



FEDERAL RESERVE BANK
OF SAN FRANCISCO

OMW

OFFICE OF MINORITY AND WOMEN INCLUSION

2018 ANNUAL REPORT
TO CONGRESS

FEDERAL RESERVE BANK OF SAN FRANCISCO



KEY BUSINESS PARTNERS

From left to right: Lindsey Walker (Talent Acquisition and Development Director), Jody Hoff (Economic Education Director), Lynn Reddrick (Supplier Diversity Program Manager)



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BANK LEADERSHIP

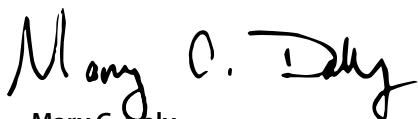
From left to right: Mark Gould (First Vice President and Chief Operating Officer), Mary C. Daly (President and Chief Executive Officer), Teuila Hanson (Senior Vice President, People + Culture), Rita Aguilar (Director, Office of Minority and Women Inclusion)

INTRODUCTION

We are pleased to provide to Congress the 2018 Annual Report of the Office of Minority and Women Inclusion (OMWI) at the Federal Reserve Bank of San Francisco.

As in previous years, diversity and inclusion remain major focus areas for the Bank, and we are proud of our continued progress on our OMWI-related objectives. Our progress stems in large part from a passionate commitment -- shared across our leadership team -- to create a truly inclusive environment where all employees feel engaged, free to be themselves, and able to contribute to their maximum potential. In 2018, we formed an Inclusion Alliance comprised of individuals from all levels of our organization, expanding the range of voices driving these efforts and identifying ideas we may have missed otherwise.

While we celebrate our progress to date, we remain fully engaged in developing new and innovative ways to ensure that the Federal Reserve Bank of San Francisco truly reflects the diversity of the communities we serve. This report provides information on our progress and our plans for advancing OMWI-related objectives in the future.



Mary C. Daly
President and Chief Executive Officer



Mark Gould
First Vice President and Chief Operating Officer



Rita Aguilar
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, to the inclusion of minority- and women-owned businesses in the Bank's procurement opportunities, and to providing financial education to the diverse communities we serve. We are pleased to report that the Bank continues to make progress on these objectives.

The Bank's Executive Leadership Team (ELT), comprised of senior leaders from across the organization, recognizes the significant value that a diverse workforce with broad perspectives contributes to carrying out the Bank's mission. The Bank's strategic plan lists Diversity and Inclusion (D&I) as one of three areas of strategic focus, specifically stating that we will strive to "cultivate a work environment that represents the communities we serve and embraces differences." Toward this end, the ELT promotes a culture that is inclusive of all individuals regardless of their innate characteristics or background, and fosters an environment where each employee has the ability to contribute to his or her full potential. The ELT believes that the Bank benefits from being visibly diverse at all levels of the organization, helping us to attract, engage, develop, and retain a high-performing workforce. This commitment extends to our Boards of Directors and advisory groups, the former of which are comprised of 37 members of whom 30% are minority and 38% are women (flat from last year but up from 22% and 30% in 2014). The ELT also champions equal access and procurement opportunities for minority- and women-owned businesses.

The Office of Minority and Women Inclusion (OMWI) is embedded in the Office of Diversity and Inclusion (ODI), so that it is part of a broad umbrella of diversity-related functions, resources, and activities. The OMWI complies with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank) 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 required by Section 342, describes the successes and challenges that the Bank experienced in 2018. Information pertaining to diversity and inclusion for regulated entities is contained in the Federal Reserve Board of Governors report, as they are the primary regulator of such entities.

ACCOMPLISHMENTS

During 2018, the Bank's efforts and accomplishments toward recruiting, developing, and retaining a diverse workforce included:

Increasing minority representation in management to 47%, up from 40% in 2014 (see Appendix C for full five-year history). This improvement has been a result of strong hiring and promotion of minorities at the management levels, combined with very low minority turnover.

Hiring 187 new employees, of which 58% were minorities and 42% were women.

Receiving two inclusion-related honors this year: being named to *Working Mother* magazine's list of Best 100 Companies for working mothers, and also named to their Top 35 Companies for working fathers.

Hosting a diverse group of 31 interns, of which 65% were minorities and 65% were women. Four interns converted to full-time positions during the year.

Launching the Inclusion Alliance. The new group, comprised of managers and individual contributors from across the Bank, focuses on driving behaviors that foster community and helps ensure that all employees are fully able to contribute to the Bank's mission.

Adding the Parents Group as our 11th identity-based Employee Resource Group (ERG), up from only six in 2014. Overall, 45% of Bank employees are members of at least one of our ERGs. In 2018, these groups hosted over 70 activities and events.

*Minority representation
in management has
increased to 47%.*

The Bank's supplier diversity achievements included the following:

Increasing the number of diverse vendors that the Bank contracted with from 85 to 100.

While our proportion of diverse spend dipped from 19% in 2017 to 17% in 2018, it is still up significantly from less than 6% in 2011, our first year of OMWI reporting.

Providing leadership for and receiving industry awards from the supplier diversity community.

Inclusion Alliance members



Highlights of the Bank's financial education efforts included:

In collaboration with the Federal Reserve Bank of Richmond, **completing the third and final module of the online course, *Invest in What's Next: Life After High School***. The course helps students learn economic and personal finance concepts, while planning for their education, career, and future. In 2018, 9,660 students (including 3,405 from OMWI-designated high schools) enrolled in the course.

Conducting dozens of financial education and other outreach efforts to diverse audiences,

ultimately reaching over 20,000 students and educators.

Continuing the Education Advisory Group (EAG) program, comprised of a diverse set of community college and high school teachers selected for their leadership potential and commitment to education; 59% of the high school teachers come from OMWI-defined schools. The EAG helps identify and address challenges in economic education and provides feedback on the Bank's educational resources.

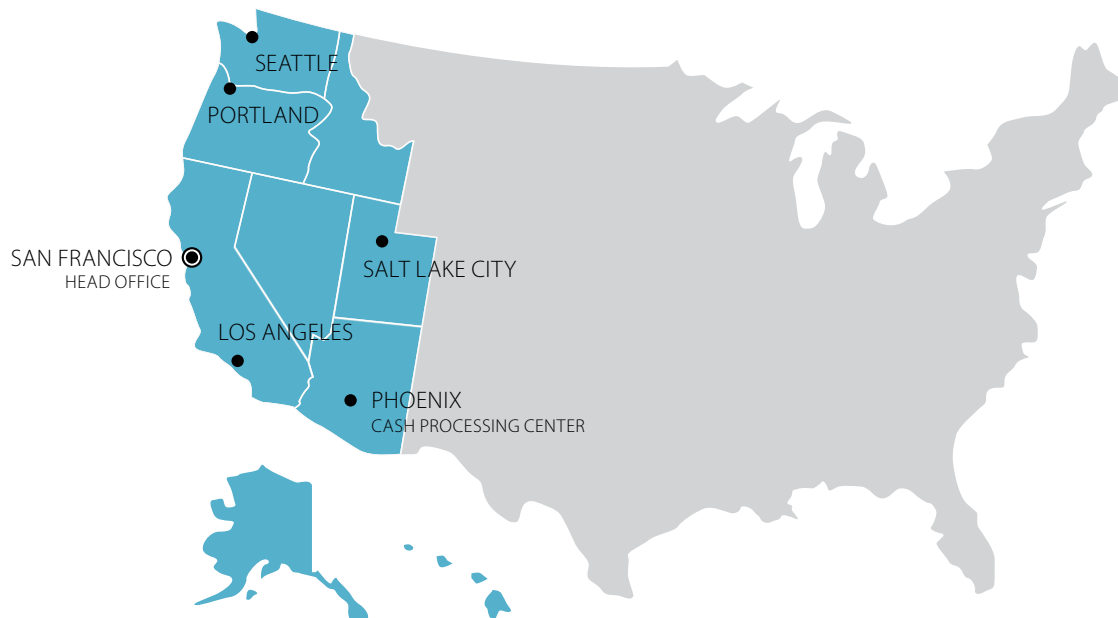
Additional detail, including some of the challenges we experienced and next steps for 2019, are outlined in the remainder of this report. We are proud of the progress made in 2018 and look forward to implementing further plans in 2019.

