

Report to Congress: Office of Minority and Women Inclusion



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

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Federal Reserve Bank of Atlanta - Office of Minority and Women Inclusion Congressional Report 2012

Executive Summary

The Federal Reserve Bank of Atlanta established the Office of Minority and Women Inclusion (OMWI) on November 1, 2010, in compliance with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Like the Offices of Minority and Women Inclusion at the 11 other regional Federal Reserve Banks and the Federal Reserve's Board of Governors, OMWI Atlanta is responsible for all matters relating to diversity in management, employment, and business activities, including ensuring workforce and supplier diversity and advancing financial literacy throughout the Sixth Federal Reserve District. Under the guidance and direction of the Atlanta Fed president and CEO, Dennis Lockhart, and the Chief Diversity Officer, Joan Buchanan,¹ OMWI Atlanta makes certain that the workplace and culture at the Atlanta Fed is inclusive and maximizes the talents of the Bank's diverse staff. OMWI Atlanta also works to ensure that the staff, business partners, and community outreach opportunities reflect the environment in which we do business.

The Atlanta Fed's commitment to diversity and inclusion starts at the top of the organization and is reflected at all levels. Since the creation of OMWI Atlanta, the Atlanta Fed has continued to advance and strengthen its diversity and inclusion efforts. This report highlights the specific work that OMWI Atlanta has completed during 2012 and the progress the Atlanta Fed has made to meet the affirmative steps in Section 342 of the Dodd-Frank Act.

The Federal Reserve Bank of Atlanta has initiated new activities and sustained existing activities with regard to workforce diversity, supplier diversity,

and financial literacy. To strengthen its rich and diverse workforce, the Atlanta Fed continued to attend and support national diversity recruiting fairs, maintain relationships with diverse organizations that serve minorities and women, sponsor students through college internship opportunities, and provide internal mentoring to staff, along with expanded training and development opportunities. This year, as an additional effort to attract and retain a dynamic workforce, the Atlanta Fed endorsed and established Employee Resource Networks (ERNs). These cross-functional groups are formed around shared characteristics or professional interests for the purpose of supporting diversity and inclusion and other strategic initiatives.

The Federal Reserve Bank of Atlanta identified some ongoing challenges regarding recruiting, hiring, and retaining minorities and women in its workforce. The challenges cited do not necessarily represent current deficiencies but are reflective of ongoing efforts to continuously improve the workplace and leverage opportunities to have a more inclusive environment. The report provides additional details.

With regard to supplier diversity, the Atlanta Fed upholds its commitment to providing opportunities to qualified vendors, inviting diverse vendors to participate in and compete for bids, and ensuring that no vendor is disadvantaged in the process. The Procurement Department, in partnership with OMWI Atlanta, expanded its efforts to increase diversity spend by implementing and continuing procedures and practices that support the inclusion and use of diverse suppliers, increasing awareness throughout the organization, conducting outreach to diverse national and local suppliers, and hiring an experienced, full-time Supplier Diversity Program Manager. The Atlanta Fed also operationalized the procedures for making good-faith-effort compliance determination on the vendors'

¹ Refer to Appendix A for an organizational chart depicting the OMWI organizational structure.

efforts to include women and minorities in their workplaces.

The Atlanta Fed made progress in M/WBE spend compared to last year. However, we see a need for continued efforts around identifying qualified diverse suppliers for certain unique acquisitions and in obtaining competitive bids from these diverse suppliers. The Atlanta Fed is addressing these challenges by developing and implementing a more sustainable supplier diversity program infrastructure through its hiring of the Supplier Diversity Program Manager.

The financial literacy program continues to effectively reach District high schools. The Atlanta Fed successfully reached—and exceeded—its goal of providing financial education programming through teacher workshops to at least 40 percent of OMWI high schools² by year's end. The economic education team continued to provide intensive workshops and presentations to local high school teachers, offered online programming, and made outreach efforts supportive of locally and nationally recognized diverse organizations. Teachers are limited by growing budget restrictions for paid training days and by major changes in school system operations, issues that continue to challenge the rate at which they can make use of the Atlanta Fed's financial education.

² Schools can be classified as OMWI schools if they meet any of the following criteria. (See also Appendix C.)

- They are inner-city schools.
- They are majority-minority schools.
- They are girls' schools.

Overview

Background

The United States, like most industrialized nations, has a central bank to meet certain needs of its complex economy and financial system. The U.S. Federal Reserve System is a decentralized central bank. It consists of a Board of Governors in Washington, D.C., 12 regional Federal Reserve Banks and their branches, and the Federal Open Market Committee. Each Federal Reserve Bank is separately incorporated. Each has a president and a board of nine directors.

The Federal Reserve Bank of Atlanta, along with the 11 other Reserve Banks in the Federal Reserve System, is supported by the National Procurement Office (NPO). The NPO is a procurement function within the Federal Reserve System that develops and executes national contracts for certain goods and services that, when sourced collectively, provide the best value for multiple Reserve Banks.

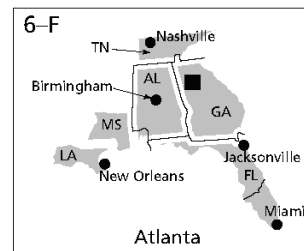
The Office of Employee Benefits (OEB) is an unincorporated Federal Reserve entity that serves as agent for the Committee on Plan Administration and the Board of Governors. It administers benefits to Federal Reserve System employees, retirees, and their beneficiaries. The OEB provides leadership in formulating and operating employee benefits programs. These programs include the “Thrift Plan” (a defined-contribution plan), health benefits, long-term disability, personal accident insurance, business travel accident insurance, group universal life insurance, long-term care, group legal, auto and homeowners’ insurance, and basic life insurance plans.

In accordance with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, each Reserve Bank, along with the Board, established an Office of Minority and Women Inclusion (OMWI) that is responsible for all matters relating to diversity in management, employment, and business activities. The Atlanta Fed established its office in November 2010 and appointed Joan Buchanan, vice president and Chief Diversity Officer, as OMWI director. Ms. Buchanan reports directly to the Bank’s president and has a staff of three full-time employees. A team of strategic advisers, business partners, and the

Atlanta Fed’s Diversity Advisory Council also support Atlanta OMWI. (Please refer to Appendix A for an organizational chart depicting the OMWI organizational structure.)

