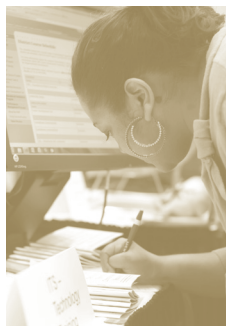


FEDERAL RESERVE BANK OF ST. LOUIS

# Office of Minority and Women Inclusion

2011 ANNUAL REPORT TO CONGRESS



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# Message from the President

**James Bullard**  
President and CEO



Greetings from the Federal Reserve's Eighth District.

Enclosed is the Federal Reserve Bank of St. Louis' 2011 Office of Minority and Women Inclusion (OMWI) Congressional Report, as mandated by Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

This report details the diversity and inclusion initiatives and practices we adopted in 2011 to both meet the requirements of the Act and enhance the Eighth District's organizational strength and effectiveness. It also discusses challenges we are working to overcome in this regard. Overall, we believe the groundwork laid this past year will better position us to enhance the level of diversity in our workforce and supplier activities in the future.

Together, the St. Louis Fed, along with the other 11 Federal Reserve banks and the Board of Governors, have placed a high emphasis on ensuring the success of our OMWI efforts. At the St. Louis Fed, we believe the best ideas, decision-making and, ultimately, service to the public are borne from diverse perspectives. Diversity brings different points of view to the table, fostering an environment where innovation and excellence thrive.

There is much work to be done in putting those beliefs into practice continuously each day. We are making progress and will continue to report on it in the future.

# Executive Summary

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank) required the Federal Reserve Bank of St. Louis (Bank) to establish an Office of Minority and Women Inclusion (OMWI). OMWI is charged with ensuring the inclusion of minorities and women, and minority-owned and women-owned business enterprises, in all activities of the Bank, including the workforce and contracting. Assessment of inclusion programs in regulated entities is the responsibility of the Board of Governors (refer to the Board of Governors' annual report to Congress).

The Bank established the OMWI, effective Jan. 21, 2011, and James Price, vice president of Diversity and Inclusion, was named its director. Mr. Price also has been actively involved with the Federal Reserve System's OMWI Directors' Council. The OMWI developed policies and procedures for achieving diversity with respect to women and minorities in the Bank's workforce and acquisitions, as required under Dodd-Frank. As a complement to the pre-existing diversity and inclusion efforts of the Bank, the OMWI will continue to drive and develop strategies that will enhance race and gender diversity within all of the Bank's business activities.

## Employment

The results of the Bank's efforts start at the top of its organization. Currently, of the nine directors on the Bank's head office board of directors, three are white females, one is an African-American male and one is a Hispanic-American male. In 2011, the Bank made 110 hires with an ethnic breakdown of 78 white American, 23 African-

American, one Hispanic, seven Asian and one American Indian. The majority of these hires were made for the head office in St. Louis. The 2010 census data shows the financial services industry job pool for the St. Louis region consists of 80 percent white Americans, 15 percent African-Americans, 1.5 percent Hispanic-Americans, 2.5 percent Asian-Americans and 0.2 percent American Indians. A complete employee breakdown is shown in Appendix B.

Through the Bank's development of partnerships with community organizations and active participation in Historical Black College and University (HBCU) recruitment fairs, the Bank's 2011 college internship program extended opportunities to two students from HBCUs and three from INROADS.<sup>1</sup> The Bank's goal is to increase such participation in 2012. In addition, the Bank's mentoring program provided developmental opportunities for a cross section of 30 mentoring pairs.

## Procurement

Under Section 342, the Bank reaffirmed its commitment to ensure equal opportunities for minority business enterprises (MBE) and women business enterprises (WBE) to bid to become Bank vendors on goods and services. In 2011, approximately 1 percent of the Bank's total spend was allocated to MBEs and about 6 percent to WBEs. To increase MBE and WBE participation, the Bank has taken the following steps:

<sup>1</sup> 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.

Public Affairs senior manager Tony Leong works with interns from INROADS and HBCUs who participated in the Bank's internship program.



- Implemented a supplier diversity program that focuses on external outreach through partnerships with organizations such as the National Minority Supplier Development Council.
- Invited MBEs and WBEs to the Bank's Business Opportunity Fair to learn about the Bank's procurement needs and processes, and for the Bank to learn about their capabilities.
- Enhanced staff knowledge and skills by staff attaining certifications with the Institute of Supply Management (ISM) and Certified Professionals in Supplier Diversity (CPSD).

## Financial Literacy

Prior to Dodd-Frank, the Bank was actively involved in the development and delivery of economic education and financial literacy programs. According to data from the National Center for Education Statistics, the Eighth District serves 280 inner-city, majority-minority and girls high schools (OMWI-defined) with a total combined enrollment of 159,003 students, 75 percent of whom are African-American, 5 percent Hispanic, 1 percent Asian and 0.2 percent American Indian. By facilitating workshops and school presentations, participating in district conferences and offering customized online educational programs, the Bank continues to have a positive impact on OMWI-defined high schools within the Eighth District.

