



FEDERAL RESERVE BANK *of* KANSAS CITY

January 28, 2011

The Honorable Robert Menendez  
U. S. Senator  
528 Senate Hart Office Building  
Washington, D.C. 20510

Dear Senator Menendez:

Thank you for your January 14, 2011 letter. I share your strong commitment to the important underlying goals of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) and am pleased to report to you the status of the Federal Reserve Bank of Kansas City’s (“Bank”) efforts to fully incorporate the requirements of the Office of Minority and Women Inclusion with our existing diversity and inclusion activities.

Effective November 1, 2010, the Bank’s Board of Directors named Donna Ward as senior vice president and director of the Office of Minority and Women Inclusion (“OMWI”). In this new role, Ms. Ward is responsible for the Bank’s administrative functions, including recruitment and procurement. She previously served as the Bank’s vice president of Human Resources and has experience with workforce recruiting and inclusion strategies. As director of the OMWI, Ms. Ward is actively collaborating with other members of the Bank’s senior management responsible for financial education and community outreach to further advance the requirements of Section 342 of the Dodd-Frank Act.

Our Bank’s commitment to minority and women inclusion is evidenced by long standing efforts in this area. From this strong foundation, we will continue to expand and enhance our efforts. Examples of our engagement in initiatives aimed at including minorities and women in all aspects of our business include:

- active participation in, support of and board service for diverse organizations in our region, such as the local chapters of the Hispanic Chamber of Commerce, National Black MBA Association, National Society of Hispanic MBAs, Black Achievers Society, Urban Financial Services Coalition, Urban League of Greater Kansas City, and others;
- significant leadership roles at the national and regional levels with INROADS, Inc., which develops and places talented minority youth in business and industry and prepares them for corporate and community leadership;
- active relationships with diverse student groups and multicultural offices at universities in which we recruit, including support in the form of mock interviews and resume reviews to assist students in preparing for full-time and internship positions;
- participation in urban career fairs sponsored by diverse organizations, such as the 2010 NAACP National Convention, National Black MBA Association, Urban Financial Services Coalition and Urban League of Greater Kansas City;



- participation in national diversity advertisements targeting minorities and women, including branding advertisements on national diversity conference websites for the National Black MBA Association, National Society of Hispanic MBAs and the Urban Financial Services Coalition; advertisements on IMDDiversity and Workplace diversity websites; and print advertisements in the *Black EOE Journal*, *Hispanic Network Magazine*, and *Professional Woman's Magazine*;
- membership in the Mid-America Minority Business Development Council and participation in MAMBDC's business opportunity fair; and
- sponsorship of workshops and seminars on economics and personal finance for educators and students at area schools, including schools with diverse populations.

Recent additions to our diversity and inclusion efforts include the expansion of universities in which we recruit to include historically black, Hispanic-serving and women's colleges. We also have made changes in our procurement area, which are aimed at enhancing opportunities available to minority- and women-owned businesses. In February, the Bank will host a roundtable of local leaders who represent minority and women organizations whose members are business owners to discuss procurement opportunities and gain insights on ways to enhance our current procedures and processes.

Our communications efforts have been heightened by prominently displaying vendor opportunities, as well as other the OMWI related information, reports and Congressional status correspondence on our public website. At [KansasCityFed.org](http://KansasCityFed.org), visitors can click on Diversity and Inclusion on the homepage to quickly access pertinent information. In addition, I recognize the importance of an organization's leadership setting the tone for priorities in words and in actions. I have attached a January 6 article from *The Kansas City Star* that addresses this Bank's efforts in advancing women to executive positions.

With regard to the establishment of standards to assess the diversity policies and practices of regulated entities, the Federal Reserve Board of Governors will develop the standards in coordination with other federal banking regulators, as regulatory authority lies with the Board. Our Bank may be responsible for implementation of the standards.

I hope that you find this information helpful and want to assure you that the Bank will continue to implement Section 342 in a responsible, efficient and effective manner. We will take your suggestions into consideration as we move forward. Your staff may contact Donna Ward at 816-881-2114. In addition, if you have any questions or would like additional information, please feel free to contact me directly at 816-881-2874.

Sincerely,

A handwritten signature in black ink that reads "Thomas M. Hoenig".

Thomas M. Hoenig  
President

Enc.

## Kansas City Fed leader endorses push to increase women in executive suites



Miriam Pepper

Miriam Pepper

Kansas City Fed chief **Thomas Hoenig**, known nationally for eight “no” votes on fed policies, opened his annual economic overview speech to the Central Exchange today with a resounding “yes” to the organization’s “Win-Win” campaign.

The “Win-Win” campaign goal is to make sure local corporate boards and top executive suites include at least 20 percent women by 2020. If successful, the campaign would mean a big increase for women executives locally. Today, Kansas City companies can claim just 7 percent women executives, even though the workforce is half female and 60 percent of college graduates are women.

Hoenig’s support for the initiative comes from personal experience. He said the Kansas City Federal Reserve Bank executive committee is half women, and the bank is better off because of the diverse voices at the helm, women he described as merit-based selections. Surely that puts the bank in rarified territory for local boards, and speaks well of his leadership.

His tenure at the bank’s helm ends this year, based on mandatory retirement policies at 65.

On the economy for 2011, Hoenig expects positive growth of 3.5 percent to 4 percent this year. But he also expects unemployment to remain high, not falling below 9 percent all year.

Hoenig, who delivered his seventh consecutive first-of-the-year economic address to the Central Exchange, has attracted plenty of national attention in the last year following his series of “no” votes opposing policies of the Federal Open Market Committee, including the latest stimulus effort. And he spent time today defending the value of dissent on the committee.

His major beef with financial reform legislation focuses on the “too big to fail” banking entities that he worries are now “way too big to fail.” He’s a believer that American economic strength emerged from a diversity of institutions and hopes to see more diversity return in the future.

The “no” man who prefers the tag “non-zero-interest-rate-guy” is clearly not on the “no” side on diversity of many stripes, in boardrooms and in businesses.

Read more: <http://voices.kansascity.com/entries/kansas-city-fed-leader-endorses-push-increase-women-executive-suites/#ixzz1CApE2DjG>

Posted January 5, 2011