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. The Bank's OMWI is headed by Rita Aguilar, vice president and OMWI director. The OMWI is part of People + Culture's broader Office of Diversity and Inclusion (ODI), which focuses on diversity and inclusion strategy, practices, programs, and analytics. People + Culture and the ODI are led by senior vice president Teuila Hanson.

To meet OMWI obligations, we draw on a range of functions, including officers and managers from the People + Culture, Procurement, and Economic Education teams; members of the Bank's ERGs and Inclusion Alliance; and others who have championed and contributed to the Bank's diversity and inclusion progress.

The Federal Reserve Bank of San Francisco, the Twelfth District of the Federal Reserve System, is the largest district geographically. In addition to the head office in San Francisco, it includes four branch offices located in Los Angeles, Portland, Salt Lake City, and Seattle, along with a cash processing center in Phoenix. As of December 31, 2018, the Bank's workforce was comprised of 1,702 employees. The appendices provide additional detail on the Bank's workforce composition as reported to the Equal Employment Opportunity Commission.



Map of the Twelfth District



Employee Resource Group (ERG) leaders

MISSION

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 provides strategy, policy development, business direction, automation tools, and operational support to all Reserve Banks in meeting global demand for U.S. currency and coin.

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

Economic Research conducts research on monetary policy, banking, financial markets, and the regional economy. This group also includes our Economic Education and Outreach team, which provides economic and financial education for OMWI-designated audiences to promote financial well-being.

Financial Institution Supervision and Credit (FISC) provides oversight of financial institutions to promote a safe, sound, and stable banking and financial system. FISC's credit risk

management function serves as a contingency lender to depository institutions.

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

Public Engagement includes our Community Development and Public Affairs teams. This group communicates, educates, and increases public understanding 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, for use in monetary policy and financial institution oversight.

The Bank also has a variety of support functions that help achieve our mission, including Facilities, Finance, Legal, People + Culture, Police Services, and Procurement.

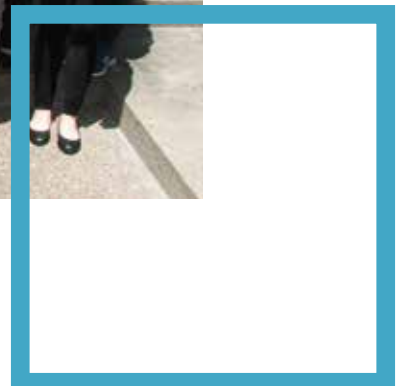
EMPLOYMENT OF MINORITIES AND WOMEN

The Bank is committed to the recruitment, development, and retention of minorities and women, and to promoting a workplace culture where employees feel included and have a sense of belonging. The Bank's leadership believes there is significant value to a diverse workforce and the contributions it can make toward achieving our mission and business objectives. This conviction is reflected as one of three areas of focus in the Bank's strategic direction: "Cultivate a work environment that represents the communities we serve and embraces differences."

The Bank has a robust set of programs and practices to support diversity and inclusion. Our approach seeks to engage individuals at each stage of the employment lifecycle and across all levels of the organization. In 2018, the Bank continued and enhanced these programs to promote broad opportunity for employment and advancement.



2018 GOLD Intern class



SUCCESSES

We are pleased to report the following activities and successes that demonstrate our efforts toward employment of a diverse workforce.

LEADERSHIP COMMITMENT

A key to our diversity and inclusion strategy is demonstrating leadership commitment, both internally and externally. In 2018, we did that in the following ways:

New President and Search Process

Mary Daly, previously executive vice president and director of Economic Research, was selected as the Bank's new president, effective October 1, 2018, replacing John Williams, who became president of the Federal Reserve Bank of New York. Mary has long been a tremendous advocate for diversity and inclusion, as evidenced by her chairing of the Bank's Diversity Council, serving as executive advisor for our new Inclusion Alliance, and extensive public outreach efforts on diversity and inclusion (detailed below).

The search committee, comprised of members of the head office's Board of Directors, conducted extensive internal and public outreach and communication. To promote transparency, the Bank's public website included a section dedicated to the search process; information was sent to over 4,000 community and business leaders (including government officials, nonprofit and labor leaders, academics, and members of the District's branch boards of directors and advisory councils); and the search committee conducted a series of internal and external meetings to obtain input on the process and potential candidates. Reflecting this outreach, the search committee sought a leader who would:

- Embrace the broad diversity of the Twelfth District.
- Be approachable and accessible, comfortable engaging employees at every level as well as a broad set of external stakeholders.

- Have an open, curious, and broad-minded perspective, underpinned by humility and a receptiveness to alternative ideas and approaches.
- Show concern for the economic prosperity of the entire District, including a solid understanding of the conditions and issues faced in its lower-income areas.
- Want to forge strong relations with organizations that serve disadvantaged communities.
- Be committed to creating an environment where employees can grow and thrive, including further strengthening structures that underpin the inclusive culture so valued by Bank employees.

The search committee used these insights to refine the job description and selection criteria. Supported by a woman-owned search firm known for its strength in sourcing diverse candidates, 283 prospective candidates were contacted to gauge their interest and assess their qualifications. Of this pool, approximately 48% came from the private sector, 31% from academia, 9% from the non-profit sector, 8% from within the Federal Reserve System, and 4% from government. This candidate pool was 33% women and 33% minority.

Strategic Direction

Diversity and inclusion remains a key priority for the Bank, with “Diversity & Inclusion” listed as one of three primary areas of strategic focus in its official strategic direction document approved by our Board of Directors. As such, D&I continues to be a regular agenda item at our executive and management committee meetings. Topics include overviews of the Bank’s diversity metrics and progress, updates on key D&I initiatives, and education and exercises to help Bank leaders cultivate an inclusive environment.

Leadership Outreach

The Bank’s senior leaders continue to be strong advocates for diversity and inclusion in public forums. President Mary Daly was featured at a number of events throughout the year, including:

- In February, she was the featured speaker at FRB St. Louis’s “Women in Economics” symposium. The event featured a review of the research and data on women in economics, and highlighted the work of women leaders from various fields who majored in economics. Mary was also featured in the St. Louis Fed’s “Women in Economics” podcast, a series highlighting the careers of women who have become prominent economists.
- In March, Mary was featured in a video on Quora answering the question, “What can I do as an individual to help foster a more diverse and inclusive environment without offending people?” Her tips included three key points: be curious, be courageous, and most of all, be kind. The video has yielded over 5,800 views since it launched.
- In May, she spoke at the Bank of England’s “Gender and Career Progression Conference.” She also had a Financial Times op-ed that ran concurrently, entitled “Economics trails the sciences in attracting a diverse student mix.”
- In August, Mary participated in a fireside chat at the Quora campus, where she spoke to their interns and staff about her personal path. The Q&A focused on college, careers, and the need for more students to major in economics.
- In September, Mary was the featured speaker at the Women in Economics at Berkeley Graduate Student Summit for Diversity in Economics, which brings together graduate students, professors, and economists committed to promoting diversity in economics.

