

FEDERAL RESERVE BANK OF ST. LOUIS

Office of Minority and Women Inclusion

2014 ANNUAL REPORT TO CONGRESS

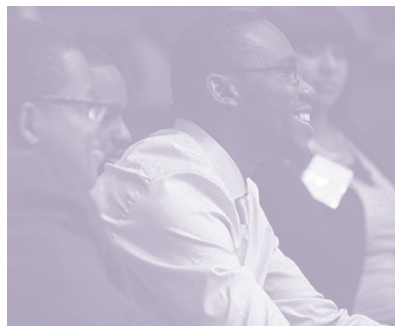


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Message from the President

James Bullard
President and CEO



Enclosed is the 2014 Office of Minority and Women Inclusion (OMWI) Congressional Report from the Federal Reserve Bank of St. Louis.

This report outlines many of the diversity and inclusion activities undertaken by the Bank in 2014. We implemented these actions not only to comply with section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, but also to enhance the effectiveness and strength of our organization. The report also describes some of the successes and challenges that we encountered during 2014.

At the Federal Reserve Bank of St. Louis, we continue to believe that we will better serve the American public by building a more diverse and inclusive organization. Although we made positive strides in our OMWI efforts, we know that there is more progress to be made.

A handwritten signature in black ink, appearing to read "J. Bullard". The signature is written in a cursive, flowing style.

Executive Summary

The Federal Reserve Bank of St. Louis (Bank) continues its efforts to ensure the inclusion of minorities, women, and minority-owned business enterprises (MBEs) and women-owned business enterprises (WBEs) in activities of the Bank, with emphasis on workforce and procurement diversity. Assessment of inclusion programs in regulated entities is managed by the Board of Governors, and therefore is not addressed in this report.

Under the direction of the Office of Minority and Women Inclusion (OMWI) director and vice president of diversity and inclusion, Kathy Freeman, the OMWI is committed to developing strategies that will enhance diversity and inclusion within all the Bank's business activities. As a complement to the existing diversity and inclusion efforts of the Bank, the OMWI will continue to coordinate strategic development of policies and procedures around workplace diversity, supplier diversity and financial literacy.

Employment

The Bank emphasizes building diversity at all levels of the organization, beginning at the top. Recognizing that the Bank's board of directors should represent the community it serves, the Bank strives to have a diverse board. The nine members of the St. Louis board of directors include three white females, one Hispanic-American male and one Asian-American male.

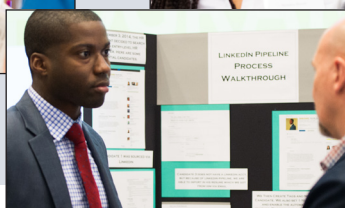
As of Dec. 31, 2014, of the Bank's 1,117 employees, 44 percent were women, and 25 percent belonged to a minority group. The Bank annually compares its workforce

representation to a labor market estimate for jobs that require skills and qualifications equivalent to those described in Appendix A. The results of this comparison inform the Bank's recruitment and outreach efforts to promote awareness of job opportunities, and inspire youth to consider education and careers in finance. A comparison of the Bank's workforce in the top three job groups—82 percent of the workforce—to aggregate representation in the Executive/Senior-Level Officials and Managers, First/Mid-Level Officials and Managers, and the Professionals categories as reported in the 2010 U.S. Census EEO data for the Greater St. Louis Metropolitan Statistical Area (MSA), revealed that the overall representation of women and minorities exceeds the MSA levels.

Strengthening the diversity of the leadership pipeline continued to be a priority for the Bank in 2014. One initiative, aimed at bringing in entry-level talent as potential future leaders, is the Bank's intern program. Through the Bank's ongoing partnerships with community-based organizations and its active participation in Historically Black College and University (HBCU) recruitment fairs, the 2014 College Internship Program included 26 interns: 12 were minorities, and 15 were women, including five from HBCUs and three from INROADS.¹

In addition, the Bank's focus on employee development remains strong, as building organizational capacity and effectiveness are critical factors in accomplishing the

¹ The mission of INROADS is to develop and place talented underserved youth in business and industry, and prepare them for future corporate and community leadership.



Internships Offer Insights

Interns attended the Bank's annual Intern Expo. At this event, interns presented work products and lessons learned to members of Bank management. The expo provided the interns with one-on-one face time with management from across the District, as well as career networking opportunities.

Bank's vision. The Bank continued its mentoring program, which provides developmental opportunities by matching employees with diverse backgrounds, skills and experiences. Mentors, including executives up to senior vice presidents, are paired with other Bank employees for a year or more. A main goal of the program is to provide developmental guidance to a diverse pool of Bank employees.

Procurement

The Bank made considerable progress to enhance the ability of MBEs and WBEs to provide the Bank with goods and services. For the third year in a row, the Bank's MBE and WBE spend increased over the prior year.

Percent of Total Bank Spend

Year	MBE	WBE	Total
2011	1.1%	6.0%	7.1%
2012	2.8%	9.2%	12.0%
2013	6.0%	14.2%	20.2%
2014	9.3%	19.8%	29.1%

The Bank's procurement successes include:

- maintaining an active LinkedIn profile to connect to MBE and WBE networks and affiliate groups;
- increasing the Bank's presence and outreach efforts through participation in local and national conferences; and
- remaining active with local supplier diversity councils, such as the St. Louis Minority Business Council and the Mid-South Minority Business Council.

