

# REPORT TO THE CONGRESS

on the Office of Minority  
and Women Inclusion

April 1, 2014



FEDERAL RESERVE BANK  
OF PHILADELPHIA

Submitted by Mary Ann Hood  
Director of the Office of Minority and Women Inclusion

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 Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.



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Office of the President

Federal Reserve Bank of Philadelphia  
Ten Independence Mall  
Philadelphia, PA 19106-1574

[www.philadelphiafed.org](http://www.philadelphiafed.org)

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This is the third annual “Report to Congress,” as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Its purpose is to outline the diversity and inclusion actions taken at the Federal Reserve Bank of Philadelphia during the past year. The Philadelphia Fed has long viewed diversity and inclusion as core values and has many programs that support its commitments.

The report includes the work of the Bank’s Office of Diversity and Inclusion (ODI), which fulfills another provision of Dodd-Frank, which required each Reserve Bank and the Board of Governors, as well as other regulatory agencies, to establish an Office of Minority and Women Inclusion (OMWI). The act requires the office to develop standards and procedures to ensure inclusion of minorities and women in all matters “relating to diversity in management, employment, and business activities.”

The report also includes activities of our Bank’s long-standing initiatives to support its commitment, including a Diversity Council of Bank employees, who meet regularly to foster a greater appreciation of workplace diversity, an active diversity recruitment program, and a program by our Procurement Office to increase minority- and women-owned businesses in the supplier ranks.

The Bank maintains its commitment to diversity and inclusion in recruiting, hiring, and promoting individuals in all job categories. All human resources actions are administered in accordance with these standards. The Bank will continue to offer all employees diverse educational and developmental opportunities to provide them with the resources to perform effectively in their jobs and develop their maximum potential.

The Bank maintains its commitment to equal employment opportunity. The senior vice president of Human Resources, who serves as the designated EEO officer and director of the ODI, is responsible for overseeing the effectiveness of the Bank’s Diversity, EEO, and Outreach programs.

In all of these activities, the Bank recognizes the value of diversity as a business imperative. While the Bank has continued to make considerable progress toward its long-term goals in 2013, management at every level recognizes that much work remains to be done. We will continue promoting diversity and inclusion throughout the Federal Reserve Bank of Philadelphia.

Sincerely,

A handwritten signature in black ink, reading 'Charles Plosser'.

## EXECUTIVE SUMMARY

The Federal Reserve Bank of Philadelphia (FRBP, or the Bank)<sup>1</sup> is pleased to submit this report to Congress regarding our programs that support the mandates contained in Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (act). As per the requirements of the act, the Bank established an Office of Minority and Women Inclusion (OMWI) in January 2011 and has just completed the third year of OMWI-related activities that fully support and comply with provisions of the act.

The Bank has had a formal Diversity and Inclusion initiative since 2007 and has processes and programs in place to promote workforce and supplier diversity. The Bank has also been actively engaged in financial literacy and outreach to school systems within the region for many years.

The OMWI manages the Bank's overall approach to creating an environment in which diversity is understood as an organizational strength and inclusion is the expected behavior for all matters in the workplace. This office is the centerpiece of the Bank's diversity and inclusion infrastructure,

which also includes the Diversity Advisory Group, led by senior executives who champion diversity, and the Diversity Council, populated by employees from all levels who sponsor events and programs designed to promote awareness and understanding about diversity and inclusion for the benefit of all employees.



Dr. Rohini Anand of Sodexo spoke at the Bank's Diversity and Inclusion Master Class in 2013.

The Bank's strategic plan for diversity and inclusion promotes an environment of respect, dignity, and fairness for employees at all levels; assigns accountability from the top down for creating a diverse and inclusive environment; promotes a culture of openness and transparency with regard to personal and career advancement; builds a community and internal reputation as a leader and role model for workplace diversity and inclusion; and seeks to recruit, retain, and develop the best talent to increase diversity throughout the Bank and better serve the needs of communities within the Bank's geographic boundaries.

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<sup>1</sup> The Federal Reserve Bank of Philadelphia is the Third Federal Reserve District. It is sometimes known simply as the FRBP or the Bank.



Two members of the Tuskegee Airmen visited the Bank for a panel discussion in recognition of Veterans Day 2013.



The Bank is committed to fostering a diverse and inclusive workforce, and workforce diversity efforts continue to address recruitment, leadership development, and succession planning. Programs and practices are in place to advance diversity goals and objectives, such as internships, mentoring activities, and diversity recruiting. Our internship programs provide developmental opportunities for individuals with diverse backgrounds, skills, and experiences.

In 2013, the Bank delivered foundational diversity and inclusion training to employees at all levels. A module customized for leaders was completed during the second quarter of 2013. Subsequently, the OMWI offered sessions for staff through the fourth quarter and will continue them in 2014. The goal of this training program is to provide all employees a baseline of skills and knowledge that will help them incorporate inclusive behaviors into their daily interactions around the Bank and in conducting Bank business.

The Bank's supplier diversity program predates the passage of the Dodd-Frank Act and remains focused on fostering opportunities for minority- and women-owned firms to do business with the Bank. The act provides additional guidance on efforts in this area. The Bank includes appropriate provisions in new and renewal contracts for goods and services. A process for reviewing contractors' good faith efforts on inclusion has been implemented, as outlined in the act.

The Federal Reserve Bank of Philadelphia's economic education and financial literacy programs are essential resources for teachers, and the content of the curriculum has been enhanced and updated over the past several years. Through facilitated workshops, presentations in school districts, and conferences, our programs equip schoolteachers to deliver effective financial literacy curricula to students of all ages. In 2013, the Bank's signature Keys to Financial Success high school personal finance program extended its geographic reach within Pennsylvania to the cities of Reading and Harrisburg. Students' visits to the Bank's Money in Motion exhibit introduce them to the concepts of money and banking, financial instruments, and



Top: Chinese folk dancer Yah-Chih Chuang performs at the Bank during Unity Week in 2013.

Bottom: Members of the Creative and Performing Arts (CAPA) High School perform at the Bank during Unity Week in 2013.

monetary policy in an interactive climate. Other customized online educational programs provide additional resources for teachers throughout our region and beyond.

The Bank experienced significant growth in its workforce over the course of the year, in large part due to aggressive hiring within the Supervision, Regulation, and Credit, and Information Technology Services departments. The Bank population of 889 employees<sup>2</sup> represented a 4.6 percent increase over the previous year's total. In concert with other Banks across the Federal Reserve System (System), the Federal Reserve Bank of Philadelphia posts OMWI information on its external and internal websites to promote greater transparency to staff and constituents. In this way, the Bank makes public its EEO-1 workforce representation data. These

<sup>2</sup> See attached EEO-1 Consolidated Report.

data indicate that in 2013, minorities represented 38 percent of the Bank's workforce (up from 36 percent in 2012), and women, 39 percent (unchanged). Of the Bank's 67 officers, 24, or 36 percent, were women, compared to 19, or 31 percent in 2012; the minority officer count remained unchanged at 11. For the period from January to December 2013, 97 people joined the Bank; 40 minorities were in this group of new hires, representing 41 percent of the total. On the other hand, representation of women among new hires increased significantly compared to last year, going from 25 percent to 36 percent in 2013.

The Federal Reserve Bank of Philadelphia is committed to workforce diversity, supplier diversity, and financial literacy. This report details specific work that was done and the progress that was made during the period January 1, 2013 through December 31, 2013, unless otherwise indicated. Assessment of inclusion programs within regulated entities is being managed by the Board of Governors and, therefore, is not addressed in this report.

## OVERVIEW OF THE BANK

The Federal Reserve Bank of Philadelphia helps formulate and implement monetary policy, supervises banks and bank and savings and loan holding companies, and provides financial services to depository institutions and the federal government. It is one of the 12 regional Reserve Banks that, together with the Board of Governors in Washington, D.C., make up the Federal Reserve System.