Other executive outreach efforts included:

- In March 2018, Teuila Hanson, senior vice president of People + Culture, delivered the keynote address for UC Berkeley’s Undergraduate Women in Economics event at the Bank, which also included a Bank tour, overview of career opportunities, and a panel discussion with current Bank managers.
- In October, Rita Aguilar, the Bank’s OMWI director, participated in an Association of Latino Professionals in Finance and Accounting (ALPFA) event with their board of directors and other executives from major organizations to contribute to ALPFA’s 2019 strategic planning.

President Daly has been a tremendous advocate for diversity and inclusion.

Diversity Council’s Transition to the New Inclusion Alliance

The Bank’s Diversity Council, formed in 2015 and comprised of senior leaders from each division, helped set the Bank’s diversity and inclusion direction, and strategies to achieve it. In addition to helping to drive D&I initiatives in their individual divisions, Diversity Council members explored ways to help Bank leaders broaden their networks and get to know diverse candidates. To help facilitate the latter, Bank leadership participated in a “Building Inclusive Networks” workshop conducted by Juliette Mayers, author of *The Guide to Strategic Networking* and *A Black Woman’s Guide to Networking*.

Given the executive-level commitment to D&I as part of the Bank’s overall strategy, Diversity Council members concluded that employees at all levels should help drive such efforts. That desire for broader inclusion was a key factor in the decision to evolve the Diversity Council into a new Inclusion Alliance in May. This new group, comprised of managers and individual contributors from across the Bank, will focus on initiatives to help ensure that all employees are fully able to contribute to the Bank’s mission. A total of 88 employees applied, and a “blind” selection process—based solely on written responses to two inclusion-related questions—yielded a diverse and representative group of 21 Inclusion Alliance members.

The Inclusion Alliance holds monthly meetings, which include expert presentations on topics such as unconscious bias, the effects of exclusion, and inclusive leadership. In 2019, they will pilot activities and programs aligned with their three primary goals:

- 1) Enabling more employee connections.
- 2) Creating a safe forum for authentic conversations.
- 3) Ensuring that all employees’ voices are heard and valued.

Awareness & Analytics

Building off the initial sessions in 2017, the ODI continued and enhanced its division-level discussions of diversity and inclusion efforts in 2018. These discussions are intended to increase division awareness and help identify/encourage measures to strengthen diversity and inclusion. In addition to enhanced analytics, this year’s sessions included a review of supplier diversity spending and sourcing metrics, as well as increased focus on inclusion through a review of employee survey feedback. The ODI’s analytics team also developed a new tool—the D+I Composite—to help divisions see their diversity and inclusion standing. Based on this information and discussion, divisions will review and revise their “action plans” that were originally developed in 2017.

The analytics team also developed models to help forecast the range of Bank demographics five years out, particularly at the leadership level. While solid progress has been made in the last three years, the number of opportunities at the officer level is limited, so additional progress will take time. This work also indicated that the leadership pipeline from the manager ranks is sound, so the focus should be on continuous development and preparation for future opportunities.

Federal Reserve System Leadership

San Francisco continues to provide strong contributions and leadership for the System’s D&I initiatives. Most notably, Rita Aguilar was appointed vice chair of the OMWI Council, with plans to assume chair responsibilities in April 2019. Rita has been involved with a number of System D&I initiatives in recent years, through both the OMWI Council and Conference of First Vice Presidents (CFVP). On the latter, Rita and FVP Mark Gould worked on an approach to promote an inclusive environment across individual Reserve Banks by identifying guiding principles and practical guidance to help leaders model inclusive behaviors. San Francisco also continues to be a significant contributor on diversity metrics, actively participating on OMWI Council and CFVP metrics workgroups, and leading efforts to develop standard definitions, metrics, and benchmarks.

FOCUSED ON EMPLOYEE ENGAGEMENT AND CULTURE

The Bank continues to place a significant emphasis on improving our culture to ensure that all employees feel welcome and engaged and to position the Bank as a destination employer. 2018 efforts included:

LGBT Practices

The Bank received a perfect score of 100 on the Human Rights Campaign's 2018 "Corporate Equality Index," a national benchmarking tool measuring corporate policies and practices pertinent to inclusion of lesbian, gay, bisexual, and transgender employees.

Flexible Work Arrangements

Given the increasing value that employees place on flexible work arrangements, the Bank made a strong effort to facilitate flexible work to the extent possible, developing a framework and guidance to help Bank management implement in their functions. Increased worker flexibility has been shown to help enhance worker engagement, productivity, and overall satisfaction. By accommodating the varied needs of today's workforce and contributing to a more satisfying work environment, we hope to continue attracting and retaining a talented and diverse group of employees.

Industry Recognition

The bank received two D&I-related honors in 2018:

- *Working Mother* magazine named us to their list of Best 100 Companies for working mothers, based on our parental leave benefits, flexibility with work hours, assistance for special needs, and opportunities for career development.
- *Working Mother* also named us to their Top 35 companies for working fathers.

Given the Bank's efforts to support working parents, this recognition was especially gratifying, and we hope it will have a positive impact on attraction and retention, as well as overall employee satisfaction.

Employee Surveys

The Bank conducted an employee culture survey in June, seeking to gauge how our recent culture initiatives are being understood, adopted, and supported throughout the Bank. Overall, there is strong support for our diversity and inclusion initiatives. Based on four inclusion-related questions, 74% of respondents had a favorable sense of inclusion at the Bank.



2018 ERG Fair

Employee Resource Groups (ERGs)

The Bank’s ERGs are employee-driven affinity groups with Bank officer sponsorship that promote a sense of community and engagement for employees, provide professional development opportunities, and allow employees to lead and contribute to the Bank’s strategic objectives. Our ERG program has grown substantially in recent years; it now includes eleven identity-based ERGs and seven other interest-based groups. Over 45% of Bank employees are members of at least one identity-based ERG. Consistent with the Bank’s inclusion strategy, a key theme has been recruiting “ally” members—employees who may not identify with a given ERG directly, but are nonetheless interested in learning about and supporting the group’s initiatives.

In 2018, we added the Parents Group as our 11th identity-based ERG. The Parents Group seeks to recommend solutions and lend support on issues affecting the entire parental life-cycle through advocacy and networking.

Combined, our identity-based ERGs hosted over 70 activities in 2018, with highlights including:

- In celebration of Pride month, the 12LGBTF (lesbian, gay, bisexual, transgender, and friends) hosted a screening and discussion of *The Lavender Scare*, a documentary about the widespread government discrimination against gays and lesbians in the 1950s.
- FedAble sponsored a performance by an all-autistic band, an introductory class on American Sign Language, and a volunteer activity for LightHouse for the Blind and Visually Impaired.

- The former Chinese Culture & Language Group (CCLG) rebranded itself as InspirAsian, to help broaden their representation of Asian cultures. In addition to their annual Lunar New Year celebration, they featured speakers on the “bamboo ceiling” (under-representation of Asian Americans in corporate leadership positions) and the lack of diversity in technology.
- Mosaic hosted a panel discussion on the black-white wage gap, based on an article co-authored by three Bank economists, including president Mary Daly. Mosaic had a very successful follow-up to last year’s backpack drive, delivering over 70 backpacks with school supplies to African American students at Thurgood Marshall High School in San Francisco, with members also sharing their career paths and advice. Mosaic also worked with the Bank’s internship program to help increase African American representation in our 2018 intern class, which had lagged in recent years.
- The Women’s Professional Network (WPN) continued its buddy program, which pairs new employees with more experienced ones for guidance and networking, connecting 20 buddy pairs in 2018. The WPN also hosted a series of moderated discussions/workshops, including topics on how women can succeed in male-dominated fields, impactful communication, and the career paths of successful women at the Bank.
- The Young Professionals Network (YPN) took on two Bankwide initiatives, including a reverse mentoring program and various innovation/experimentation sessions.

