

FEDERAL RESERVE BANK *of* NEW YORK

Office *of* Minority and Women Inclusion
2015 Annual Report to Congress



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Executive Summary

The Federal Reserve Bank of New York (“New York Fed” or “Bank”) is pleased to present its fifth Annual Report for the Office of Minority and Women Inclusion (“OMWI”). The Report provides an update on the New York Fed’s continuing efforts to enhance its workforce diversity, business and supplier diversity, economic education, and community outreach programs that collectively satisfy the requirements of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). Highlights of the Report include the following initiatives:

In December 2015 the Bank concluded its year-long Mortgage Operations Counterparty (MOC) pilot program. In aggregate, the MOC firms offered a total of \$782 million of propositions and were awarded \$62 million in agency mortgage-backed securities operations. Both the MOC pilot program and the Treasury Operations Counterparty (TOC) pilot program, which ran from July 2013 to July 2014, were outgrowths of the New York Fed’s continuing commitment to explore ways to broaden access to certain open market operations.

With respect to the Bank’s ongoing procurement and supplier diversity initiatives, the Bank partnered with a range of government agencies, community groups, and diverse business organizations to sponsor “Access to Capital” workshops. Eight workshops were held across the Second District including Brooklyn, the Bronx, and Newark, NJ, serving markets with high concentrations of minority- and women-owned businesses. Nearly 500 small business owners received guidance from industry experts on how to determine which financing option is most appropriate, how lenders assess borrowers’ creditworthiness, strategies borrowers can use to improve their chances for success, alternative and emerging funding sources such as revolving loan funds, online lending platforms and crowd funding, and government support services for exporters.

The New York Fed continued to work to further embed supplier diversity practices into core procurement processes, reinforcing the diverse slate approach in acquisitions across all business areas. In 2015, the Bank’s procurement function implemented a new supplier diversity engagement model extending across the entire procurement organization, allowing for increased involvement in outreach activities and facilitating diverse vendors with direct access to sourcing professionals. Additionally, the New York Fed continued to develop its partnerships with diverse business organizations: the New York and New Jersey Minority Supplier Development Council, the Women Presidents’ Educational Organization, the Financial Services Roundtable for Supplier Diversity, the National Minority Supplier Development Council (NMSDC) and the Supplier Diversity Committee of the Institute of Supply Management’s New York affiliate.

The New York Fed also continued its active involvement with the Federal Reserve System Supplier Diversity Workgroup, a system-wide collaboration aimed at furthering supplier diversity programs and practices coordinating national outreach efforts. The Bank attended and participated in the National Minority Supplier Development Council (NMSDC) conference with other Reserve Banks.



The New York Fed remains strongly committed to enhancing representation of minorities and women at the senior officer level and to expanding and further developing its pipeline of diverse talent. During 2015, priorities included working with business leaders to recruit the best talent for the New York Fed through the Bank's commitment to a diverse slate in its hiring practices, and providing opportunities for staff to manage and develop their careers to their highest potential. As such, activity was focused in the areas of recruitment and pipeline development, as well as talent development and retention.

The Bank continues to assess and enhance its tools, offerings, and programs related to career management and leadership development, and to focus on the mentoring needs of the employees.

Additionally, the New York Fed modified its leadership competencies to make more explicit the expectation that senior leaders are responsible for actively supporting the Bank's diversity initiatives and promoting an inclusive work environment. The New York Fed enhanced its diversity and inclusion strategy with the support of the Bank's Management Committee, the senior-level membership of its Leadership Subcommittee, Human Resources, the engagement of a broad-based Diversity and Inclusion Champions Community of Interest, and the staff-driven efforts of the Bank's 10 Resource Networks.

The New York Fed continued to enhance delivery of educational programming for high school students from underserved populations, including leveraging its renovated Museum and Learning Center to host customized programs. Programming included launching a targeted school outreach initiative in the Second District and setting the foundation for a strategy and infrastructure to increase the number of Title I high school groups who visit the Bank for educational museum tours each year. The Bank worked on multiple fronts to teach students from low- and moderate-income communities about the New York Fed and encourage them to consider advanced study and/or career opportunities in economics, finance, and related professions. The Bank also partnered with other non-profit organizations, diversity professional organizations, and schools to promote financial literacy among underserved high school students. In keeping with the New York Fed's goal to foster economic prosperity throughout the Second District, the Bank continued to engage in dialogue and build relationships with a wide range of constituencies.

The Bank welcomes the opportunities presented in the OMWI provision of the Dodd-Frank Act to continue strengthening its diversity and inclusion efforts. The 2015 OMWI Annual Report highlights many of the New York Fed's efforts related to workforce diversity, business and supplier diversity, and economic education and community outreach. It also includes reportable spend data concerning the Bank's minority-owned and women-owned contractors, as well as a demographic profile of the Bank's workforce. This Report describes the specific steps taken, assesses the progress made, as well as challenges encountered. This Report concludes with a discussion of the plans in place to move these initiatives forward.



Overview

The Federal Reserve Bank of New York

The Federal Reserve Bank of New York works within the Federal Reserve System (“the System”) and with other public and private sector institutions to foster the safety, soundness, and vitality of the nation’s economic and financial systems. It is one of 12 regional Reserve Banks that, together with the Board of Governors and the Federal Open Market Committee in Washington, D.C., make up the Federal Reserve System. The Fed, as the System is commonly called, was created by Congress in 1913 to serve as the central bank of the United States.

The New York Fed serves the Second Federal Reserve District, which includes New York State, the 12 northern counties of New Jersey, Fairfield County in Connecticut, Puerto Rico, and the U.S. Virgin Islands. Though this represents a geographically small area compared with those of other Federal Reserve Banks, the New York Fed is the largest Reserve Bank in terms of assets and volume of activity. The Bank has approximately 3,100 employees located primarily at its head office in Manhattan and its operations center in East Rutherford, NJ.

The New York Fed has three principal missions:

- to contribute to the development of monetary policy and execute the monetary policy decisions of the Federal Open Market Committee;
- to support financial stability in the United States and abroad through supervision of financial institutions and payments system oversight pursuant to authority delegated by the Board of Governors, and through market and payments system monitoring, and lender-of-last-resort responsibilities; and
- to promote and provide safe and efficient financial services to financial institutions, the U.S. government, and foreign central banks.