### Unique Third District Activities and Significant System Responsibilities

Listed below are unique Third District activities and significant System responsibilities:

The Federal Reserve Bank of Philadelphia houses the project management team and the Central Business Administration Function (CBAF) for the **Collateral Management System (CMS)**, a centralized web-based system used for recordkeeping of definitive and book-entry securities, commercial

paper, and customer notes pledged to the Reserve Banks and the Treasury Department. CMS provides for collateral valuation functionality and makes complex monitoring tools available to credit risk management analysts.

The Bank's publication, ***Community Banking Connections***, is a nationwide Federal Reserve System resource for community banks. This quarterly newsletter, which has an online equivalent, is designed to provide timely and effective communication of regulatory guidance and supervisory messages geared specifically to community banks in order to help them succeed. Philadelphia continues to publish ***Consumer Compliance Outlook***, another quarterly System newsletter that focuses on consumer compliance issues.

The **Groupware Leadership Center's (GLC)** mission is to coordinate and oversee the planning, implementation, and operation of the Federal Reserve System's national infrastructure for enterprise end-user communication and collaboration technologies (e-mail, instant messaging, team work spaces, video services, etc.).

The Bank conceived, developed, and is the managing Reserve Bank for **Partnership for Progress**, an innovative outreach and technical assistance program for minority-owned banking institutions. The program seeks to help these institutions confront their unique challenges, cultivate safe and sound practices, and compete more effectively in today's marketplace through a combination of one-on-one guidance, workshops, and a web-based resource and information center. The program also seeks to enhance the vital role that these institutions play in providing access to credit and financial services in communities that have been historically underserved.

The **Program in Consumer Credit and Payments (PCCP)** is an initiative at the Federal Reserve Bank of Philadelphia focused on investigating and analyzing a broad range of issues related to consumers' use of payment instruments and credit. The program uses a cross-functional approach, working with individual areas of the Bank to

identify and facilitate collaboration, research, and analysis. It also provides communication tools and opportunities to share information with all interested parties, with the ultimate goal of informing policy and policymakers.

**Risk Assessment, Data Analysis, and Research (RADAR)** is a data warehouse featuring a wide array of key U.S. consumer credit data sets with powerful analytical tools for querying, mapping, reporting, and charting data. RADAR also has a separate securities evaluation service that provides the ability to conduct surveillance on all parts of the asset-backed securities/mortgage-backed securities markets and to evaluate securities in investment portfolios at banks and other systemically important institutions.

The Bank led the development of and houses the **Supervision Team Site Support Office (STSSO)**. This was established in 2012 to implement solutions and provide ongoing support for the Supervision and Regulation business line, with a specific focus on the core supervisory process.

The Federal Reserve Bank of Philadelphia is the CBAF for the **Treasury Check Information System (TCIS)** and the **Post Payment System (PPS)**. TCIS provides the U.S. Treasury's Financial Management Service with an electronic checkbook, including reconciliation of approximately 100 million checks yearly and the processing of about 1 million check claims and inquiries per year. It also affords the Bureau of the Fiscal Service the opportunity to move from paper to electronic communication with federal agencies and non-Treasury Disbursing Offices, as their processes allow. In addition, the Treasury has requested that the Bank develop a post payment solution for all payments – check and electronic. This multiyear effort will consolidate the activities of five existing, disparate systems into one application and provide the Treasury with capabilities not present in the legacy applications. The first PPS release is scheduled for September 2014, and it will establish the computing environments and initial data flows to be used for the subsequent releases.

The **Treasury Collateral Management and Monitoring (TCMM)** application is a centralized system focusing on collateral handling and monitoring for the Treasury's fiscal collateral programs. TCMM provides financial institutions, federal program agencies, the U.S. Treasury, and the Federal Reserve Bank of Philadelphia's collateral operations staff with the ability to manage amounts to be collateralized and to monitor collateral balances and deficiencies.

## Diversity Recruiting

Since 2007, the Federal Reserve System has collaborated to implement and coordinate national diversity recruiting and advertising efforts across all 12 Reserve Banks, the Board of Governors, and our centralized Federal Reserve Information Technology (FRIT) organization. The System Diversity Recruiting project uses this collaborative and cost-effective approach toward participation in five national, diversity-focused conferences and several regional conferences. Diversity advertising via online, print, and social media vehicles aligns with conference presence to position the Fed as an employer of choice.

During 2013, the System collectively attended the following six national diversity conferences: National Black MBA Association (NBMBA), National Society of Hispanic MBAs (NSHMBA), Association of Latino Professionals in Finance and Accounting (ALPFA), National Society of Hispanic Professional Engineers (SHPE), National Association of Black Accountants (NABA), and Thurgood Marshall College Fund (TMCF) Leadership and Recruitment Fair. Working closely with these nationally recognized organizations with a focus on advertising and recruitment helps Reserve Banks make successful diverse hires and creates awareness among prospective employees of the Federal Reserve System as a diverse employer. In order to proactively source talent, the System screened over 2,100 resumes, interviewed more than 78 candidates via phone and on-site interviews, and utilized Twitter to advertise opportunities, and increase visibility. Additional coordinated activities include:



- Several Federal Reserve System employees served as career management coaches through volunteering to assist job seekers at the NSHMBA conference with resume review, career coaching, and mock interviews.
- The Federal Reserve System had an opportunity to facilitate a workshop on Emerging Leaders, and Key Strategies for Navigating Your Career after College at the ALPFA career fair.
- The Federal Reserve System also had an opportunity to feature three diverse employees in Diversity/Careers in the *Engineering & Information Technology* magazine, highlighting our success stories as a diverse employer.

The Federal Reserve System was recognized as the Best of the Best diversity organizations in *Professional Woman's Magazine*.

## Supplier Diversity

The Reserve Banks collectively work together to identify opportunities to further the System's supplier diversity programs, practices, and actions. This includes coordinating national outreach efforts as well as participating in national supplier diversity conferences. In 2013, the Federal Reserve System collaboratively participated in two supplier diversity conferences to reach minority- and women-owned firms. The conferences attended were sponsored by the Women's Business Enterprise National Council (WBENC) and the National Minority Supplier Development Council (NMSDC).

The NMSDC 2013 Conference in San Antonio and the WBENC 2013 Conference in Minneapolis were successful endeavors. The Federal Reserve System was able to further its strategic goals of attracting a high number of diverse suppliers and enhancing its booth presence at a national conference.

Participating as the Federal Reserve System provided an opportunity to:

- Announce our new website and streamline data collection and distribution of vendor information to Federal Reserve System procurement areas.
- Meet with many vendors simultaneously in

a cost-effective manner.

- Educate attendees about the role of the Federal Reserve System.
- Assemble a list of procurement opportunities currently available throughout the Federal Reserve System.

The Federal Reserve System was able to capture information on approximately 130 vendors electronically via iPads during the 2013 conferences. In an effort to improve customer service, a follow-up e-mail was sent to all 130 vendors that registered at the conferences, thanking them for visiting the booth, directing them to each Federal Reserve Bank's website, and asking them to provide a more detailed profile of their company.

The core mission of the Federal Reserve Supplier Diversity Program is to provide minority- and women-owned businesses access to opportunities. Positive feedback was received from suppliers and corporations regarding their ability to register on the spot and the availability of representatives from across the System. The suppliers and corporations indicated they could see the commitment to Supplier Diversity in the Federal Reserve System.

## Financial Literacy

The Reserve Banks and Board of Governors partner to identify opportunities for the Federal Reserve System to collaborate on financial literacy programming, mentoring opportunities, and other related activities for inner-city high schools, girls' high schools, and high schools with majority minority populations. In 2013, coordinated programming included events such as the Federal Reserve System Financial Literacy Day, which included common metrics, postsession evaluations questions, and marketing.

## Branding

In an effort to reach the target audiences for diversity recruiting conferences as well as supplier diversity conferences, the Federal Reserve System OMWI directors worked together to develop updated branding images and accompanying messages that better conveyed why minorities and women would want to align themselves with the Federal

Reserve from both an employment and contractor perspective. The group retained a communications firm that is certified as a minority, women-owned business to develop the images and messaging, with the new look being introduced during the second half of the year at various conferences, as well as in online advertisements.