Financial Literacy

The Bank continues its longstanding reputation as a leader in developing financial literacy programs. According to the most recent data available from the National Center for Education Statistics, approximately 20 percent, or 209 of the high schools within the Eighth District, are inner-city, majority-minority and girls high schools (OMWI-defined). The total combined enrollment includes 145,518 students, 70 percent of whom are African-American, 5 percent Hispanic and 1 percent Asian. By providing free, high-quality professional development to the educators in these schools, participating in local, regional and national conferences, and offering highly customizable options for student engagement, the Bank has interacted with 85 percent of the OMWI-defined high schools within the Eighth District.



The Bank continued its strong community outreach efforts with several events and conferences, including **Diálogo con la Fed**, which was held at the Memphis Branch. **Diálogo con la Fed** is the Bank's Spanish-language edition of its Dialogue with the Fed discussion series for the general public in which Fed officials address key economic and financial issues and answer questions from the audience.

Diversity and Inclusion Training

In response to events in Ferguson, Mo., a nearby suburb, the Bank held special diversity and inclusion training on how to have conversations in the workplace about difficult issues through understanding and empathy. Both management and employees participated in the sessions, which were designed specifically for the Bank by a longtime collaborator in diversity and inclusion activities, The Kaleidoscope Group. The well-received sessions were a bit different from previous diversity presentations as they featured "KaleidoTheater"—a series of skits performed by presenters from The Kaleidoscope Group, followed by small group discussions.



Overview

The OMWI, with support from senior management, remains responsible for all matters relating to diversity in management, employment and business activities at the Bank. The OMWI expands and builds upon the Bank's longstanding efforts to create an inclusive workplace, attract and retain a diverse staff, and foster supplier diversity. The Bank continues to participate in and maintain relationships with organizations within the Eighth District that support minority populations.

The Bank values diversity—in thought, practice and demographic makeup—and considers diversity a fundamental business strategy. The Bank's commitment to diversity is reflected at all levels of the organization.

Staff and Structure

The Bank's OMWI director reports directly to the Bank's president, James Bullard. In addition to Freeman, the OMWI has a dedicated staff of two full-time employees along with resources in talent acquisition, procurement and economic education.

Strategic Support

The Bank's Diversity Advisory Group is composed of senior officers and key stakeholders from various business lines. The group works collaboratively with the Bank's OMWI director in developing the Bank's diversity and inclusion strategy while members serve as Bank ambassadors for diversity and inclusion initiatives.

The Bank's Diversity Council is composed of employees from various business lines. The Diversity Council serves to promote employee awareness of the value of diversity

and inclusion. This council works with the OMWI director and her staff in recommending and implementing diversity-related initiatives and engagement events that align with the Bank's core business strategies. Council members coordinate Bank presentations by outside speakers on relevant diversity and inclusion topics and promote community service opportunities and cultural events that celebrate diversity.

Unique District Activities

The Bank is an international leader in providing online economic and financial information. The Bank's Federal Reserve Economic Data, or FRED®, is an online database consisting of more than 240,000 economic data time series from 77 national, international, public and private sources. FRED, created and maintained by the Bank's Research department, goes far beyond simply providing data. It combines data with a powerful mix of tools that help the user understand, interact with, display and disseminate the data. In essence, FRED helps users tell their data stories.

The Bank's Treasury Relations and Support Office (TRSO) coordinates and manages the relationship between the Department of the Treasury and the Federal Reserve System, serving as the central point of contact for policy issues, new initiatives and problem resolution. The TRSO assists the Treasury with identifying and pursuing strategic initiatives benefiting both the Treasury and the Federal Reserve System, while supporting the successful completion of Treasury-related Federal Reserve System initiatives.

Regional Geography

The Eighth District covers a portion of the Midwest and Midsouth regions. The Bank has offices in St. Louis (headquarters); Memphis, Tenn.; Louisville, Ky.; and Little Rock, Ark. The Memphis Branch duties include cash processing, supervision and regulation of financial institutions, and community development activities. The duties at the Little Rock and Louisville branches include supervision and regulation of financial institutions, and community development activities. All offices provide economic education outreach programs to the communities they serve.



Employment of Minorities and Women

The Bank is committed to building a work environment as diverse as the public it serves. Given the challenges in effecting that vision in the immediate term, building a diverse leadership pipeline is a critical component of the Bank's OMWI strategy. During 2014, the Bank continued its efforts to attract and recruit potential employees from a diverse candidate pool while developing and retaining its best employees. In support of this commitment, the Bank's policies and procedures are designed to provide opportunities for minorities and women at all levels, as outlined below.

Successes

Enhanced interview policy and procedures

The recruitment process for leadership positions and for positions with a direct line to leadership opportunities must include an interview by a panel of diverse Bank employees to allow for a well-rounded view of final candidates. In addition, the panelists have been trained on the behavioral interviewing process. This allows for a more consistent interviewing experience for all candidates and a broader mindset of the individuals making recommendations on the ideal candidate.

Women and minorities promoted in the official ranks

In 2014, there were a total of 20 officer promotions. Ten (50 percent) of those promoted were women, and four (20 percent) were minorities.

Recruitment and retention of a more diverse workforce

New Hires: In 2014, the Bank hired 154 employees. Of the 154 hires, 38 percent were women, and 22 percent were minorities.

College Internship Program: In 2014, the Bank utilized 26 interns. Among these interns, 12 were minorities, and 15 were women. In addition, five of those students attended an HBCU, and three came to the Bank from INROADS. The program provides interns with challenging work and developmental opportunities. The interns participated in developmental workshops and had the opportunity to work with management and senior leaders, including the Bank's president. The desired outcome was to provide the students with career skills and opportunities to return to the Bank as an intern or a full-time employee.