Over 45% of Bank employees are members of at least one identity-based ERG.

EMPLOYEE RESOURCE GROUPS



12LGBTF
FRBSF



CHRISTIAN
Fellowship & Prayer



FAN
Filipino American
Network



FEDABLE
Differently-Abled
Network



INDUS
South Asian Network



INSPIRASIAN
Career, Culture, & Community



LAZOS
Hispanic Network



MOSAIC
The African American
Professional Network



PARENTS GROUP
FRBSF



WPN
Women's Professional
Network



YPN
Young Professionals
Network

RECRUITED A DIVERSE WORKFORCE

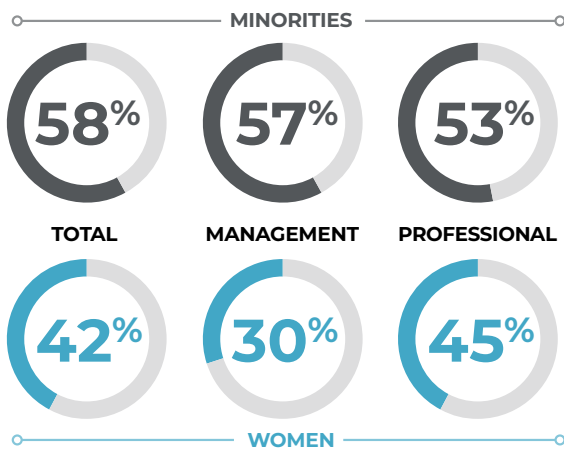
Since 2007, the Federal Reserve System has collaborated on national diverse recruiting strategies/efforts across all Federal Reserve locations. The Federal Reserve’s recruiting strategy uses a collaborative and cost-effective approach toward participation in national diversity-focused conferences, and collaborates with local Reserve Banks for regional conferences. During 2018, the System collectively attended the following conferences:

- National Black MBA Association (NBMBA)
- Prospanica (formerly the National Society of Hispanic MBAs [NSHMBA])
- Grace Hopper Celebration of Women in Computing

Locally, the Bank’s recruitment strategy aligns closely with this national approach, and includes broad participation in professional and university career outreach events, an emphasis on online presence through social media, as well as partnerships with professional and community organizations to achieve a diverse applicant pool. Internally, there has been a continued emphasis on increased partnerships with our business lines throughout the hiring process to help achieve more diverse opportunities by working with hiring managers to review recruiting strategies/job postings and increase diversity awareness. To facilitate diverse interview panels, the Bank developed a tool to help hiring managers include interview panelists with diverse backgrounds from across the Bank.

Hiring Summary

In 2018, the Bank hired 187 new employees:



FRB GOLD Internship Program

The GOLD (Growing Opportunity for Leadership and Diversity) internship program remains a key initiative in developing a robust early-career pipeline for the Bank. We continue to enhance and use the program as a vehicle for marketing the Bank’s career opportunities to broader audiences. In 2018, highlights included:

- The Bank hosted a diverse group of 31 intern, of whom 65% were women and 65% were ethnically diverse.
- The Bank continued to leverage our 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- and cyber-security. These partnerships yielded 13% of the Bank’s interns, up from 6% in 2017.
- The Bank actively recruited at a variety of universities in our district and has continued our outreach to schools with more diverse student populations, including Cal State - East Bay, Cal State - Sacramento, Mills College, and UC - Davis
- The GOLD program continues to make progress on converting interns to full-status positions. In 2018, four interns accepted full-time conversion positions, to start upon graduation in 2019. Of the four, three were women and two were minority (minority women are counted in each category). Three additional 2018 interns have accepted temporary employment at the Bank, starting in January 2019, a practice that has led to full-time conversions in the past.

Career Fairs and Partnerships with Professional Associations

The Bank continued to proactively source diverse talent and participated in career events hosted by professional organizations where the majority of attendees were diverse candidates. Below is a sampling of the 23 events in 2018:

- Scholarship for Service
- National Black MBA Association
- Prospanica
- Grace Hopper Celebration of Women in Computing
- Women in Technology
- Women in Federal Law Enforcement
- RecruitMilitary

In April, the Talent Acquisition and Economic Outreach teams partnered in hosting 100 students from East LA Community College and Cerritos Community College, conducting resume and interviewing workshops in Los Angeles.

Our Information Technology Services group is supporting the Bank's first "Year Up" intern, who is slated to become a full-time employee in March 2019. The Year Up organization empowers low-income young adults to succeed in professional careers and higher education. The intensive program includes six months in class and a six-month internship, with the goal of bringing technically and professionally skilled talent into the Bank.

The Bank also hosted events for students at local universities who have shown interest in economics/finance careers. These schools included UC Berkeley, UC Davis, and Cal State East Bay. The events featured Bank leaders and representatives from key departments talking about their career journeys, their work, and potential opportunities at the Bank, as well as in economics and finance more broadly.

Online Advertising

The Bank continues to use a broad range of online recruitment tools to source diverse candidates. Targeted sites in 2018 included Women for Hire and Women in Technology. The Bank also continued to utilize DiversityJobs.com, in association with the California Local Job Network, which provides online gateways to over 200 diversity partners, state employment development offices, and community-based organizations. Additionally, the Bank leveraged and partnered with social networking sites including Glassdoor, LinkedIn, and Facebook, as well as Federal Reserve System social media accounts.

Job Postings

The Bank's president and first vice president continue their commitment to posting available job openings, including those at the most senior levels of the organization, to foster transparency and help ensure that a diverse pool of internal and external candidates are considered for these positions. In 2018 the Bank expanded the use of a software program that reviews job postings for language that may discourage diverse applicants. The software is now used for all job postings.

Spotlight on Economic Research's Efforts

The Bank's Economic Research function has focused considerable effort on trying to increase the diversity of its economists and research associates. To recruit research associates, they launched a campaign that sent hundreds of letters to colleges and universities across the nation to better inform faculty and students about the inclusive work culture and diverse opportunities offered at the Bank, including our commitment to increasing representation of women and minorities in our department. Economic Research significantly increased its participation in events that support minorities in economics (including visits to local schools and universities) and formed a recruiting team that fully embraces those goals and highlights them during interviews. As a result of these efforts, the department has increased the diversity and size of its highly-qualified applicant pool, and the gender balance of men to women research assistants went from 80/20 to 50/50 over the past five years.

Beyond these recruiting efforts, Economic Research has introduced a mentorship program, pairing newer economists with more experienced ones. The department has also taken more subtle steps to improve their culture of inclusion, such as implementing a "five-minute rule" to discourage interruptions during the first five minutes of presentations. This is intended to counter a tendency in the economics profession where audience members seek to "score points" by immediately and aggressively challenging a speaker's point of view.

EMPHASIZED STAFF DEVELOPMENT

The Bank's talent development team drove the following efforts to promote diversity and inclusion:

Interview Training

The Bank continues to offer interview training for all interviewers. The "Effective Interviewing" course, revamped in 2016, was offered semi-annually in 2018 as a part of the core curriculum available for all managers. This training focuses on the importance of diverse panels, behavioral interviewing, mitigating unconscious bias, assessing against a consistent set of professional competencies (our OneBank Behaviors) and best practices for the overall candidate experience.