## System Leadership Initiative (SLI)

The System Leadership Initiative is a development program for the Federal Reserve System's high potential talent sponsored by the Reserve Bank Presidents. In 2013, three conferences were offered at each of the leadership tiers. Given the reach of these leadership conferences to a broad pipeline of talent in the System, the OMWI directors and SLI collaborated to expand the content and discussion of Diversity and Inclusion in the leadership conferences. Conference content in this area was expanded, and 2013 speakers included: Dr. Scott Page, University of Michigan; Ms. Gloria Castillo, Chicago United; Doug Harris, Kaleidoscope Group; and Dr. Rohini Anand, Sodexo. Additionally, other external speakers and System senior leaders were asked to incorporate the importance of diversity and inclusion into their presentations. Additionally, OMWI directors were involved in piloting a follow-up program with their local conference participants to further discuss application of the diversity and inclusion content.

Minority and female participation in the conferences is tracked to assure that this important development initiative is reaching a diverse pool of leaders. Participation has been comparable, or better than, representation at these levels across the System and will continue to be an area of emphasis by conveying the importance of scheduling attendance for a broad and diverse set of less experienced leaders. The first offerings of the Thrive session in 2009-2011 had greater participation of minorities and that has tapered in 2012-2013 as the available pool of candidates has been successfully channeled into the leadership program. Maintaining the pipeline of minority attendees is an ongoing process after candidates have completed a few years of service and are thus eligible to attend a System leadership program.

The System's Leadership Exchange Program affords an important avenue to support career development for professionals across the System. In 2013, 35 assignments were offered and completed by 32 participants. Every Bank offered, hosted, or both offered and hosted assignments. Minority and female participation continues to grow since the program postings have become open and there is more transparency and marketing about the opportunities.

	Thrive (Managers / New Officers)	Trailblazers (Assistant Vice Presidents)	Senior Leader- ship (Vice Presidents/ Senior Vice Presidents)	Leadership Exchange Program
Female	50%	30%	46%	50%
Minority	13%	14%	17%	34%

The development and engagement of System talent is a key goal of SLI. Similarly, the System's human resource and OMWI leaders are key owners of work in this area.

## THE OFFICE OF MINORITY AND WOMEN INCLUSION

The director of the Bank's Office of Minority and Women Inclusion is Mary Ann Hood. Ms. Hood serves in this capacity in addition to her role as the Bank's senior vice president of Human Resources and EEO officer. She is also actively involved in the Federal Reserve System Council of OMWI Directors.

In accordance with Section 342 of the Dodd-Frank Act, the Federal Reserve Bank of Philadelphia OMWI is responsible for all matters relating to diversity in management, employment, and business activities at the Bank. Although formally named the Office of Diversity and Inclusion, it houses the OMWI function. The OMWI builds upon existing efforts to attract and retain a diverse workforce at all levels, create an inclusive workplace, and foster supplier diversity.

Members of senior management are champions of diversity and inclusion initiatives, aligned with the Bank's overall strategic goals. The Bank works to ensure that diversity principles and practices

permeate the organization, with the understanding that these efforts strengthen the Bank as an institution and enhance its ability to support the diverse communities that comprise the Third District.

## Staffing and Structure

In her role as OMWI director, Ms. Hood reports directly to the president and has a staff of two full-time employees: Karen Jackson Vaughn, deputy director, and Misty Dill, senior analyst.

## GEOGRAPHY COVERED

The Federal Reserve Bank of Philadelphia is responsible for the Third Federal Reserve District – the smallest District by land area in the Federal Reserve System. Compared with other Districts, the population of the Third District tends to be among the smaller, slower growing Districts in the System. The Third District is only slightly less diverse than the United States as a whole.

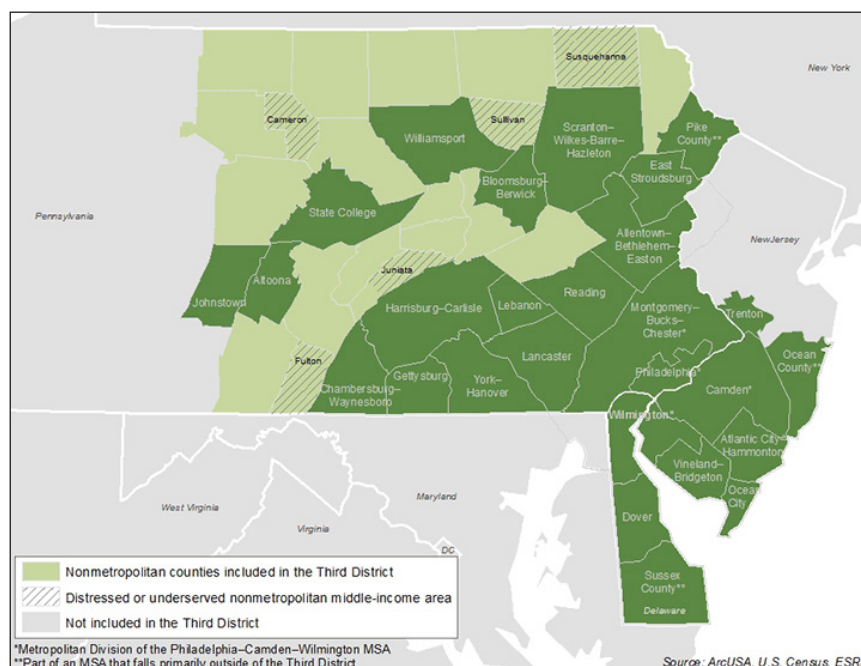
## Total Population

According to the U.S. Census 2012 county population estimates, the Third District's population was an estimated 13.2 million people. The Third District includes:

- All of Delaware (0.9 million people in three counties),
- The southern half of New Jersey (2.8 million people, or about 33 percent of the state's population in nine counties), and
- The eastern two-thirds of Pennsylvania (9.4 million people, or about 75 percent of the state's population in 48 counties).

Of the 48 Pennsylvania counties within the Third District, 28 counties were urbanized as of 2012; moreover, these urbanized counties accounted for 90 percent of the total population. Statewide, all Delaware and New Jersey counties were designated as urbanized.

There are 23 Metropolitan Statistical Areas (MSAs) wholly or partially located in the Third District. The Philadelphia-Camden-Wilmington, PA-NJ-



DE-MD, MSA (Philadelphia MSA) is the largest by far. It includes five Pennsylvania counties, four New Jersey counties, one Delaware county, and one Maryland county. With over 5.9 million persons, the Philadelphia MSA alone (less Cecil County, MD) accounts for 45 percent of all the Third District population. The still larger Philadelphia-Reading-Camden, PA-NJ-DE-MD Combined Statistical Area (Philadelphia CSA) accounts for 53 percent of all the Third District population.<sup>3</sup>

From 2000 to 2012, the Third District's population grew 7.3 percent compared with 11.3 percent for the nation. Growth was robust in Delaware at 17.0 percent, while those portions of New Jersey and Pennsylvania within the Third District grew at 7.0 percent and 6.5 percent, respectively. The Philadelphia MSA (less Cecil County, MD) grew 5.6 percent over the same period.

## Racial Diversity

Despite the significant degree of urbanization within the Third District, the overall racial diversity is somewhat less than the nation's. Based on 2012 Census estimates, 22.0 percent of the nation's population identified themselves as a race other than White, or selected a combination of races.

<sup>3</sup> The Philadelphia-Reading-Camden, PA-NJ-DE-MD Combined Statistical Area (CSA) consists of the following MSAs: Atlantic City-Hammonton, NJ; Dover, DE; Ocean City, NJ; Philadelphia-Camden-Wilmington, PA-NJ-DE-MD; Reading, PA; and Vineland-Bridgeton, NJ.

