



2011 CONGRESSIONAL ANNUAL REPORT

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This document contains an annual summary of the actions of the
Office of Minority and Women Inclusion with regard to the requirements under
Section 342 of the Wall Street Reform and Consumer Protection Act of 2010.

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Executive Summary

Pursuant to Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (DFA), the Federal Reserve Bank of Minneapolis (Bank) has established an Office of Minority and Women Inclusion (OMWI).

The Bank has a long-standing commitment to the inclusion of minorities and women in employment, the participation of minority- and women-owned businesses in procurement, and the provision of financial education and outreach activities for all. The Bank's OMWI, which was formed in January 2011, serves as a catalyst to reinforce and strengthen this commitment.

The Bank's OMWI is staffed by the director, the deputy director, and the project director. In addition, staff from a range of functions contributes to the Bank's long-standing commitment to business practices that promote opportunity and diversity in employment and procurement activities. These staff members include officers and managers from key areas within the Bank, including Human Resources, Community Development, Procurement, and Public Affairs along with the Employee Diversity Action Council.

Pursuant to DFA, the Bank must report annually to Congress on its actions, activities, and good faith efforts related to the OMWI. This first report provides current status, both achievements and challenges; describes the Bank's approach and activities related to OMWI; and presents a plan for the next steps.

Workforce

The Bank is led by a president who is a member of a minority group, and the Bank's executive senior management group is slightly less than half minority and one-third women. Over 70 percent of the employees report to a senior vice president who is a minority, a woman, or both. Overall, the Bank's employment demographic profile is consistent with that of the Ninth Federal Reserve District (District), showing the percentage of minorities in the District almost matching the number of Bank employees self-identifying as such. In addition, women hold more than half of the positions in the Bank.

The Bank is committed to openness and transparency in its employment practices and has published its 2011 EEO-1 report containing workforce representation data by gender and race/ethnicity on minneapolisfed.org (the Bank's public website).

Procurement

The Bank had \$31.7 million in total reportable spend in 2011. Of this spend, the Bank purchased nearly one-quarter from minority- and women-owned businesses. Almost half of the purchases were software and related technology integration services from minority-owned firms.

In an effort to build upon the Bank's commitment to supplier diversity, the contract and procurement documentation has been revised to incorporate language consistent with the mission and requirements of the OMWI. The provisions set forth expectations that firms (and their subcontractors) interested in doing business with the Bank provide for the fair inclusion of minorities and women in their workforce. The Bank has also reaffirmed this commitment by ensuring minority-owned and women-owned businesses have the maximum practicable opportunity to participate in contracts awarded by the Bank.

Financial Literacy

The Bank has had a continuing commitment to financial literacy, which focuses on personal finance and economic education. These efforts are designed to encourage talented minority and female youth to work at the Bank and to improve the financial literacy of underserved communities. One of the goals is to help ensure that these individuals view or recognize the financial services industry as a worthwhile and achievable career choice.

The Bank partnered with several organizations and collaboratively led the Montana Financial Education Coalition (MFEC) and the Minnesota Financial Fitness Network (MFFN) in financial literacy and educational efforts. MFEC works with the Native American community and schools in Montana, and MFFN works with urban and rural organizations in Minnesota that teach financial literacy to low-income, majority-minority families and students.

The Bank also hosted three educational programs, known as "A Day at the Fed," for six Minneapolis and two St. Paul inner-city high schools, with most of the schools having majority-minority populations. This program covers the functions of the Bank, personal finance, economic education, and career development, and also stresses the opportunities for future employment in the financial services industry.

Regulated Entities

The Federal Reserve Board of Governors (BOG) annual report to Congress will address the OMWI provisions for regulated entities. The BOG has decided to respond to the implementation of these provisions, since supervisory and regulatory activities are delegated to the Federal Reserve Banks.

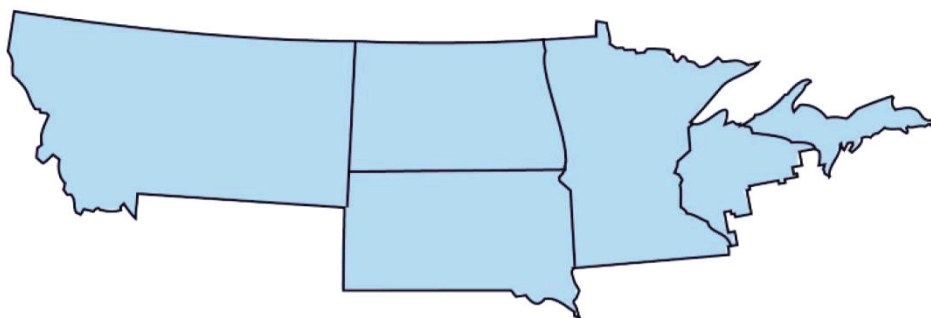
The report that follows further explains the Bank's implementation of OMWI responsibilities.