Geography Covered

The Atlanta Fed serves the Sixth Federal Reserve District, which encompasses all of Alabama,



Florida, and Georgia, as well as sections of Louisiana, Mississippi, and Tennessee. The Sixth District, headquartered in Atlanta, GA, has

five branches: Birmingham, AL; Jacksonville, FL; Miami, FL; Nashville, TN; and New Orleans, LA.

Unique District Activities and System Responsibilities

Descriptions of activities and Reserve System responsibilities that are unique to the Federal Reserve Bank of Atlanta follow.

The Americas Center

The Americas Center is a joint initiative of the Federal Reserve System’s Retail Payments Office (see below), which is based in Atlanta, and the Atlanta Fed departments of Supervision and Regulation, Research, and Administrative Services. It serves as a vehicle for collaboration among staff whose responsibilities involve them in issues concerning the Americas (North, Central, and South). The Americas Center also provides the means for the Atlanta Fed to deliver coordinated outreach to regional, national, and international audiences through its presentations, research, and other forms of service.

The Americas Center helps the Federal Reserve Bank of Atlanta achieve several of its key initiatives through some of the following activities described below.

The Americas Center:

- Develops knowledge centers that position the Atlanta Fed to contribute significantly to key Federal Reserve System objectives.

- Increases the Atlanta Fed's contribution to supervisory policy in Latin America and the Caribbean.
- Influences the evolution of retail payments toward a more electronic environment.

The Atlanta Census Research Data Center

The Atlanta Census Research Data Center (RDC), which primarily houses U.S. Census Bureau data, opened in the Atlanta main office in mid-September 2011. Georgia State University's Andrew Young School of Policy Studies led the effort to secure the RDC, and several organizations in the region joined the Atlanta Fed in its creation. These organizations include the Centers for Disease Control and Prevention, Emory University, the Georgia Institute of Technology, the University of Georgia, and the University of Alabama at Birmingham.

The Atlanta Census RDC offers approved researchers access to highly confidential economic, demographic, and health data collected by the Census Bureau and other government agencies. Access to this information is available only through RDCs. A Federal Reserve Bank of Atlanta research economist serves as executive director.

Regional Economic Information Network

Established in 2008, the Regional Economic Information Network (REIN) enhances the Federal Reserve Bank of Atlanta's knowledge of regional, national, and global economic issues through formal contacts with a network of business, nonprofit, and government entities representing various sizes of enterprises with headquarters or other significant presence in the Sixth Federal Reserve District. This effort helps the Atlanta Fed make full use of the diversity of its large geographic footprint. Contacts are coordinated through the Branches and the head office in Atlanta.

In addition, the Sixth Federal Reserve District has established the Local Economic Analysis and Research Network (LEARN), which supplements the Atlanta Fed's understanding of economic conditions through formal contacts with university researchers and economists throughout the Southeast. Members of the boards of directors of the head office and the Branches also bring a variety of perspectives to the Atlanta Fed's policy research and deliberations.

Retail Payments Office

The Federal Reserve Retail Payments Office (RPO), headquartered at the Atlanta Fed, employs a staff of more than 260. The RPO carries out the Federal Reserve's mission—similar to its mission in all of financial services—to foster the integrity, efficiency, and accessibility of U.S. retail payments and settlement systems in support of financial stability and economic growth. The RPO has broad responsibility and authority to manage an integrated, nationwide Reserve Bank retail services organization that both improves the nation's payment system and meets the requirements of the Monetary Control Act.³

Retail Payments Risk Forum

Founded in 2008, the Retail Payments Risk Forum brings together payments expertise residing within the Federal Reserve System and financial institutions, as well as the expertise of other industry participants, regulators, and law enforcement. The forum facilitates collaboration among these diverse parties, all of whom share a common interest in improved detection and mitigation of emerging risks and fraud in retail payments systems. The forum provides resources to research issues and also sponsors dialogue among these groups.

Other information about business activities and responsibilities of the Sixth Federal Reserve District are available at www.frbatlanta.org.

³ The Monetary Control Act of 1980 required pricing of certain services offered by the Federal Reserve Banks, thus bringing Reserve Banks into competition with depository institutions offering the same or similar services.

Employment of Minorities and Women

The Federal Reserve Bank of Atlanta is committed to fostering an inclusive work environment where diversity is respected and leveraged to better serve its region. The Atlanta Fed continued to carry out the standards and procedures for workforce diversity developed in 2011 that were required under the Dodd-Frank Act.

Successes

In 2012, the Atlanta Fed experienced success in four key areas with regard to workforce diversity initiatives. Below are the successes and their highlights.

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

- Regularly reported to the Atlanta Fed’s executive office and senior management on the status of diversity and inclusion initiatives, actions, and outcomes.
- Widely communicated the status of OMWI Atlanta initiatives to employees (for example, posted its 2011 Congressional Report on the Atlanta Fed’s internal and external websites).
- Conducted periodic meetings with business units across the Atlanta Fed regarding workforce representation to ensure Bank-wide awareness, understanding, and commitment to diversity efforts and outcomes.
- Served as an advisor to the Atlanta Fed’s executive leadership team regarding diversity and inclusion issues.
- Established diversity as a core value in the strategic plan.

2. Recruited and retained a diverse workforce

The table shows external hires for women and minorities.

External Hires for 2012	Women as Percent of Total Hires	Minorities as Percent of Total Hires
Officer positions	100.0% ⁴	0.0%
Management positions	41.7%	33.3%
Professional positions	43.7%	52.1%
Internships	37.0%	48.1%

- *Recruiting as part of the Federal Reserve System:*

Participated in and supported national diversity recruitment fairs and diversity advertising. Since 2007, the Federal Reserve System has collaborated to implement and execute strategic national diversity recruiting and advertising efforts across all 12 Reserve Banks, the Board of Governors, and Federal Reserve Information Technology. During 2012, the Sixth Federal Reserve District supported System efforts to place diversity advertising through online, print, and social media vehicles to align with its national conference presence and position the Federal Reserve System as an employer of choice (see table below).

2012 National Diversity Conferences attended by the Federal Reserve System

Association of Latino Professionals in Finance and Accounting (ALPFA)
National Black MBA Association (NBMBA)
National Society of Hispanic MBAs (NSHMBA)
National Urban League (NUL)
Thurgood Marshall College Fund Leadership and Recruitment Fair (TGMCF)

By working closely with these nationally recognized organizations and focusing on advertising as part of recruitment efforts, Federal Reserve System Banks successfully made diverse hires. Altogether, in proactive efforts to source diverse talent, the System last year screened more than 1,000 resumes,

⁴ Only one officer was hired from outside the Bank in 2012.

interviewed more than 60 candidates during phone and onsite interviews, used Twitter to advertise opportunities, and generally increased visibility.