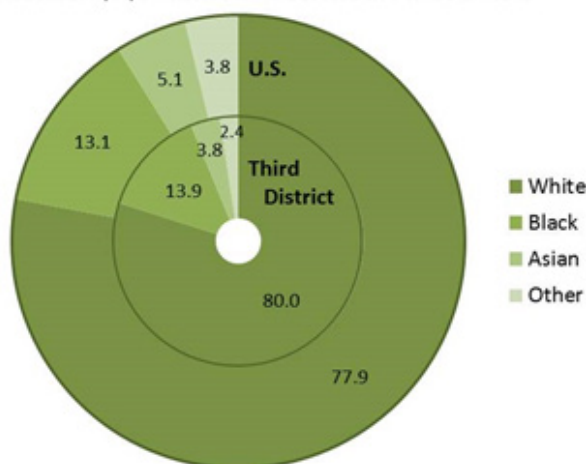


Within the Third District, 20.1 percent of the population identified as other than White.

While the Third District has a slightly greater percent of Black or African American than the nation, the percentages of Asian and Other are smaller in the District than in the nation. The Other category includes: American Indian and Alaska Native, Native Hawaiian and Other Pacific Islander, and Two or More Races.

## 2012 Population by Race

Percent of total population: United States and Third District



Source: Census Bureau, Annual County Resident Population Estimates by Age, Sex, Race, and Hispanic Origin: April 1, 2010 to July 1, 2012

With respect to the workforce from which the Federal Reserve Bank of Philadelphia typically draws, the Philadelphia MSA is a more relevant geographic entity, although there are numerous specialized jobs for which the relevant labor pool may be regional or national. Overall, the percent of Asian and Other populations in the Philadelphia MSA and the nation are very similar. However, the MSA has a greater Black population (21.8 percent) than the nation (13.1 percent) and a smaller percentage of White – just 70.2 percent compared with 77.9 percent for the nation.

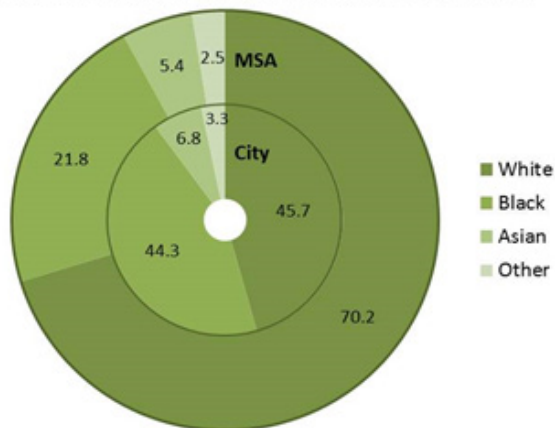
Looking at only the City of Philadelphia, there are slightly larger percentages of Asian and Other populations than in the Philadelphia MSA. However, the percentage doubles for the Black population in the city compared with the MSA, while the city's percentage of White population is lower by 25 percentage points.

## Emerging Hispanic Population

From 2000 to 2010, the Hispanic population in the United States grew by over 15 million people – accounting for 56 percent of the nation's total population growth.<sup>4</sup>

## 2012 Population by Race

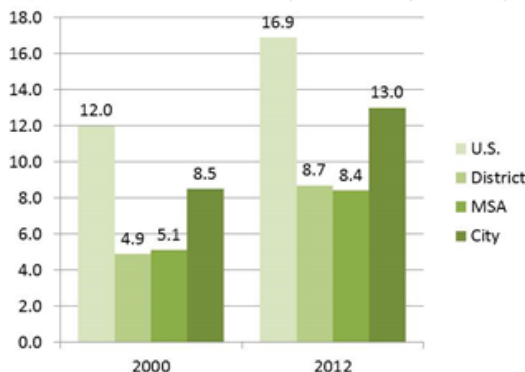
Percent of total population: Philadelphia MSA & City of Philadelphia



Source: Census Bureau, Annual County Resident Population Estimates by Age, Sex, Race, and Hispanic Origin: April 1, 2010 to July 1, 2012

## 2012 Population of Hispanic Origin

Percent of total: U.S., Third District, Philadelphia MSA & City of Philadelphia



Source: Census Bureau, Annual County Resident Population Estimates by Age, Sex, Race, and Hispanic Origin: April 1, 2010 to July 1, 2012

<sup>4</sup> Passel, Jeffrey S., and D'Vera Cohn. "Hispanics Account for More than Half of Nation's Growth in Past Decade." Pew Research Hispanic Trends Project. March 24, 2011. <http://www.pewhispanic.org/2011/03/24/hispanics-account-for-more-than-half-of-nations-growth-in-past-decade/>.

The emerging Hispanic population grew even more rapidly in the Third District and in the Philadelphia MSA than in the nation. From 2000 to 2012, the Hispanic population grew by 48.5 percent in the nation, 90.6 percent in the Third District, and 74.5 percent in the Philadelphia MSA.

Despite the more rapid percentage growth of Hispanics since 2000, the percentage of Hispanics in the Third District (8.7 percent) is still only about half that of the nation (16.9 percent). The percentage within the Philadelphia MSA is closer with 13 percent.

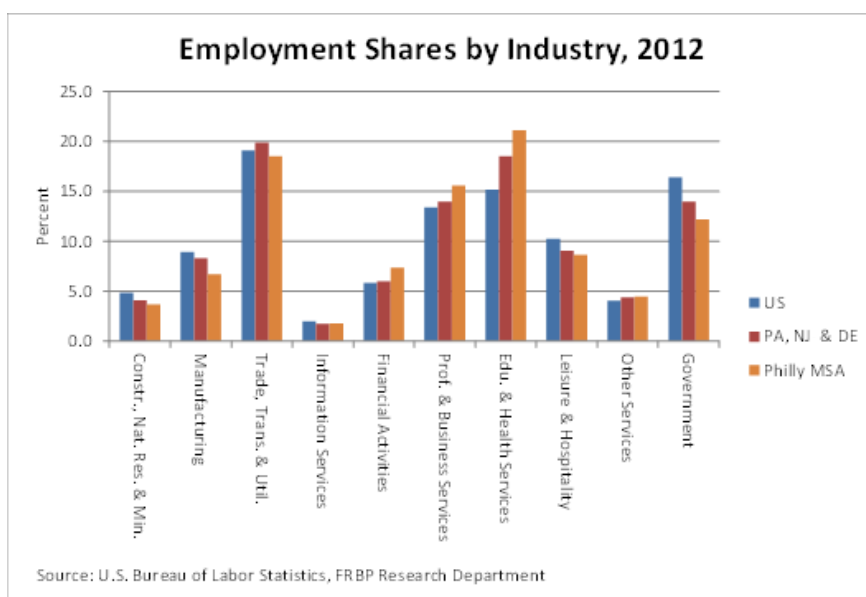
## Economic Trends

The Third District continues to make progress toward regaining jobs lost due to the Great Recession but lags the nation. As of October 2013, the nation had recovered 83 percent of the 8.7 million jobs lost from its peak employment level to its trough. Pennsylvania, Delaware, and New Jersey have recovered nearly 77 percent, nearly 63 percent, and 50 percent of their jobs lost, respectively. In the Philadelphia-Wilmington-Camden MSA, roughly 53 percent of jobs had been regained.

Unemployment rates have fallen 1.9 percentage points in Delaware and New Jersey, and 1.4 percentage points in Pennsylvania since their peak levels in 2010 following the Great Recession but remain elevated compared to prerecessionary levels. Toward the end of 2013, unemployment rates remained above 7 percent in Pennsylvania and New Jersey, higher than the national average.

## Industry Composition

The industry composition of the three states that contain the Third District roughly mirrors that of the nation's (see figure). Based on 2012 averages, the three states combined boast a higher share of employment in the education and health services (18.5 percent), trade, transportation and utilities (19.9 percent), and professional and business services (14.0 percent) sectors. Within the Philadelphia-Wilmington-Camden MSA, some industries



stand apart from national trends further: education and health services, the largest sector, represent 21.1 percent of employment; professional and business services represent 15.6 percent; and financial activities represent 7.4 percent. These particular industries have average hourly earnings that exceed the national average of all industries.