Talent Management: Students from the University of Arkansas at Pine Bluff and Harris-Stowe State University, two HBCUs, attended Bank programs designed to prepare them for corporate America through interactions with industry professionals, training on hard and soft skills, and opportunities to have corporate mentors. Employees from Human Resources, the OMWI and Information Technology Services served as ambassadors.

Talent Development Program: This program provides entry-level opportunities within the Bank with the long-term expectation that individuals will develop into strong Bank leaders. It is structured so that each assignment or rotation for a participant provides exposure to specific functions within the Bank over a two-to-three-year period. The goal is to place the participant in the area best suited for his or her skillset and interests. To facilitate diversity in the applicant pool for this program, the intern program serves as a primary feeder pool. In 2014, there were three participants. All three were minority women who participated in the Bank's college intern program. Two attended HBCUs, and one was a member of the INROADS program.

Relationship Building with Eighth District HBCUs

The Bank's strategy to increase engagement at HBCUs has resulted in good relationships with the nine HBCUs in the Eighth District. Bank personnel attended career fairs and hosted several skills-based workshops, such as résumé writing and mock interviewing, to help prepare students to enter the workforce. This important on-site presence has enabled the Bank to recruit top-quality students for summer intern positions. Some of the ways in which the Bank engaged with HBCUs include:

- Making campus visits to Kentucky State University, Philander Smith College, Lincoln University, Harris-Stowe State University, the University of Arkansas at Pine Bluff and Mississippi Valley State University
- Offering a successful educational program at the University of Arkansas at Pine Bluff to showcase employment opportunities within the Bank's Information Technology area

In addition, the Bank has developed strong partnerships with the following local chapters of these diverse organizations:

- National Black MBA
- Association of Latino Professionals—Finance and Accounting
- Professional Organization of Women
- Missouri Business Leadership Network
- St. Louis Business Diversity Initiative
- Wounded Warrior Project
- INROADS
- Diversity Awareness Partnership
- Urban Financial Services Coalition
- National Society of Hispanic MBAs
- National Association of Black Accountants
- Hispanic Chamber of Commerce
- Recruiting Fairs

The Bank participated in national and regional job fairs sponsored in urban communities and/or geared toward minorities and women including the following:

- Thurgood Marshall College Fund Leadership and Recruitment Fair, Washington, D.C.
- Hispanic Chamber of Commerce, St. Louis
- Urban League, St. Louis
- National Association of Black Accountants, Nashville
- National Society of Hispanic MBAs, San Antonio
- Association of Latino Professionals—Finance and Accounting, Orlando
- National Black MBA Conference, Houston
- Lacy Clay Congressional Job Fair, St. Louis
- Harris-Stowe State University Job Fair, St. Louis
- Missouri Black Expo Job Fair, St. Louis

Training

The Bank continued its commitment of providing diversity and inclusion training to all new employees. New managers participated in a full-day diversity leadership training course focusing on enhancing their cultural competence and the ability to lead across lines of difference. Employees new to the Bank participated in a half-day training course aimed at improving employee understanding of diversity and inclusion.

As an opportunity to enhance cultural competency at the Bank, the Diversity and Inclusion Office provided a Bank-wide interactive program designed by The Kaleidoscope Group and conducted by actors in its KaleidoTheater. The KaleidoTheater actors presented scenarios based on socio-cultural themes brought to light by the incident in Ferguson, Mo. Between scenes, employees participated in group discussions allowing them to express their thoughts and opinions. This cutting-edge, Bank-wide engagement provided opportunities for leadership and staff to learn and grow from polarizing debates to become a stronger, more unified organization. Combined St. Louis and Memphis staff attendance included more than 200 leaders and 350 employees.

Federal Reserve System Efforts

DIVERSITY RECRUITING

Since 2007, the Federal Reserve banks and the Board of Governors have collaborated to implement and execute strategic, national diversity recruiting and advertising. The Federal Reserve System's Diversity Recruiting Strategy uses a collaborative and cost-effective approach toward participation in six national, diversity-focused conferences and several regional conferences. Diversity advertising via online, print and social media vehicles along with attendance at the six conferences position the Federal Reserve as an employer of choice.

During 2014, representatives from throughout the Federal Reserve System attended the following six national diversity conferences: Women In Technology International (WITI), Association of Latino Professionals – Finance and Accounting (ALPFA), National Association of Asian American Professionals (NAAAP), National Black MBA Association (NBMBA), National Society of Hispanic MBAs (NSHMBA), and the Thurgood Marshall College Fund (TMCF) Leadership and Recruitment Fair. Working closely with these nationally recognized organizations supports diverse hires and creates awareness among prospective employees for the Federal Reserve System.

At NSHMBA, the Federal Reserve System participated in a professional development workshop. Stephen Hart, assistant vice president of Human Resources at the Federal Reserve Bank of Philadelphia, presented “Leading with Impact & Purpose – A Holistic Approach.” In addition, a total of eight Federal Reserve System employees volunteered as career coaches during the NSHMBA conference.

The Federal Reserve System was highlighted in an advertisement that was featured in both the *Hispanic Network*

Magazine and *Professional Woman's Magazine*. These magazines were distributed at the 2014 National Society of Hispanic MBA conference, as well as at the National Black MBA Association conference. *Diversity/Careers in Engineering and Information Technology* included an editorial featuring Brittany Brown, emerging talent specialist at the Federal Reserve Bank of Richmond.