The Office of Minority and Women Inclusion

In compliance with Section 342 of the Dodd-Frank Act, the Federal Reserve Bank of New York established an Office of Minority and Women Inclusion in 2011 and placed responsibility for the Office in the Bank’s existing Office of Diversity and Inclusion. The Bank took immediate actions to ensure compliance with all aspects of the Act, building on its long-standing efforts to promote equal employment opportunity and workforce diversity, to foster diversity with respect to the Bank’s procurement practices, and to engage in outreach to the community. The Office of Diversity and Inclusion is located within the Bank’s Executive Office, which allows for direct access to and support by the Bank’s President and First Vice President.

Diane T. Ashley, the Bank’s Chief Diversity Officer, serves as the Bank’s OMWI Director. Ms. Ashley has served as Vice President and Chief Diversity Officer in charge of the Bank’s Office of Diversity and Inclusion since 2007. As a seasoned diversity and inclusion professional in the financial services industry, Ms. Ashley has a breadth of experience that spans global workplace diversity, supplier diversity, talent development, and community education programs supporting diversity. Prior to joining the Bank, Ms. Ashley was a Senior Vice President and Director of Supplier Diversity at Citigroup. (Her bio is attached as Appendix A.) The Office of Diversity and Inclusion is responsible for the assessment of all matters relating to diversity and inclusion in management, employment, and business activities across the Bank, and for overseeing compliance with Section 342 of the Dodd-Frank Act.

As OMWI Director, Ms. Ashley meets with and provides reports directly to the Bank’s President regarding the Bank’s diversity initiatives, and operates under the supervision and guidance of the Bank’s First Vice President. She reports to the Leadership Subcommittee (LSC) and the Bank Management Committee on the progress of diversity and inclusion initiatives regarding actions taken to comply with Section 342. The Office of Diversity and Inclusion develops and manages a comprehensive diversity and inclusion strategy aligned with the Bank’s mission and goals. The Office assists Bank leaders in creating a work and business environment that respects and fully values the strengths and differences of the Bank’s staff, and the community more broadly.



Workforce Diversity and Employee Outreach

The Federal Reserve Bank of New York is strongly committed to attracting, developing, and retaining a diverse workforce, and to fostering an inclusive work environment in which all employees have the opportunity to contribute fully and achieve professional growth. In support of this commitment, the Bank utilizes a comprehensive workforce diversity strategy that incorporates the recruitment efforts outlined in the Dodd-Frank Act.

[Appendix B provides information on the Bank’s workforce representation in 2015, including its workforce and senior management composition.]

Progress

In 2015, the Bank built upon its commitment to fostering a diverse and inclusive workforce in order to meet the future needs of the nation’s evolving economic and financial systems. The Bank identified opportunities to strengthen its recruitment of diverse talent and continues to focus on pipeline strategy and development. This year, efforts were focused in three areas: 1) continuing to leverage the key strategic Diversity Partner Organizations (DPOs) to source talent at both the entry and experienced-hire levels; 2) engaging a diverse group of retained search firms and incorporating into the Bank agreement the expectation that firms will use their best efforts to identify a diverse slate of qualified and interested individuals to fill the open positions; and 3) continuing to share diverse slate metrics and reports developed last year that enabled the Bank, and individual business areas, to better track and measure progress with respect to workforce diversity efforts.


The Bank continued to advance its strategy to expand and further develop its pipeline of diverse talent. After reassessing its diversity recruitment strategy, the Bank refined certain approaches and broadened its reach in other areas. These included better-focused efforts to identify and more fully leverage its partnerships with select DPOs and expanding its social media outreach to diverse professionals. The Bank also implemented new initiatives designed to enhance talent and leadership development. In 2014, the New York Fed implemented new mandatory leadership dimensions that hold senior leaders accountable for advancing diversity and inclusion in all that they do and in 2015 asked senior business leaders to identify business group activities that support the Bank’s mission statement for diversity and inclusion. These and other workforce diversity achievements and initiatives are described more fully below.

Recruitment

The New York Fed continued to pursue multiple avenues for identifying diverse talent including partnering with professional diversity organizations, participating in career fairs, posting openings on job boards such as DiversityJobs.com, and advertising career opportunities to diverse professionals via social media (Information regarding the Bank’s 2015 diversity recruitment activities is outlined in Appendix C). For entry-level positions, the Bank leveraged its long-standing Summer Intern Program to recruit diverse undergraduate and graduate students. In 2015, the Bank was successful in recruiting a diverse intern class, 45% of whom were minorities, roughly matching the performance achieved in the previous year (44%). The programs, one for undergraduates and one designed for graduate students, are designed to provide interns with meaningful work assignments and exposure to various career options at the New York Fed, with the objective of converting interns into permanent hires upon graduation. Of the 40 eligible interns who were offered full-time positions at the Bank, 32 accepted, representing a yield rate of 80%. (Information regarding core measures for management representation, hiring and financial education can be found in Appendix G.)

2015 HIRING STATISTICS		
TOTAL EXTERNAL HIRES	WOMEN	MINORITIES
328	42%	45%
INTERNS		
47	36%	45%

The Bank continued its strategy of engaging Diversity Partner Organizations (DPOs) to source diverse talent. For the fourth consecutive year, the Bank continued its engagement with the Consortium for Graduate Study in Management (CGSM) and attended the organization’s 49th Annual Orientation Program and Career Forum in June. CGSM is one of the nation’s largest diversity networks, linking top-tier students from the nation’s 18 leading MBA programs with 75 corporate partners,



including Fortune 500 companies. Additionally, the New York Fed continued its relationship with the regional representatives of the Association of Latino Professionals For America (ALPFA), one objective of which was to ensure access to a diverse pool of candidates for its Summer Intern Program and full-time hiring needs at the junior level.

In 2015, the Bank developed and initiated its first “United by Strengths Summit.” The summit was developed by Human Resources/Talent Acquisition to identify high potential, diverse undergraduate college students to participate in a two day on-site program offering business and career development workshops. At the conclusion of the summit, participants were interviewed for the 2016 Summer Internship Program. The summit had 20 participants in 2015. Additionally, it provided brand awareness and interest in the New York Fed as an employer of choice.