Higher-paying industries and jobs tend to require higher educational degrees. In general, patterns of educational attainment in our region for women and minorities reflect national averages. Larger shares of women earn higher education degrees in Philadelphia MSA than in the nation.

Highest Degree Obtained for Women (%)					
	U.S.	DE	NJ	PA	Philly MSA
High school diploma	49.5	52.1	46.5	53.7	48.9
Associate's degree	8.6	8.1	7	8.3	7.3
Bachelor's degree	18.1	17.5	22.2	16.5	20.1
Master's degree	8	8.7	9.9	8.1	9.6
Professional school degree	1.5	1.3	1.8	1.3	1.9
Doctorate degree	0.9	1	1	1	1.2

Source: U.S. Census Bureau, 2010-2012 American Community Survey Note: High school diploma category includes the high school graduate, GED, or alternative; some college, less than 1 year; and some college, 1 or more years, no degree categories.

Disproportionately lower shares of Blacks and Hispanics earn bachelor's degrees or higher compared with Whites or Asian Americans. The gap in educa-

tional attainment for Blacks and Hispanics at the national level are also reflected in the rates for our region. Compared with national averages, a higher percentage of Hispanics hold bachelor's degrees or higher in the Philadelphia MSA; however, the percentage of Blacks holding bachelor's degrees or higher is lower in the region than in the nation.

Educational attainment strongly impacts labor opportunities and participation. As levels of educational attainment increase, labor force participation rates increase while unemployment rates decrease. According to U.S. Bureau of Labor Statistics (BLS) 2012 annual averages for metropolitan areas, the labor force participation rate of those with bachelor's degrees or higher (77.3 percent) in the Philadelphia MSA exceeded the participation rate of those with less than a high school diploma (37.6 percent) by nearly 40 percentage points. The unemployment rate for those with a bachelor's degree or higher was 3.7 percent, much lower than the unemployment rate for those with less than a high school diploma (15.9 percent).

Unemployment also varies by gender and race. According to BLS estimates for the Philadelphia MSA, the unemployment rates for Blacks and Hispanics were 14.5 percent and 13.8 percent, respectively, compared with only 7.5 percent for Whites and 7.7 percent for Asians. Unemployment rates for women were lower than for men on average. Black and White women had lower unemployment rates than their male counterparts; however, Hispanic and Asian women fared worse comparatively.

Unemployment Rates in Philadelphia MSA by Gender and Race (%), 2012 Annual Averages		
	Men	Women
Total	9.2	8.7
White	7.8	7.2
Black or African American	16.9	12.7
Asian	4.4	11.6
Hispanic or Latino	13	15.1

Source: U.S. Bureau of Labor Statistics, Geographic Profile of Employment and Unemployment, 2012

According to the 2007 Census Bureau Survey of Business Owners, minority-owned firms and women-owned firms represented 21.3 percent and 28.8 percent of all businesses, respectively, in the nation. In our region, only New Jersey (23.3 percent) has a higher percentage of minority-owned business than the nation; Delaware (15.2 percent), Philadelphia MSA (16.9 percent), and Pennsylvania (9.8 percent) lag behind. The rates of women-owned business in our region are more in line with the national average but still lag somewhat: Women-owned businesses represent 25.9 percent, 27.3 percent, 27.0 percent, and 27.9 percent of all businesses in Delaware, New Jersey, Pennsylvania, and the Philadelphia MSA, respectively. These data, however, are outdated and predate the Great Recession, which likely had a large impact on many of these businesses. Newer estimates of minority- and women-owned firms will be available in 2015.

## MINORITY AND WOMEN EMPLOYMENT

The Federal Reserve Bank of Philadelphia is committed to fostering an inclusive work environment in which diversity is respected and leveraged to better serve the Third District.

### Accomplishments

The Bank has many accomplishments in its diversity and inclusion efforts. Specific achievements in these areas are highlighted below:

#### 1. Commitment to Diversity and Inclusion

- The OMWI director briefs senior management on the status of diversity and inclusion initiatives, actions, and outcomes.
- The OMWI director is a member of and serves as an advisor to the Management Committee regarding diversity issues.
- The Bank communicates frequently and visibly around diversity and inclusion topics and events.
- We maintain a page on our external website to reiterate the Bank's dedication to diversity. The Bank also features a diversity and inclusion page on its intranet to highlight its commitment to diversity and provide employees ready access to current information about activities



and resources related to the diversity effort.

- The Bank has developed, communicated, and executed a strategic plan for diversity and inclusion.
- The Bank designated “appreciating and valuing diversity” as its ninth core competency in our management and leadership development and employee performance assessment systems. This reinforces the message that diversity is a priority and that it is essential for all employees to play a role in creating a culture of inclusion.

## 2. Recruitment and Retention

- To further enhance existing sourcing strategies, the Bank continued to convene a team of Bank leaders representing diverse communities to leverage their networks and support the development of strategies that will yield greater diversity within applicant pools.
- The Bank amplified the relationship with a local HBCU<sup>5</sup> through an innovative collaboration. At the HBCU’s request, several key FRBP business leaders provided feedback regarding the institution’s current business curriculum. These recommendations may help inform future directions for the business department.
- In furtherance of the strategic priority to recruit, retain, and develop the best talent available, the Bank continued to embrace social

media as a valuable sourcing strategy; posted open positions on the Bank’s Twitter page and System social media pages; expanded use of LinkedIn Recruiter, a resource to reach passive candidates, thereby giving the Bank an opportunity to penetrate a previously untapped source and extend its reach for talent.

- The Bank’s Staffing Division further broadened its connections with minority professional organizations by hosting three on-site events, organized by the Association of Latino Professionals in Finance and Accounting (ALPFA), Philadelphia Chapter: Diversity Conference, Leadership Summit, and Women of ALPFA. By networking with event participants, Staffing and OMWI attendees raised awareness of career paths at the Bank that align with ALPFA members’ educational background and skills. These interactions also yielded candidates interested in current employment opportunities at the Bank, as well as a referral of a women-owned business to Procurement to discuss potential business opportunities with the Bank.
- The Bank continued to bolster the Grow the Home Team, an interdepartmental, short-term, cross-functional developmental assignment program designed to help employees strengthen and expand their skills and develop new competencies; the Bank leveraged this program to recruit assistants to handle administrative matters relating to diversity and inclusion training delivery.

- **College Internship Programs:**

- o The Bank hired over 30 students for its Intern Program, which is designed to provide practical and meaningful work experience. A significant number of the interns were minorities and women. In addition to their assigned responsibilities, students visited the New York Federal Reserve Bank to gain an understanding of varied responsibilities of the Fed.
- o The Staffing Department advertised open positions through various media, job boards at HBCUs and other institutions, minority student organizations at area campuses, and with Campus Philly, a nonprofit organization that fuels economic growth by

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<sup>5</sup> Historically Black Colleges and Universities



Participants in the Bank’s 2013 summer intern program

encouraging college students to study, explore, live, and work in the Greater Philadelphia tri-state region.

- **Mentoring:**

- o A Human Resources representative was invited to serve as a judge for Rowan University's Dress for Success Program to prepare students for interviews. The Bank also participated in several Career Day events to help high school and college students understand various opportunities related to their field of interest.

- o The FRBP hired two minority high school students as summer interns, in collaboration with Philadelphia Youth Network and WorkReady Philadelphia, to expose them to career opportunities within the Bank. The Bank also provided mentors for the high school summer interns and those who participated in the United Way's Shadowing Day at the Bank. A key outcome from these relationships is student exposure to career paths within the Bank.

