8/31/2015, the Bank employed 1,645 individuals. The overall composition of the Bank’s workforce was 58 percent male and 42 percent female, consistent with 2014. Additionally, 55 percent of the workforce was minority, a slight increase over 2014.

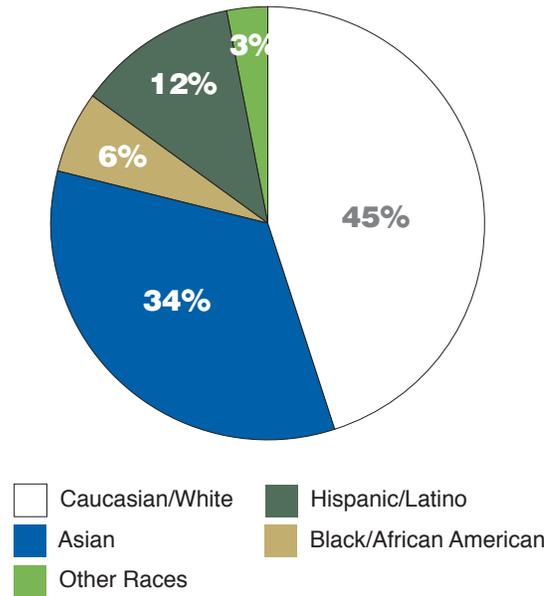
As noted in further detail on the table below, the Bank’s Officers and Managers job group comprised 20 percent of the total workforce, Professionals were 54 percent, and Administrative and Service worker positions comprised the

EEO-1 Category	% of Workforce	% Female	% Minority
1.1 - Senior Officers	1%	25%	33%
1.2 - Other Officers & Managers	19%	41%	40%
2 - Professionals	54%	44%	54%
<b>Total Workforce</b>		<b>42%</b>	<b>55%</b>

FRBSF Workforce



FRBSF Workforce



remaining 26 percent. The table below illustrates the representation of women and minorities in the management and professional categories.

On an annual basis, the Bank compares its workforce representation to various public benchmarks for comparable jobs. A comparison of the Bank's workforce representation to 2014 EEOC data (most recent available) in the key EEO-1 categories revealed the following:

- The Bank's representation of minorities in the officer, manager, and professional grouping far exceeds comparable national levels (by just over 25 percent), while that of women is about 5 percent less than the national level. More specifically on the latter, the Bank's representation of women exceeds the national benchmark by 3 percent at the management level but lags by 9 percent at the pro-

fessional level. At the individual minority levels, Bank representation exceeds national benchmarks for Hispanics and especially Asians, but lags for Blacks at both the management and professional levels.

- Because 88 percent of the Bank's jobs are in the two California offices, workforce representation is also compared to corresponding data for California. Here too, the Bank's representation is greater than the California benchmark for minorities by 5 percent, while lagging for women by 2 percent (3 percent higher for management positions but 4 percent lower for the more populous professional positions). At the individual minority levels, Bank representation exceeds California benchmarks for Asians and Blacks, but lags for Hispanics (given California's relatively high proportion of Hispanics compared to the national benchmark). ■

## Appendix B

### Federal Reserve Bank of San Francisco Workforce Representation August 31, 2015

#### Numeric Data

JOB CATEGORIES	HISPANIC OR LATINO		NOT HISPANIC OR LATINO												Total	
	Male	Female	Male						Female							
			White	Black	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	White	Black	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races		
Exec/Senior Officials & Managers	2		5			2			3							12
First/Mid Officials & Managers	16	11	125	7	1	34		6	67	8		43		2	320	
Professionals	37	32	262	13	2	169	1	6	140	24		189	3	3	881	
Technicians			3												3	
Sales Workers	1		2			1			1						5	
Administrative	34	28	26	12	2	49	1	1	46	17	1	43	1	2	263	
Craft Workers	5		13			5	1								24	
Service Workers	26	5	46	12	2	27		2	7	5	3	1		1	137	
<b>Total</b>	<b>121</b>	<b>76</b>	<b>482</b>	<b>44</b>	<b>7</b>	<b>287</b>	<b>3</b>	<b>15</b>	<b>264</b>	<b>54</b>	<b>4</b>	<b>276</b>	<b>4</b>	<b>8</b>	<b>1,645</b>	