In addition, more than 20 Federal Reserve System employees served as volunteer career management coaches at the National Society of Hispanic MBAs, helping more than 500 jobseekers by reviewing resumes, providing career coaching, and conducting mock interviews. The Federal Reserve System also had an opportunity to feature three of the System's Latino executives in an NSHMBA e-newsletter, highlighting our success stories as a diverse employer.

Finally, the *Professional Woman's Magazine* and *Black EOE Journal* recognized the System for its national diversity recruiting work, naming it one of the top 10 employers among financial institutions committed to diversity and inclusion.

- *Recruiting efforts specific to the Sixth Federal Reserve District:*

Piloted, with the National Urban League Conference and Career Fair in New Orleans, LA, an onsite interview day. Although no final placements have resulted yet from this involvement, local recruiters successfully identified six candidates from the NUL database for open Law Enforcement positions in the New Orleans Branch.

- *Recruiting efforts in partnerships with other institutions:*

- With the Committee on the Status of Women in the Economics Profession (CSWEP), sponsored two summer economics fellowships, both of which were filled by minority candidates.
- In a continuation of a multiyear partnership with Year Up, hired three minority students for internship opportunities and retained one minority student for a full-time opportunity. Year Up is an intensive training program that provides low-income young adults with a combination of hands-

on skill development, college credits, and corporate internships.

- Established a partnership with the Morehouse Business Association at Morehouse College (a historically black college) to create a cooperative program that matches students with organizations to further the student's understanding of 1) specific organizations as possible employers and 2) the general professional environment. One outcome of this program was the Atlanta Fed sponsored three minority male students to participate in an Economics Job Shadow Day in the Research department.

- Hosted an annual speaking event and reception in February for local NSHMBA members and job candidates. In addition to providing networking opportunities, this event enhanced participants' understanding about the roles of the Federal Reserve Bank of Atlanta and the Federal Reserve System as well as about current economic conditions. More than 100 participants attended, and the Atlanta Fed successfully made a diverse hire for Supervision and Regulation.

- *College internship program:*

Revised and launched a formal college internship recruiting program. Among the colleges and universities where the Atlanta Fed actively recruits are Agnes Scott College, a women's college, and Clark Atlanta University, a historically black university. The internship program serves several purposes for the Atlanta Fed:

- Provides an opportunity to recruit and retain new talent.
- Provides students with employment experience and career development.
- Leverages the interns' experience through conversion to direct hires.
- Builds networks for future hires.

- Expands the Atlanta Fed’s public outreach and education to thousands of college students.
- Applies diversity of thought to business processes.

The Atlanta Fed hired a total of 27 interns in 2012. Of these, 24 were in Atlanta and three in the Branches. Nine of the 27 became eligible for hire during 2012, and four of these nine (or 44 percent) were retained full time, including two minorities (or 50 percent of the interns hired).

Many of our most successful hires over the years have been multiyear interns. Consequently, the Atlanta Fed increased its recruiting efforts for rising juniors and seniors. Two interns, both minorities, are still actively employed as part-time interns and intend to continue into 2013. In addition, we anticipate that several of the 2012 summer interns, who were unable to stay part time, will be returning to the Atlanta Fed for next year’s internship program.

- *Internal mentoring programs:*

- Continued one-on-one mentoring

The Atlanta Fed’s mentoring program provides an opportunity for employees to obtain others’ perspectives on professional growth and development, gain exposure to other areas of the organization, and to connect and build business relationships that may not otherwise occur. In doing so, the program serves as a platform for leveraging the richness of the different backgrounds, experiences, and styles of thinking that exist in the workplace. Program participation in 2012 included 53 percent women and 53 percent minorities.

- Developed the Career Advisor Network

The Atlanta Fed expanded its mentoring program in 2012 with the creation of the Career Advisor Network. At lunch-and-learn sessions throughout the year, advisors offered their insights into a series of topics, including navigating the Atlanta

Fed’s culture, networking and relationship building, career direction, career planning, and transitioning into a manager’s position. In addition to lunch and learns, advisors were available to conduct one- to three-hour one-on-one sessions with individual employees each month. This opportunity remains open to all staff.

- *Training and development:*

Training and development opportunities are available to all staff members. In 2012, the Atlanta Fed continued to offer programming on a variety of topics and in different formats to reach diverse cross-sections of employees. The Bank offered activities focused on key development areas including leadership, communication, coaching and feedback, relationship building, and personal effectiveness. To meet the diverse learning needs of all staff, the Atlanta Fed provided learning and development opportunities in a variety of formats, including structured classroom instruction, on-the-job training, self-directed learning, coaching and counseling, mentoring, and attendance at outside courses, programs, and degree-based education. In addition, virtual meeting and distance-learning tools such as video conference and enterprise communication software were leveraged where appropriate to enable remote staff an opportunity to participate.

The table summarizes total development offerings by employee level.

Target Audience	Women as Percent of Total Attendees	Minorities as Percent of Total Attendees
Management	51%	39%
Individual contributors	47%	48%
High-potential staff ⁵	61%	43%
All staff	54%	66%

⁵ Staff identified by Atlanta Fed leadership.

- *(NEW) Employee Resource Networks:*

In 2012, the Atlanta Fed initiated a program that encouraged employees to establish three Employee Resource Networks (ERN). ERNs bring together a group of employees with similar or shared experiences, backgrounds, or skills, offering staff a unique opportunity to support the Atlanta Fed's diversity and inclusion objectives as well as its talent and people processes. The efforts and activities of the ERNs support the Atlanta Fed's goal to foster an environment where diverse ideas and perspectives are shared and discussed. In addition, they contribute to broad continuous improvement efforts and provide another channel for sharing diverse perspectives and open dialogue. Participation and membership in ERNs are open to all employees.

The Bank structured the ERNs in such a way that they provide leadership opportunities to all staff and management. The ERNs, which together have four executive sponsors, comprise about 50 percent women and 50 percent minorities. Likewise, 33 percent of the staff ERN chair positions are held by women and 33 percent are held by minorities.

The ERNs and their missions are listed below.