In summary, the Bank is committed to improving workforce diversity at all levels, as well as the percentage of expenditures with minority-owned and women-owned

business enterprises. This report highlights the specific steps that have been completed as well as progress made during the first year of the Bank's OMWI.

## Reaching Out Through Education

For the school year 2009 – 2010, within the Eighth District there were 280 OMWI-defined schools with a total enrollment of 159,003 students. Of which, approximately 129,000 were minorities and 79,000 were female.

The Eighth District's economic education and financial literacy materials also reach more than 275,000 students each year and are utilized in 49 states in America in schools of which 32 percent are OMWI-defined. Materials are also utilized in several other countries and many resources are available in Spanish.



OMWI economic education specialist Jennifer Bradford (second from left), works with metro-area educators from majority-minority, inner-city and girls high schools at the Building a Foundation Together: Personal Finance Education for Minority and Women Students Workshop.



# Overview

The Federal Reserve Bank of St. Louis was established in 1914, after the creation of the Federal Reserve System in 1913. The Eighth Federal Reserve District is headquartered in St. Louis and has branches in Little Rock, Ark.; Louisville, Ky.; and Memphis, Tenn.

The District includes all of Arkansas and portions of six other states: Missouri, Mississippi, Tennessee, Kentucky, Indiana and Illinois. The St. Louis Fed serves most of eastern Missouri and southern Illinois.

As one of the 12 regional Reserve banks in the Fed System, the St. Louis Fed is central to America's economy. All of the Reserve banks share some degree of similar duties. But because the banks are independent of one another, each has some specialized assignments and tasks that distinguish it. The St. Louis Fed's five most-critical functions can be described as follows:

- We promote stable prices and economic growth.
- We foster a sound financial system.
- We provide payment services to financial institutions.
- We support the U.S. Treasury's financial operations.
- We advance economic knowledge, community development and fair access to credit.

The Eighth District also has a unique responsibility. The Treasury Relations and Support Office (TRSO) manages the relationship between the Department of Treasury and the Federal Reserve System and serves 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 U.S. Treasury and the Federal Reserve System, while ensuring the successful completion of all Treasury-related Federal Reserve System initiatives.

On Jan. 18, 2011, the Federal Reserve announced the establishment of offices to promote diversity and inclusion at the Federal Reserve Board and at all 12 of the Federal Reserve Banks. The offices build on the Federal Reserve System's long-standing efforts to promote equal employment opportunity and diversity, and continue to work to foster diversity in procurement, with a focus on minority-owned and women-owned business enterprises. Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires that an OMWI be established at certain federal agencies, including the Federal Reserve Board, and at the Federal Reserve Banks.

## ***Regional Geography***

The Eighth District of the Federal Reserve System covers a portion of the Midwestern region of the United States. The District's offices reside in St. Louis (headquarters); Memphis, Tenn.; Louisville, Ky.; and Little Rock, Ark. The Memphis Branch is home to 94 of the District's employees. The duties there include cash processing, supervision and regulation of financial institutions, community development and economic education outreach. There are 22 employees at the Little Rock Branch performing duties such as supervision and regulation of financial institutions, community development and economic education outreach. The Louisville Branch has five employees, who concentrate on community development and economic education outreach.



**James Price**

*Director of the Eighth District Office of Minority and Women Inclusion and Vice President of Diversity and Inclusion*

Mr. Price has been with the Federal Reserve Bank of St. Louis for over 16 years. He began his career at the Fed as a management analyst. Mr. Price has held a variety of leadership positions over the years in both the St. Louis and Memphis offices. Since 2008, he has held the position of Vice President of Diversity and Inclusion. He holds a bachelor's degree in business from Culver-Stockton College.



In accordance with Dodd-Frank, the Federal Reserve Bank of St. Louis' OMWI is responsible for all matters relating to diversity in management, employment and business activities at the Bank. The OMWI builds upon the Bank's long-standing efforts to create an inclusive workplace, attract and retain a diverse staff, and foster supplier diversity. The OMWI director in the Eighth District reports directly to the Bank president and has a staff of three full-time employees.

The Bank values diversity—in thought, practice, and demographic makeup—and considers it good business strategy. The commitment to diversity starts at the top and is reflected at all levels of the organization.



St. Louis Small Business Monthly named James Price one of its Heroes in Diversity for his leadership in promoting inclusion at the Bank and for his volunteer work outside the Bank.



Econ Ed Live!, the Bank's collection of online economic and personal finance courses, has been honored with an Award of Excellence from *Tech & Learning* magazine. Econ Ed Live! brings lessons on money, banking, economics and personal finance to life for high school and college students and consumers with interactive lesson plans and podcasts.