The Federal Reserve System was named in the spring issues of *Black EOE Journal*, *Hispanic Network Magazine* and *Professional Woman's Magazine* as the “Best of the Best Top Financial Companies.” Then, in the summer issues of these magazines, the Federal Reserve System was featured on the “Best of the Best List for Top Diversity Employers.”

SYSTEM LEADERSHIP INITIATIVE

The System Leadership Initiative (SLI) is a development program for the Federal Reserve System’s key talent, sponsored by the Federal Reserve bank presidents. In 2014, three conferences were offered at the emerging and mid-level leadership tiers. As the leadership conferences reach a broad pipeline of talent across the Federal Reserve System, the OMWI directors and SLI continued to collaborate to expand the content and discussion of diversity and inclusion in the leadership conferences. The 2014 speakers that specifically addressed diversity and inclusion included: Dr. Scott Page, University of Michigan, and Doug Harris, The Kaleidoscope Group. Additionally, other external speakers and Federal Reserve System senior leaders incorporated discussions and examples on the importance of diversity and inclusion into their presentations. Several OMWI directors were also Leaders-in-Residence at the conferences, serving as mentors to emerging leaders.

The Federal Reserve System’s Leadership Exchange Program affords a critical avenue to support career development for professionals across the Federal Reserve System. Assignments vary in duration (up to one year) and include job shadows, critical work assignments and targeted development opportunities. In 2014, 37 assignments were sponsored, with participation from every Federal Reserve bank and the Board of Governors. Minority and female participation continues to be strong, though participation declined from 2013.

Minority and female participation in the SLI are tracked to assure that development opportunities are reaching a diverse pool of leaders. Diversity of participants will continue to be an area of emphasis by conveying the importance of broadly evaluating traditional and

nontraditional candidates to participate, and reporting progress on a regular basis to Federal Reserve System Human Resources and OMWI leaders.

	Thrive Conference Manager/ New Officer (Emerging Leaders)	Trailblazers Conference Assistant Vice President (Mid-Level Leadership)	Leadership Exchange Program (Manager and High-Level Professionals)
Female	55% (+5%)	47% (+17%)	46% (-4%)
Minority	19% (+6%)	22% (+8%)	22% (-12%)

(%) – Change from 2013

Challenges

Many of the challenges listed in the 2013 OMWI Congressional Report remain. These include:

- Attracting top candidates from national recruiting conferences aimed at women and minorities is particularly challenging when the applicant has no personal ties to cities in the Eighth District.
- Specialized and leadership positions have significant competition for minority talent within the Eighth District due to demographics and labor market dynamics.

Next Steps

- Continue to enhance and execute the Bank’s diversity recruiting strategy to ensure that the applicant pool is well represented by women and minorities
- Continue to partner with professional organizations that target women and minorities as members
- Continue to refine and expand the College Internship Program
- Continue to utilize diverse marketing outlets to advertise employment opportunities
- Continue to enhance and execute the Bank’s College Outreach Strategy to foster deeper engagement with HBCUs in the Eighth District

Procurement: Inclusion of Minority and Women Business Enterprises

Success in supplier diversity at the Bank continues to grow. The Bank has made significant efforts to support the objectives of the OMWI by cultivating new strategies and advancing current work focused on small business and supplier diversity initiatives. The Bank has implemented various policy changes in order to ensure it is providing as many opportunities as possible for MBEs and WBEs to do business with the Bank. Additional support has been provided by the National Procurement Office (NPO), based at the Federal Reserve Bank of Richmond, which is responsible for managing and facilitating contracts that may be used by any of the Federal Reserve banks.

Amounts Paid to Contractors

Total 2014 Spend: \$46.0 million

Portion spent with MBEs:

- 9.3 percent or \$4.3 million

Portion spent with WBEs:

- 19.8 percent or \$9.1 million

Diverse Vendor Contracting Awards and Opportunities

- Contracts awarded to diverse suppliers: 19 percent
- Contracting events that included a diverse supplier: 58 percent
- Competitive bids received from a diverse supplier: 35 percent

Successes

In 2014, the Bank increased its diverse supplier pool of candidates by including MBEs and WBEs in various categories of work that continues to allow for new opportunities. The Bank remains committed to continuing to increase its diverse supplier base by developing additional relationships with diverse suppliers through outreach efforts. These efforts helped the Bank realize a 29.1 percent spend with MBEs and WBEs in 2014, compared with 20.2 percent in 2013. The majority of this increase can be attributed to spend for food services, staffing agencies, computers and peripherals, and construction.

Utilize technology and social media to expand sourcing opportunities with diverse suppliers

The Bank continues to seek opportunities to utilize social media groups through its LinkedIn, Twitter and Facebook presence. The Bank utilized social media to publicize attendance at national supplier diversity events and conferences and identify key outreach contacts. As an optional sourcing mechanism, the Bank's Procurement department maintains an active LinkedIn profile to connect to MBE and WBE networks and affiliate groups.

Increasing the Bank's presence and outreach efforts in the supplier diversity community

Developing efficiencies within the Good Faith Effort (GFE) process has ensured a more robust accuracy in delivery and completion. By using a newly developed Bid Event Forecast, OMWI engagement was moved to the planning phase of the competitive bidding process. This change increased the Bank's effectiveness when sourcing potential vendors, educating them on the Bank's diversity programs and responding to their GFE questions.