- o In addition, the Bank entered into a new partnership with Cristo Rey Philadelphia High School to further outreach efforts to majority minority and inner-city high schools. At the behest of Cristo Rey's highly regarded Work-Study Program, four students worked part-time through the school year in Human Resources and Financial Management Services. Supervisors oversaw their work and professional development. These experiences not only helped them develop valuable skills but also exposed them to future



Top: Stacy Coates (left), Human Resources, and Ed Womack (right), Procurement, supervised the Bank's interns from Cristo Rey Philadelphia High School.

Middle: The Bank hosted 25 minority undergraduate students enrolled in the Law School Admission Council's (LSAC) Prelaw Undergraduate Scholars Program, sponsored by Rutgers School of Law, on June 24.

Bottom: Participants network during the College Seminar Series on April 10, 2013.

career opportunities within the Bank.

- o The Staffing Department and Procurement function collaborated to place a one-page advertisement in the *Al Dia* Spanish-language newspaper, during Hispanic Heritage Month, to raise awareness about the FRBP within this community and



promote career and vendor opportunities at the Bank.

- **Development:**

- o The Bank continued the practice of enrolling a cohort of staff from various departments in Leadership Philadelphia to enrich their leadership skills and serve the community through placement on nonprofit boards.

- o There are opportunities for all employees to continue their education and development under the Bank's many programs, including tuition reimbursement, professional development, and the Grow the Home Team program, which provides developmental experiences through rotation or talent exchange assignments within the Bank's functional areas.

- o The Bank supported continuous skills development for existing leaders by encouraging participation in the SLI conferences referenced above. Five women attended Thrive; four men, two of whom were minorities, and one woman attended Trailblazers; and three executives, one woman and two minority men, attended RE.

- o To support leadership development across the Federal Reserve System, FRBP's First Vice President hosted three leaders from other Federal Reserve Banks for a three-day job shadow. Two of these participants were women.

- o The job posting program presents opportunities for staff to move through the organization and build their skills and knowledge of the Bank's business areas.

- **Diversity Recruiting Fairs:**

- o To maximize exposure to diverse candidates, the Bank participated in various local and national job fairs in urban communities or with a focus on minorities and women. The Bank leveraged social media to connect with an even broader audience regarding its participation in this recruitment forum.

2013 Diversity Recruiting Fairs
Al Dia Job Fair
Association of Latino Professionals in Finance and Accounting
National Black MBA Association
National Association of Hispanic MBAs
National Association of Black Accountants
National Association of Asian American Professionals
Society of Hispanic Professional Engineers
Thurgood Marshall College Fund
University of Delaware Multi-Ethnic Career Fair
Rutgers University
Temple University

### 3. Partnerships with Community Organizations Representing Diverse Constituencies

- The Bank participated in two programs sponsored by Philadelphia Academies, Inc., a nonprofit youth development organization working to change life outcomes for kids using first-of-its-kind career academies. The first is "Connect the Dots," an event designed to help high school students develop conversation and networking skills and to see the importance of creating their own networks as they graduate and move into the workforce. The second is Extreme Interview Expo 2013, during which Bank volunteers helped high school students prepare for future real world interviews by conducting mock interviews and providing immediate feedback.

- The Bank hosted a panel discussion focusing on the various roles attorneys play at the Bank, on behalf of Rutgers Law School's Pre-Law Undergraduate Scholars Program (PLUS).

2013 Diverse Community Partnerships
Philadelphia Academies Program
Philadelphia Youth Network
ALPFA Philadelphia
WorkReady Philadelphia
Rutgers Law School Prelaw Undergraduate Scholars Program (PLUS)
Cristo Rey Philadelphia High School
Temple University



Program participants, who were talented minority students from colleges and universities across the country, also gained insights into the Bank's role and functions, as well as its commitment to diversity and inclusion.

#### **4. Internal Assessment and Reporting System to Measure the Effectiveness of Activities to Promote the Employment of Minorities and Women**

- FRBP executed the strategic plan for diversity and inclusion that contains measurable goals and objectives. This document provides a framework for creating a more diverse and inclusive work environment.
- In the spirit of greater transparency for the benefit of staff and the general public, the Bank published workforce representation data on the Bank's internal and external websites.
- The Bank successfully concluded foundational diversity and inclusion training specifically designed for Bank leaders and launched a similar program for staff.
- The Bank created human resources and diversity and inclusion performance indicators to capture a range of data relative to these functions. Data will be analyzed to determine impact of diversity and inclusion strategies.

### **Challenges**

- There are limited networks through which to recruit minority candidates with advanced degrees in fields relevant to the Bank's work (e.g., Ph.D. economists, bank examiners).
- Modest turnover, particularly at the managerial level and higher, narrows the opportunities for advancement.

### **Next Steps**

- Seek new opportunities for finding and recruiting minority candidates with advanced degrees for managerial and leadership positions.
- Continue to use social media to reach diverse qualified candidates.
- Continue to expand relationships with HBCU leaders, administrators, faculty, and students.
- Cultivate relationships initiated with Third District women's colleges.

## **MINORITY- AND WOMEN-OWNED BUSINESS INCLUSION**

The FRBP's Procurement function, in collaboration with the OMWI council, is working to increase participation by minority- and women-owned businesses in the organization's contracts. The development and implementation of initiatives and procedures related to this task have been carried out at the Reserve Bank level by the OMWI director, with assistance and input from Procurement and Legal staff. The Bank has developed standards and procedures for supplier diversity required under the law. Additional support has been provided by the National Procurement Office (NPO), which is responsible for managing and facilitating contracts that may be used by any of the Reserve Banks in the Federal Reserve System. Procurement staff also follow standards accepted by the System, such as the Framework for Meeting the Supplier Diversity Provisions of the Dodd-Frank Bill created by the NPO with input from the Reserve Banks. The FRBP has made strides in implementing OMWI supplier diversity programs and initiatives.

### **Amounts Paid to Contractors**

Total spend: \$47.84 million in 2013

Percentage of the above amount paid to:

- Total diverse spend (MBE + WBE)  
\$4.13 million
- Minority-owned businesses, 3.42 percent  
(\$1.64 million)
- Women-owned businesses, 5.21 percent  
(\$2.49 million)<sup>6</sup>

### **Accomplishments**

The Procurement function has an action plan in place that it continuously updates to ensure a sustained approach to achieving supplier diversity goals and objectives. Procurement also hired a staff member who brings extensive experience and connections with small, minority- and women-owned

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<sup>6</sup> Minority women-owned business spend is captured in spend for minority-owned businesses and is not double counted in the women-owned business category.

enterprises (MBEs and WBEs) to the table, in addition to knowledge of supplier diversity best practices. As a result, the Bank enhanced access and business opportunities for small businesses, MBEs and WBEs, increased awareness of supplier diversity across the Bank to create access and opportunity to a diverse pool of suppliers for all acquisitions, conducted technical assistance events for diverse suppliers, and conducted supplier outreach. Among the accomplishments were the following:

**1. Provided access and opportunity to a diverse pool of suppliers that includes small, minority- and women-owned businesses.**

- Met with key stakeholders in an effort to ascertain upcoming new District purchases and new acquisitions and to keep vendor diversity considerations in the forefront of any planned acquisitions.
- Implemented standards and procedures for self-assertions and determinations relative to supplier workforce diversity.
- Updated and distributed a document on Supplier Diversity in the Procurement Process to provide guidance to Bank staff on how to include diverse suppliers in acquisitions.

**2. Increased awareness of supplier diversity across the Bank to create access and opportunity to a diverse pool of suppliers for all acquisitions.**

- Incorporated requirements from the act and the Bank's supplier diversity policy into Bank-wide procurement-related training to encourage all purchasers of Bank goods and services to include MBEs and WBEs as potential suppliers for acquisitions, regardless of payment method.

- Created a Supplier Profile form to prequalify vendors.

