

A DIVERSE APPROACH: KANSAS CITY FED BUILDS ON DECADES-LONG COMMITMENT TO INCLUSION

The Dodd-Frank Wall Street Reform and Consumer Protection Act signed into law in 2010 required each of the 12 regional Federal Reserve Banks to establish an Office of Minority and Women Inclusion (OMWI) by Jan. 21, 2011. The OMWI has oversight of the Reserve Bank's diversity practices.

Though the legislation was new to the Kansas City Fed, many of the activities required are not.

"The requirements outlined in the Dodd-Frank Act are an opportunity for the Kansas City Fed to enhance its current business practices and to provide systematic reporting of our decades-long efforts in minority and women inclusion," says Kansas City Fed President Tom Hoenig. "It is an opportunity we welcome."

Workforce, leadership diversity

The Kansas City Fed, with Branch offices in Denver, Oklahoma City and Omaha, serves the Tenth Federal Reserve District: western Missouri, Nebraska, Kansas, Oklahoma, Wyoming, Colorado and northern New Mexico. This District comprises both diverse industries—aviation, agriculture, oil and mineral extraction, military—and communities—rural, urban, Hispanic, Asian and Native American. To fairly serve this diverse District, the Kansas City Fed ensures that those who sit on its boards and advisory councils are strong community and industry leaders who are representative of the District.

The first female chair of its head office

Board of Directors was appointed in 1984. In 2000, the chairs of all four offices' boards were female. Among its minority director alumni is potential 2012 presidential hopeful Herman Cain, who began his service as a director in 1988 and later became the first minority chair of the head office Board of Directors. Today, leaders from the Chickasaw and Potawatomi nations serve as a director and Community Development Advisory Council member, respectively.

At the Kansas City Fed's inception in 1914, a third of its 15 employees were female. Today, with a total employment base of 1,200, the Kansas City Fed has half of its official staff



Linda Capps, vice chairman of the Citizen Potawatomi Nation in Oklahoma, serves on the Community Development Advisory Council.



In this 2000 photo, Kansas City Fed President Tom Hoenig poses with the chairs of the Kansas City Fed's four boards of directors: (from left) Kathryn Paul, Denver; Jo Marie Dancik, Kansas City; Gladys Styles Johnston, Omaha; and Patricia Fennell, Oklahoma City.

positions filled by women, far surpassing the average of comparably sized organizations in Kansas City. More than 50 percent of its senior leadership team, known as Management Committee, is female. Compared to Census Bureau data for the Kansas City area, minority representation on the Kansas City Fed's official and supervisory staff exceeds the average. Additionally, its workforce comprises an array of nationalities, from Japanese to Lebanese—an important asset for a central bank with strong global ties.

"This workforce makeup is possible because of the approach the Kansas City Fed takes to find qualified job candidates," says Josias Aleman, vice president of the Human Resources Department. "Our net is cast broadly, including urban career fairs, connections with universities' multicultural centers and advertising in publications that target a range of demographic groups."

A list of the Kansas City Fed's 2010 Management Committee, boards of directors and advisory councils members begins on Page 38.

To read biographies of senior leaders and board members, as well as a list of alumni board members, visit KansasCityFed.org/AboutUs and click "Leadership."

Partnership, program diversity

The Kansas City Fed has partnerships with more than a dozen community organizations that promote the advancement of minorities and women, including the Hispanic Chamber of Commerce, the National Black MBA Association, the Black Achievers Society and the Urban League of Greater Kansas City. Staff at all levels participate in, support or serve on the boards of these organizations.

For more than 30 years, the Kansas City Fed has been a corporate sponsor of the Kansas City chapter of INROADS, which seeks to develop and place talented minority youth in professional careers in business and industry. Since 1991, a senior officer has



Senior Vice President Barb Pacheco accepted the 2010 Corporate Plus Award on behalf of the Kansas City Fed for its exceptional contribution to the INROADS organization, which promotes talented minority youth. Pacheco now chairs the INROADS Midwest Region, Inc. Board of Directors.

served on the INROADS Board of Directors. Thirteen years ago, the Kansas City Fed was a founding corporate sponsor of Kansas City's

Nick Hatz was one of many Kansas City Fed volunteers for the 2010 National Teach Children to Save Day. He presents to students at Omaha's Conestoga Magnet School.