Overview

Ninth Federal Reserve District

The purpose of the overview is to provide context for the demographic structure of the District and the Bank’s core and centralized responsibilities.

The Bank, along with its branch in Helena, Montana, serves the six states of the District: Minnesota, North and South Dakota, Montana, 26 counties in northwestern Wisconsin, and the Upper Peninsula of Michigan. The District stretches 1,800 miles from east to west and is home to 8.8 million people, including 2.8 million in the Minneapolis-St. Paul area.



Although 12 percent of the nation’s land is in the District, only 3 percent of the nation’s population resides here. The District’s minority population is 15 percent, according to data from the U.S. Census Bureau, 2005-2009 American Community Survey. As shown in Table 1 below, the District’s population is 85 percent White, with the minority population reflected roughly equivalent across Black, Hispanic, Asian, and American Indian.

Table 1: Ninth District Population by Ethnicity

| Ninth District Population by Ethnicity | Percentage |
|---|-------------------|
| White | 85% |
| Hispanic | 4% |
| Black or African American | 3% |
| Asian | 3% |
| American Indian or Alaska Native | 3% |
| Two or more races | 2% |
| Some other race | 1% |
| Native Hawaiian or Other Pacific Islander | 0% |

Percentages do not add to 100 percent due to rounding.

U.S. Census Bureau ACS 2005-2009

Federal Reserve Bank of Minneapolis

The Bank's core functions, performed by all Federal Reserve Banks, are supervision and regulation, monetary policy and public outreach, and operations and internal support. Supervision and regulation monitors and examines financial institutions for safety and soundness and consumer compliance. As a rotating voting member of the Federal Open Market Committee, the Bank's president serves an important role in establishing the nation's monetary policy. In this role, the president and his economic team closely monitor regional economic conditions and also gain valuable insight into the state of the economy from local business leaders, bankers, farmers and ranchers, community and nonprofit groups, labor leaders, and other citizens. In addition to these economic research efforts, the Bank's outreach plan includes frequent speeches throughout the District, as well as meetings with constituents on such issues as housing, economic development, poverty, financial literacy, the economy, and other topics.

Operations and internal support represent the products and services contracted by financial institutions and the internal support departments, such as human resources and accounting. The Bank also has responsibility for several Federal Reserve System (FRS) centralized functions, including automated clearing house payment processing (FedACH), Treasury Retail Securities (TRS), and customer call center operations. The following describes these specific functions.

FedACH provides financial institutions with electronic exchange of debit and credit transactions and information services through the Automated Clearing House (ACH) network. These responsibilities include operations processing, application development, and customer support.

TRS provides savings bonds and marketable securities services to the public on behalf of the United States Treasury, Bureau of the Public Debt (BPD). These functions include call center operations that assist individuals with original purchase and redemption of savings bonds and access to online accounts associated with TRS. This also includes a working partnership with the BPD to develop the technology necessary to provide enhanced customer support for electronic-based retail securities.

Centralized call centers support internal and external customers with access to Federal Reserve services, members of the public with communication channels for concerns and complaints regarding financial institutions, and Federal Reserve System employees with help desk support for computer hardware and software applications.

Employment

The Bank employs 1,011 people, primarily located in Minneapolis.¹ Over half of the employees are in the management and professional group as shown in Table 2 of the next section. This

¹ EEO-1 data as of August 31, 2011

group includes bank examiners and information technology professionals, together totaling about a quarter of all employees. The remaining 42 percent of employees are in the operations and administrative group. This group includes call center staff, representing 14 percent of the employee population, reflecting the Bank’s niche within the Federal Reserve System as a call center provider.

Procurement

The Bank purchases goods and services from external suppliers. In 2011, the total reportable spend was \$31.7 million, with more than half supporting information technology and most of the remainder associated with building, telecommunications, or air travel.

Minority and Women Employment

The Bank has a long-standing commitment to equal opportunity for women and minorities. The work environment is inclusive, diversity is embraced, and employees are respected and valued. The Bank seeks to attract and retain a diverse workforce within all levels of the organization. The Bank demonstrates its commitment by reinforcing the actions that are consistent with this goal through the practices of equal opportunity and access for employment and advancement. The following table presents a demographic summary of the workforce in 2011.