People Manager Training

A Bankwide "Manager Summit" for all people managers was held in September and October, 2018. Almost all 360 non-officer people managers attended a two-day conference that highlighted their roles as leaders in the organization, as well as their responsibility to coach and develop their teams. The program was well received, with an overall approval rating of 91%. Development has continued on people management topics to encourage ongoing growth.

System Leadership Initiative (SLI)

To invest in the growth and development of future Bank leaders, the Bank sponsored ten managers to participate in the two SLI Thrive conferences in 2018. Of those, 70% were ethnically diverse and 60% were women..

Mentoring

The Bank continues to sponsor the OneBank Peer Mentoring Program, which brings together managers and professionals who may be interested in management. This provides the opportunity to network with those outside their areas, as well as discuss people management issues, Bank developments, and career advice. Participation in the program increased to 186 participants in 2018 (including 16 officer sponsors); 53% of participants were minority and 48% were women. The program continues to grow, up from 137 participants in 2017 (and only 41 back in 2014).

Workplace Harassment Prevention Training

The Bank also enhanced its workplace harassment prevention training this year, publishing a "MeToo and the Modern Office" booklet for all employees and offering in-person training sessions for all people managers (in addition to our traditional online training option).



Booklet developed for workplace harassment prevention training

CHALLENGES

The Bank continues to face hiring challenges related to the employment of women and minorities. Nearly 50% of vacancies filled in 2018 were in the technology, regulatory, and FinTech sectors. While the availability of women and minorities in our region is adequate, that pool is subject to intense competition in this space. Organizations in these sectors continue to increase their presence at recruitment and “meet-the-firm” events, and to allocate significant funding for diverse recruitment. In addition, compensation remains a challenge, as the Bank lags in the amount of total compensation it pays compared to many of our competitors.

While the Bank increases its focus on national labor markets to supplement the highly-competitive local market, candidates are often reluctant to relocate to the District due to very expensive housing markets. We have made progress in accommodating remote work arrangements where feasible and practical.

NEXT STEPS

The Bank is committed to enhancing the diversity of its 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 2019 includes:

- Increase targeted outreach to diverse community groups and partners, develop new partnering opportunities, and increase communication of the Bank’s career opportunities to a broader audience.
- Continue to enhance training programs and electronic modules for hiring managers and their delegates on interviewing/selection skills and mitigating the impact of unconscious bias.
- Continually evaluate the Bank’s summer internship program to ensure we’re providing the best experience possible and increase opportunities for conversion to full-time positions.

INCLUSION OF MINORITY- AND WOMEN-OWNED BUSINESSES

The Bank has a primary objective to increase opportunities for minority- and women-owned businesses to compete for its business. To this end, our supplier diversity policy has been strongly endorsed by the Bank's senior management and is the foundation for our plans and procedures. Established in 2011 and refreshed in 2016, the policy uses the best practice guidelines of the National Minority Supplier Development Council (NMSDC).

The supplier diversity program's strategic vision was enhanced to include cultivating a robust sourcing and procurement environment. In support of this enriched vision, the supplier diversity program:

- Began reporting directly to the Bank's chief financial officer, heightening the focus on supplier diversity within the Bank's executive leadership team.
- Added a sourcing specialist position to make sourcing resources available to business areas, integrate sourcing of vendors into the planning stages for competitive procurement opportunities, and offer general supplier diversity program assistance.
- Revised the Bank's external supplier diversity web pages to broaden the language on the Bank's commitment to the fair inclusion of diverse businesses and provide a web-based vendor registration form.



Supplier Diversity Manager Lynn Reddrick at a match-making event

SUCCESSSES

The Bank's leadership in the supplier diversity realm – both within the Federal Reserve System and across the industry – continues to shine, with the supplier diversity community recognizing the Bank's commitment to engage, support, educate, and connect with minority- and women-owned businesses. The Bank received the following industry awards and recognition for its supplier diversity efforts:

- The Corporation of the Year and Corporate Advocate of the Year awards by the Women's Business Enterprise Council - Pacific.
- A nomination for "Supplier Diversity Leader of the Year" by the Western Regional Minority Supplier Development Council.
- Recognition for five years of technical assistance support to the minority business community from the Northwest Mountain Minority Supplier Development Council at its 40th Anniversary meeting.
- Selection of the Bank's CFO to join the Western Regional Minority Supplier Development Council's inaugural executive advisory committee.

AMOUNTS PAID TO CONTRACTORS

The Bank's total spend reported below includes expenditures on procurements originated by both the Bank and the National Procurement Office. For the 2018 fiscal year, the Bank's total expenditure on goods and services was \$68.7 million¹, a 10% increase over 2017. Of that amount, payment to minority- and women-owned businesses accounted for \$11.9 million, or 17%, broken out as follows:

- Minority-owned businesses²: \$9.9 million or 14%.
- Women-owned businesses: \$2.0 million or 3%.

The overall value of payments to minority- and women-owned businesses was essentially flat over 2017, though the number of vendors receiving payments increased from 85 to 100. Given the Bank's growth in overall payments combined with flat payments to diverse vendors, the proportion of total spend going to diverse vendors decreased from 19% to 17%. A five-year trend of the Bank's procurement expenditures with minority- and women-owned businesses is attached as Appendix C.

Beyond these results, we are also pleased to report on a number of activities and successes related to the Bank's supplier diversity objectives.

1. The total dollar amount of spend (i.e., 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).

2. Minority women-owned business spend is captured in spend for minority-owned businesses only, and is not double counted in the women-owned business spend category.

ENHANCED THE BANK'S SUPPLIER DIVERSITY PROGRAM OPERATIONS AND AWARENESS

The Bank continued its efforts to identify best practices, enhance our supplier diversity program, and drive internal and external awareness. 2018 highlights include:

- Collaborated with our Information Technology group to develop a robust vendor registration database. The new tool uses a web-based form for vendors to complete, with data automatically flowing to a vendor database so all Bank staff can search for diverse vendors by type of service and location. The external-facing form is a first for the System, making it easier for vendors to register with us.
- Expanded to 475 from 399 our database of vendors who have expressed interest in doing business with the Bank.
- Worked with the Procurement team to provide internal training sessions on supplier diversity.
- Developed metrics on spend, diverse supplier participation, and procurement awards (\$10k and over) using a new procurement tracking process and the SMART database, a Federal Reserve System spend visibility tool. Metrics were presented to the Bank's Management Committee and discussed during the ODI's annual division action planning sessions.
- Completed 36 reviews of statements of work, evaluation criteria, and bidder lists for requisitions valued at \$100,000 or more. This review identifies potential barriers for diverse and small suppliers, recommends diverse suppliers, and recognizes and assesses patterns over time.
- Fulfilled 64 diverse vendor sourcing requests from business areas and responded to ongoing vendor classification requests from business area sourcing staff.
- Updated the Bank's external supplier diversity web pages to expand our commitment to the fair inclusion of diverse businesses beyond minority-owned, women-owned, and small businesses. Fair inclusion now references veteran, disabled person, and lesbian, gay, bisexual, and/or transgender-owned businesses.