PERSONAL FINANCE ONLINE COURSES workshops

Video Conferencing

podcasts

**MONEY**

WEBINARS

CARDS CARS and CURRENCY

**ECON ED LIVE!**

Interactive

# Employment of Minorities and Women

The Bank is committed to fostering an inclusive work environment where diversity is respected and leveraged. In support of this commitment, the Bank has developed policies and procedures for increasing participation of minorities and women at all levels. In addition, one of the Bank's seven core values—which drive organizational decisions and employees' actions—is related to the importance of diversity and inclusion. The Bank's goal is to attract and retain top talent, including minorities and women.

## Successes

The Bank identified three key areas with regard to workforce composition initiatives: developing and communicating standards for equal employment opportunity, increasing focused efforts on recruiting and retaining women and minorities, and partnering with community organizations that serve target audiences likely to include potential candidates for employment. Achievements in these areas include:

### 1. Developed and communicated standards for equal employment opportunity and racial, ethnic and gender diversity of the workforce and senior management.

- The Bank's OMWI director held regularly scheduled meetings reporting to senior management on the status of workforce and procurement diversity initiatives, actions and outcomes.
- The Bank's OMWI director serves as an advisor to the Bank's broader management team regarding workforce and procurement diversity.

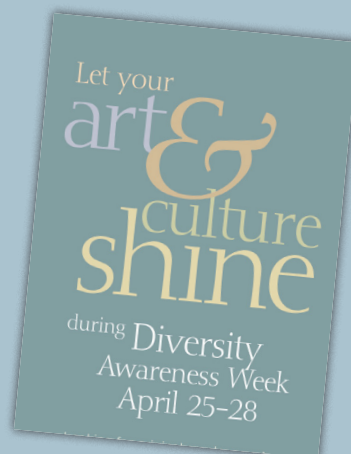
### 2. Added a recruiter devoted to diversity recruiting.

### 3. Recruited and retained a more diverse workforce.

- **College Internship Programs:** In 2011, seven interns (two from HBCUs and three from INROADS) participated in the Bank's internship program. The program affords students the chance to gain practical job experience in fields such as community development, human resources, public affairs, risk management and banking supervision. Two of the 2011 interns were recent graduates; both were offered permanent positions, with one accepting. To establish a presence on various college campuses from which interns are recruited, Bank staff participated in career fairs and information sessions, as well as engaged students in the classroom. Outreach efforts for intern positions included posting with school job boards that focus on serving minorities and women, such as HBCUs; professional networking on social media sites, such as LinkedIn; and advertising with minority focused periodicals, such as *The St. Louis American*.<sup>2</sup>
- **Recruiting Fairs at Eighth District HBCUs:** The Bank participated in job fairs at HBCUs and other colleges and universities with high minority and/or women enrollment. In 2011, the Bank participated in the following HBCU career fairs within the Eighth District region:
  - University of Arkansas at Pine Bluff Career Day in Pine Bluff, Ark.

<sup>2</sup> *The St. Louis American* is a weekly newspaper serving the African-American community in St. Louis.

Employees take part in Diversity Awareness Week, which included an exhibit of original employee art and cultural objects, a panel discussion on religious freedom, multicultural presentations, and a senior management video on the importance of diversity.





- Philander Smith College Fall Career Fair in Little Rock, Ark.
- National Black MBA Association Minority Professional Job Fair – Harris Stowe State University in St. Louis.
- Kentucky State University Fall Careers Exploration Day in Frankfort, Ky.
- **National Diversity Recruiting Fairs:** The Bank's recruiting team also participated in national and regional job fairs sponsored in urban communities and/or geared toward minorities and women. Specific recruiting fairs aimed at minorities and women included the following:
  - Atlanta Consortium of HBCUs in Atlanta<sup>3</sup>
  - The National Urban League Conference in Boston
  - National Association of Asian American Professionals in Boston
  - Missouri Black Expo in St. Louis
  - University Missouri-St. Louis Fall Internship & Career Fair in St. Louis
  - National Black MBA Association in Atlanta
  - National Society of Hispanic MBAs in Anaheim
- The Bank defined and implemented tactics designed to increase opportunity for minorities in the workforce leadership pipeline, such as allocating \$50,000 to continue the professional development of high-

<sup>3</sup> The Atlanta Consortium of HBCUs includes Clark Atlanta University, Spelman College, Morris Brown College, Morehouse College and Morehouse School of Medicine, and the Interdenominational Theological Center.

potential minorities and women within the Bank.