Table 2: Bank Employment by Ethnicity and Gender as of August 2011

| | Black | Hispanic | Asian | American Indian | 2 or more races | Subtotal Minority | White | Male | Female | Total |
|-----------------------------|------------|-----------|-----------|-----------------|-----------------|-------------------|------------|------------|------------|--------------|
| Executive / Senior Mgrs | 22% | 0% | 11% | 0% | 11% | 44% | 56% | 67% | 33% | 9 |
| First / Mid-level Mgrs | 3% | 2% | 0% | 0% | 0% | 5% | 95% | 50% | 50% | 164 |
| Professionals | 4% | 2% | 10% | 0% | 0% | 18% | 82% | 49% | 51% | 411 |
| Management and Prof | 4% | 2% | 8% | 0% | 0% | 15% | 85% | 50% | 50% | 584 |
| Administrative Support | 15% | 2% | 7% | 1% | 0% | 25% | 75% | 27% | 73% | 287 |
| Service Workers | 3% | 2% | 3% | 3% | 0% | 11% | 89% | 94% | 6% | 64 |
| Technicians | 17% | 2% | 7% | 0% | 0% | 26% | 74% | 50% | 50% | 58 |
| All Other | 0% | 6% | 0% | 0% | 0% | 6% | 94% | 94% | 6% | 18 |
| Operations and Admin | 13% | 2% | 6% | 1% | 0% | 22% | 78% | 43% | 57% | 427 |
| Bank | 8% | 2% | 7% | 1% | 0% | 18% | 82% | 47% | 53% | 1,011 |
| District | 3% | 4% | 3% | 3% | 3% | 15% | 85% | | | |

Bank data reflects reported EEO-1 data. No Bank staff are classified as Pacific Islander. Some other race is not an EEO category. District data for these categories are included under 2 or more races. Totals do not add to 100 percent due to rounding.

(Full EEO-1 demographic breakdown available in Appendix 1)

Current Status

The Bank is led by a president who is a member of a minority group, and the Bank's executive senior management is 44 percent minority and 33 percent women. Over 70 percent of staff report to a senior vice president who is a minority or a woman, and the entire Bank reports to a president who is a minority group member. Overall, Bank staffing is consistent with the demographics of the District. While 15 percent of the District is minority, 18 percent of Bank employees self-identify as such. Bank staffing is 53 percent women.

First and mid-level managers and professionals are two internal roles that are considered the pipeline to senior leadership. The mid-level manager role includes the progression from manager to managing officer and is also the role where staff members build and demonstrate the skills required to be part of the Bank's leadership group. Minority representation in the professional role is 18 percent and in the first and mid-level manager role is 5 percent. Women represent 50 percent or more of the individuals in the first and mid-level manager role as well as the professional role.

The overall percentage of minorities and women in the operations and administrative group is at or above demographic representation. Within the operations and administrative group, minorities and women are underrepresented in the service worker and all other roles that together include 8 percent of Bank staff. These positions are primarily in facilities and law enforcement.

The paragraphs above discuss minority representation in aggregate. The Bank's representation by ethnicity for Hispanic and American Indian are slightly below their demographic share in the District.

Support of Inclusion in Employment

The Bank's long-standing commitment to diversity and inclusion is rooted in equal opportunity and access for all candidates to become employees and all employees to advance within the organization. In 2011, the Bank published its EEO-1 data showing composition of employment by gender and ethnicity on its public website, a practice that will continue. This reflects the Bank's commitment to openness and transparency, and it has prompted discussion of the data and information beyond the organization.

As an underlying principle, the Bank values transparency in posting opportunities to become an employee or advance within the organization. All management positions below officer and professional positions must be posted internally and externally to ensure a broad and diverse candidate pool. In addition, the job descriptions and salary ranges are posted on the Bank's internal website. Collectively, these practices help ensure that access to employment and advancement at the Bank is an open and fair process for all.

Most minority and women applicants identify job opportunities at the Bank either from the Bank's public website or from broader job search engines such as CareerBuilder and Monster. The Bank also uses social networking tools to attract diverse candidates. The Friends of the Federal Reserve Bank of Minneapolis LinkedIn group and Minneapolis Fed Careers on Twitter have proven to be valuable resources for recruiting women and minority candidates.

Career and job fairs are another strategy the Bank uses to reach out to minorities and women to recruit for specific open positions. In 2011, the Bank participated in five career expos locally and worked in conjunction with the FRS nationally to partake in career fairs hosted by the National Black MBA Association, the National Society of Hispanic MBAs, and others. Participation in these events builds the Federal Reserve brand with potential applicants and helps to create broader and more diverse applicant pools (see Appendix 3 for plans regarding 2012 Career Fair and Conference Participation).

The Bank recruiting process includes minority and women participation in the internship programs that focus on introducing college and high school students to the financial services industry and consequently to possible long-term employment at the Bank. In 2011, the Bank provided opportunities for 15 interns (80 percent minority and 73 percent female).

The Bank has maintained a 28-year relationship with INROADS, a national internship program focused on developing and placing talented minority college students in business and industry and preparing them for leadership. The Bank has employed approximately two summer interns per year.

For the past five years, the Bank has hired summer interns from the Hispanic Association of Colleges and Universities (HACU), a national organization that places Hispanic students from higher education institutions across the country into business. The Bank has employed nine interns from HACU since 2007.