- The mission of the Employee Alliance for Gay and Lesbian Employees (EAGLE) is to help the Atlanta Fed engage and retain lesbian, gay, bisexual, and transgender (LGBT) staff and their allies and to ensure that surrounding communities recognize the Atlanta Fed as an open and welcoming work environment.
- The mission of the Generations Promoting Success (GPS) ERN is to engage staff from all generations and levels of tenure to support employees as they navigate various career transitions. GPS accomplishes its mission by focusing on the common interests, skills, and workplace goals of all employees.
- The mission of the IDEA Network, which focuses on technology, innovation, and creativity, is to help staff create connections between their creativity and their work by

helping to eliminate or reduce barriers and enhance productivity.

- *Diversity Advisory Council:*

The DAC operates with a similar mission as the ERNs – to serve as an employee resource in support of the Bank's objective to promote fair and inclusive people practices. The Council is comprised of thirty members, serving three-year terms, from a cross-section of business lines that represent various aspects of diversity and inclusion within the Bank. This year the Council is 52 percent female and 55 percent minority.

- *Awards and recognitions:*

- The Atlanta Journal-Constitution, after an Atlanta Fed staff member submitted a nomination, recognized the Atlanta Fed as a "Top 100 Workplaces in Atlanta" in 2012. The newspaper based its selection on feedback from employee surveys that a third-party vendor conducted on its behalf. The paper ranked the Atlanta Fed number 9 of 20 in the Large Company Group.
- Top Workplaces (sponsored by Workforce Dynamics) recognized the Atlanta Fed as one of America's Top 150 Workplaces. The Bank ranked 113 among 872 organizations that have more than 1,000 employees. Survey results indicated that employees want to work for organizations like the Atlanta Fed because it sets a clear direction for the staff's future, executes well, and brings real meaning to the staff's work.

3. Developed and maintained partnerships with diverse community organizations

The following efforts contributed to relationship building between the Federal Reserve Bank of Atlanta—as a diversity employer and a responsible corporate citizen—and specific local minority communities.

- Nonprofit board participation
 - Provided senior leadership support through memberships on nonprofit boards and committees benefiting minorities and

women, including the Cuban-American Bankers Association, First Coast Business Leadership Network, Greater Women's Business Council, and Latin Builders Association.

- Other partnership opportunities
 - Provided skills-based job readiness training via workshops and mock interviews to job seekers at the Latin American Association. The training focused on resume-writing and interviewing skills. The Bank provided thirty volunteers who served ninety clients in preparation for the upcoming career fair.
 - Provided mentoring, by way of informational interviews, resume critiques, and career development conversations to students at the Andrew Young School of Policy Studies at Georgia State University. (The Andrew Young School's undergraduate enrollment is approximately 69 percent minority; graduate enrollment is approximately 51 percent minority.) This event provided students with the opportunity to meet seasoned professionals and discuss career aspirations. Also participated on the Human Resource Director's Panel, providing meaningful insight to potential applicants regarding hiring trends, resume enhancements, and interviewing tips.
 - Sponsored a business to business breakfast event for INROADS to discuss how the Atlanta Fed and other local businesses can support INROADS in their efforts to place talented minority youth in business and industry internships and prepare them for corporate and community leadership.
- In addition, senior leadership or executive speakers represented the Atlanta Fed at conferences supporting various women and minority communities, including:
 - Girls of Promise Conference in Little Rock, AK
 - Operation Hope—Global Financial Dignity Summit in Atlanta

- The Latin American Chamber of Commerce and the World Affairs Council in Atlanta

4. Monitored progress toward meeting strategic workforce objectives

- Provided semiannual reports to senior management

Challenges

The Federal Reserve Bank of Atlanta identified some ongoing challenges regarding recruiting, hiring, and retaining women and minorities in its workforce. The challenges cited do not necessarily represent current deficiencies but are reflective of ongoing efforts to continuously improve the workplace and leverage opportunities to have a more inclusive environment.

- Attracting and retaining the following groups:
 - Females as managers, examiners, and law enforcement
 - Minorities as managers
- Identifying the national diversity fairs that provide the best pools of candidates to ensure a more successful hire conversion ratio.
- Managing the impact of salary and merit pay constraints on retention of top talent. Enhancing focus on and making priority career development and advancement for all staff.
- Ensuring effective and consistent onboarding for new hires and new officer appointments.

Next Steps

The Atlanta Fed and OMWI Atlanta have identified the following “next steps.”

- Adjust and refine attendance at and resources dedicated to key recruiting events for target audiences.
- Conduct a candidate qualification assessment for conference attendees prior to the recruitment fair from the databases provided by the conference sponsors. Also, assess the value of the conference after two years of attendance.

- Increase focus on promotion and awareness of development resources across the Sixth Federal Reserve District through the implementation of a “Development Opportunities Fair” and “Individual Development Planning” overview sessions.
- Encourage development related to current and future roles through aligned activities such as individual development plans and career conversations.
- Continue to sponsor “lunch-and-learns” through the Career Advisor Network. The Atlanta Fed and OMWI Atlanta will leverage feedback from 2012 activities to identify opportunities for improving the current year’s sessions.
- Expand new-hire orientation into a more formal, consistent onboarding program throughout the Atlanta Fed main office and Branches.
- Define and launch the next level of diversity training for management.

Although Section 342 focuses specifically on minority and women inclusion in the workforce, the Atlanta Fed’s workforce diversity efforts reach organizations that include the LGBT community, people with disabilities, and organizations for veterans. For example, the Atlanta Fed has partnered with Out and Equal, the Business Leadership Network, and many other organizations.

Inclusion of Minority- and Woman-Owned Business Enterprises (M/WBEs)

The Atlanta Fed's support of diverse suppliers promotes economic opportunities and contributes to the local economies within our region. Our success as a financial services institution is directly connected to the vitality of the communities we serve. OMWI Atlanta continues to support and influence the development and implementation of strategic initiatives and procedures related to this task at the level of the Sixth Federal Reserve District. Additional support is provided by the National Procurement Office, which is responsible for managing and facilitating contracts that any of the districts in the Federal Reserve System can use.

In 2012, the procurement function expanded the District-wide supplier diversity program to promote the Atlanta Fed's involvement in the inclusion and participation of minority- and woman-owned businesses in procurement and business activities. As the Atlanta Fed continued to cultivate the District-wide supplier diversity initiative, it realized success because of its strategic focus on including diverse suppliers. The results of these concerted efforts resulted in an increase in the Atlanta Fed's M/WBE spend over 2011 by 22 percent.