**3. Conducted technical assistance events for diverse suppliers.**

- Hosted an on-site workshop primarily for the benefit of MBEs and WBEs to provide a hands-on demonstration of the online automation used in the bid process. The question and answer segment of the workshop was devoted to explaining the process the Bank uses to buy goods and services. The City of Philadelphia's Office of Economic Opportunity advertised the event on the Bank's behalf.
- Met with diverse suppliers and developed leads to enhance the Bank's supplier pool by attending the National Minority Supplier De-

2013 Vendor Fairs
Greater Philadelphia Chamber of Commerce Procurement Pipeline Event
Women's Business Enterprise National Council Procurement Conference
Women's Business Enterprise Council PA-DE-sNJ Matchmaking Event
PA-DE-NJ Minority Supplier Development Council's Annual Procurement Conference and Trade Show
Small Business Expo – Philadelphia Business Journal
Federal Reserve System Board of Governors Vendor Outreach Fair
Women's Business Enterprise Council PA-DE-NJ — Navigating the Corporate and Government Marketplace Conference and Trade Show
National Minority Supplier Development Council's Procurement Conference



The Bank held a supplier fair for minority- and women-owned businesses in October 2013.

velopment Council's Procurement Conference and its local counterpart, the PA-NJ-DE Minority Supplier Development Council's Annual Procurement Conference and Trade Show, the Women's Business Enterprise National Council Procurement Conference and the local Women's Business Enterprise Council PA-DE-sNJ's Navigating the Corporate and Government Marketplace Conference and Trade Show, as well as similar events sponsored by chambers of commerce within Pennsylvania. Advertised the Supplier Diversity Vendor Fair/Matchmaking session locally to ensure participation. Distributed bid opportunities for all Federal Reserve Bank System locations at the national conferences.

- Hosted the Bank's fifth annual Supplier Diversity Fair/Matchmaking Sessions to introduce MBEs and WBEs to decision-makers and purchasers of goods and services for the Bank. Several of the MBEs and WBEs that attended were invited for bid opportunities. Our partners that provided diverse vendors included the Minority Supplier Development Council of PA-NJ-DE, the Women's Business Enterprise Council PA-DE-NJ, the Office of Economic Opportunity of the City of Philadelphia, the Minority Business Development Agency – Pennsylvania and the Greater Philadelphia Hispanic Chamber of Commerce.
- Extended outreach to the Minority Supplier Development Council of PA-NJ-DE, the Women's Business Enterprise Council PA-DE-sNJ, and the Office of Economic Opportunity of the City of Philadelphia to obtain viable MBE and WBE vendors for bid opportunities.
- Leveraged relationships with the Minority Supplier Development Council of PA-NJ-DE, as a Procurement staff member serves on its Board of Directors.
- Hosted the November meeting of the Women's Business Enterprise Council PA-DE-sNJ. This afforded another opportunity to learn more about area WBEs. Furthermore, the OMWI Director gave opening remarks reinforcing the Bank's commitment to supplier diversity. Similarly, the 2014 Women's Business Enterprise National Council is in Philadelphia

in June, and the group asked for an economist from the Bank to conduct a workshop on the U.S. macroeconomic outlook.

- Continued to develop relationships with southern New Jersey and central Pennsylvania chambers of commerce to become acquainted with diverse suppliers in the region.
- Enhanced relationships with the Greater Philadelphia Hispanic Chamber of Commerce and the Asian American Chamber of Commerce of Greater Philadelphia, to become acquainted with diverse suppliers in the region.

## Challenges

- Limited number of diverse vendors identified to date with work crews of sufficient size to handle the Bank's larger jobs.
- Perception on the part of some diverse vendors that the Bank purchases goods and services using the same guidelines, processes, and practices as federal government agencies.
- Competition with major corporations for regional or national Federal Reserve System contracts.

## Next Steps

- Continue to communicate and reinforce the importance of using a diverse supplier pool for acquisitions by conducting Bank-wide supplier diversity training annually.
- Maintain and enhance the practice of hosting an annual Supplier Diversity Fair to educate vendors about how to do business with the Bank.
- Having one staff member as a Board Member of the now Eastern Minority Supplier Development Council enables FRBP to participate in development-based training programs for minority businesses to increase their capacity.
- As a member of the WBEC, FRBP pursues additional opportunities to attend matchmaker events and conferences and accesses the pool of suppliers through the WBENCLink online database. The WBENC conference will be held in Philadelphia in June 2014.
- Plan a general contractor matchmaking session with minority- and women-owned contrac-



tors for potential second tier opportunities in Q2 2014.

- Educate vendors on how to do business with the Federal Reserve Bank of Philadelphia by hosting the annual Supplier Diversity Vendor Fair and on responding to bid events in Perfect Commerce in Q3 2014.
- Coordinate a workshop on how the economy is affecting small businesses for Q4 2014.
- Manage data reporting and analysis and provide periodic supplier opportunity and spend reports.
- Maintain involvement with the Federal Reserve System's Purchasing and Supplier Diversity managers to coordinate and share best practices.
- Create an online Supplier Diversity registration portal.
- Continue to seek external training opportunities and benchmark data relative to industry best practices for finding MBEs and WBEs and promoting supplier diversity.

## FINANCIAL LITERACY ACTIVITIES

Helping educators to more effectively teach personal finance in their classrooms is a priority and a long-standing practice within the Bank. The cen-

terpiece of its youth financial education effort is the Keys to Financial Success ("Keys") high school personal finance program, which is designed to help teachers instruct students about personal finance using active and collaborative learning methods.

The Keys to Financial Success teacher-training professional development course is an intensive, weeklong program offered free of charge to teachers in the Third District, including those who work in inner-city, girls', and majority minority high schools.

## Accomplishments

- Trained 31 teachers, 10 of whom represented seven OMWI schools (all seven schools were majority minority), to teach the Keys course during the weeklong training in June 2013. These 10 teachers reach an estimated 750 students per year.
- Continued to support teachers from a total of 50 OMWI schools (22 inner-city, 46 majority minority, four girls')<sup>7</sup> in the Keys program by providing ongoing consultation, professional development, and student pre- and post-testing.

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<sup>7</sup> These numbers do not total 50 because in many cases, the schools qualify in more than one category. For example, a school may be both an inner-city and a girls' school.



Participants in the Making Sense of Money and Banking teacher training course in June 2013

- Expanded the geographic reach of the Keys to Financial Success curriculum by providing the curriculum to 56 teachers, seven of whom represented seven OMWI schools, during special two-day High School Personal Finance professional development programs in both Reading, PA, and Harrisburg, PA, in August 2013.
- Provided additional professional development offerings to 50 teachers from OMWI schools. Combined, they received 552.5 professional development hours. These teachers reach an estimated 3,750 students per year. These programs were:
  - o Keys to Financial Success Professional Development Update
  - o Introduction to Federal Reserve Programming
  - o Making Sense of Money and Banking
  - o High School Personal Finance (Spring 2013, Philadelphia, PA)
  - o The Federal Reserve and You
  - o Economics and the Arts
  - o Federal Reserve Financial Education Day
  - o 100 Years of the Federal Reserve
- Continued to send brochures to Third District OMWI high schools to ensure that principals and teachers received materials that fully describe each of the Reserve Bank's professional development offerings.
- Began distribution of *The Federal Reserve and You*, a multipart modular video that covers the purposes and functions of the Federal Reserve System. High school teachers use this video to educate students about the System, money, and banking. As of October 31, 2013, we have distributed 14,580 copies of the DVD and had over 20,000 page views of web pages containing the clips of the film on our website.
- In 2013, the Reserve Bank's economic education staff benchmarked all 52 lessons in the Keys to Financial Success teacher's manual to the Common Core State Standards (CCSS).
- Maintained partnerships with the University of Delaware, the Pennsylvania JumpStart Coalition for Personal Financial Literacy, and the New Jersey Coalition for Financial Education.
- Served on the Pennsylvania Department of Education's Task Force on Economic Education

and Personal Financial Literacy. In April 2013, the task force released a set of recommendations for improvements to the state of K-12 personal financial education in Pennsylvania.