- The Bank established a Bank-wide policy change to expand recruiting for leadership and leadership pipeline positions, and introduced the use of an interview panel for these jobs.
- **Mentoring:** The Bank's 2011 mentoring program included 30 mentoring pairs. Of those pairs, 55 percent were women and 30 percent were minorities. The program supports recruiting and retention efforts, and objectives include increasing the cultural competence of leaders and staff. Applicants for the mentoring program represent a cross-section of Bank staff. Mentoring partnerships are paired to leverage cross-functional and cross-cultural learning and development of participants.

**4. Developed and strengthened relationships with women and minority community-based organizations.**

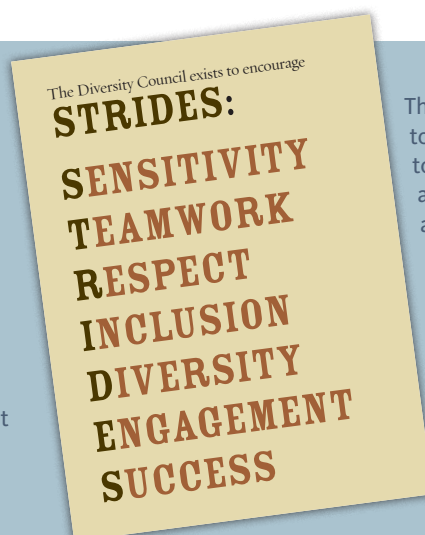
- Continued to develop and enhance relationships with women and minority community-based organizations with networking opportunities such as the following:
  - Professional Organization of Women (POW) networking event hosted at the St. Louis Fed<sup>4</sup>
  - A networking event hosted by the Organization of Chinese Americans (OCA)<sup>5</sup>

<sup>4</sup> POW is a nonprofit organization that bolsters the professional, social and service aspirations of progressive and career-oriented African-American women.

<sup>5</sup> OCA is a national organization dedicated to advancing the social, political and economic well-being of Asian-Pacific Americans.



The Office of Diversity and Inclusion sponsors the Bank's Diversity Council, which strives to make employees more aware of the value of diversity and implements and executes diversity-related efforts that link to the Bank's core business strategies. Council members plan and coordinate Bank presentations by outside speakers, community service opportunities and cultural events that celebrate diversity.



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

- Evening at the Fed with LeMoyne-Owen College (HBCU) in Memphis
- Reception for members of the local chapter of the National Black MBA Association (NBMBA) attending the organization's national conference, co-hosted by the St. Louis Fed and NBMBA

## Challenges

The Bank has identified some challenges as it relates to workforce composition.

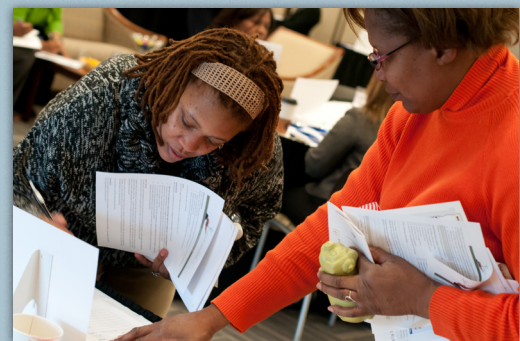
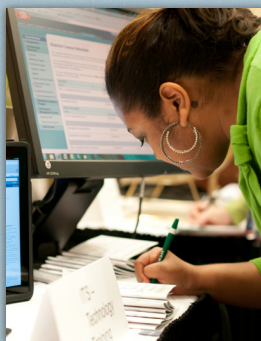
- Although the Bank actively participated in national career fairs targeting diverse audiences as noted above, the Bank encountered a challenge in attracting top candidates when applicants had no personal ties to the St. Louis region. To counteract this obstacle, the Bank plans to place more emphasis on prescreening candidates with an eye towards those with a Midwest connection as well as better representing what the Bank and the metropolitan area have to offer.
- Currently, the Bank does not have many minorities at the executive level. This adds to the challenge of recruiting and/or retaining high-potential minorities.
- Due to demographics and labor market dynamics, the Bank faces significant competition for minority and women talent within its region. This can be attributed to the limited labor pool for some of the specialized positions for which the Bank recruits.
- In the past, the Bank's job posting process for leadership positions facilitated a large number of internal direct selections, thus limiting the pool of candidates. As a result, over time, this approach hindered the diversity of the senior leadership pipeline. Therefore, the Bank instituted a new job posting process for leadership positions which requires most positions to be posted for a number of days both internally and externally.

## Next Steps

The Bank is already expanding its recruitment and retention initiatives, including pursuing the following steps:

- Forming stronger relationships with professional organizations that target minorities and women, such as the National Black MBA Association and the National Association of Black Accountants.
- Establishing relationships with local St. Louis high schools primarily serving minorities.
- Increasing internship opportunities for students from HBCUs, Hispanic-serving institutions, women-serving institutions and programs targeting minority youth, such as INROADS. The Bank is currently in the midst of the intern selection process for the 2012 summer program, which includes positions in information technology, public affairs, cash, human resources, banking supervision, treasury relations, risk management and community development, for approximately 19 internships. In addition, the Bank has broadened the program to include development workshops for the students on business communications, project management and financial management.
- Hosting the INROADS Learning Summit for Missouri in July 2012.
- Developing stronger relationships with the HBCUs, Hispanic-serving and women-serving educational institutions within the Eighth District.
- Pursuing ways to increase diversity within the Bank's leadership pipeline.