In 2015 the Financial Institution Supervision Group, working in conjunction with Human Resources/Talent Acquisition initiated another program, the “Rising Assistant Program.” Six diverse undergraduate students were recruited to work in entry-level roles while attending college, with the ultimate goal of securing a position in the Summer Intern Program and/or full-time employment.

With respect to experienced hires, the New York Fed continued certain approaches and expanded its outreach in other areas. The Bank’s partnership with the northeast chapter of ALPFA helped to identify diverse candidates for mid- to senior-level roles. The New York Fed’s participation in ALPFA’s northeast area conference provided an opportunity to introduce a group of diverse, experienced professionals working in financial services to career opportunities at the Bank. The Bank will also continue to explore ways to strengthen its partnership with the northeast chapter of ALPFA in 2016.

The New York Fed also periodically uses search firms to source candidates for executive level positions. The Bank’s standard contract with retained search firms stipulates its expectation that firms will use their best efforts to identify a diverse slate of qualified and interested individuals to fill open positions. The Bank utilized its relationship with a nationally retained Minority Business Enterprise (MBE) search firm in order to identify and screen both internal and external candidates for the recently filled position of Executive Vice President and head of the Audit Group.

The Bank also explored opportunities to advertise its job postings on websites of its diversity partner organizations. For example, the New York Fed has continued to

collaborate with the National Business and Disability Council (NBDC) to help source participants for the Bank’s “Disability Mentoring Day” (DMD) as part of a large scale, national effort held in honor of National Disability Employment Awareness Month to provide students and job seekers with hands-on career exploration, on-site job shadowing, and mentoring. The New York Fed has for several years leveraged DMD and its relationship with the NBDC to increase awareness of full-time career opportunities at the Bank. The NBDC currently posts New York Fed’s Summer Intern Program opportunities on its website, as well as permanent positions.

Since 2007, the Federal Reserve System has collaborated to implement and execute strategic national diversity recruiting and advertising efforts across all Reserve Banks, Board of Governors and the Federal Reserve Information Technology (FRIT). The System Diversity Recruiting Strategy uses a collaborative approach toward participation in five national, diversity-focused conferences and several regional conferences. Diversity advertising online, in print and on social media aligns with conference presence to position the System as an employer of choice.

The Bank continues to be an active participant in the Federal Reserve’s system-wide collaboration to advertise and recruit at national diversity recruiting conferences. In 2015, the Bank participated in the recruiting conferences sponsored by the National Society of Hispanic MBAs (NSHMBA) and the National Black MBA Association (NBMBAA). In addition, the New York Fed participated with the San Francisco and Cleveland Reserve Banks in the National Reaching Out MBA Conference with the objective of increasing awareness of career opportunities at the Bank among Lesbian, Gay, Bi-sexual and Transgender (LGBT) graduate students.

As part of Outreach & Education’s efforts to broaden the reach of the Bank’s education programs, a partnership was launched in 2013 with the City University of New York (CUNY), the largest public urban universities in the U.S with over 540,000 students across 24 institutions. One of the pillars of this partnership is the CUNY Scholars Program, a placement program in which CUNY undergraduate students are placed in 24-week internships across different areas of the Bank. The students work on projects relevant to their careers and academic pursuits. They gain valuable real-world work experience and knowledge of the Federal Reserve System, and also become ambassadors for the New York Fed as well as potential candidates for full-time positions. Since the program began three years ago, scholars from Lehman College, Queens College, City College, City Tech, and Borough of Manhattan Community College have been placed in internships in five of the Bank’s groups.



Diverse Slate Protocol

Diverse slate protocols continue to be a focus and priority for the Bank in its hiring practices. Recruitment staff collaborate closely with hiring managers to identify a diverse slate of candidates for openings at all levels of the organization, with the understanding that the New York Fed will hire the most qualified candidate without regard to race or gender. In order to increase commitment to executing a diverse slate protocol, the use of diverse slate metrics and reports allows the Bank to better track progress with respect to this protocol bankwide and at the business group levels. In 2015, the Human Resources/Talent Acquisition team met with the heads of business groups, along with their direct reports, to discuss business diversity goals with respect to hiring metrics including the diverse slate metrics reports. In addition, recruiters in Talent Acquisition receive bi-weekly diverse slate metrics broken out by requisition, thereby improving transparency and raising awareness of progress with respect to diverse slates, and encouraging further discussions with hiring managers. During 2015, the Human Resources/Talent Acquisition team has also encouraged diverse slates of interviewers to help support the overall hiring practices of the Bank.

Leadership and Talent Development

The Bank integrates diversity and inclusion measures and criteria into the evaluation and development of its employees, directors, Management Committee members, candidates for Leadership Development and Management Development programs as well as in the succession planning within the Bank. In 2014, The New York Fed implemented five, mandatory leadership competencies for senior officers: Big Picture Orientation; Manages and Develops Talent; One-Bank Focus; Experience, Judgment, and Execution; and Advances Diversity and Inclusion. These competencies remained in place during 2015. Junior Officers were also evaluated with respect to advancing diversity and inclusion. The inclusion of the Advances Diversity and Inclusion competency into the evaluation process reflects the expectation that the Bank's officers will demonstrate their commitment to advancing diversity and inclusion in all aspects of their leadership and in discharging their day-to-day responsibilities. Officers are evaluated on their performance with respect to actively supporting the Bank's diversity initiatives and holding themselves and others accountable for creating an inclusive workplace. Performance reviews at the New York Fed include mid-year and year-end self-appraisals, manager appraisals, and performance review discussions, which take place throughout the year.

Professional and Career Development

The New York Fed continues to invest in its employees by helping them to be successful in their careers. The Bank has a comprehensive talent development strategy to ensure that its employees have opportunities to learn new skills, develop professionally, and grow personally in order to reach their full potential. The Bank's learning and development course offerings span several categories including productivity and effectiveness, career management, communications and relationship building, and management and leadership development.

Mentoring

Following its launch in 2014, the Bank continues to support New York Fed Mentor, a self-directed mentoring program that is available to help enhance employees' professional and career development. The program enables employees who meet standard eligibility requirements to enroll in a mentoring partnership with another Bank colleague. New York Fed Mentor is part of the Bank's Career Management Framework, which includes tools and resources staff can use to manage their careers at the Bank. To date, New York Fed Mentor has 130 mentor/mentee matches.