In 2003, the Bank established a partnership with Central High School, an inner-city public school in St. Paul, Minnesota, with a population that is 68 percent minority. This partnership gives approximately 25 college-bound students the opportunity to meaningfully engage with the Bank each year. The goal of the internship program is to expose students to careers in finance and economics. The centerpiece of the program is a series of five career and finance industry workshops for students taught by Bank employees and senior leadership. At the end of the school year, students can apply for four paid summer internships at the Bank. Since its inception, this program has reached approximately 200 students and offered 32 internships.

The Bank's mentoring program plays an important role in supporting diversity at all levels of the organization. The goal of the program is to establish a working partnership between the mentor and protégé and to help employees move into first and mid-level manager and professional pipeline roles. The formal mentor program matches an individual contributor or manager with a leader in another area of the organization. The program is designed to help protégés clarify their

ambitions and build the necessary skills to achieve goals. Over 10 years, 154 protégés have participated in this program, a cohort that includes 69 percent women and 18 percent minorities. Since the inception of the program in 2001, 85 protégés have been promoted and received new leadership responsibilities. There have been a total of 175 career moves either within their department or somewhere else within the Bank for the 154 protégés in the program. Also, 29 protégés have later become mentors in the program.

Tuition reimbursement is a cornerstone of employee development at the Bank. All employees are eligible to receive reimbursement for pursuing undergraduate, graduate, and doctoral degrees. In 2011, participants were 35 percent minority and 56 percent women. Combined, minorities and women totaled 64 of the 86 program participants or 74 percent of the participation. The knowledge and credentials gained through participation in this program help position these staff members to further their careers and advance in the organization.

Diversity-focused training and cultural awareness are key components of organizational engagement. These efforts are directed to new employees, new managers, continuing management, and all employees. Ongoing curriculum is supported by Human Resources. The Employee Diversity Action Council, an employee group the Bank has sponsored for the past 10 years, arranges for speakers, panel discussions, artistic presentations, and other diversity-related programs. Over the past three years, more than 40 sessions have been offered reaching 800 attendees.

In 2011, the Bank held six Town Hall Forums. These sessions are available to all levels of staff and allow employees to participate in discussions about broader organizational topics, economic issues, and monetary policy. These forums support staff as they interact informally in the broader community as ambassadors of the Federal Reserve. Speakers include the Bank's president and other renowned economists and leaders in the organization. The Chairman and Vice Chairman of the Board of Governors also participated in these forums. On average, approximately 200 employees attend each Town Hall Forum. Attendance by staff across employment roles has been strong. These forums further OMWI objectives by providing staff a more broad and inclusive understanding of the Bank's role and responsibilities.

Challenges

The average tenure of an employee is 14 years. On average, the Bank turnover is 10 percent. Approximately 100 positions are posted and filled each year. As a result, employee demographic changes can be somewhat gradual. The Bank remains committed to achieving results through opportunity rather than targeted outcomes.

The Bank's increasing and evolving need for knowledge workers may negatively affect the organizational mobility of existing staff whose skills may not be transferable, including to first and mid-level managers and professional roles.

The leadership pipeline is limited, and diversity of those who are in the pipeline is also limited. However, the Bank has seen progress with respect to minority and women representation in the executive and senior manager roles.

Moving Forward

The Bank will build on its current programs through the initiatives discussed below. An area of focus will be to identify whether minorities face any barriers in moving into and through mid-level management. The Bank will continue to focus on the employment and development of minorities and women by leveraging and enhancing current programs as well as developing new strategies, and adding programs and resources to address newly identified areas of concern.

The Bank will leverage the intern program for hiring minorities and women into the professional ranks at the Bank. This will include adding an intern program to Supervision, Regulation, and Credit (SRC) that will serve to enhance SRC's talent pipeline with an emphasis on diversity. This program will provide interested graduate and undergraduate students exposure to the work in SRC. Through this customized effort, the Bank sees an opportunity to increase the number of minority and women interns joining the organization as banking examiners or in related functions. In addition, the Bank is implementing an intern-to-hire program that entails hiring an intern to full-time employment after degree completion.

Recruitment processes at the Bank will be reviewed to ensure that best practices have been identified and implemented. This review will draw on expertise within the FRS and from local corporate groups that foster diversity in employment. These changes will broaden the applicant pool and potentially increase minority representation across the organization.

The Bank is considering a variety of development programs to address advancement among minorities and women, including retooling the mentor program, implementing a management development program, and partnering with FRS colleagues for leadership development opportunities.

Recruitment, retention, advancement, and development programs will continue to be reviewed with the management committee to evaluate their efficacy. Results will be communicated to business line management semi-annually to assist them in identifying and implementing approaches that lead to Bank staffing that continues to reflect the District's demographics.