- In 2013, our economic education advisor appeared on the "Financial Voices" show on radio station WURD and on "Pennsylvania Newsmakers," a syndicated television show about issues facing Pennsylvanians, to promote the teaching of personal finance in K-12 schools.
- Three hundred fifty-six students from 11 OMWI schools visited the Reserve Bank's Money in Motion exhibit in 2013.

## Challenges

- Continued restraint in school budgets that impact teacher availability for professional development programs.
- Competing priorities in urban schools.
- Reluctance of some schools to devote classroom time to financial education in light of the focus on standardized testing and other competing demands.

## Next Steps

- Expand outreach to teachers in Philadelphia through outreach to charter schools.
- Intensify outreach to OMWI high schools through print mailings and e-mail.
- Continue to distribute the Reserve Bank's new video and accompanying lesson plans about the Federal Reserve System and make it available to high school teachers, particularly those in OMWI schools, and the public in DVD and web-based formats.

## SUMMARY

The Office of Diversity and Inclusion is structured to leverage the expertise of Human Resources, Procurement, and Community Development staff in executing the Bank's diversity and inclusion strategy. This organizational model provides for shared responsibility of diversity and inclusion activities and encourages collaboration across the Bank. The Bank continues to look for ways to enhance work-

force and supplier diversity, and outreach efforts, such as financial literacy.

The Federal Reserve Bank of Philadelphia is committed to promoting workforce diversity as part of the core values of the Bank. When recruiting and promoting staff, the Bank seeks to select from a diverse pool of candidates and uses various media to advertise and recruit diverse talent. The Bank continues to track progress made to enhance diversity among the Bank population and considers the ability to manage a diverse workforce as a core competency for management staff.

The Procurement function, in conjunction with the OMWI office, continues to work to increase participation by minority- and women-owned businesses in the organization's contracts. Management staff has participated in events hosted by the Bank to meet and speak with vendors about the types of goods and services that the Bank requires. Additionally, over the past few years, the Bank has stepped up its supplier outreach within the tri-state region, including outreach to the Minority Supplier Development Council of PA, NJ, DE, and the Office of Economic Opportunity of the City of Philadel-

phia, with the objective of obtaining viable WBE and MBE vendors for bid opportunities. The Bank will continue to conduct Bank-wide supplier diversity training and work with organizations that can help us expand our network of diverse vendors.

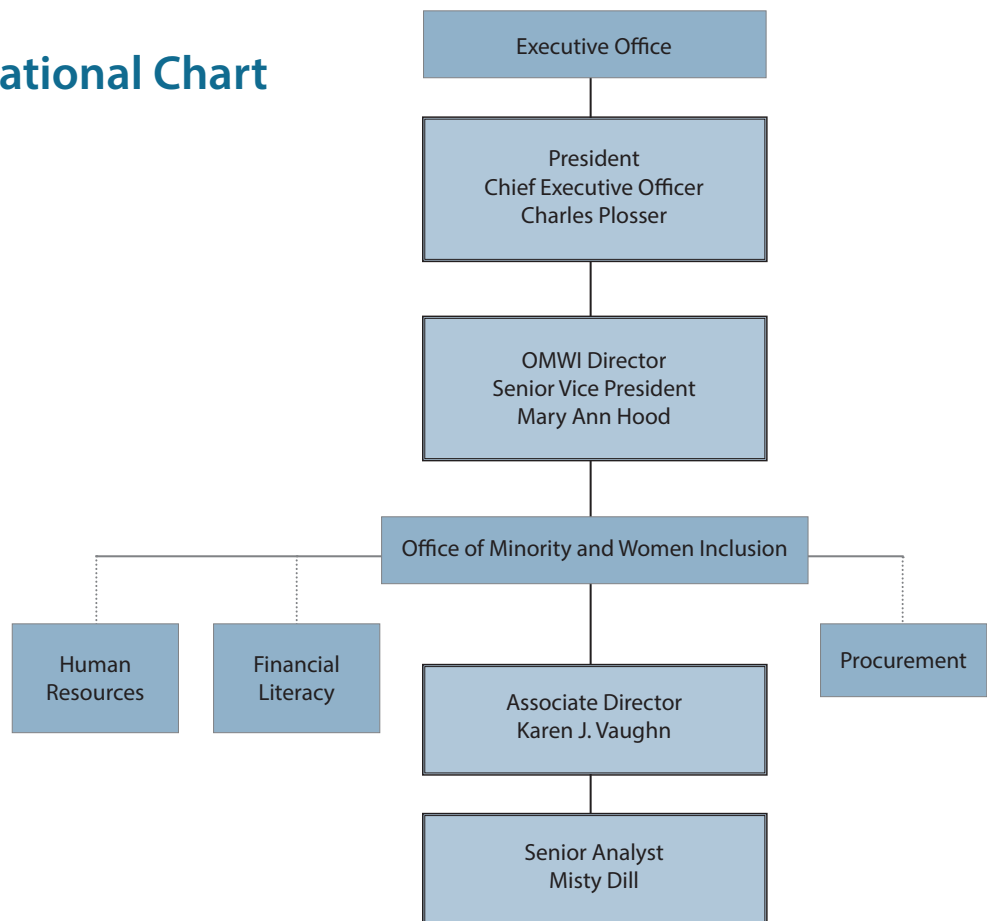
With respect to financial literacy activities, the Bank plans to continue its outreach to schools in our urban areas and to train teachers, equipping them with instructional material to educate students on personal finance. The Community Development Studies and Education department will continue to provide an annual, weeklong intensive program on this topic for teachers in the Third District. Under the Bank's volunteer efforts, our staff also supports a financial literacy program in a Philadelphia grade school at the first grade level.

The Bank is committed to diversity and inclusion and to meeting all requirements under Section 342 of the Dodd-Frank Act, and the Bank has programs in place to ensure a continued focus on OMWI initiatives. The Bank fully supports the Office's efforts to enhance the diversity of the workforce and to support the diverse communities that comprise the Third District.



## Appendix A

# OMWI Organizational Chart



## Appendix B

# EEO-1 Consolidated Report (as of August 2013)

FEDERAL RESERVE BANK OF PHILADELPHIA EEO-1 CONSOLIDATED REPORT BY NUMBER OF WORKFORCE FOR 8/14/13-8/31/13																
EEO JOB CATEGORIES	HISPANIC OR LATINO		NOT HISPANIC OR LATINO												TOTAL	TOTAL BY %
			***** MALE*****						***** FEMALE*****							
	MALE	FEMALE	WHITE	BLACK	NATIVE HAWAIIAN PACIFIC ISLANDER	ASIAN	NATIVE AMERICAN	TWO OR MORE RACES	WHITE	BLACK	NATIVE HAWAIIAN PACIFIC ISLANDER	ASIAN	NATIVE AMERICAN	TWO OR MORE RACES		
EXECUTIVE/SR MANAGERS	0	0	5	0	0	1	0	0	5	0	0	0	0	0	11	1.2%
FIRST/MID - LEVEL MANAGERS	4	0	84	13	0	9	0	0	47	9	0	1	0	0	167	18.8%
PROFESSIONALS	10	5	168	32	3	41	0	0	100	49	0	26	0	0	434	48.8%
TECHNICIANS	1	0	26	2	0	7	0	0	7	3	0	3	0	0	49	5.5%
SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%
ADMIN SUPPORT	4	7	22	20	0	7	0	0	28	38	0	2	0	0	128	14.4%
CRAFT WORKERS	5	0	22	20	0	7	0	0	3	2	0	0	0	0	41	4.6%
OPERATIVES	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%
SERVICE WORKERS	2	2	32	15	0	0	0	0	5	2	1	0	0	0	59	6.6%
TOTAL	26	14	359	88	3	68	0	0	195	103	1	32	0	0	889	100.0%
TOTAL BY %	2.8%	1.4%	40.5%	9.6%	0.3%	7.6%	0.0%	0.2%	22.4%	11.3%	0.1%	3.7%	0.0%	0.0%	100%	





FEDERAL RESERVE BANK OF PHILADELPHIA