Education and Training

The Bank continues to assess and enhance its tools, offerings, and programs related to career management and leadership development, and to focus on the mentoring needs of its employees. There are a variety of professional development activities that support the Bank's commitment to diversity and inclusive behavior. Key accomplishments are highlighted below.

All Bank staff are required to complete "Cultivating a Community of Diverse People and Thought," an eLearning course, every two years. The eLearning module introduces the business case for diversity, helps participants recognize inclusive behaviors, and defines maturity characteristics for organizations as it relates to diversity and inclusion.

In July 2015 the Bank launched a class to complement and formalize the existing messaging: "Maximizing Impact Through Diversity and Inclusion." The half-day class focused on diversity and inclusion as imperative business practices. It provided deeper insight into the Bank's commitment to diversity and inclusion in the One Bank context, and explored the role they play in the quality of work output, decision-making, and productivity. "Maximizing Impact Through Diversity and Inclusion" is incorporated into three other management training programs to maximize its exposure across the Bank.

Diversity Educational Speakers' Series

As in years past, the New York Fed's Diversity Educational Speakers' Series continued to educate and inspire Bank employees as well as employees across the Federal Reserve System. The series featured accomplished individuals from a variety of backgrounds and experiences. While some speakers shared their personal stories as part of cultural heritage month commemorations, virtually all speakers discussed the leadership principles underlying their lives and professional experiences. Noteworthy speakers for 2015 included:

- Amanda Bayer, a Professor of Economics at Swarthmore College and the creator and editor of *Diversifying Economic Quality*, an online resource supported by the American Economic Association, which promotes inclusive, innovative, and evidence-based teaching practices in economics;
- Lindsey Pollak, *New York Times* best-selling author of *Becoming the Boss: New Rules for the Next Generation of Leaders* and *Getting from College to Career: Your Essential Guide to Succeeding in the Real World*;

- Janet and Gary Smith from The IVY Planning Group who provided an overview of MicroTriggers and MicroAffirmations and the need to become self-aware about how these behaviors can either negatively or positively impact the workplace; and
- Congressman and civil rights icon John Lewis for a discussion of his life and work—including his key role in the march over the Edmund Pettus Bridge in Selma, AL, which was commemorated in the film, "Selma."

All of these programs were streamed live and made available to other locations within the Federal Reserve System to enable them to experience the programming in real time.

The New York Fed implements its diversity and inclusion strategy with the support of its Management Committee, the senior-level membership of its Leadership Subcommittee, Human Resources, the engagement of a broad-based Diversity and Inclusion Champions Community of Interest, and the staff-led efforts of the Bank's 10 Resource Networks.

LEADERSHIP SUBCOMMITTEE

Launched in 2014 to replace the work of the former Diversity Advisory Council, the Leadership Subcommittee (LSC) and Diversity and Inclusion Champions of Interest (COI) continue to help enhance senior leader accountability for diversity and inclusion and broaden the Bank's Diversity and Inclusion (D&I) community. The LSC, acting in consultation with and under the guidance of the Bank's Office of Diversity and Inclusion, monitors, reports, and advises the Management Committee on a regular basis on the Bank's progress in developing a diverse pipeline of future leaders. The LSC also helps formulate policy, strategy and direction for D&I. The LSC is comprised of senior Bank officers, including the Bank's ODI Director, Diane Ashley. Ms. Ashley continues to have primary responsibility for setting the organization's overall diversity and inclusion strategy and she continues to report on progress made in this regard directly to the New York Fed's President and First Vice President.

DIVERSITY AND INCLUSION CHAMPIONS COMMUNITY OF INTEREST

The second tier of the framework involves an informal and broad "D&I Champions" Community of Interest (COI) forum supported by ODI. The COI's principal role is to receive feedback and perspectives from a cross-section of Bank officers and staff and disseminate information regarding D&I initiatives. COI serves to educate and endorse advocacy for D&I across the Bank. Membership includes former Diversity Advisory Council members, current and past Resource Network leadership advisors and leaders, and others interested in advancing D&I initiatives and programs at the Bank.

RESOURCE NETWORKS

The Bank's Resource Networks are now entering their ninth year, and as part of on-going efforts to sustain and support their business impact, ODI officers are assigned to each network as an "ODI Liaison." The role of the ODI Liaison is to work closely with network officers and leadership advisors in the general management of the networks, and to assist each network in developing and implementing its strategic plans, and planning programs throughout the year. The networks are employee-driven, Bank-sponsored groups that support or are interested in a particular diversity dimension. Notably, every network is open to all New York Fed employees. Each network has its own dedicated leadership team and an executive sponsor, who is a senior officer of the Bank. Resource network leaders participate on an annual basis in a customized, strategic planning session that helps leaders determine how best to meet their members' needs and how to grow their network's impact. Network leaders also have the opportunity to participate in the annual Network and Affinity Leadership Congress (NALC), sponsored by Diversity Best Practices. The NALC provides a forum for New York Fed Resource Network leaders to meet with their counterparts at other organizations and exchange best practices and other information.

IN 2015, 38% OF NEW YORK FED EMPLOYEES ACROSS ALL LEVELS WERE INVOLVED IN RESOURCE NETWORKS

In addition to promoting an inclusive work environment, the Bank's Resource Networks help enhance employee engagement. Resource network programming and initiatives, which align with the Bank's strategic business objectives, fall into four broad areas: recruitment and retention of diverse talent; professional development; education/innovation; and community involvement. Resource network professional development activities take many forms, including sponsoring senior Bank leaders for small group discussions on career development strategies. The Resource Networks partner with the Office of Diversity and Inclusion on an ongoing basis to host outside speakers and experts on a range of topics of interest to Bank staff. The Resource Networks also continue to sponsor a wide range of community volunteer opportunities. (See Appendix D for a comprehensive listing of Resource Network community engagement activity in 2015.)