CONTINUED OUTREACH AND NETWORKING

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

Networking

The Bank both hosted and participated in a comprehensive schedule of matchmaking and networking events, and four national conferences for diverse businesses. These advocacy groups and organizations included:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- The National LGBT Chamber of Commerce (NGLCC)
- California Hispanic Chamber of Commerce
- California Black Chamber of Commerce
- Industry Council for Small Business Development
- Western Regional Minority Supplier Development Council
- Women's Business Enterprise Council - Pacific
- Women's Business Enterprise Council - West
- Southern California Minority Supplier Development Council
- Northwest Mountain Minority Supplier Development Council
- National Association of Women Business Owners, Bay Area Chapter
- Bay Area Business Roundtable
- Financial Services Roundtable for Supplier Diversity
- Elevate: A Procurement Symposium
- United Airlines Supplier Diversity Forum

Technical Assistance

The Bank partnered with many of those organizations to plan, participate, and/or host seven technical assistance meetings for diverse suppliers. These efforts featured presentations by Bank leaders, including a Fintech market overview, information technology insights and initiatives, cash payment trends, and the impact of diversity on the economic development of diverse businesses. The Bank also hosted the “Bay Area Supplier Diversity Best Practices Summit” for a second year.

Industry Leadership

The Bank’s supplier diversity manager, Lynn Reddrick, continues to provide outstanding leadership in the supplier diversity community. 2018 highlights included:

- Served on three boards and an executive council for the following organizations:
 - Financial Services Roundtable for Supplier Diversity (board co-secretary and two committees)
 - Women’s Business Enterprise Council-Pacific (board member)
 - Western Regional Minority Supplier Development Council (board member and three committees)
 - Bay Area Business Roundtable (executive council)
- Participated in a financial services industry panel as part of the Bridges to Success Diversity Expo hosted by the local Minority Supplier Development Council.
- Served as keynote speaker at a monthly meeting of the local Industry Council for Small Business Development.

In addition, the Bank’s chief financial officer Phil Johnson provided strategic planning counsel and resources to the president of the Western Regional Minority Supplier Development Council, and also joined that group’s executive advisory committee.

Leadership for the Federal Reserve System’s Supplier Diversity Efforts

The supplier diversity program manager continued to provide strong leadership for the Federal Reserve System’s supplier diversity efforts. Contributions in 2018 included:

- Continued to co-chair the System’s Supplier Diversity Program Managers Workgroup.
- Contributed to the OMWI Council’s Supplier Diversity Workgroup, including the standard MBE-WBE inclusion process, classification procedures, and Systemwide sharing of diverse vendors.
- Contributed as a member of the Federal Reserve System’s business fair exhibitor team at WBENC’s and NMSDC’s national conferences. Both featured Federal Reserve overviews and presentations on upcoming contracting opportunities.



Lynn Reddrick and Chief Financial Officer Phil Johnson celebrate a supplier diversity industry award.

CHALLENGES

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

- Sourcing qualified and diverse businesses continues to be very labor intensive for both business lines and the Bank's procurement function, and requires additional support, training, and engagement. The supplier diversity team will provide enhanced resources and continue to expand and upgrade the technology, data collection/reporting, advance planning, and business line sourcing assistance for business areas to source diverse suppliers.
- The lack of responses from minority- and women-owned businesses to procurement opportunities makes it difficult to understand the barriers they may be facing and provide consistent diverse vendor pools for the Bank's opportunities. The new sourcing specialist services will enhance our ability to work with business lines to identify and determine the concerns minority- and women-owned businesses have with our procurement process.
- Despite ongoing outreach and improved access to diverse supplier resources, business lines and the supplier diversity team encounter challenges in identifying qualified minority- and women-owned businesses for unique, specialized, non-traditional, and large-scale needs.

NEXT STEPS

The Bank remains committed to making every effort to increase the opportunity for diverse businesses to participate in our procurement opportunities and receive technical assistance. Our action plan for 2018 includes:

- Drive supplier diversity awareness and support the engagement of business lines by expanding and upgrading sourcing resources, participating in advance-planning sessions with businesses, and providing sourcing training and quarterly metrics to assess progress.
- Continue to enhance partnerships with diverse supplier advocacy groups and financial services organizations to grow our directory of potential service providers, and host and provide resources for Districtwide technical assistance and capacity-building opportunities.
- Explore opportunities to leverage our new e-procurement tool in our efforts to facilitate the inclusion of diverse suppliers
- Collaborate with the Federal Reserve System and OMWI Council's supplier diversity workgroups to support sharing and better use of vendor and spend data, common metrics and reporting, business line engagement, standardizing vendor reportable and diversity classifications, and supplier diversity best practices.

FINANCIAL EDUCATION

The Bank is committed to financial and economic education efforts that engage OWMI audiences (inner-city, all-girls, and majority-minority high schools) and promote financial well-being. Through various activities, curricula, and events, the Bank strives to build awareness of job opportunities within the Federal Reserve System, and to help minorities, women, and youth develop skills in personal financial decision-making and 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, all-girls, and majority-minority high school populations.



Outreach event at Thurgood Marshall High School in San Francisco

SUCCESSSES

The Bank's Economic Education & Outreach team continued to conduct a variety of programs in 2018 to support economic and financial education for OMWI-designated audiences throughout the Twelfth District. The data provided in this report is school-based and specifically reflects the ethnic composition and geographic setting of each school, as reported in the National Center for Education Statistics database.

PROVIDED PERSONAL FINANCE EDUCATION

The Bank continued to develop and deploy educational content and programming to foster learning opportunities, support learner engagement, and expand access to high-quality teaching materials, including the following:

- In collaboration with the Federal Reserve Bank of Richmond, the Bank completed the third and final module of the online course, *Invest in What's Next: Life After High School*. The course is designed to support educators and students in a variety of settings, from the classroom to career centers to one-on-one mentoring. The online interactive course provides a unique opportunity for students to learn economics and personal finance concepts while planning for their education, career, and future. The course guides students through exploring their options, conducting research, and developing plans that align with their individual preferences and circumstances. In 2018, 9,660 students—including 3,405 from OMWI-designated high schools—enrolled in the course.
- Continued the Education Advisory Group (EAG) program, comprised of three community college and 22 high school teachers selected for their leadership potential and commitment to education. The EAG helped identify and address challenges in economic education and provided feedback on the Bank's educational resources. Selected teachers represented a diverse set of schools from across the Twelfth District, with 59% of the high school teachers coming from OMWI-defined schools. This group of classroom educators allows the Bank to amplify our messaging and expand our reach to target audiences throughout the District.

Reached over 21,000 OMWI-targeted students through various financial education outreach efforts.

HOSTED, SPONSORED, AND ATTENDED CONFERENCES AND EVENTS

Arizona Council on Economic Education Higher Ed Summit on Personal Finance The Bank participated in and contributed to a range of conferences and events to support our financial education and outreach objectives, including the following:

- Collaborated with the Nevada State Treasurer’s Office to provide personal finance training summits in Las Vegas and Reno to over 290 educators. The goal was to help teachers and administrators implement financial literacy content and teaching materials in their classrooms.
- Established a partnership with the California Association of African American Superintendents and Administrators to provide financial education and college-readiness training. Key events included a professional development summit and an annual education round-up focusing on key education initiatives that impact students of color.
- Hosted a professional development program for Utah high school teachers in conjunction with the Federal Reserve System’s Financial Education Day. This one-day event focused on approaches and resources for teaching personal finance.
- Partnered with the Bank’s African American employee resource group to provide over 70 backpacks filled with school supplies to students at Thurgood Marshall High School in San Francisco, an OMWI-designated school. Federal Reserve employees also discussed careers at the Fed and shared their personal academic and career journeys.
- Presented personal finance resource sessions at regional and national conferences and trainings:
 - Arizona Council on Economic Education Higher Ed Summit on Personal Finance
 - California Association of African American Superintendents and Administrators
 - California Association of School Economics Teachers
 - California Business Education Association
 - California Council on Social Studies Conference
 - California State University Fullerton Financial Education Conference
 - National Association of Economic Educators
 - National Association for Career & Technical Education
 - Nevada State Treasurer’s Office and the Council on Economic Education Statewide Personal Finance Trainings
 - Washington State Financial Education Public-Private Partnership Training Institute

TABLE 1: FINANCIAL EDUCATION OUTREACH EVENTS

		2016	2017	2018
Financial Literacy ¹	Program Type			
	— Teacher centric	Hybrid	Hybrid	Hybrid
	— Student centric			
	— Hybrid			
	Number of Students ²	4,077	3,600	1,730
	Number of Educators ³	185	181	289
	Number of Students Reached ⁴	13,875	13,575	21,675

1. Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus. OMWI targeted schools are considered to be inner-city, majority-minority, and/or all-girls high schools.
2. Students who attended in-person programs and enrolled in online programs.
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.