Minority- and Women-Owned Business Inclusion

The Bank is firmly committed to business practices that promote opportunity and diversity in procurement. The Bank ensures that minority- and women-owned businesses have the maximum practicable opportunity to serve as suppliers. In addition, the OMWI requires the Bank to assess the suppliers' and their associated subcontractors' commitment to inclusive employment practices.

The following table shows the Bank's 2011 total reportable spend with regard to minority- and women-owned businesses.

Table 3: Bank Total Reportable Spend 2011

| Bank Reportable Spend 2011 (\$ in millions) | Minority | Women | Other | Total |
|---|-----------------|--------------|--------------|--------------|
| Spend | \$5.9 | \$1.6 | \$24.2 | \$31.7 |
| Number of Suppliers | 16 | 30 | 1,155 | 1,201 |
| Percentage of Total Bank Spend | 18.5% | 5.1% | 76.4% | 100% |
| Percentage of Total Bank Suppliers | 1.3% | 2.5% | 96.2% | 100% |

The Bank's expenditures for goods and services purchased from contractors and subcontractors are considered total reportable spend. These expenditures exclude employee-related expenses such as salaries, benefits, and reimbursements; taxes, such as payroll and real estate; utilities; tuition payments to educational institutions; association memberships; rent; and certain expenditures associated with proprietary equipment.

Current Status

The Bank had \$31.7 million in total reportable spend in 2011. Of this, the Bank purchased \$5.9 million or 18.5 percent from minority-owned businesses and an additional 5 percent or \$1.6 million from women-owned firms.

The Bank's purchases from minority-owned firms include \$3.5 million in software and related technology integration services associated with a communications initiative in its TRS function. This initiative is expected to conclude within the next few years. Minority-owned firms are 1.3 percent and women-owned firms are 2.5 percent of Bank vendors.

In 2011, approximately 80 percent of the Bank spend was in four functional categories. Over half was for technology, including software purchases and the contract labor and consulting the Bank uses to align resource levels with short-term project requirements. Another 18 percent

reflected building, primarily maintenance, remodeling, and cleaning. Telecommunications and air travel were the final functions; each represent 4 percent of total spend.

The remaining 20 percent of spend was associated with goods and services supporting other functional areas. Expenditures include specialized equipment maintenance for operational functions, outsourcing fees for certain nonstrategic functions, human resources services, office supplies, and contract labor that was not technology-related. Also, this 20 percent spend category includes 929 vendors with annual spend below \$5,000.

Support of Inclusion in Procurement

In 2011, the Bank implemented OMWI-related procurement expectations that support the Bank's commitment to maximizing inclusion. The Bank revised its contract and procurement documentation to incorporate language consistent with the mission and requirements of the OMWI. The provisions set forth expectations that firms (and their subcontractors) interested in doing business with the Bank should provide for the fair inclusion of minorities and women in their workforce. The Bank developed a questionnaire and associated procedures to facilitate its due diligence that vendors are practicing fair inclusion. The Bank also reaffirmed its commitment to ensuring that minority-owned and women-owned businesses have the maximum practicable opportunity to participate in contracts awarded by the Bank.

The Bank believes that outreach to minority- and women-owned firms is critical to enhancing diverse contracting opportunities. Accordingly, the Bank has strengthened its community and corporate relationships to focus on supplier diversity. In addition to sharing best practices, the Bank expects to identify a more diverse base of bidders.

The Bank's public website was upgraded to provide suppliers/vendors easier access to information for doing business with the Bank (e.g., vendor registration, acquisition guidelines). The Bank also added information regarding technical assistance and the mission and role of the OMWI.

The Bank is working to improve its ability to identify potential minority vendors through its membership in the Midwest Minority Supplier Development Council (MMSDC). In 2011, the Bank joined the MMSDC's newly formed corporate supplier roundtable. The roundtable membership includes organizations with substantial corporate commitment to supplier diversity, and the Bank expects this to be an effective source of education and best practices.

Similarly, the Bank joined the Women's Business Development Center (WBDC) to further its ability to identify women-owned businesses. The WBDC is an association of women-owned businesses and corporate suppliers.

Challenges

The Bank has experienced difficulties with supplier classifications, since no central agency is responsible for certifying a supplier as a diverse entity. In some instances, local or state governments or national organizations such as the National Minority Supplier Development Council can certify suppliers. However, the requirements for monitoring of certifications can vary among these sources. As a result, procurement staff are required to use inefficient and time-consuming processes to cross-reference multiple sources and classify suppliers.

Identifying diverse suppliers and obtaining competitive bids for certain acquisitions has been difficult despite outreach efforts to organizations associated with minority- and women-owned businesses.

Moving Forward

The Bank's emphasis moving forward will be to maximize vendor opportunities through more effectively identifying minority- and women-owned firms. This practice will lead to increased participation and potential selection of minority- and women-owned firms in available procurement opportunities. In addition, the Bank will work with its business areas, focusing primarily on those with the greatest spend; to ensure that procurement processes are open and inclusive.