Employee Resource Networks

- African-American and Latino Men's Alliance (AALMA)
- Asian Professional Networking Alliance (APNA)
- Disabilities Awareness Network (FedAbility)
- Multi-generational Network (Generations)
- Mentoring, Opportunities, Support, Advancement, Inspiration, and Change for African-American and Latina Women's Network (MOSAIC)
- Evening Shift Network (Nightlight)
- Lesbian, Gay, Bi-sexual and Transgender Employees and Allies Network (OPEN)
- Military Veterans and Families Network (Veterans)
- Women's Mentoring and Empowerment Network (WoMEN)
- Working Families Network (WFN)

Challenges and Next Steps

The Bank remains firmly committed to fostering a diverse and inclusive workforce that is well positioned to address the future challenges of the nation's evolving financial and economic systems. The New York Fed continues to work to increase diverse representation among its senior leaders and to enhance its pipeline of diverse talent. Importantly, the New York Fed regularly reassesses its diversity recruitment program to make refinements where necessary and identify new opportunities for sourcing candidates. In 2016, the Bank will continue to strengthen and fully leverage its partnerships with select DPOs. The New York Fed has launched a formal, diversity recruitment social media campaign. In particular, the Bank is evaluating alternative internet-based diversity networks to continue its outreach to a diverse population of professionals.

Many of the positions at the New York Fed require specialized skills and/or advanced study. One of the Bank's challenges with respect to recruitment is the already strong competition for diverse talent with these skills and/or academic credentials within the financial services industry in New York City.

A continuing challenge in the academic world and therefore the Bank is to improve the under-representation of minorities and women in the field of economics. The New York Fed continues to collaborate with other professional organizations that are working to increase the number of minority and women economists. In particular, the Bank has a long-standing relationship with the Committee on the Status of Women in the Economics Profession (CSWEP), an organization dedicated to increasing the pipeline of women in economics. A senior Bank economist is a member of CSWEP's board of directors. Additionally, each summer the New York Fed hosts two female PhD candidates as part of the CSWEP Fellows program. The Fellows have the opportunity to develop research projects while interacting with Bank economists and participating in the activity of the Research group. The New York Fed also works on several fronts to expose diverse high school students, particularly those who have strong quantitative skills, to career opportunities in economics and finance. These include delivering economic education programming to high school students from underserved communities and broadening the set of colleges that participate in the Bank's College Fed Challenge program. The Bank's efforts in this regard are described more fully in the "Economic Education and Outreach" section of this report.



Business and Supplier Diversity

The New York Fed remains committed to ensuring that all firms interested in and qualified to do business with the Bank have the opportunity to do so. In an effort to foster diversity in its business and contracting activities, the Bank seeks to promote an environment that provides access and opportunity for minority-owned and women-owned business enterprises seeking to do business with the New York Fed. Bank efforts include engaging with diversity business organizations and industry groups, integrating supplier diversity practices into its core procurement processes, conducting outreach to further develop its database of diverse firms willing and capable of doing business with the Bank, and providing technical assistance to small and diverse businesses within the Second District.

In accordance with the Bank's standards and procedures for OMWI contracting provisions required under Section 342 of the Dodd-Frank Act, the New York Fed notifies its vendors of its commitment to workforce diversity and its expectation that Bank vendors share that commitment. The New York Fed also gathers information on the efforts of certain vendors concerning their workforce diversity.

Progress

The Bank continued to make progress toward its goals of expanding access and opportunity for small and diverse firms to participate in the business activities of the New York Fed. In 2015, the Bank continued to partner with a range of government agencies, community groups, and diverse business organizations to sponsor eight technical assistance programs for small and diverse businesses. In addition, the New York Fed continues to work to further embed its supplier diversity practices into procurement activities across all business lines. In particular, the Bank continues to reinforce its diverse slate protocol in procurement, ensuring that, whenever possible, business areas make a reasonable effort to include diverse suppliers on all prospective vendor lists. The New York Fed also worked on several fronts to expand its pool of diverse-owned businesses. This section of the Report provides additional information regarding the Bank's efforts in all of these areas.

Exploring Access and Opportunity

In December 2015, the Bank concluded its year-long Mortgage Operations Counterparty (MOC) pilot program. In aggregate, the MOC firms offered a total of \$782 million of propositions and were awarded \$62 million in agency mortgage-backed securities operations. Both the MOC pilot program and the Treasury Operations Counterparty (TOC) pilot program, which ran from July 2013 to July 2014, were outgrowths of the New York Fed's continuing commitment to explore ways to broaden access to certain open market operations. The pilot programs allowed the New York Fed to gauge the capacity of smaller firms to participate as counterparties in open market operations, and the experience provided useful inputs in the Bank's regular reviews of the Federal Reserve's counterparty framework.



Technical Assistance Workshops

Responding to small business needs identified through a Small Business Survey that the Bank conducts annually, the Outreach and Education Function continued to execute a series of grassroots forums designed to serve the economic needs of small businesses in the Second District. This series of clinics, entitled, “Access to Capital for Small Business,” provided information on business loans—the different sources and lenders—as well as the kinds of materials required for application. The clinics are an important tool to support small businesses throughout the Second District, and they help connect the Bank to public audiences, many of whom are learning about the New York Fed for the first time. In 2015, the Bank held eight “Access to Capital” seminars in various locations throughout the Second District, including Puerto Rico, allowing the Bank to meet with a pool of more than 500 small business owners. These seminars were designed to provide attendees with information about the various financing methods available to their business and often bring together national and local providers of credit. This year the Bank again partnered with Empire State Development to hold a series of events specifically designed for food, beverage, and agricultural enterprises, reaching small business owners in less centrally located areas such as Canton and Syracuse, NY. The Bank partnered with more than 30 organizations. Participants heard from lenders and experts on a wide range of topics, including crowdfunding basics, how lenders assess borrowers’ credit worthiness, online lending platforms, revolving loan funds, and opportunities in international markets. (See box for more information on these workshops.)

The New York Fed’s 2015 Regional Access to Capital Workshops

February 2015

Access to Capital 101: One on One (Queens, NY)

May 2015

Access to Capital: Food, Beverage, and Agricultural Enterprises (Herkimer, NY)

June 2015

Access to Capital: Food, Beverage, and Agricultural Enterprises (Riverhead, NY)

July 2015

Access to Capital: Food, Beverage, and Agricultural Enterprises (Canandaigua, NY)

September 2015

Access to Capital: Stages of Borrowing—Where to Go and When? (Jersey City, NJ)

October 2015

CRA Week: Online Lending—Small Dollar Loans (San Juan, Puerto Rico)

November 2015

Access to Capital: Food, Beverage, and Agricultural Enterprises (Binghamton, NY)

November 2015

Access to Capital: Small Businesses and Start-Ups (Bridgeport, CT)

Supplier Diversity

In 2015, the New York Fed continued its work to embed supplier diversity practices into core procurement processes, reinforcing the diverse slate approach in acquisitions across all business areas, and resulting in over 7% of the Bank's reportable spend being paid to diverse firms.