The Bank has members from the OMWI, Procurement and Facilities Management chairing or participating on numerous Federal Reserve System supplier diversity workgroups. In support of these initiatives, the Bank has focused on building relationships with suppliers in underrepresented bid categories and is participating on a Federal Reserve System workgroup to develop best practices for vendor management and retention. In addition, the OMWI has worked to align supplier diversity programs with other diversity and inclusion initiatives to share consistent information with the public to increase understanding of doing business with the Bank.

Further, utilization of geographical bidding events for award of Federal Reserve System contracts, in which the Bank participates, has created new opportunities for small suppliers previously unable to support a national-level agreement. Ongoing enrichment of vendor classification data has provided a road map for growth in spend categories with limited or no MBE and WBE business representation.

In pursuit of creating a diverse supplier base, the Bank continues to maintain ongoing relationships with

organizations, including: the Financial Services Roundtable for Supplier Diversity; the National Minority Supplier Development Council; the Hispanic Chamber of Commerce of Metropolitan St. Louis; the St. Louis Minority Supplier Development Council; the Mid-States Minority Supplier Development Council; and the Mid-South Minority Business Council.

In 2014, staff in District Procurement, Facilities Management and the OMWI attended the following events:

- The St. Louis Minority Business Development Council's Business Card Exchange, a traditional networking event where approximately a dozen business contacts were made
- The St. Louis Minority Business Development Council's Corporate Member Event for Best Practices in Supplier Diversity for corporate members to discuss best practices
- The Small Business Week of Eastern Missouri event, hosted by the National Association of Women Business Owners, where eight new supplier contacts were made
- The Women's Business Enterprise National Council's National Conference and Business Fair, where more than 325 exhibitors and 3,000 women business owners, corporate procurement executives and federal contracting officers convened for one of the largest national conferences and business fairs targeting women business owners
- The St. Louis Minority Supplier Development Council's Business Opportunity Fair, which provided opportunities for MBEs to meet private and public sector procurement personnel. Procurement and Facilities hosted one-on-one meetings with 12 suppliers at the meeting.
- The Board of Governors Business Fair and Roundtable. Procurement participated in two larger roundtable discussions with 75 suppliers.
- The Federal Reserve Bank of Chicago's Smart Business Week
- The Mid-South Minority Business Continuum's Economic Development Forum, the largest economic development conference in the Midsouth, connecting Fortune 500 CEOs and executives, minority and women business owners, corporate purchasing managers, renowned speakers, national thought leaders, community leaders and youth. The forum focused on the impact of economic development with an emphasis on minority economic development. Twenty-two new MBEs and WBEs were added to the Bank's portfolio.
- The National Minority Supplier Development Council Business Fair provided an opportunity for established minority business owners to enhance the profitability of their businesses by establishing relationships with corporate and government buyers, and with entrepreneurs seeking MBEs as vendors and/or suppliers. Bank representatives conducted 11 one-on-one meetings with businesses in the facilities and print/promotional items arenas.



The Diversity Council, made up of employees from throughout the Bank, worked with the Office of Diversity and Inclusion and Human Resources to help make employees more aware of the value of diversity and executed diversity-related efforts that supported the Bank's strategies by coordinating several presentations by outside speakers, community service opportunities and cultural events that celebrated diversity.

The Diversity Council exists to encourage

STRIDES:

SENSITIVITY

TEAMWORK

RESPECT

INCLUSION

DIVERSITY

ENGAGEMENT

SUCCESS

The Diversity Council exists to encourage STRIDES® to serve as a sounding board, a change agent and an advocate for awareness.

Federal Reserve System Efforts

SUPPLIER DIVERSITY

The Board of Governors and the Federal Reserve banks continued to expand their combined national presence by participating at the Women's Business Enterprise National Council (WBENC) Conference and the National Minority Supplier Development Council (NMSDC) Conference. Twenty-two representatives from the Federal Reserve banks worked a booth at WBENC and gathered information from more than 100 vendors. During the fair, the Federal Reserve banks were able to participate in one-on-one match-making meetings with 48 vendors.

As previously mentioned, the Federal Reserve System participated in the 2014 NMSDC Conference and Business Opportunity Fair. Twenty-three representatives from the Reserve banks worked a booth at the conference and gathered information from more than 90 vendors. To deepen its national conference participation, the Federal Reserve System organized and facilitated one-on-one match-making meetings with 24 vendors.

Exhibiting at these conferences offers Federal Reserve System representatives the ability to reach a significant portion of their target audience. These conferences attract a high number of diverse vendors who are seeking procurement opportunities. Participation helps promote the Federal Reserve's role as a trusted advisor throughout the financial services industry.

Challenges

- Higher bids (relative to other providers) for goods/services from small businesses may result because they may not match the scale economies of larger businesses.

- While not being certified does not preclude the Bank from doing business with an MBE or WBE, the Bank does not include these dollars in its MBE and WBE spend.
- While the Bank recognizes certifications from most certifying agencies, many diverse suppliers are either unsure of how to obtain certification or do not see the benefit in becoming certified.
- The ability of smaller businesses to engage in the Bank's electronic bidding process is compromised due to limited technological capability. To address this, the Bank has adopted informal bidding practices for smaller competitive purchases.