#### Percentage Data

JOB CATEGORIES	HISPANIC OR LATINO		NOT HISPANIC OR LATINO												Total
	Male	Female	Male						Female						
			White	Black	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	White	Black	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	
Exec/Senior Officials & Managers	17%	0%	42%	0%	0%	17%	0%	0%	25%	0%	0%	0%	0%	0%	1%
First/Mid Officials & Managers	5%	3%	39%	2%	0%	11%	0%	2%	21%	3%	0%	13%	0%	0%	19%
Professionals	4%	4%	30%	1%	0%	19%	0%	1%	16%	3%	0%	21%	0%	0%	54%
Technicians	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sales Workers	20%	0%	40%	0%	0%	20%	0%	0%	20%	0%	0%	0%	0%	0%	0%
Administrative	13%	11%	10%	5%	1%	19%	0%	0%	17%	6%	0%	16%	0%	1%	16%
Craft Workers	21%	0%	54%	0%	0%	21%	4%	0%	0%	0%	0%	0%	0%	0%	1%
Service Workers	19%	4%	34%	9%	1%	20%	0%	1%	5%	4%	2%	1%	0%	1%	8%
<b>Total</b>	<b>7%</b>	<b>5%</b>	<b>29%</b>	<b>3%</b>	<b>0%</b>	<b>17%</b>	<b>0%</b>	<b>1%</b>	<b>16%</b>	<b>3%</b>	<b>0%</b>	<b>17%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>

Note: Data are rounded

The Federal Reserve Bank of San Francisco aspires to maintain a workforce that is representative of the communities it serves. To support this goal, the Bank has strong diversity recruitment and talent management strategies.

## Appendix C

### *Federal Reserve Standard Core Metrics*

BANK	Topics	Measures	Metrics	Comments/Notes
1	Management Representation	Top 2 EEO-1 Categories – Sr. Execs & Mid-Lvl Mgrs	332	
		% Women	40%	
		%Minorities	40%	
2	Hiring Statistics	Total External Hires	190	
		% Women	37%	
		%Minorities	55%	
3	Interns	Total Interns	32	
		% Women	59%	
		%Minorities	72%	
4	M/WBE Expenditures	Total Spend (in millions)	\$18.6	
		%WBE	3%	
		%MBE	24%	
5	Financial Education	# of Events	116	
		# of Students attended	3,138	
		# of Educators attended	258	
		# of Students reached	22,488	

## Appendix D

### *Procurement Historical Spend*

	Fiscal Year/Calendar Year							
	2015		2014		2013		2012	
	\$	%	\$	%	\$	%	\$	%
<b>Total reportable spend</b> <sup>1</sup>	\$70,030,000		\$71,510,000		\$55,570,000		\$54,360,000	
<b>Minority-owned</b> <sup>2</sup>	\$16,720,000	23.9%	\$7,860,000	11.0%	\$4,410,000	7.9%	\$3,240,000	6.0%
<b>Women-owned</b> <sup>3</sup>	\$1,830,000	2.6%	\$2,600,000	3.6%	\$1,230,000	2.2%	\$2,030,000	3.7%
<b>Total minority-owned and women-owned</b> <sup>4</sup>	\$18,550,000	26.5%	\$10,460,000	14.6%	\$5,640,000	10.1%	\$5,270,000	9.7%

<sup>1</sup> **Reportable spend:** All amounts paid to third-party contractors (does not include payments to other FRBs, government, tenants that rent space, etc.) for goods, services, and software. Definition taken from final Federal Reserve System legal opinion on reportable spend dated May 26, 2011.

<sup>2</sup> **Minority-owned:** All minority-owned businesses, including minority female-owned companies.

<sup>3</sup> **Women-owned:** Caucasian women-owned businesses only.

<sup>4</sup> **Total minority-owned and women-owned:** Total of previous two lines.



FEDERAL RESERVE BANK  
OF SAN FRANCISCO

Federal Reserve Bank of San Francisco

OMWI

Office of Minority and Women Inclusion



FEDERAL RESERVE BANK  
OF SAN FRANCISCO

101 MARKET STREET  
SAN FRANCISCO, CALIFORNIA 94105