Reportable Spend on Minority- and Women-Owned Vendors

AMOUNTS PAID BY THE BANK TO VENDORS IN 2015		
	\$ Amount/Number	Percent of Total \$ Amount
Total Reportable Spend	\$185,691,134	100%
Amounts to MWBEs*	\$14,355,073	7.7%
Number of MWBEs	92	
Amounts to MBEs**	\$8,642,631	4.6%
Number of MBEs	43	
Amounts to WBEs***	\$5,712,442	3.1%
Number of WBEs	49	

* MWBE (minority-owned or women-owned business enterprise).

** MBE (minority-owned business enterprise).

***WBE (women-owned business enterprise).

Note (1): Reportable spend does not include association memberships, dues and fees, employee salaries, benefits, insurance and reimbursements, inter-company transfers, U.S. Post Office fees, rent, taxes (property, payroll, income, state, local and federal), and utilities. It does include spend to universities and schools (including speakers and research), outside counsel fees, and payments made to individuals with whom the Bank contracts for goods and services (e.g., independent contractors).

Note (2): Diversity spend includes Agile 1 spend that is associated with diverse vendors only (staffing firms) (i.e., diversity spend figures exclude Agile 1 spend with non-diverse staffing firms); Agile 1 is a MBE diverse supplier and includes Agile 1 management fees.

In 2015, the Bank's PVM function implemented a new supplier diversity engagement model which extends across the entire procurement organization, allowing for increased involvement in outreach activities and facilitating diverse vendors with direct access to sourcing professionals. To grow the Bank's pool of diverse vendors, the New York Fed continues to develop its strategic partnerships with diverse business organizations: the New York and New Jersey Minority Supplier Development Council (NYNJMSDC), the Women Presidents' Educational Organization (WPEO), the Institute for Supply

Management's Diversity Committee, the Financial Services Roundtable for Supplier Diversity (FSR SD), and the National Minority Supplier Development Council (NMSDC). The Bank continued to participate in meetings and conferences with these organizations in 2015. (A full listing of the Bank's 2015 supplier diversity outreach activities is included as Appendix F.) The Bank leverages these diverse business organizations to identify potential diverse vendors, benchmark its supplier diversity efforts, and keep abreast of emerging best practices.

In 2015, the New York Fed continued its active involvement in the Federal Reserve System Supplier Diversity Workgroup, a system-wide collaboration aimed at furthering supplier diversity programs and practices, and coordinating national outreach efforts. As part of the New York Fed's involvement with the Federal Reserve System's Supplier Diversity Group, FRBNY participated in a system-wide survey that was used to assess the Bank's supplier diversity practices against the National Minority Supplier Development Council's (NMSDC's) supplier diversity practices. The system-wide national effort also included participation in a national supplier diversity conference sponsored by the NMSDC and held in San Diego. New York Fed procurement professionals were able to interact with hundreds of diverse suppliers, as well as peers from other districts. The Bank also participated in the following events hosted by the Federal Reserve System:

- **The Board of Governors' "Supplier Diversity Outreach Fair"**
- **The Richmond Fed's "Supplier Diversity and Procurement Summit"**

In 2015, the Bank hosted a technical assistance forum designed to provide diverse firms with an overview of the New York Fed and how to navigate the Bank's acquisition process. Attendees from 32 MBE and Women Business Enterprise (WBE) companies were introduced to members of the procurement team and the Office of Diversity and Inclusion. Procurement Value Management (PVM) provided an overview of the FRS mission and structure, and the Bank's Mission Statement on Supplier Diversity. The attendees were introduced to the Bank's Acquisition Policy and supplier participation requirements. The forum ended with a robust Q&A and a demonstration on how to register and navigate through the Bank's e-commerce application in order to participate in the Bank's RFPs. Several MWBEs held follow-up meetings with PVM to discuss opportunities and inclusion in future Request for Proposals (RFPs). (A copy of this technical assistance forum agenda is included as Appendix E.)



Challenges and Next Steps

The Bank remains committed to ensuring that minority-owned and women-owned business enterprises that are interested in and are qualified to engage in business with the Bank have the maximum practicable opportunity to do so. The New York Fed continues to regularly review its counterparty framework and revisit thresholds for various counterparty types. The New York Fed will continue to look for opportunities to work with community organizations, government agencies and diversity business organizations to sponsor programs that can help small and diverse businesses access capital and build their capacity.

The Bank will continue to embed supplier diversity into its core procurement processes with enhancements to its new supplier diversity engagement model. In addressing challenges relating to infrastructure support in identifying and contracting with qualified minority-owned and women-owned businesses, the Bank is finalizing work on a database of minority-owned and women-owned businesses that will increase the visibility of capable and willing diverse vendors for consideration in the Bank's procurement activity.

In 2016, the New York Fed will continue to develop its strategic partnerships with diverse business organizations, including the New York and New Jersey Minority Supplier Development Council (NYNJMSDC), the Women Presidents' Educational Organization (WPEO), the Institute for Supply Management's Diversity Committee, the Financial Services Roundtable for Supplier Diversity (FSR SD), and the National Minority Supplier Development Council (NMSDC).



Economic Education and Outreach Programs

The Bank has a long history of providing economic education programming and enhancing financial literacy in the Second District, particularly among high school students. An important part of the New York Fed's mission in this regard is to teach students, educators, and the wider public about the role and impact of the Federal Reserve on the economy, and to encourage underrepresented minorities and women to consider advanced study and/or careers in economics and finance.

In addition, the Bank supports economic vitality in the District by promoting constructive dialogues around the credit concerns of local communities, and filling information gaps about business performance, credit options, and business conditions for small business owners. With that intention, the Bank regularly convenes regional, business, and community leaders to provide information, analysis, and technical assistance, and to highlight promising solutions that give special attention to low- and moderate-income communities.