Amounts Paid to Contractors

Total spend, all of 2012: **\$62,722,000**⁶

Percentage of total spend paid to minority-owned businesses: **3.8%**, or **\$2,374,000**

⁶ "Total spend" excludes the items that do not fall within the definition of contractor under the Dodd-Frank Act. These excluded items include:

- Association memberships, dues, and fees
- Employee salaries, benefits, insurance, and reimbursements
- Inter-company transfers
- Legal settlements (payments made to injured parties, **not** outside counsel fees)
- U.S. Post Office fees
- Rent
- Taxes (property, payroll, income, state, local, and federal)
- Utilities

Percentage of total spend paid to woman-owned businesses:⁷ **2.3%**, or **\$1,463,000**

Notably, from 2011 to 2012, the amount spent for minority-owned business enterprises more than doubled.

Second-Tier Spend

In 2012, the Atlanta Fed initiated a pilot second-tier procurement focus, which included two prime suppliers, and captured second-tier spend of \$49,729 for the year.

Successes

The Atlanta Fed recognizes four key areas of success regarding its diverse procurement initiatives. These areas are listed below, with success highlights.

1. Implemented business procedures and procurement practices to support the inclusion and utilization of diverse suppliers

- Continued the practice of inserting equal opportunity language into new and renewed procurement contracts. The language affirms the Atlanta Fed's commitment to nondiscrimination in the solicitation, award, and administration of contracts and to ensuring that all firms interested in doing business with the Bank have the maximum practicable opportunity.
- Reviewed large bid contracts and researched ways to be more inclusive of small minority- and woman-owned businesses during the request for proposal (RFP) process.
- Collaborated with local and regional agencies (see the chart) and used available tools to locate qualified diverse-supplier pools for RFPs and requests for quotes. Procurement continued to provide assistance to business units to identify diverse suppliers to solicit for bids on products and services.

⁷ Minority woman-owned business spend is captured in spend for minority-owned businesses and is not double-counted in the woman-owned business spend category.

- Implemented an automated process to monitor and record bid opportunities provided to diverse suppliers.
- Continued working with the National Procurement Office to implement standards and procedures for self-assertions and determinations relative to supplier diversity.
- Fully operationalized (following development and implementation in 2011) processes and procedures for making good-faith-effort compliance determination on vendor efforts to include minorities and women in their workforce.

2. Increased awareness throughout the organization to boost the pool of diverse suppliers for all acquisitions

- Conducted meetings with key internal stakeholders to emphasize the Federal Reserve System's commitment to supplier diversity and to support Procurement's initiative to coordinate and manage the procurement process.
- The following areas were reviewed and emphasized during each meeting:
- Adherence to Procurement policies on contracting and guidelines on acquisition.
 - Ensuring that assistance is available to business units in identifying suppliers—including diverse suppliers—when conducting bids.
 - Assistance available to monitor diversity spend data and contract renewals.
- Procurement Director participated in the System Supplier Diversity Standards and Procedures workgroup. This workgroup partners with System OMWIs on collaboration efforts and tools for ensuring supplier diversity.
 - Participated in training seminars hosted by the local Georgia Minority Supplier Development Conference (GMSDC), Greater Women's Business Council (GWBC), and the National Minority Supplier Development Council (NMSDC).

3. Conducted outreach to diverse suppliers regionally and nationally

- Participated in local and national networking activities and conference events, including the National Minority Supplier Development Council conference.
- Bank vice president continued GWBC board membership as chair of the certification committee. The GWBC certifies woman-owned businesses and conducts site visits as part of the certification process.
- Hosted the South Region Minority Supplier Development Council (SRMSDC) Professional Services Industry Day. The regional executive of the Atlanta Fed's Birmingham Branch hosted this event, giving participants an overview of the structure of the Federal Reserve System and the goods and services the Atlanta Fed procures.
- Hosted the first annual GMSDC Annual Professional Services Day Symposium. Two Atlanta Fed economists provided the M/WBE attendees an overview of current trends in the economy as well as small business conditions in the region. In addition, the OMWI Director and the Vendor Management Consultant provided guidance to the M/WBEs on doing business with the Fed. This collaboration supported GMSDC's efforts to strengthen minority business communities economically and to impact the communities served by minority and woman-owned businesses.
- Conducted an onsite supplier diversity business opportunity expo at the Atlanta home office and the Jacksonville Branch. Targeting minority- and woman-owned businesses, these expos were designed to raise awareness with internal business functions on the goods and services that could help them meet business requirements.
- Expanded the presence and visibility of Procurement both regionally and nationally by exhibiting at several industry trade events that foster supplier diversity outreach, offer match-making, and provide technical assistance to M/WBE attendees. The table lists these events.

Date	Event	Location
February 9	Pace Lunch and Learn Series	GWBC (Atlanta)
February 28	Professional Services Day	SRMSDC / MBEIC (Birmingham)
March 7	Annual Meeting / Business to Business Match Making	GWBC (Atlanta)
April 17	ShoWorks	Alliance South
May 16	Business Opportunity Expo	GMSDC (Atlanta)
May 24	Contractor & Expo Conference	Miami Minority Chamber of Commerce (Miami)
June 7	Supplier Outreach Conference	Jacksonville Branch of the Atlanta Fed
August 14	Supplier Outreach Conference	Atlanta Fed main office
August 16	Trade Fair Event	FMSDC (Miami)
August 27	Match Making & POP Marketing Event	GWBC (Atlanta)
September 13	Chamber Business Event	Georgia Hispanic Chamber of Commerce (Atlanta)
October 9	Annual Professional Services	Atlanta Fed main office GMSDC
October 29– November 1	Annual Conference	NMSDC (Denver)

4. Strengthened the Supplier Diversity Program

During the fourth quarter, established a dedicated resource to strengthen the Bank's supplier diversity program by hiring a 20-year industry veteran to manage it. The designated Supplier Diversity Program Manager has industry success in developing and maintaining supplier diversity programs and in strengthening the Bank's supplier diversity relationships with the local business community. The Supplier Diversity Program Manager will focus on enhancing outreach activities, focusing the Bank's efforts on increasing diverse participation in the procurement process, and maturing performance metrics to better identify improvement opportunities.