While maintaining involvement in the MMSDC and the WBDC, the Bank will identify additional associations of minority- and women-owned businesses whose work supports the functional areas where the Bank historically has had the most spend. By reaching out to groups such as the Association of Women Contractors and the Metropolitan Economic Development Association, an organization whose mission is to help entrepreneurs of color succeed, the Bank expects to become increasingly effective in its supplier diversity efforts and to introduce its procurement opportunities to a larger group of potential vendors that include more minority- and women-owned businesses.

The Bank will begin distributing a questionnaire in the second quarter of 2012 to assess a supplier's good faith effort in employment and subcontracting. This requirement will apply to new or renewing primary suppliers in regard to their efforts to include women and minorities in their workforce and subcontracting opportunities.

Financial Literacy

The Bank has a long-standing history of supporting inner-city, girls', and majority-minority high schools in financial literacy education. This work is intended to build high school students'

interest in and understanding of personal finance and economic education, which encourages these students to pursue related careers in financial services.

Current Status

The Bank hosted three educational programs, known as “A Day at the Fed,” for six Minneapolis and two St. Paul inner-city high schools, with most of the schools having majority-minority populations. This program covers the functions of the Bank, personal finance, economic education, and career development, and also stresses the opportunities for future employment in the financial services industry. Over 200 high school students participated in the program in 2011.

The Bank leverages its public website as an economic education tool to reach students, teachers, and community members. Online presence reaches rural and out-of-District audiences, expanding the Bank’s educational expertise beyond the limited audience that interacts with the Bank in person or onsite. Articles from Bank publications are correlated with America’s 20 national standards for economic education, and class teaching supplements are provided for teachers. Other online offerings include information on the history of central banking and the history of money. Education pages on the Bank’s website are one of the main categories of site content, and these resources can be reached from almost every page on the website.

The Bank co-sponsored conferences and workshops on sustainable housing and home ownership, small and minority-owned business development, economic and financial education, and bank regulation. The Bank participated in an initiative on economic development in Indian Country. This initiative, as a series of workshops, explored the challenges, best practices, and effective utilization of public and private resources directed toward economic development efforts in Native American communities.

The Bank also contributes to public understanding of economic issues through the publication of *The Region*, *fedgazette*, and *Community Dividend*, as well as through the Bank’s public website.

Personal Finance and Economic Education

The most effective way for the Bank to reach a large number of students is as a convener and community partner. Accordingly, community partnerships have always been a critical part of the Bank’s efforts in personal finance and economic education. As a convener, the Bank leverages its specific expertise as well as its broader reputation to bring together a mix of public, private, nonprofit, and educational entities. These partnerships can become a powerful catalyst for change and can then support the organizations and teachers who work directly on personal finance and economic education.

Often the Bank plays a direct role in these partnerships; for example, Bank staff actively lead the Jump\$tart Coalitions in Minnesota and Montana in partnership with other organizations. Jump\$tart is a coalition of organizations and individuals who strive to prepare youth for life-long successful financial decision-making. In addition, in partnership with state and metropolitan organizations, the Bank annually hosts the Minnesota and the Montana Economics Challenges, events that bring high school students together to debate economic issues. In 2011, students from the Fort Peck Indian Reservation participated in the Montana Challenge, held at the Helena Branch. This marked the first time a Native American high school has participated in the event. A focus for the OMWI will be reaching out to further encourage participation by minority and female youth in these and other economic education programs targeted to high school students.

The Bank also partners with other business and community organizations to facilitate the St. Paul Academy of Finance and the Minneapolis Learning Center for Economic Education. Both programs are convened by business and high school leaders to expose students to the world of finance and business through interactive, hands-on activities and field experiences.

As described above, the Bank has focused on many aspects of financial literacy, including personal finance and economic education. The Bank's involvement has demonstrated leadership ability to bring groups together to help achieve common goals in the communities the Bank serves. Through these initiatives, the Bank has become a rich resource for the District as well as for a broader audience via its growing online presence.

Challenges

There are more than 1,000 high schools in the District. Although the educational system has many needs, the priorities of schools are solidly aligned with student performance and standardized testing. Given that the Bank's personal finance and economic education programs are not always considered core school curriculum or aligned directly with student achievement, the schools view these programs as additional curriculum.

Moving Forward

Moving forward, personal finance and economic education efforts will continue to be rooted in the strong partnerships and initiatives already in place at the Bank and will selectively expand the work as appropriate to the OMWI statute and Bank values. The Bank will continue to find ways to reach more minority and female youth. This expansion will include extending the high school internship program to an additional inner-city high school.

The Bank's expanding outreach initiatives will also continue to involve Bank leadership. In particular, initiatives will include personal finance and economic education as appropriate in presentations and outreach activities.