ERG leader speaking to local high school students

LEVERAGED COMMUNITY DEVELOPMENT AUDIENCES

In addition to Economic Education & Outreach's contributions, we also highlight efforts by the Bank's Community Development department in advancing economic education and/or opportunities to OMWI-designated populations through various events, including the following:

- Recruited a new advisory council for the Center for Community Development Investments. Founded in 2006, the Center accelerates the adoption of financial innovations that shift public and private resources toward interventions that increase economic mobility. In 2018, we recruited a new cohort of advisory council members to inform the Center's work. The nine-member council includes seven women and five minorities.
- Co-sponsored the 2018 National Interagency Community Reinvestment Conference (NICRC). A theme of the 2018 NICRC, attended by 1,200 community leaders and investors, was inclusion—specifically the role that the community development field plays in fostering equitable outcomes. The conference shared research and perspectives on structural racial inequities and how communities of color have been excluded historically. The program also included community tours to highlight inclusive reinvestment in immigrant communities and job training programs for vulnerable populations.
- Partnered with the Strong Prosperous and Resilient Communities Challenge (SPARCC). SPARCC is a three-year initiative to guide investments in the building environment so they produce more racially-equitable communities. In its second year, SPARCC developed a tool to better target investments that support racial equity. The tool is being used to assess the equity impacts of certain real estate developments in several major cities, including Los Angeles and the San Francisco Bay Area. This year, SPARCC also created models that organizations can use to develop more racially-inclusive governance structures.
- Supported inclusive use of Opportunity Zones. The Tax Cuts and Jobs Act of 2017 created Opportunity Zones, a new tax incentive designed to drive long-term capital to low-income communities. In 2018, we convened a series of events across the District for stakeholders to discuss what this change means for community development and related fields, and to identify roles we can all play to ensure that the resulting investments benefit existing residents of Opportunity Zones.
- Focused on Black women-owned businesses in Los Angeles. Black women are the fastest growing group of business owners in the nation, as evidenced by new research from the Federal Reserve Bank of Kansas City. Building on that research, we convened stakeholders from across Los Angeles to share local data and trends on business ownership by Black women, as well as ways Los Angeles can provide stronger support systems for Black women entrepreneurs.

CHALLENGES

In recent years, the Bank made a strategic decision to shift many of its educational resources to online and mobile formats, to improve access across the District's nine states. While this decision has resulted in more than 2.5 million views and downloads of materials and resources each year, it has been difficult to determine which groups have engaged with the content. This issue presents a challenge for determining the true uptake of our programs with key audiences and limits reporting of program results.

NEXT STEPS

Motivated by the dramatic increase in post-secondary costs, growing student debt, and significantly lower completion rates for first generation and low-income students, the Bank is committed to engaging OMMI audiences to build awareness of the Federal Reserve System. In particular, we hope to inspire youth to develop skills in personal finance; explore careers in business, economics, and finance; and become active participants in creating their future. To achieve these goals, we will re-establish direct contact with OMMI schools and continue to expand efforts to create content and develop programming around college and career readiness.

Our action plan for 2019 includes:

- Developing a program to help first generation college students navigate the transition to college.
- Conducting focus groups with underserved students, closing the knowledge gap between our understanding of the students' needs and their actual experiences and desires.
- Continuing to experiment with new content and test innovative solutions via teacher and student surveys, targeting feedback from low-income and OMMI schools.
- Discovering ways to expand college readiness and grow our capacity to provide relevant materials and resources.
- Continuing to build a robust and engaged network of teachers to effectively connect with our target audiences, and expand and amplify content delivery mechanisms to increase outreach to diverse audiences.
- Promoting the Invest in What's Next personal finance course to educational partners, school administrators, and educators through targeted events, webinars, and digital marketing channels.
- Continuing to update financial and economic education resources and activities to ensure that they meet the needs of OMMI audiences.

CONCLUSIONS AND FUTURE PLANS

This report outlined the broad range of activities and results that demonstrate the Bank's progress and continued commitment to diversity and inclusion, and to fulfilling the provisions of Section 342 of the Dodd-Frank Act. We are encouraged by the impact of our efforts to date and are confident that our persistence will continue to further our objectives for a diverse workforce and supplier pool despite the challenges we face in some areas.

Our plans for 2019 include:

- Working with the executive and management leadership teams to execute the Bank's various D&I strategies, programs, and practices; working with individual business lines to refine strategies and action plans to increase the Bank's D&I objectives.
- As part of our ongoing effort to build a more inclusive culture at the Bank, rebranding the Office of Diversity and Inclusion to Inclusion + Diversity. We feel that this sends a powerful message on the importance of a truly inclusive culture at the Bank, where individuals of all backgrounds can find a home, be themselves, fully participate, and contribute to their maximum potential.
- Working with the newly-formed Inclusion Alliance to identify, develop, and implement new strategies and initiatives to help cultivate a more inclusive and engaging environment.
- Continuing to use the ERG network as a vehicle to enhance the Bank's D&I efforts and overall engagement of our employees.
- Advancing the diversity of our workforce, including representation of minorities and women, through targeted sourcing and outreach activities that promote awareness of job opportunities.
- Increasing the opportunity for minority- and women-owned businesses to participate in our procurement efforts by expanding partnerships with advocacy groups, providing resources for technical assistance, and enhancing our internal supplier diversity process, resources, and awareness. Over time, these efforts should help identify potential suppliers for the Bank's business needs.
- Actively developing partnerships with diverse community groups and school systems with large concentrations of urban and inner-city, all-girls, and majority-minority schools by continuing to expand content delivery mechanisms to increase outreach to these diverse audiences.

We appreciate the opportunity to provide this report to Congress and welcome feedback that may assist us in continuing to successfully meet our goals on minority and women inclusion at the Bank.




WPN
Women's Professional
Network

Empower | Develop | Promote

International Women's Day
March 8, 2018

Group photo for International Women's Day

APPENDIX A WORKFORCE ANALYSIS

The Workforce Representation Report, provided as Appendix B, shows the ethnic and gender composition of the District's workforce, as submitted annually for the Equal Employment Opportunity Commission's EEO-1 report.

The first three job categories comprise 77% of the District's workforce and are defined as follows:

Executive/Senior Officials

The highest ranks of the organization – its top 16 officials – including the president, first vice president, executive vice presidents, and senior vice presidents.

First/Mid Officials & Management

Includes all other officers and people managers, approximately 21% of the workforce.

Professionals

Jobs in this category, which represents 55% of the workforce, generally require bachelor or graduate degrees, professional certification, and/or comparable experience. The positions in this group include economists, bank examiners, analysts, auditors, project managers, and information technology professionals.