Employees attend "Invest in Yourself," the Bank's annual Career Development Fair. Representatives were available to coach employees on such matters as training, mentoring, coaching and career options.



# Inclusion of Minority and Women Business Enterprises

The Bank has developed policies and procedures related to contracting with MBEs and WBEs as required under Section 342 of the Dodd-Frank Act. The Bank's standards and procedures were developed by its OMWI director, with assistance from the Bank's senior management team and various Bank departments (including Facilities Management, Procurement and Legal). Additional support was provided by the National Procurement Office (NPO), located at the Federal Reserve Bank of Richmond. (The NPO is responsible for managing and facilitating contracts under which products or services are acquired for multiple Federal Reserve banks.)

## Amounts Paid to Contractors

Total Spend: \$44.17M

Percentage paid to minority business enterprises: 1.08 percent, or \$477,000

Percentage paid to women business enterprises: 6.01 percent, or \$2,654,600

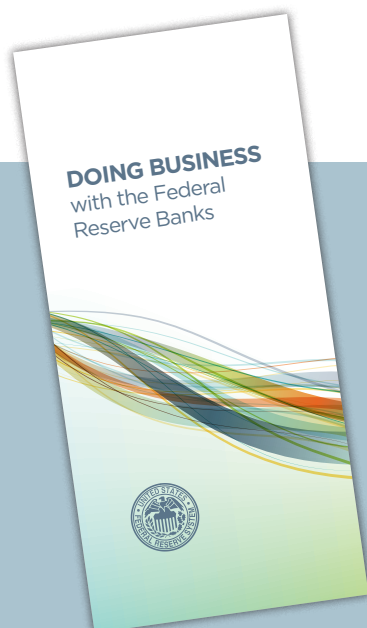
## Successes

Key areas of Bank success in this area include: 1) increased access and opportunity as a result of the Bank's participation in external outreach activities and targeted

communication efforts; 2) increased opportunity as a result of providing technical assistance; and 3) increased internal awareness of the Bank's supplier diversity program through training and review of Bank policies. Successes in each of these areas are highlighted below:

### 1. Increased access and opportunity for diverse suppliers as a result of outreach activities and targeted communication efforts.

- Equal opportunity language identified in Section 342 was inserted into all new and renewed Bank contracts as of Jan. 21, 2011. Before the enactment of Dodd-Frank, the Bank included provisions in its contracts requiring suppliers to comply with equal employment laws.
- Expanded "Doing Business with the Fed" content on the Bank's external web site. The page explicitly states the Bank's commitment to equal opportunity in contracting and explains the process for suppliers to do business with the Bank.
- Participated in networking activities and other conference events at the National Minority Supplier Development Council (NMSDC) Conference and Business Opportunity Fair in October 2011.
- Participated in a series of 2011 Alliance for Minority Procurement meetings held by the St. Louis Minority Supplier Development Council (SLMSDC). These meetings allow corporate procurement staff to network with MBEs about the goods and services that participants supply. In addition, the Bank participated in the SLMSDC's fall general membership meeting.



Procurement manager Rachel Walker speaks with a local supplier when representatives from various small businesses visited the Bank to find out what goods and services the Bank contracts for and to learn how to do business with the Federal Reserve banks.

- Participated in the 2011 Economic Development Fair sponsored by the Mid-South Minority Business Council (MSMBC). In addition, the Bank purchased a full-page advertisement in the group's program. Martha Perine Beard, the regional executive of the Bank's Memphis Branch, serves on the board of directors of the MSMBC.
- Instituted a requirement that all Bank bidding events use best efforts to include at least one MBE or WBE in the Bank's pool of potential suppliers for Bank goods and services.
- Piloted a program under which the Bank contracts directly with entities that would otherwise be subcontractors. This structure assists small businesses, including MBEs and WBEs, by ensuring prompt payment to subcontractors of Bank funds, while also allowing the Bank to develop more relationships with small businesses.
- Participated in the following fairs (in addition to those mentioned previously) and publicized the Bank's procurement program:
  - Ameren-ComEd Supplier Diversity Symposium in St. Louis.
  - Federal Reserve Bank of Dallas Small Business Supplier Fair in Dallas.
  - City of Memphis and Congressman Steve Cohen's Small Business Procurement Industry Fair in Memphis.