Next Steps

In 2015, building off of the success over the past four years, the Bank will continue its efforts to increase its pool of diverse supplier candidates through innovative and successful solutions implemented by its business areas, such as:

- Surveying suppliers who did not respond to a formal Request for Proposal (RFP). This will help determine whether the Bank's RFP process influenced the supplier's decision not to respond.
- Continuing to explore opportunities to partner with councils and development agencies that focus on MBEs and WBEs
- Continuing to actively participate in local, regional and national supplier diversity outreach events
- Investigating opportunities to expand outside of the local and regional area to engage and increase MBE and WBE participation and selection



The Bank hosted the INROADS regional Learning Summit, which helped interns understand that maintaining a competitive edge is more than just having the knowledge and technical expertise to do the job; it's about doing the job well by developing key competencies, including self-awareness, financial literacy, career management, relating to people and leveraging diversity. These skills help INROADS interns be better prepared for corporate success and leadership roles.



Financial Literacy Outreach

The Bank provides educators with an array of award-winning materials to help effectively teach personal finance and economics to nearly a half million students each year. Alignment with state personal finance education standards and the widely adopted Common Core Standards allows easy integration of the Bank's suggested curricula into existing classroom priorities. In addition to providing materials, the Bank offers a robust program of professional development to assist teachers in using the Bank's suggested materials effectively in their classrooms.

Successes

Student Programs

The Bank's primary focus remains disseminating quality information to educators, with special attention focused on reaching those from OMWI-defined schools throughout the District. In 2014, the Bank's Economic Education department conducted more than 180 programs for educators and students, including:

- The Student Board of Directors Program, now in its third year, which is composed of a diverse group of local high school students. Of the 14 members, four are from OMWI schools. Members of the student board serve as liaisons between St. Louis-area schools and the Bank. During their year on the board, students meet every other month at the Bank to discuss issues related to economics and personal finance, listen to speakers on topics ranging from leadership development to career planning and progression, and have the opportunity to apply for summer internships. Two current members will receive high school internships at the Bank during the summer of 2015. A unique feature of this program is its connection with the Bank's College Internship Program. A student board member from 2012-2013 and two members from 2013-2014 will be part of the Bank's College Internship Program in 2015.
- The Bank's first E-STEM (economics, science, technology, engineering and mathematics) program for 70 high school girls
- Hosting the St. Louis Public Schools Principals Leadership Conference and the Advanced Placement Conference

- Co-hosting the Get Money Smart event with the Center for Entrepreneurship and Economic Education
- An AP economics conference
- Offering a Using Interactive Whiteboards and Children's Books to Teach Personal Finance and Economics seminar
- The second Federal Reserve Financial Education Day
- The Bank's annual Professors Conference
- Staff conducted numerous workshops and in-service programs for educators at schools and school districts and made presentations at local, regional and national conferences for educators on a variety of economics and personal finance topics.

Professional Development

From webinars to workshops to hosting events at the Bank and other venues throughout the Eighth District, the Bank's financial literacy team works to introduce Bank materials and resources to as many teachers as possible. During 2014, Bank staff:

- expanded its outreach, touching 85 percent of the OMWI schools in the Eighth District, and
- increased the use of technology by adding more online materials for K-16 educators and students. As a result, since 2011, 10,350 instructors, of whom 30 percent teach in OMWI schools, impacted 58,600 students who each were enrolled in an average of 10 online courses or videos.

Learning Resources

During 2014, Bank staff developed lessons, units and publications, both print and web-based, that educators used to incorporate instruction about economics, the Federal Reserve, monetary policy and personal finance into a variety of subject areas. This resulted in more than 876,000 online course enrollments and downloads of education materials.

Community Partnerships

The Bank's focus on bringing financial literacy to young people extends to the programs and partnerships the Bank forms within the communities it serves. During 2014:

- Bank staff participated on advisory boards of three of St. Louis' OMWI-defined high schools.

- The Bank implemented Community Classroom Connections, an online application that pairs volunteers from minority-focused professional organizations with high school personal finance classes, and trains those volunteers to deliver the Bank's curriculum in the classroom.
- The Memphis Branch hosted a "Day at the Fed" for minority student leaders participating in Youth United Way of the Mid-South.

Federal Reserve System Efforts

FINANCIAL LITERACY

The Federal Reserve banks and the Board of Governors partnered to encourage the participation of young women and minorities in financial services sector careers through financial education initiatives. In October 2014, the Federal Reserve System sponsored a financial education day with the theme of college and career readiness. Additionally, the Federal Reserve System worked to advance the knowledge and application of basic financial concepts and to encourage high school students, especially young women and minorities, to pursue post-secondary education.

Challenges

Funding shortfalls faced by school districts continue to hinder teachers' ability to acquire substitute teachers so that the teachers can attend Bank workshops and events. The Bank continues to address this challenge by:

- developing more on-site professional development programming that allows the content and materials to be delivered directly to educators during their scheduled professional development days; and
- scheduling more workshops during after-school hours.

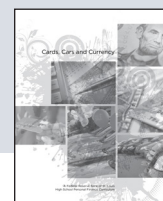
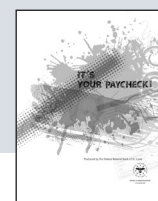
Next Steps

In 2015, the Bank will focus on expanding and refining the programs that have been put in place by:

- Increasing the number of OMWI-defined schools served by professional development workshops
- Continuing to develop courses that meet the needs of OMWI-defined student populations
- Continuing to offer the Student Board of Directors program
- Expanding the partnership with the Urban Financial Services Coalition to include other OMWI schools within the Eighth District. This partnership supports the Bank to work with an organization that has established relationships with a number of OMWI schools. By leveraging these existing relationships, the Bank will be able to reach more teachers in OMWI schools and share its resources with them.
- Implementing an Explore Economics program in partnership with the Diversity Awareness Partnership
- Broadly launching the Community Classroom Connection program linking volunteers from professional organizations with diverse classrooms
- Co-hosting the Get Money Smart event with the Center for Entrepreneurship and Economic Education
- Offering the Advanced Placement Economics Program
- Participating in Federal Reserve System Financial Education Day—a program on Federal Reserve financial education resources
- Hosting the annual Professors Conference