As of 12/31/18, the Bank employed 1,702 individuals. The overall composition of the Bank's workforce was 57% minority and 42% women, both up slightly over 2017. The table below shows the history of the Bank's workforce over the past five years. As shown, the Bank has made notable progress over the period in employment of minorities in management. Women's representation has remained about the same.

TABLE 2: BANK WORKFORCE SUMMARY, 2014-2018 (AS OF DECEMBER 31)

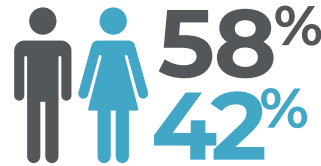
EEO-1 Category		2014	2015	2016	2017	2018
Senior Executives	Minorities	25%	33%	50%	46%	44%
	Women	33%	25%	25%	31%	31%
Mid-Level Managers	Minorities	40%	40%	41%	43%	47%
	Women	44%	42%	42%	41%	43%
Professionals	Minorities	54%	55%	54%	55%	56%
	Women	44%	45%	42%	43%	44%
Total Workforce	Minorities	54%	55%	55%	56%	57%
	Women	42%	42%	41%	41%	42%

FRBSF WORKFORCE BY ETHNICITY

36% ASIAN
13% HISPANIC
6% BLACK
2% OTHER



FRBSF WORKFORCE BY GENDER



The Bank also compares its workforce representation to various public benchmarks for comparable jobs. A comparison of the Bank’s workforce representation to 2016 Equal Employment Opportunity Commission (EEOC) data in the key EEO-1 categories (for all industries) shows the following:

- National Comparison: The Bank’s representation of minorities in the management and executive levels combined exceeds national minority representation at those levels by over 24% (our 47% versus the national benchmark of 23%); the Bank’s women representation exceeds by 4%. For the executive, management, and professional groupings combined, we exceed comparable national levels by 26% for minorities, while lagging by 5% for women (this is likely due in part to our high proportion of technical positions in our professional ranks, where women’s representation traditionally lags in most organizations).
- California Comparison: Because 87% of the Bank’s jobs are in the two California offices, we also compare our workforce representation to corresponding benchmarks for California. Here too, the Bank’s representation in the management/executive grouping is greater than the California benchmark for minorities by 7% and 4% greater for women. Looking at all management and professionals combined, we exceed for minorities by 6% while lagging for women by 2%.

APPENDIX B

FEDERAL RESERVE BANK OF SAN FRANCISCO WORKFORCE REPRESENTATION (DECEMBER 31, 2018)

Numeric data

Job Categories	Hispanic		Not Hispanic											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	2		7			2			2	1		1		1	16
First/Mid Officials & Mgrs	24	20	114	9	1	47		5	71	7		50		1	349
Professionals	37	30	272	18	2	190	1	7	145	23		208	3	4	940
Technicians			1												1
Sales Worker	1		1			1			1						4
Administrative	22	12	15	10	1	29	1		32	9	1	26	1		159
Craft Workers	5		13			4	1								23
Operatives	13	17	3	3	2	14			3	3		14	1		73
Service Workers	29	8	41	13	1	22		3	9	6	3	2			137
Total	133	87	467	53	7	309	3	15	263	49	4	301	5	6	1,702

Percentage data

Job Categories	Hispanic		Not Hispanic											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	13%	0%	44%	0%	0%	13%	0%	0%	13%	6%	0%	6%	0%	6%	1%
First/Mid Officials & Mgrs	7%	6%	33%	3%	0%	13%	0%	1%	20%	2%	0%	14%	0%	0%	21%
Professionals	4%	3%	29%	2%	0%	20%	0%	1%	15%	2%	0%	22%	0%	0%	55%
Technicians	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sales Worker	25%	0%	25%	0%	0%	25%	0%	0%	25%	0%	0%	0%	0%	0%	0%
Administrative	14%	8%	9%	6%	1%	18%	1%	0%	20%	6%	1%	16%	1%	0%	9%
Craft Workers	22%	0%	57%	0%	0%	17%	4%	0%	0%	0%	0%	0%	0%	0%	1%
Operatives	18%	23%	4%	4%	3%	19%	0%	0%	4%	4%	0%	19%	1%	0%	4%
Service Workers	21%	6%	30%	9%	1%	16%	0%	2%	7%	4%	2%	1%	0%	0%	8%
Total	8%	5%	27%	3%	0%	18%	0%	1%	15%	3%	0%	18%	0%	0%	100%

Note: Data are rounded.

APPENDIX C

OMWI CORE METRICS (AS OF DECEMBER 31)

Category	Description	Measure	2014	2015	2016	2017	2018
Workforce Diversity	Senior Executives	Total #	12	12	12	13	16
		% Minorities	25%	33%	50%	46%	44%
		% Women	33%	25%	25%	31%	31%
	Mid-Level Managers	Total #	292	306	322	308	349
		% Minorities	40%	40%	41%	43%	47%
		% Women	44%	42%	42%	41%	43%
	Professionals	Total #	854	908	936	947	940
		% Minorities	54%	55%	54%	55%	56%
		% Women	44%	45%	42%	43%	44%
	Total External Hires	Total #	165	190	206	132	187
		% Minorities	54%	55%	50%	54%	58%
		% Women	46%	37%	35%	37%	42%
	Total Interns	Total #	23	32	25	35	31
		% Minorities	74%	72%	60%	57%	65%
		% Women	39%	59%	36%	51%	65%
Overall Bank Turnover Rate		%	11.3%	9.5%	10.7%	9.1%	10.5%
Supplier Diversity	Total Reportable Spend	\$ (millions)	\$71.5	\$70.0	\$69.9	\$62.4	\$68.7
	Total Diverse Spend ¹	\$ (millions)	\$10.5	\$18.6	\$17.6	\$12.0	\$11.9
		%	14.6%	26.5%	25.2%	19.3%	17.3%
	Minority-owned ²	\$ (millions)	\$7.9	\$16.7	\$15.3	\$9.9	\$9.9
		%	11.0%	23.9%	21.8%	15.8%	14.4%
	Minority-owned (men)	\$ (millions)	\$7.3	\$4.2	\$4.3	\$1.4	\$3.2
		%	10.2%	6.0%	6.2%	2.3%	4.6%
	Minority-owned (women)	\$ (millions)	\$0.6	\$12.5	\$10.9	\$8.4	\$6.7
		%	0.8%	17.9%	15.6%	13.5%	9.8%
	Women-owned ²	\$ (millions)	\$3.2	\$14.4	\$13.3	\$10.6	\$8.7
%		4.4%	20.5%	19.0%	17.0%	12.7%	
Women-owned (non-minority)	\$ (millions)	\$2.6	\$1.8	\$2.3	\$2.2	\$2.0	
	%	3.6%	2.6%	3.4%	3.5%	2.9%	
Women-owned (minority)	\$ (millions)	\$0.6	\$12.5	\$10.9	\$8.4	\$6.7	
	%	0.8%	17.9%	15.6%	13.5%	9.8%	

1. Total Diverse Spend = Minority-owned (men) + Minority-owned (women) + Women-owned (non-minority).

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

		2016	2017	2018
Financial Literacy ¹	Program Type			
	— Teacher centric	Hybrid	Hybrid	Hybrid
	— Student centric			
	— Hybrid			
	Number of Students ²	4,077	3,600	1,730
	Number of Educators ³	185	181	289
	Number of Students Reached ⁴	13,875	13,575	21,675

1. Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus. OMWI targeted schools are considered to be inner-city, majority-minority, and/or all-girls schools.

2. Students who attended in-person programs and enrolled in online programs.

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.



Human Pride Banner in celebration of LGBT Pride Month



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