## 2. Increased opportunities for suppliers by providing technical assistance.

- Worked with the NPO and other Reserve banks to create a standard supplier brochure that explains generally the process for bidding on Reserve banks contracts. The brochure includes a link to the supplier self-registration tool, which makes it easier for interested suppliers to be included in

the Bank's general supplier pool to identify potential bidders. The brochure also includes contact information for each Reserve bank's procurement department.

- Hosted a Business Opportunity Fair targeting MBEs and WBEs. The event included presentations about the Federal Reserve System, OMWI and the Bank's procurement process. Participating suppliers were able to question the Bank's OMWI director, Facilities Management officer, Procurement manager and a representative from the NPO about doing business with Reserve banks. Participating suppliers were also able to meet with representatives from different Bank business areas to gain an understanding of the Bank's projected needs.
- Provided one-on-one training to interested suppliers on how to use the Federal Reserve System's e-sourcing tool for competitive bidding. The Bank offers suppliers an alternative means for submitting a competitive bid if a supplier is unable to successfully complete a bid using the Bank's e-sourcing tool.
- Developed a process for following up with self-registered suppliers to confirm the extent of each supplier's available resources to fulfill Bank requirements, answer any outstanding questions and discuss upcoming opportunities.

## 3. Increased internal awareness of the Bank's supplier diversity program.

- Convened a group of key Bank stakeholders to review existing procurement policies and processes in order to align them with the Bank's commitment to increasing participation of MBEs and WBEs in Bank acquisitions. These discussions resulted in policy changes, including additional oversight by the OMWI director in supplier selection, competitive bidding and contract renewal decisions.



Small business owners attend the Bank's Business Opportunity Fair and talk with representatives from various departments about their purchasing needs.



- Enhanced the expertise of the Procurement staff by supporting obtaining certifications through the Institute of Supply Management (ISM) as Certified Professionals in Supplier Diversity (CPSD), and attending education and networking sessions at the NMSDC and ISM conferences.

## Challenges

Challenges faced by the Bank include:

- Difficulties resulting from the lack of an MBE and WBE central certifying authority. In some instances, suppliers can be certified by local or state governments or national organizations, such as the National Minority Supplier Development Council, but the requirements for and monitoring of certifications attained can vary between these sources. In addition, some business suppliers are simply not certified. In order to track participation, Reserve banks have adopted the approach of tracking certified MBE and WBE suppliers. As a result, suppliers that lack certification are excluded from calculations of total spend with MBEs and WBEs. In some instances, the Bank attempted to do its own “certification” by researching the ownership structure of companies, only to find the company was a front for majority-ownership.
- Difficulties resulting from the small numbers of or ability to identify MBEs and WBEs in many business sectors despite substantial outreach efforts.
- The high cost (relative to other providers) of goods/ services offered by some MBEs and WBEs. Although the Bank has been successful in identifying MBEs and WBEs to bid on some proposals, their pricing structures sometimes exceed larger competitors.
- In an effort to be good stewards of the taxpayers’ dollars, we have actively participated in Federal Reserve System-level contracts through the NPO.

As a result, \$9.6M of the \$44.1M of spend was used toward these contracts. This effectively reduced the amount available to small businesses, including MBEs and WBEs.

## Next Steps

Going forward, the Bank will continue to focus on increasing opportunities for minority- and women-owned businesses to bid on goods and services necessary to Bank operations. To that end, the Bank plans to expand sources to identify MBEs and WBEs by:

- exploring membership with the Women’s Business Development Center in Chicago;
- exploring membership with the St. Louis Hispanic Chamber of Commerce;
- participating in social media groups that promote supplier diversity, including LinkedIn;
- continuing active membership with the SLMSDC and MMBC;
- continuing participation in local and national conferences and other venues focused on promoting business opportunities for diverse suppliers; and
- continuing to develop a supplier pool by encouraging MBEs and WBEs to use the Bank’s electronic self-registration tool.



# Financial Literacy Outreach

**T**he Bank has a long history of developing the economic and financial literacy of youth across the Eighth District and beyond. The Bank provides free educational programs, materials and resources for educators and students. Alignment with state personal finance education standards and the widely adopted Common Core Standards allows the Bank curricula to be easily integrated into existing classroom priorities.

The Bank has also conducted a variety of programs to support economic and financial literacy for secondary and post-secondary teachers and students throughout the District.