Challenges

The Atlanta Fed achieved success during 2012, but also faced some challenges. These challenges included:

- Identifying qualified, diverse suppliers for certain unique acquisitions despite substantial outreach efforts both with organizations that count M/WBEs among its members and with individual businesses.
- Providing clear and direct access to the Atlanta Fed procurement process to possible vendors by way of the external website.
- Obtaining competitive bids from diverse suppliers.
- Ensuring certification of M/WBEs reported in diversity spend. The Atlanta Fed relies on an

external source for verifying certification of M/WBE suppliers. Various agencies certify M/WBEs, but if the M/WBEs are not recorded as certified in the system of record, they are not captured as diversity spend.

Next Steps

During early 2013, the new Supplier Diversity Program Manager will complete a Supplier Diversity Action Plan. This plan will focus on developing and implementing a sustainable program infrastructure that will facilitate the effective identification and utilization of minority-owned and woman-owned businesses through the internal procurement process. The program will accomplish its goals by:

- Expanding sources to identify qualified, minority and woman-owned businesses and categorizing those companies in accordance with the Atlanta Fed's business needs of the Bank by:
 - Creating a web page to help diverse suppliers establish direct contact with the Supplier Diversity Program Manager.
 - Developing a relationship-building forum called "Show the Fed" with the purpose of connecting Atlanta Fed procurement staff with individual M/WBE suppliers, at the M/WBE's business location.
 - Maximizing the use of tools and opportunities available through minority and women business councils located throughout the region in order to identify potential business partners.
 - Broadening vendor registration on the Atlanta Fed's external website.
 - Providing internal business areas a supplemental list of diverse suppliers.
- Promoting opportunities for minority- and woman-owned businesses by:
 - Participating in Federal Reserve System supplier diversity workgroup meetings to assess, develop, and promote initiatives that strengthen the supplier diversity process throughout the System.
 - Hosting three or more vendor fairs and inviting diverse suppliers to present their goods and services.
 - Attending additional supplier outreach and networking events to identify more suppliers.
 - Broadening the education of the community about the Atlanta Fed's supplier diversity program.
 - Expanding the second-tier reporting effort.
 - Implementing a procedure to include at least one minority-owned business and one woman-owned business in the pool of potential suppliers whenever possible.

Although Section 342 focuses specifically on the inclusion of minority- and woman-owned businesses, the Atlanta Fed's supplier diversity outreach also targets organizations whose owners have disabilities or are veterans. Outreach also includes qualified small-business owners. The Procurement unit actively solicits diverse suppliers, giving them an equal opportunity to compete for an opportunity to provide the Atlanta Fed's goods and services.

Financial Literacy Activities (Outreach Programs)

The Atlanta Fed is dedicated to enhancing the economic and financial literacy of youth across the Sixth Federal Reserve District, primarily through programs aimed at middle school and high school teachers. The financial literacy program offers educators and students educational opportunities and resources—including workshops, presentations, classroom curricula, publications, and more—that teach about the Federal Reserve System and about concepts of economics and personal finance. Workshops and presentations aim to give teachers both an enhanced understanding of the financial literacy curriculum and strategies and resources for use in the classroom. They also provide resources for increased learning and development.

In 2012, the Atlanta Fed's Economic Education Team conducted a variety of programs to support economic and financial literacy for secondary and postsecondary teachers and students throughout the region. Online educational offerings continued to be a fast-growing segment last year because many teachers who could not attend in-person programs could access the material online.

Of the 1,927 public high schools in the Sixth Federal Reserve District, 792 (or 41 percent) are designated as OMWI high schools. Through intensive workshops, the Atlanta Fed's economic education programs reached 41 percent (or 325) of the region's OMWI high schools, exceeding our target of reaching 40 percent by year's end. In addition, 51 percent of schools in attendance at the workshops were OMWI schools.

The Atlanta Fed's impact on these schools was measured in two ways: 1) Through the number or percentage of OMWI schools that participated in the Atlanta Fed's economic education programs (each school is counted only once), and 2) the actual number or percentage of teachers from OMWI schools who participated in programs. More than one teacher from any given school may attend.

Successes

Ensured that financial literacy programs reached inner-city high schools, girls' high

schools, and other high schools serving majority-minority populations

- Workshops
 - Conducted more than 160 workshops, a 27 percent increase over last year.
 - Attracted a higher percentage of OMWI schools (51 percent) than the overall percentage of OMWI schools in the region (41 percent).
 - Completed the second year of a five-year partnership with Georgia State University under a grant for improving the quality of economics teachers at the Atlanta Public Schools and Fulton County Public Schools. Held a workshop on June 12, 2012, for 13 teachers from these school systems.
- Presentations
 - Conducted more than 100 presentations at teacher workday events and at state and regional conferences.
 - Reached more than 4,000 teachers through presentations. These teachers will, in turn, teach approximately 300,000 students during the 2012–13 school year.
- Online programs

Provided online curricula to constituents through the Atlanta Fed's external website. Online programming represents about 50 percent of total programming consumption. One curriculum, *Katrina's Classroom*, received more than 104,000 views in 2012. Related lesson plans were accessed more than 260,000 times, more than double the frequency of 2011. (Transcripts of the *Katrina's Classroom* DVDs are also available in Spanish.)
- Events

The Federal Reserve Banks and the Board of Governors work jointly to identify educational opportunities for the Federal Reserve System. For example, they 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 2012, coordinated programming included such events as the Congressional Hispanic Caucus's Ready to Lead sessions and the Congressional Black Caucus's Youth Leadership Summit. The table details other Atlanta Fed-specific events.

Events Held throughout the Sixth Federal Reserve District in 2012	
Atlanta	<ul style="list-style-type: none"> Presented financial literacy materials at the Federal Agency Open House at the Carter Center for 196 Atlanta high school students. Conducted a financial literacy program in conjunction with the Congressional Black Caucus's Financial Education Summit for 75 students from two OMWI schools.
Birmingham	<ul style="list-style-type: none"> Presented at Capstone Entrepreneurial Camp for 33 students, partnering with the University of Alabama–Birmingham, reaching roughly 86 percent of its targeted area. Participated, along with the Atlanta office, in the Congressional Black Caucus's Financial Education Summit and hosted 102 students.
Jacksonville	<ul style="list-style-type: none"> Presented the "Basics of Personal Finance" to 42 minority students at a local high school. The economic education specialist continued to serve on the Board of Directors of Ribault Academy of Finance, an OMWI high school, and will serve as its chair next year.
Miami	<ul style="list-style-type: none"> Presented lessons on personal finance and participated in mentoring sessions at the Congressional Hispanic Caucus's Ready to Lead event at Miami Dade College. About 250 minority students attended. Hosted a conference with Teach for America (TFA) for more than 125 educators; provided professional development and educational resources. TFA recruits a diverse group of recent graduates and professionals to teach in low-income communities for two years.
Nashville	<ul style="list-style-type: none"> Hosted teachers from the Metro Nashville Public Schools (MNPS) Academies of Nashville Business, Marketing, and IT Partnership Council. The MNPS accounts for 69 percent of OMWI high schools in middle and east Tennessee. The teachers received financial literacy materials. Coordinated the Business, Marketing, and IT portion of the Metro Nashville Public Schools' (MNPS) Career Fair, which was attended by more than 5,000 freshmen high school students from MNPS high schools. The students learned about personal finance and about the skills necessary to obtain a job.
New Orleans	<ul style="list-style-type: none"> Presented at the 2012 Louisiana Jump\$tart Awards Conference, attended by about 100 students. Presented to curriculum coordinators and school administrators of the Gulf Coast Education Initiative Consortium.