Conclusions

The Bank has embraced the opportunities the OMWI presents to examine our current employment and procurement practices and improve their inclusivity. The Bank's work in this regard builds on our longstanding commitment to OMWI inclusion objectives, which are embodied in the Bank's values and practices outlined in this report.

The Bank recognizes that work remains to be done. In particular, we see the need to ensure that inclusion best practices are identified and followed consistently in all aspects of the Bank's work. In addition, while the Bank will focus on opportunity rather than establishing targets, Bank management will monitor and discuss outcomes. The Bank recognizes that achieving greater inclusion will require changes to business models. The Bank is confident that these changes will concurrently improve inclusion and overall business effectiveness.

Appendix 1: EEO-1 Data Federal Reserve Bank of Minneapolis

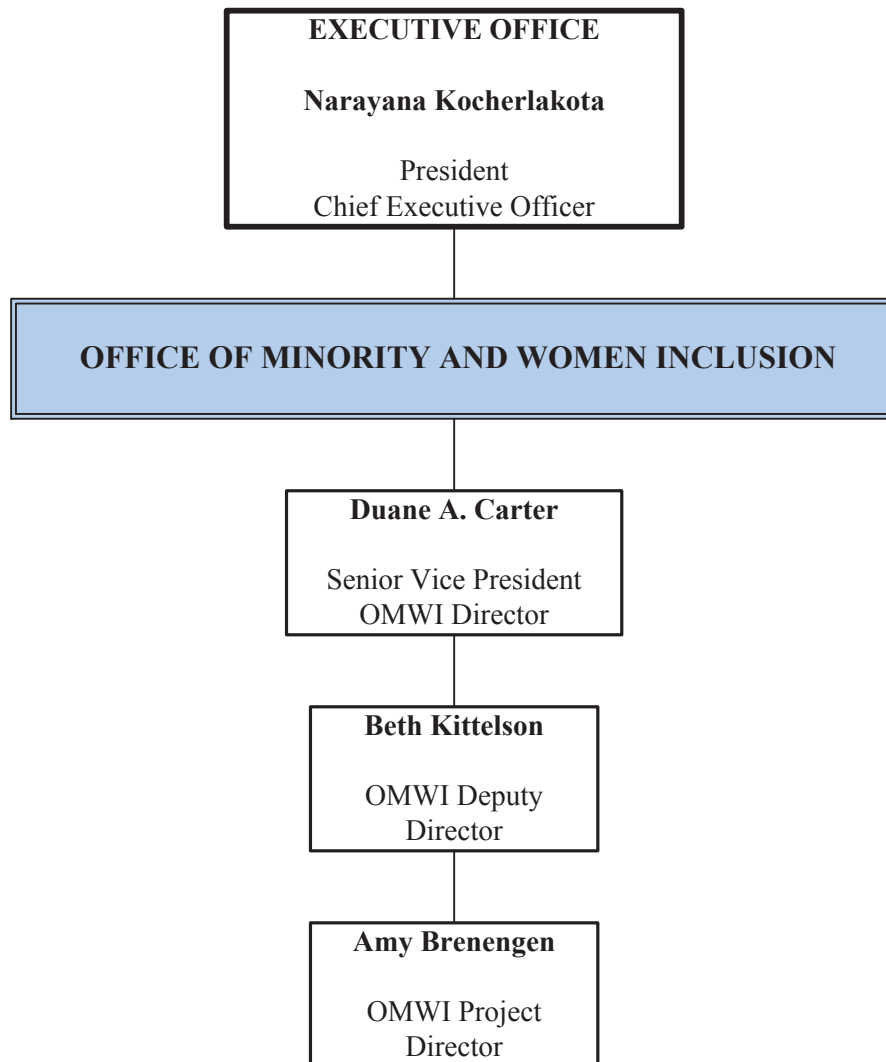
| FEDERAL RESERVE BANK OF MINNEAPOLIS 2011 EEO-1 CONSOLIDATED REPORT | | | | | | | | | | | | | | | |
|--|--------------------|-----------|------------------------|---------------------------------|--|-----------|--|-------------------------|------------------|---------------------------------|--|-----------|--|-------------------------|------------------|
| 2011 EEO-1 Data (8/31/11) | Hispanic or Latino | | Not Hispanic or Latino | | | | | | | | | | | | Overall Total |
| | | | *****Male***** | | | | | | *****Female***** | | | | | | |
| Job Categories | 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 | |
| Executives/Senior Mgrs | 0 | 0 | 3 | 1 | 0 | 1 | 0 | 1 | 2 | 1 | 0 | 0 | 0 | 0 | 9 |
| First/Mid-level Mgrs | 1 | 3 | 80 | 1 | 0 | 0 | 0 | 0 | 75 | 4 | 0 | 0 | 0 | 0 | 164 |
| Professionals | 7 | 3 | 161 | 10 | 0 | 24 | 0 | 0 | 178 | 7 | 0 | 19 | 2 | 0 | 411 |
| Technicians | 0 | 1 | 24 | 3 | 0 | 2 | 0 | 0 | 19 | 7 | 0 | 2 | 0 | 0 | 58 |
| Sales Workers | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 4 |
| Administrative Support | 4 | 3 | 56 | 11 | 0 | 5 | 1 | 0 | 158 | 32 | 0 | 16 | 1 | 0 | 287 |
| Craft Workers | 1 | 0 | 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13 |
| Operatives | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Laborers & Helpers | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Service Workers | 1 | 0 | 53 | 2 | 0 | 2 | 2 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 64 |
| Total | 14 | 10 | 393 | 28 | 0 | 34 | 3 | 1 | 437 | 51 | 0 | 37 | 3 | 0 | 1011 |