## Successes

- **Classroom Materials:** The Bank has a robust and nationally recognized personal finance and consumer economics online education program that includes:
  - Extensive and constantly-expanding series of highly interactive online courses with an instructor management panel for assigning activities and tracking student progress. Sixteen of these lessons have been translated into Spanish, with plans to continue with the translations.
  - Monthly and quarterly newsletters and attendant classroom activities, podcasts and video podcasts, lesson plans, interactive whiteboard activities, simulations, and reference materials, as well as educational games and mobile apps.
- **Econ Ed Live!:** The Bank's online courses with more than 65,000 enrollments won *Tech and Learning* magazine's 29th annual Award of Excellence in 2011.
- **Community Partnerships:** The Bank is working with a consortium of minority- and women-focused professional organizations to pair them with OMWI-defined high schools to deliver the Bank's personal finance lessons.
  - Each quarter, the Breakfast at the Fed program brings together members of the Fed's leadership team and educational stakeholders to foster dialogue on the needs of and resources available to educators and administrators of inner-city schools and schools with majority-minority student populations.
  - The Bank partners with dozens of local and national organizations as a sponsor of Money Smart Week in the St. Louis area, which features a week of events highlighting various aspects of personal finance and financial literacy.
  - The Bank has been selected as the U.S. Treasury's partner to update its National Financial Capabilities tool kit for teachers. Additionally, the Bank works closely with the Missouri Council on Economic Education to update its online resources for the state's required high school personal finance course.
- **Events:** The Bank regularly hosts:
  - educator workshops and events throughout the year at each of its Branches;
  - an annual educator conference;
  - an annual professors' conference;
  - summer courses for AP economics instructors; and
  - a conference on assessment and evaluation of K-12 economics and personal finance programs, in partnership with the Council for Economic Education.

Mary Suiter, Economic Education manager, was interviewed by a local TV station to discuss personal finance. Ms. Suiter is one of two recipients of the 2010 Patricia K. Elder International Award, presented by the National Association of Economic Educators and the Council for Economic Education. The award honors economic educators "whose outstanding and dedicated service and leadership has had an impact on the delivery and enhancement of economic education throughout the world."



- **Special Events:** In February 2011, the Bank hosted a workshop and facilitated a discussion session with personal finance teachers to obtain feedback and open discussion on the unique needs presented by inner-city, girls' and majority-minority high school classrooms.
  - In addition to hosting educators and administrators at our events, the Bank provides personal finance and consumer economics workshops at in-service programs throughout the District in order to help schools avoid incurring the cost of substitute teachers that may arise when teachers come to Bank events.
- **Seeking Input:** The Bank has created an OMWI Educator Advisory Council that includes educators and community stakeholders from throughout the District. The primary charge of this council is to provide the Bank feedback on its current economic education curriculum and suggest any new curriculum.

## Challenges

The biggest challenge to engaging educators, particularly from inner-city and majority-minority schools, has been the pressure on educators to teach to standardized achievement tests. The Bank has consistently received feedback that classroom priorities and activities are solidly aligned with student performance on standardized tests. In order to combat the perception that personal finance education is merely something extra, the Bank is working to include the Common Core Standards within each of the Bank's existing lesson plans and to publish all new lessons and materials with this information.

## Next Steps

The Bank continues to seek innovative ways to expand the reach of its financial literacy programs and to foster greater participation and partnership with educators and stakeholders from inner-city, girls' and majority-minority high schools. To this end:

- The Bank will continue to build and nurture close relationships with OMWI-defined schools by:
  - hosting educator workshops focused specifically on their needs and challenges;
  - continuing participation in on-site in-service and professional development days at these schools; and
  - volunteering to serve in an advisory capacity to curriculum committees, where feasible.
- The Bank will further refine the understanding of the District's OMWI-defined schools through:
  - analyzing data provided by the National Center for Education Statistics, and
  - refining current and developing new curriculum to meet the specific socioeconomic conditions of OMWI-defined student populations.



**Teach Children  
to \$ave Day**

Senior Vice President Julie Stackouse (right) and senior analyst Kristin Parran volunteer at a local school for Teach Children to Save Day, a national event developed to teach children to identify goals and to save to reach those goals.

# Conclusions and Recommendations Provided by the Director of the OMWI

The Bank's OMWI experienced some successes and challenges during its first year. Ensuring compliance with the new law presented many learning opportunities as the Bank advanced the mission of the OMWI. Like many other Reserve banks, prior to the Dodd-Frank Act the Federal Reserve Bank of St. Louis had been engaged in programs and practices that support equal opportunity in the Bank's workforce and its acquisitions. However, the law has caused the Bank to focus additional attention on specific aspects of recruiting, contract/procurement procedures and financial literacy efforts. Given the diversity and inclusion practices in place at the Bank before the OMWI, the Bank has been able to leverage those practices and procedures to ensure the successful implementation of Section 342.

## Summary of Lessons Learned

1. Strong and consistent communication and collaboration among areas within the Bank, among the Reserve banks and with staff of the Board of Governors are essential to progress in increasing the participation of minorities and women.
2. Continue to expand recruiting and retention initiatives focused on minorities and women.
3. Continue efforts to educate MBEs and WBEs of the Bank's procurement needs and procedures.
4. Continue to find creative ways to place the Bank's financial literacy curriculum into the hands of educators at OMWI-defined high schools.