Reaching Out through Education

More than 541,000 enrollments were reached in 2014 through the Bank's economic education and financial literacy resources, which were used in schools in all 50 states and in several countries. Helping kids understand and apply concepts such as saving, spending, budgeting, decision-making, opportunity cost and more, from early childhood through the teenage years, is an important component of the Bank's role in economic and financial education. The Bank's EconLowdown program includes online courses such as "It's Your Paycheck," "Cars, Cards and Currency" and "Credit Cred," which help high school students learn and apply personal finance concepts as they start their first job and earn a paycheck, make decisions such as buying a car, and apply for and build strong credit.





Classrooms have easy access to the Bank's Fed-ucation series, which is made up of several videos designed to provide a brief overview of timely economics and personal finance topics, such as Federal Reserve monetary policy tools, credit scores and more. The Bank also offers a "Continuing Fed-ucation" video series composed of animated videos explaining economics and personal finance topics, such as "Understanding How a FICO Credit Score is Determined."



Top Honors



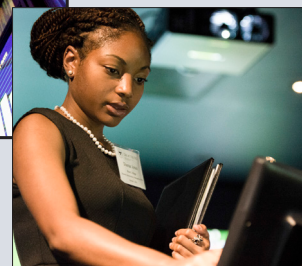
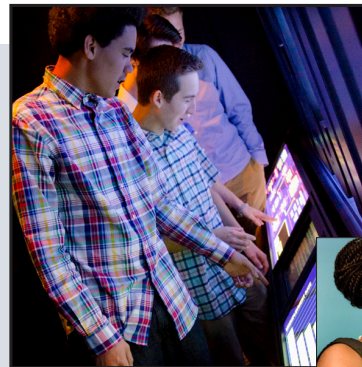
Economic education videos, "Get Into Stocks" and "Circular Flow," earned Platinum Awards in the 2014 AVA Digital Awards. These videos, which are used in

classrooms across the U.S., help students learn key economic and personal finance topics using clear simple language with the use of relatable content, interesting graphic elements and digital animation.



people about the economy and their role in it through nearly 100 educational exhibits. The museum is a key part of the Bank's longstanding commitment to furthering financial literacy and economic education. In its first few months of operation, the museum welcomed more than 4,000 visitors, including many student groups.

The Bank opened the new *Inside the Economy*® Museum in September 2014, an interactive museum that teaches



Conclusion

In 2014, the Bank continued to improve its overall culture. As it closes out the fourth full year of operating the OMWI, the Bank has become a more diverse and inclusive workplace and offers more business opportunities to diverse suppliers. There is still room for improvement as it relates to diversity of the employee base (particularly at the executive level). The Bank, with the full support of its senior leadership, will continue to place a high priority on achieving more diversity by implementing the aforementioned next steps and continually adopting best practices that will assist the Bank in its efforts to improve.

In summary, plans for 2015 include:

- continue to enhance recruiting processes to promote applicant pools that are well represented by women and minorities;
- continue to enhance and execute the Bank's College Outreach Strategy to foster engagement with HBCUs;
- continue to refine and enhance the College Internship Program;
- continue to partner with professional organizations that target women and minorities;
- seek additional opportunities to partner with councils and development agencies that focus on MBEs and WBEs;
- continue to participate in local, regional and national supplier diversity outreach events;
- launch the online professional development program with educators;
- participate in the Federal Reserve System Financial Education Day; and
- continue to create financial literacy courses that meet the needs of OMWI-defined student populations.



The Bank's *Inside the Economy*[®] Museum received top honors as a recipient of the St. Louis Regional Chamber's 2014 Arcus Award for its contribution to furthering financial literacy and inspiring the next generation of talent to grow St. Louis' financial services sector.

The Bank nominated the museum in recognition of the nearly 100 exhibits in the museum, several of which are powered by the St. Louis Fed's FRED[®] database with real-time financial information. The Arcus Awards were presented in categories representing the region's strengths and future strategies, as outlined in the Regional Chamber's strategy to grow St. Louis into a Top 10 region for economic prosperity.

Appendix A

EEO-1 Job Groups

The six EEO classifications used by the Bank are described below. These groups are based upon the guidance provided by the Equal Employment Opportunity Commission (EEOC).

Executive/Senior-Level Officials and Managers

Individuals who plan, direct and formulate policies, set strategy and provide the overall direction of enterprises/organizations for the development and delivery of products or services, within the parameters approved by boards of directors or other governing bodies. Residing in the highest levels of organizations, executives plan, direct or coordinate activities with the support of subordinate executives and staff managers. They include, in larger organizations, those individuals within two reporting levels of the CEO, whose responsibilities require frequent interaction with the CEO. In the Bank, this group includes the president, first vice president, senior vice presidents and the OMWI director.

First/Mid-Level Officials and Managers

Individuals who serve as managers, other than those who serve as executive/senior-level officials and managers, including those who oversee and direct the delivery of products, services or functions at group, regional or divisional levels of organizations. These managers receive directions from the executive/senior-level management and typically lead major business units. They implement policies, programs and directives of executive/senior management through subordinate managers and within the parameters set by executive/senior-level management.