Urban Financial Services Coalition. Kansas City Fed President Tom Hoenig received the organization's highest honor, the Nathaniel C. Harris Lifetime Achievement Award, in 2010.

Kansas City Fed staff at all levels also have been long committed to furthering financial literacy for all ages.

"Economic education has been a pillar of our programs for many years," says Krissy Young, vice president of the Public and Community Affairs departments. "We encourage all Kansas City Fed staff to have a role in increasing public understanding of economic matters, and we use a variety of mechanisms—from publications to partnerships with schools and consumer organizations—to help our constituents build their knowledge."

In the late 1980s, the Kansas City Fed established a partnership with Junior Achievement, a worldwide organization that delivers personal finance lessons to children. During the 2009-2010 school year, staff volunteered with Junior Achievement to reach about 800 students in cities within the District. Each year since 2005, dozens of staff members vol-

unteer for the nationwide financial literacy program called "Teach Children to Save Day," delivering economic education lessons at elementary schools throughout District metro areas. In 2010, the Kansas City Fed reached more than 60 schools and 3,000 children in the District.

Annually since 2005, the Kansas City Fed has led weeklong events that connect citizens to programs focused on economic education topics such as saving, investing and more. In 2010, the Kansas City Fed partnered with 289 other organizations to reach approximately 22,000 people in the District.

To learn more about the Kansas City Fed's financial literacy offerings, visit www.KansasCityFed.org/Education.

Supplier diversity

The Kansas City Fed welcomes the opportunity to work with diverse suppliers and service providers. It strongly encourages the



Senior Community Affairs Advisor Paul Wenske meets with Elma Warrick, executive director of HomeFree-USA, during a 2009 event for Kansas City homeowners. The Kansas City Fed develops relationships with community organizations to be a valuable economic development partner.

participation of small, minority- and women-owned businesses for its procurement purposes, including offering a self-registration tool on its website.

For several years, the printing contract for this magazine has been with a woman-owned printer.

When the Kansas City Fed began the multiyear construction of its new headquarters building in 2005, it initiated a voluntary program with project partners Zimmer Real Estate and J.E. Dunn Construction to emphasize diversity in subcontractors and suppliers. The team reached out to organizations such as the Minority Contractors Association and National Association of Women in Construction to help identify qualified suppliers. At the end of the project, more than 21 percent of the contracts were awarded to women- and minority-owned businesses, and the combined workforce participation of these groups exceeded 16 percent.

“The program’s success went well beyond our expectations,” says Vice President Mark Horan, who led the project for the Kansas City Fed. “Not only were these suppliers instrumental to the overall success of our building project, but also the program we established was so successful that J.E. Dunn now uses it as a model in other projects.”

More information for suppliers is available at KansasCityFed.org, under “Contacts,” “Doing Business with Us.”



For its new headquarters building project, the Kansas City Fed emphasized contracting with minority- and women-owned businesses. Artist Rebecca Bluestone, Santa Fe, NM, created pieces for the main lobby (background).



Donna Ward was appointed senior vice president and OMWI director on Nov. 1, 2010.

OMWI at the Kansas City Fed

On Nov. 1, 2010, the Kansas City Fed appointed Donna Ward as senior vice president and OMWI director. In this role, Ward oversees all OMWI activities at the Kansas City Fed as well as heads the division responsible for recruiting and procurement.

“Diversity is an area of focus for every level of our organization in some way,” Ward says. “With OMWI serving in a coordinating role for these activities, our focus will be refined even further.”

As OMWI director, she also oversees the compilation of the Kansas City Fed OMWI’s annual report to Congress, as required by the Dodd-Frank Act. A copy of this report will be published on the Kansas City Fed’s website, KansasCityFed.org, when it is available in early 2012.

Learn more about the Kansas City Fed’s diversity efforts at www.KansasCityFed.org/Diversity.



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