“Diversity isn’t just good for morale. It’s a good business strategy. We attract and recruit the best possible talent by casting a wide net and diversifying our recruiting efforts. A diverse workforce enhances our ability to be innovative and creates an environment where employees know that their ideas and contributions are valued.”

**James Bullard**  
President and CEO

## Next Steps

(In addition to those mentioned in the above sections)

1. Develop additional metrics to evaluate progress toward achieving workforce representation strategies.
2. Develop metrics to evaluate progress toward achieving greater diversity in the Bank's spend profile.
3. Seek feedback from members of the community on ideas to bolster our current set of tactics.



## Appendix A

# EEO-1 Job Groups

The six EEO classifications used by the Bank are described below. These groupings 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, executive 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-level 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. This group excludes officers without direct reports.

### ***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 non-managerial tasks providing administrative and support assistance, primarily in office settings. In the Bank, examples of positions in this group include administrative assistants, buyers, event coordinators, group leaders, production clerks and 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 of these types of positions in the Bank 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. Skill may be acquired through formal training, job-related training or direct experience. In the Bank, this group has been divided into two groups:

- Protection Officers (included training officers and protection group leaders)
- Service Workers (includes building attendants, cafe workers, chefs and garage attendants)

## Appendix B

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

(Louisville, Ky., and Little Rock, Ark., branches not included as each branch has five employees)

Job Categories	# of Employees (STL) <sup>1</sup>	# of Female Employees	% of Female Employees	Available % of Female Employees <sup>2</sup>	# of Minority Employees	% of Minority Employees	Available % of Minority Employees <sup>2</sup>
Executive/Senior Officials & Managers	11	4	36.36%	27.86%	1	9.09%	3.85%
First/Mid Officials & Managers	168	68	40.48%	49.43%	25	14.88%	10.49%
Professionals	512	233	45.51%	56.01%	108	21.10%	16.28%
Technicians	0	0	-	42.04%	0	-	17.60%
Sales Workers	0	0	-	41.08%	0	-	9.43%
Administrative Support	104	85	81.73%	79.04%	42	40.38%	29.40%
Craft Workers	18	0	0.00%	2.70%	3	16.67%	8.11%
Operatives	0	0	-	32.24%	0	-	22.43%
Laborers and Helpers	0	0	-	5.88%	0	-	17.65%
Service Workers	47	11	23.40%	11.22%	24	51.06%	22.11%
Job Categories	# of Employees (MEM) <sup>3</sup>	# of Female Employees	% of Female Employees	Available % of Female Employees <sup>2</sup>	# of Minority Employees	% of Minority Employees	Available % of Minority Employees <sup>2</sup>
Executive/Senior Officials & Managers	0	0	-	36.06%	0	-	9.13%
First/Mid Officials & Managers	14	6	42.86%	58.26%	10	71.43%	28.05%
Professionals	6	5	83.33%	59.51%	3	50.00%	24.71%
Technicians	0	0	-	18.75%	0	-	16.41%
Sales Workers	0	0	-	31.69%	0	-	10.15%
Administrative Support	26	16	61.54%	84.16%	19	73.08%	55.74%
Craft Workers	3	0	0.00%	0.00%	1	33.33%	33.33%
Operatives	0	0	-	0.00%	0	-	100.00%
Laborers and Helpers	0	0	-	0.00%	0	-	50.00%
Service Workers	29	4	16.67%	44.07%	22	75.86%	52.54%

<sup>1</sup> Federal Reserve Bank of St. Louis employee population as of Dec. 31, 2011

<sup>2</sup> 2010 job patterns for minorities and women according to 2010 EEO-1 Aggregate Report for CBSA by NAICS-2 Code

<sup>3</sup> Federal Reserve Bank of St. Louis (Memphis Branch) employee population as of Dec. 31, 2011

# Appendix C EEO-1 Consolidated Report

(as of Dec. 31, 2011)

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/Senior Officials & Managers	0	0	6	1	0	0	0	0	0	4	0	0	0	0	0	0	0	0	11
First/Mid Officials & Managers	2	3	91	11	0	0	5	0	0	58	13	0	0	1	0	0	0	0	184
Professionals	7	6	229	26	0	0	19	1	0	181	45	0	0	8	1	0	0	0	523
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support	0	0	16	13	0	0	0	0	0	56	47	0	0	0	1	0	0	0	133
Craft Workers	0	0	17	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21
Operatives	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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	0	0	27	34	0	0	0	0	0	3	12	0	0	0	0	0	0	0	76
<b>TOTAL</b>	<b>9</b>	<b>9</b>	<b>386</b>	<b>89</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>1</b>	<b>0</b>	<b>302</b>	<b>117</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>948</b>	

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 OMWI 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 OMWI 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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