Progress

In 2015 the Bank strengthened its commitment to deliver and enhance a comprehensive program that includes economic education and community outreach initiatives through its Communications and Outreach Group. The Bank continued to enhance delivery of educational programming for high school students from underserved populations, including leveraging its renovated Museum and Learning Center (MLC) to host customized programs. Programming included launching a targeted school outreach initiative in the Second District and setting the foundation for a strategy and infrastructure to increase the numbers of Title I high school groups that visit the Bank for educational museum tours each year. Select efforts are described in more detail below. Additionally, the New York Fed partners with non-profit organizations, diversity professional organizations, and schools to enhance financial literacy among underserved high school students. In keeping with the New York Fed's goal to foster economic prosperity throughout the Second District, the Bank continues to engage in dialogue and build relationships with a wide range of constituencies.


Economic Education

The Bank continued to leverage multiple strategies to enhance its economic education outreach to minorities and women. In 2015, the Bank continued its systematic school outreach initiative focused on educating students and educators from Title I high schools (schools with large concentrations of low- and moderate-income students) and community colleges about the Fed and encouraging them to learn more

about the Federal Reserve. Outreach and Education staff visited schools across the Second District to present students with an introduction to the Federal Reserve and its role in the economy, and to pique student interest in economics and finance. In 2015 the Bank partnered with school networks and organizations with existing programming that serve diverse populations. The Bank is targeting 30 classroom visits annually.

The Bank reaches underserved communities through programs such as "Math x Economics," "High School Fed Challenge (HSFC)," and the Bank's "Guided Educational Museum Tour." "High School Fed Challenge" celebrated its 20th anniversary in 2015 and continues to engage high school students. This annual academic competition tasks teams of high school students to simulate the work of the Federal Open Market Committee. In order to enhance student learning and extend accessibility to this resource for students, teachers and families, the Bank introduced both the "HSFC Macro Boot Camp" and the Resources Hub, a central online platform to house useful content and newly-produced videos to complement teams' preparation for the competition.

To expand the programs reach, the Bank created a division to serve students who have minimal exposure to economics. A total of 19 schools and 100+ students, mostly from Title I schools, participated in this newly created division. Combined, the divisions saw a total of 380 students from 65 high schools compete in the 20th annual competition. The New York Fed's Math x Economics program is a full-day immersion experience for students from Title I high schools who have aptitude in



mathematics. The program introduces high school students to economics, explains how economics affects their lives, and encourages them to study economics in college and beyond. The objective is to expose high school juniors and seniors to career options in economics and public policy as they are applying to and entering college. The Bank will continue to track and monitor participants in the program to measure the impact on career choice.

Likewise, the New York Fed made progress in diversifying the colleges participating in its “College Fed Challenge” program, an academic competition in which teams of students take on the role of Federal Reserve policy makers by analyzing current economic conditions and recommending the course for monetary policy. The program encourages students to learn about the macroeconomy, the role of the Federal Reserve System, and monetary policy operations. Although the primary objective is to interest college students in pursuing advanced study or career options in economics or finance, the “College Fed Challenge” program also helps the Bank strengthen its relationships with college professors and institutions of higher learning.

In 2013, the Bank established a partnership with the City University of New York (CUNY), a university system with a diverse student population. (As noted in the section on workforce diversity, the New York Fed is currently piloting a college placement program with students from the CUNY Services Corps). In 2015, the set of colleges participating in “College Fed Challenge” continued to be diverse, and included community colleges, schools from the CUNY, the State University of New York (SUNY), and Rutgers University school systems, and private and public colleges from New York, New Jersey, and Connecticut.

The Museum and Learning Center (MLC) hosts programs that help students learn about the role of the Federal Reserve System in setting monetary policy, promoting financial stability, and providing financial services. The Museum and Learning Center is now in Phase 2 of its re-modernization effort to position the New York Fed’s Museum as a hub for connecting the Bank with Second District communities through a variety of outreach and education programming. This summer, after opening the Financial Services section of the new exhibit, “A Look Inside,” the MLC team’s focus turned to completing the Supervision and Regulation and Monetary Policy sections under development. The summer also saw an uptick in

the Bank’s efforts to enhance outreach to youth organizations across the District that serve low- and moderate-income communities, as well as those that target girls and under-represented minorities in youth STEM programs.


Financial Literacy

Congressional Hispanic Caucus Institute’s Ready to Lead (R2L) Program

In 2015, the Bank once again participated in the Congressional Hispanic Caucus Institute (CHCI’s) “Ready to Lead” program, supporting leadership development and college-readiness mentoring for Latino high school students across the Second District. The New York Fed is one of several Reserve Banks that have helped support this one-day, intensive financial literacy and college-readiness mentoring program for Latino high school students. One of the program objectives is to educate and inspire the next generation of Latino students to aim high and pursue their professional and personal goals. The program took place at Queens College, City University of New York (CUNY), and for the second consecutive year had over 100 students and mentors in attendance. Several Bank staff members led financial literacy workshops and participated in a mentoring power hour. The workshops were customized for high school student audiences and included topics such as college planning, financial literacy, and leadership development. During the mentoring hour, Bank staff discussed how to choose the right college, how to get the most out of a college education, and possible career options. They also shared personal success stories, lessons learned, and guidance on how to succeed in college and beyond.

Federal Reserve Financial Education Day

The 2015 “Financial Education Day” was held on Tuesday, October 20th at East Side High School in Newark, NJ. Several Federal Reserve Banks across the system hosted events, such as professional development workshops for teachers, and those involved with after school programs, while others hosted student programs. In addition, staff from the Reserve Banks and branches showcased free personal finance resources from throughout the Federal Reserve System. The goal of this system-wide effort was to promote discussions about the importance of financial education among students and educators nationwide.



In one day, the program served thousands of high school students and educators. In 2015, the New York Fed, Office of Diversity and Inclusion (ODI), Outreach and Education, and the Resource Networks partnered to deliver a day of financial education to approximately 400 Second District high schools students in the Newark, NJ. area. The program focused on financing for college, in particular on the costs and benefits of student loans.