Challenges

The Atlanta Fed economic and financial education initiatives experienced two main challenges in 2012.

- School budgets and teacher training days continued to be negatively affected, so schools increasingly cannot afford to pay substitutes so teachers can attend workshops.
- Many school districts in the region are in the midst of major challenges—including adopting a teacher evaluation policy, changing the method of testing students, and adopting new curriculum standards—all of which also tend to reduce the time teachers have available for undertaking professional training in financial literacy.

Next Steps

The Bank's Financial Literacy Plan focuses on further increasing the breadth of its financial education outreach.

- In 2013, all Branches in the Sixth Federal Reserve District will focus outreach on OMWI schools, with the goal of increasing their contact with underpenetrated OMWI districts and schools.
- The Atlanta Fed plans to expand its online program offerings, which will increase the accessibility of educational materials for schools that have difficulty sending teachers to workshops.
- In 2013, the *Classroom Economist* series will feature four personal finance modules from the *Katrina's Classroom* curriculum.

Conclusions and Recommendations from the Director of the Office of Minority and Women Inclusion

Many of the challenges that the Atlanta Fed and OMWI Atlanta have faced over the past two years are pervasive, such as the challenges that this report's workforce section describes, the capacity limitations that M/WBEs are still experiencing after a slow recovery from recession, and the many successive years of school budget cuts that have impeded the delivery of financial literacy programs.

The second year of OMWI Atlanta gave us an enhanced perspective regarding the effectiveness of our efforts in the face of such challenges. We now have a more seasoned perspective regarding the amount of effort needed to lessen these challenges or work around them, and we have gained insight into where we can make adjustments or refinements or where to add focus in order to improve progress.

We offer the following lessons that we gleaned from the past two years, along with some related recommendations.

- It is imperative that we nurture sustained and meaningful relationships with community partners, minorities, women, and M/WBEs. We must continually refine and broaden the Atlanta Fed's opportunities to engage with these entities. This means enhancing both the significant outreach efforts we engaged in last year and developing other creative avenues of delivery.

Although Section 342 of the Dodd-Frank Act does not refer specifically to certain groups, our outreach efforts to and relationships with people with disabilities, veterans, and LGBT organizations have led to mutually rewarding opportunities.

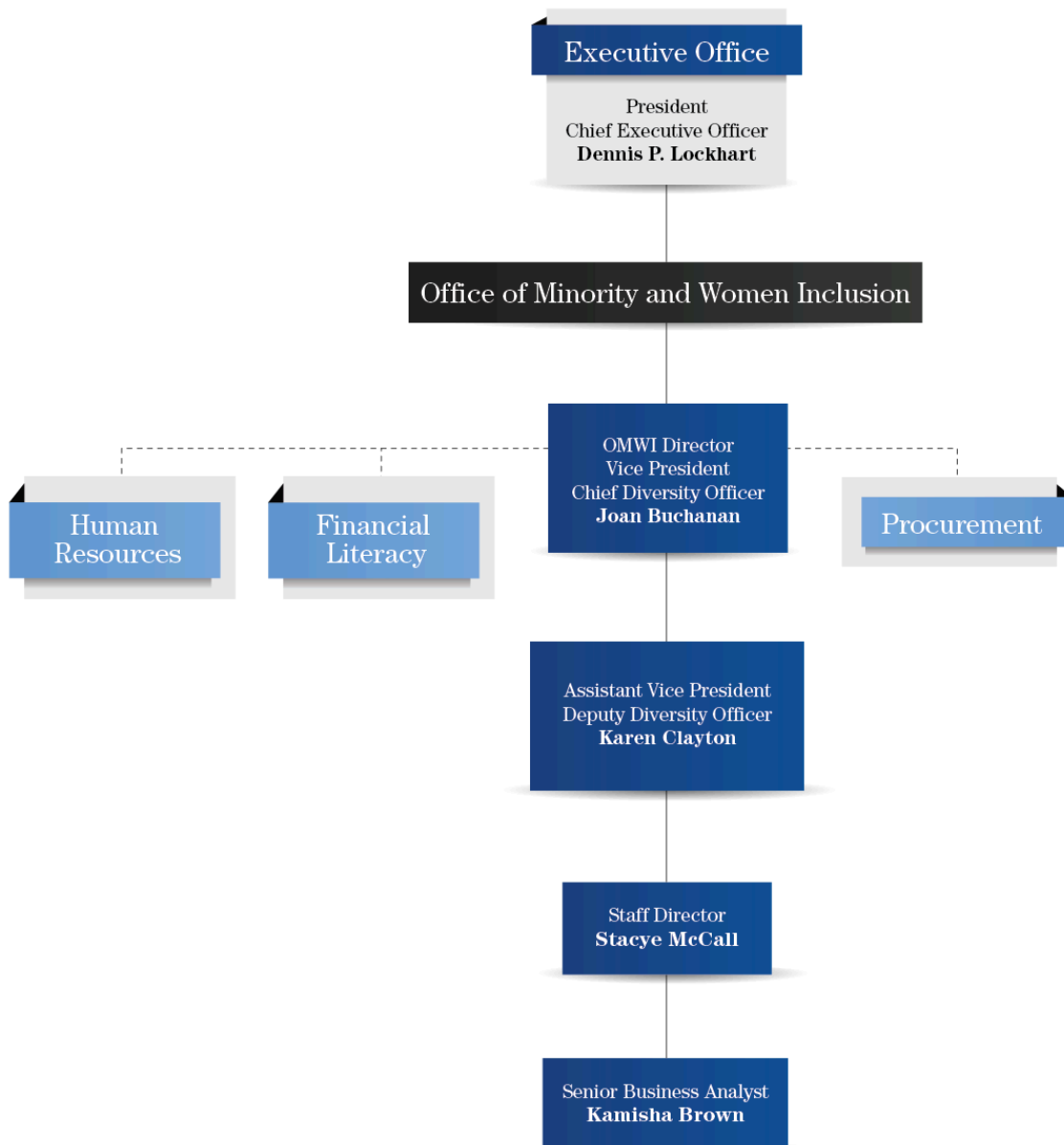
We welcome congressional perspective on these types of outreach efforts in addition to the focus on minorities and women, as well as any expectations on or interest in including these efforts in successive annual reports.