PERCENTAGE REPRESENTATION WITHIN EEO-1 JOB CATEGORIES

| 2011 EEO-1 Data (8/31/11) | Hispanic or Latino | | Not Hispanic or Latino | | | | | | | | | | | | Overall Total |
|------------------------------|--------------------|-------------|------------------------|---------------------------------|--|-------------|--|-------------------------|------------------|---------------------------------|--|-------------|--|-------------------------|------------------|
| | | | *****Male***** | | | | | | *****Female***** | | | | | | |
| Job Categories | 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 | |
| Executives/Senior Mgrs | 0.0% | 0.0% | 33.3% | 11.1% | 0.0% | 11.1% | 0.0% | 11.1% | 22.2% | 11.1% | 0.0% | 0.0% | 0.0% | 0.0% | 9 |
| First/Mid-level Mgrs | 0.6% | 1.8% | 48.8% | 0.6% | 0.0% | 0.0% | 0.0% | 0.0% | 45.7% | 2.4% | 0.0% | 0.0% | 0.0% | 0.0% | 164 |
| Professionals | 1.7% | 0.7% | 39.2% | 2.4% | 0.0% | 5.8% | 0.0% | 0.0% | 43.3% | 1.7% | 0.0% | 4.6% | 0.5% | 0.0% | 411 |
| Technicians | 0.0% | 1.7% | 41.4% | 5.2% | 0.0% | 3.4% | 0.0% | 0.0% | 32.8% | 12.1% | 0.0% | 3.4% | 0.0% | 0.0% | 58 |
| Sales Workers | 0.0% | 0.0% | 75.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 25.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 4 |
| Administrative Support | 1.4% | 1.0% | 19.5% | 3.8% | 0.0% | 1.7% | 0.3% | 0.0% | 55.1% | 11.1% | 0.0% | 5.6% | 0.3% | 0.0% | 287 |
| Craft Workers | 7.7% | 0.0% | 92.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 13 |
| Operatives | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0 |
| Laborers & Helpers | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 1 |
| Service Workers | 1.6% | 0.0% | 82.8% | 3.1% | 0.0% | 3.1% | 3.1% | 0.0% | 6.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 64 |
| Total | 1.4% | 1.0% | 38.9% | 2.8% | 0.0% | 3.4% | 0.3% | 0.1% | 43.2% | 5.0% | 0.0% | 3.7% | 0.3% | 0.0% | 1011 |

(as of August 31, 2011)

Appendix 2: OMWI Organizational Structure



Appendix 3: 2012 Career Fair and Conference Participation

| Event | Location | Date |
|---|--------------------------|-----------------------|
| University of Minnesota CSOM Graduate Career and Internship Fair | Minneapolis-St. Paul, MN | January 20, 2012 |
| University of Minnesota CSOM Graduate Career and Internship Fair | Minneapolis-St. Paul, MN | January 27, 2012 |
| MN State Universities Job and Internship Fair | Minneapolis, MN | February 20, 2012 |
| MN Private Colleges Job and Internship Fair | Minneapolis, MN | February 21, 2012 |
| Multicultural Forum Career Fair | Minneapolis, MN | March 20-22, 2012 |
| NAACP Career Reception | Minneapolis, MN | May 16, 2012 |
| CLUES Job Fair and Hispanic Community Resource Expo | To be determine (TBD) | September 2012 |
| Business Association of Multicultural Students (BAM) Job Fair and Networking | TBD | TBD |
| National Urban League (NUL) | New Orleans, LA | July 25-28, 2012 |
| Association of Latino Professionals in Finance and Accounting (ALPFA) | Las Vegas, NV | August 5-9, 2012 |
| National Black MBA Association (NMBBAA) | Indianapolis, IN | September 25-29, 2012 |
| National Association of Hispanic MBAs (NSHMBA) | Orlando, FL | October 4-6, 2012 |
| Thurgood Marshall College Fund: Professional Development Leadership Institute and Recruitment Fair | New York City, NY | October 26-30, 2012 |