The first/mid-level officials and managers subcategory also includes those who report directly to middle managers. These individuals serve at functional, line-of-business segment or branch levels and are responsible for directing and executing the day-to-day operational objectives of an organization, conveying the directions of higher-level officials and managers to subordinate personnel and, in some instances, directly supervising the activities of exempt and nonexempt personnel.

Examples of these positions in the Bank include vice presidents, assistant vice presidents, senior managers, managers, assistant managers, coordinators with direct reports and supervisors.

Professionals

Most jobs in this category require bachelor or graduate degrees and/or professional certification. In some instances, comparable experience may establish a person's qualifications. Due to the large number of professional positions in the Bank, this group has been broken down for further analysis into the following groups:

- Accountants, Auditors, Attorneys and Examiners
- Economists (including research analysts, associates and support coordinators)
- Professional Generalists (examples include analysts, coordinators, editors, graphic designers, instructional staff, librarians and specialists not otherwise classified)
- Automation Professionals (examples include automation specialists, data professionals, programmers, systems consultants, technical architects and web designers)

Administrative Support Workers

These jobs involve nonmanagerial tasks providing administrative and support assistance, primarily in office settings. In the Bank, examples of positions in this group include administrative assistants, group leaders and production clerks.

Technicians

Most jobs in this category include activities that require applied scientific skills, usually obtained by post-secondary education of varying lengths, depending on the particular occupation, recognizing that in some instances additional training, certification, or comparable experience is required.

Examples of these types of positions include: broadcast and sound engineering technicians, drafters, emergency medical technicians and chemical technicians.

Craft Workers

Most jobs in this category include higher-skilled occupations in construction (building trades craft workers and their formal apprentices) and natural-resource extraction workers. Examples include building technicians, mechanics, operating engineers and painters.

Service Workers

Jobs in this category include food service, cleaning service, personal service and protective service activities. Skills may be acquired through formal training, job-related training or direct experience.

Appendix B

Federal Reserve Bank of St. Louis Minority and Women Workforce Representation

St. Louis							
Job Categories	# of Employees (STL) ¹	# of Female Employees	% of Female Employees	Available % of Female Employees ²	# of Minority Employees	% of Minority Employees	Available % of Minority Employees ²
Executive/ Sr.-Level Officials	11	5	45.5%	36.8%	0	0.0%	10.6%
First/Mid-Level Officials	203	82	40.4%	38.9%	34	16.7%	11.1%
Professionals	667	289	43.3%	43.9%	135	20.2%	14.3%
Service Workers	49	8	16.3%	32.3%	21	42.9%	39.1%
Technicians	1	0	0.0%	82.9%	1	100.0%	16.3%
Administrative Support Workers	84	69	82.1%	79.9%	28	33.3%	21.3%
Craft Workers	17	0	0.0%	4.8%	3	17.6%	17.6%

Memphis Branch							
Job Categories	# of Employees (MEM) ³	# of Female Employees	% of Female Employees	Available % of Female Employees ²	# of Minority Employees	% of Minority Employees	Available % of Minority Employees ²
First/Mid-Level Officials	13	4	30.8%	24.2%	9	69.2%	18.7%
Professionals	7	5	71.4%	33.2%	5	71.4%	18.4%
Service Workers	26	3	11.5%	36.3%	20	76.9%	73.9%
Administrative Support Workers	25	17	68.0%	92.9%	22	88.0%	39.5%
Craft Workers	3	0	0.0%	5.4%	2	66.7%	48.4%

¹ Federal Reserve Bank of St. Louis Employee Population as of 12/31/14

² Expected Proportions According to 2010 Census Data

³ Federal Reserve Bank of St. Louis (MEM Branch) Employee Population as of 12/31/14

Appendix C

EEO-1 Consolidated Report

(as of Dec. 31, 2014)

Job Categories	Hispanic or Latino		Not Hispanic or Latino										TOTAL						
	Male	Female	Male					Female											
			White	Black or African-American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	White	Black or African-American	Native Hawaiian or Pacific Islander	Asian		American Indian or Alaskan Native	Two or More Races				
Executive/Sr.-Level Officials	0	0	6	0	0	0	0	0	0	0	0	5	0	0	0	0	0	0	11
First/Mid-Level Officials	4	5	110	12	0	0	5	0	0	0	0	65	15	0	0	3	0	0	219
Professionals	11	9	317	31	0	0	23	1	0	0	0	221	56	0	0	11	0	0	680
Service Workers	0	0	32	32	0	0	0	0	0	0	0	2	8	0	0	1	0	0	75
Technicians	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Administrative Support Workers	0	0	13	10	0	0	0	0	0	0	0	48	39	0	0	0	1	0	111
Craft Workers	0	0	15	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20
Total	15	14	493	90	0	0	29	1	0	0	0	341	118	0	15	1	0	0	1,117

The EEO-1 Consolidated Report is generated annually and submitted to the Equal Employment Opportunity Commission in September of each year. The EEO-1 data contained in the chart is a snapshot of the distribution of Bank personnel for the Eighth District within applicable EEO-1 job categories by race and gender. See Appendix A for explanations of the EEO-1 job categories contained within the chart.

The report is reviewed by the OMMI director and used to identify potential areas for improvement in minority and women representation within EEO job categories at the Bank. The data are analyzed against community (local and/or national) availability. We assess the under/over utilization per job category that is statistically significant.

The OMMI director discusses improvement areas identified from the analysis with the Bank's senior management committee. These discussions lead to the creation of action plans focused on ways to improve representation.



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