- As the report notes, OMWI Atlanta and Procurement staff participated in several M/WBE events this year to meet diverse suppliers and to discuss the Atlanta Fed's procurement process. Our concerted effort helped us increase our diversity spend by 22 percent. In particular, we increased our minority spend by more than 100 percent. In addition, this effort supported our outreach efforts to the M/WBEs in the region. However, the overall diversity spend did not increase commensurate with expected progress. We realized that we needed more expertise and resources in this space. The Atlanta Fed's senior leadership approved the hire in the fourth quarter of a dedicated and seasoned Supplier Diversity Program Manager. This manager will further expand the Atlanta Fed's outreach to a diverse supplier base and provide technical assistance regarding capacity building.
- The continued collaboration of the 12 Reserve Banks and the Board of Governors provides opportunities to leverage our collective diversity and inclusion efforts and resources, particularly as it relates to diversity recruiting and supplier diversity.

We welcome congressional response to the Atlanta Fed's overall efforts to be responsive to and comply with the requirements of the Dodd-Frank Act.

Appendices

Appendix A: OMWI Atlanta Organizational Structure



Appendix B: Federal Reserve Bank of Atlanta Workforce Representation as of December 31, 2012

By Number	Non-Hispanic Men								Non-Hispanic Women						Total
	Men Hispanic	Women Hispanic	White	Black	Native Hawaiian	Asian	Native American	2 or More Races	White	Black	Native Hawaiian	Asian	Native American	2 or More Races	
Senior Managers/Executives	0	1	4	2	0	0	0	0	5	0	0	0	0	0	12
First/Mid-level Managers	12	10	127	42	2	2	1	2	86	47	0	2	0	2	335
Professionals (exempt)	31	40	250	70	1	28	1	3	169	132	0	24	1	2	752
Admin Support (nonexempt)	31	14	25	52	0	8	1	0	49	85	0	8	1	1	275
Craft workers	4	0	30	5	0	1	0	1	0	0	0	0	0	0	41
Operatives	0	0	0	3	0	0	0	0	0	0	0	0	0	0	3
Service workers	27	1	37	50	0	4	0	1	8	18	0	0	0	1	147
Total	105	66	473	224	3	43	3	7	317	282	0	34	2	6	1,565

By Percentage	Non-Hispanic Men								Non-Hispanic Women						Percentage of Total Workforce
	Men Hispanic	Women Hispanic	White	Black	Native Hawaiian	Asian	Native American	2 or More Races	White	Black	Native Hawaiian	Asian	Native American	2 or More Races	
Senior Managers/Executives	0.0%	8.3%	33.3%	16.7%	0.0%	0.0%	0.0%	0.0%	41.7%	0.0%	0.0%	0.0%	0.0%	0.0%	1%
First/Mid-level Managers	3.6%	3.0%	37.9%	12.5%	0.6%	0.6%	0.3%	0.6%	25.7%	14.0%	0.0%	0.6%	0.0%	0.6%	21%
Professionals (exempt)	4.1%	5.3%	33.2%	9.3%	0.1%	3.7%	0.1%	0.4%	22.5%	17.6%	0.0%	3.2%	0.1%	0.3%	48%
Admin Support (nonexempt)	11.3%	5.1%	9.1%	18.9%	0.0%	2.9%	0.4%	0.0%	17.8%	30.9%	0.0%	2.9%	0.4%	0.4%	18%
Craft workers	9.8%	0.0%	73.2%	12.2%	0.0%	2.4%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3%
Operatives	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%
Service workers	18.4%	0.7%	25.2%	34.0%	0.0%	2.7%	0.0%	0.7%	5.4%	12.2%	0.0%	0.0%	0.0%	0.7%	9%
Percentage of total workforce	6.7%	4.2%	30.2%	14.3%	0.2%	2.7%	0.2%	0.4%	20.3%	18.0%	0.0%	2.2%	0.1%	0.4%	100%

- The information in these tables reflects the Sixth Federal Reserve District's staff representation by role or job group (see table rows).
- The totals for each job group in the top table represent the number of women/men in that job group by race.
- The totals for each job group in the bottom table represent the percentage of women and men that fall into each job group.

Note: The Federal Reserve Bank of Atlanta follows a standard practice of annually reviewing our internal representation against census occupational data (broken down by job group). Drawing comparisons against census population data would be misleading because those data do not take into account the demographics of the internal and external resource pools that feed into each job group.

Appendix C: OMWI Schools in the Sixth Federal Reserve District

Total Number of Public High Schools in District	Total Number of OMWI High Schools		Majority-Minority High Schools*	All-Girls High Schools	All-Girls High Schools Not Also Majority-Minority
	Number	Percentage			
1,927	792	41%	790	7	2

*All majority-minority high schools have also been identified as inner-city schools.

Schools can be classified as OMWI schools for any one of the following reasons:

- They are inner-city schools.
- They are majority-minority schools.
- They are girls' schools.

Inner-city school

An inner city is a core urban area that currently has higher unemployment and poverty rates and lower median income levels than the surrounding area. Inner cities have a 20 percent or higher poverty rate or at least two of the following three criteria:

- Poverty rate of 1.5 times or more than that of their region.
- Median household income of ½ or less than that of their region.
- Unemployment rate of 1.5 times or more than that of their region.

Minority

As specified in the Dodd-Frank Act, for the purposes of OMWI, minority is defined as any Black American, Native American, Hispanic American or Asian American.

Majority-minority school

A majority-minority school has any minority (as defined above) or combination of minority groups that exceed 50 percent of a school's total enrollment. If a school reports 51 percent minority, then it is a majority-minority school

Girls' schools

Girls' schools are defined as those with a 100-percent-female student population.



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