Savvy Credit Video Festival

Once again, the New York Fed leveraged its “Savvy Credit Video Festival” to advance financial literacy among young adults. The festival challenged college students to produce 30-second videos promoting wise credit use. Importantly, the videos facilitated peer-to-peer learning about maintaining responsible personal finances in a highly accessible way. The Bank sponsored one festival in 2015 in Puerto Rico. The Puerto Rico Savvy Credit Video Festival had strong participation. The winning video, “No Abandones tus Ideas,” provided tips on how to start and finance a small business. Students from the University of Puerto Rico, Rio Piedras Campus submitted the winning video. As part of the winning prize the students received an educational trip to New York to learn about the Fed and also received career advice. In addition, the video aired in select movie theaters in Puerto Rico. A total of 99 students from 14 universities across Puerto Rico submitted 29 videos.

NYU GSTEM Summer Partnership

During 2015, the New York Fed continued to partner with other organizations that share the Bank’s objective of increasing the number of minorities and women pursuing careers in economics, finance, and related fields. Following up on 2014’s successful program, the Bank again hosted a group of 35 high school girls and seven chaperones from New York University’s “Girls in Science Technology Engineering and Math (GSTEM)” program. NYU GSTEM is a six-week summer program for high school girls who have high aptitude in STEM subjects. Students in the program have the opportunity to receive mentoring from STEM professionals in the New York area, and participate in activities such as classes, lectures, and field trips.

In 2015, as in 2014, one of the field trips included a visit to the Bank to learn about the role of the Federal Reserve and to expose the girls directly to the work of economists. The Bank program included remarks from the Chief Diversity Officer, as well as a “New York Fed Economists and Researchers Presentation” by members of the Research & Statistics Group.

Outreach

As part of its regional outreach, the Bank continues to monitor business and credit conditions as well as provide programs of technical support to local small businesses and service providers. To further these objectives, the Bank focused efforts in 2015 on assessing and reporting on the economic challenges facing the island of Puerto Rico, continuing to deliver a series of technical assistance clinics to small businesses in the region, and supporting President Dudley on his regional outreach visits to communities within the Second District, including low- and moderate-income communities.

Continued Focus on Puerto Rico

The New York Fed remains strongly committed to working with government officials, business people, community representatives, and regional leaders of Puerto Rico to promote sustainable growth and prosperity on the island. On a visit to Puerto Rico in July 2014, President Dudley announced the Bank’s plans to update its 2012 Report on the Competitiveness of Puerto Rico’s Economy to focus on the island’s recent fiscal issues. During January 2015, in collaboration with colleagues in the Research & Statistics group, the Bank shared the report, *An Update on the Competitiveness of Puerto Rico’s Economy*, during a briefing with over 60 elected and government officials, legislative staff, and key community and business leaders. In April 2015, the Bank organized a visit by former First Vice President Christine Cumming and Financial Services Executive Vice President Roseann Stichnoth to meet representatives of local financial institutions, credit unions, and community based organizations.



New York Fed President's District Visits

As in years past, President Dudley continued on a systematic program of regional outreach visits to communities within the Second District, including low- and moderate-income communities. On these visits, he and other Bank leaders gathered insights on the regional economy and strengthen the Bank's ties with the diverse business, academic, public sector, and non-profit constituencies from around the region. During these visits, President Dudley shared the results of the Bank's research on credit, housing, and employment in the regional economy, while gathering insights on credit usage, consumer expectations, and local business conditions to help inform his view of the economy and guide monetary policy. This exchange of information with different groups of local leaders helped strengthen the Bank's ties with the diverse constituents of the Second District. President Dudley conducted four visits in 2015 to Northern New Jersey, Rochester, Buffalo, and Long Island.

Fed Ambassador Program

As a complement to President Dudley's regional outreach visits, the New York Fed's "Senior Fed Ambassador Program" presents a platform for senior officers to share their knowledge and expertise with Second District constituents. The program deepens the Bank's connections to a broad array of small businesses, non-profit organizations, agencies, and colleges, thereby strengthening the connection between the New York Fed and local communities. In 2015, senior Bank leaders gave speeches that reached over 1,000 people on topics ranging from the role of the Fed to the economic outlook and beyond. The Office of Diversity and Inclusion continued its partnership with Outreach and Education in support of the Fed Ambassador website, a resource to prepare Bank employees both to provide accurate overviews about the work of the Bank in external settings and to explain the role of the Fed in community and school public speaking opportunities. The site includes key messages, guidelines for Fed Ambassador speaking engagements, and sample presentations for use with local schools and community groups.

Small Business Credit Survey

The New York Fed has traditionally used the results of its Small Business Credit Survey to inform its technical assistance programming for small and diverse businesses. Continuing in 2015, the Bank collaborated with the Atlanta, Cleveland, and Philadelphia Reserve Banks to field an annual survey on small business financing and credit demand. Focused on micro- and small business borrowers, the survey provided information about the credit and service needs of underserved businesses, including women- and minority-owned firms and those in low-income geographies. The 2015 survey, which closed in November, yielded 5,000+ responses.

Interagency CRA/Community Development Forum

The New York Fed continued its long-standing partnership with the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and New York State's Department of Financial Services (NY DFS) to encourage financial institutions to promote community development in accordance with the Community Reinvestment Act (CRA). (The CRA is a federal law that encourages commercial banks and savings associations to help meet the needs of borrowers in all segments of their communities, including low- and moderate-income neighborhoods.) The Bank, together with these other financial services agencies, sponsor meetings that are designed to increase awareness of community needs in low- to middle-income neighborhoods with respect to housing, economic development, small business and workforce development. In addition, the sessions are intended to convey community needs and discuss CRA investment opportunities with financial institutions operating in those neighborhoods.

During 2015, a series of three CRA listening sessions were held, in partnership with the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC), in targeted areas of the district to hear from community stakeholders about the effectiveness of CRA implementation at the community level. The first session took place in Rochester, NY, where over 15 community-based organizations attended representing a wide range of interests and issues including: affordable housing and foreclosure prevention; homelessness prevention; youth and child services; programs for seniors; and legal aid services. The second and third sessions were held in Brooklyn, NY and Kew Gardens, Queens respectively.



Expanding Bank-Sponsored Volunteerism

Following its launch in 2014, the Bank's Office of Diversity and Inclusion continued to support **S**erving to **E**mpower and **R**evitalize - **V**olunteerism (SERV), an initiative designed to expand Bank-sponsored volunteer opportunities and encourage employees to participate in volunteer opportunities within their own communities. Complementing the work of the Bank's Economic Education and Regional and Community Outreach staff, SERV functions as a clearinghouse for information related to volunteer opportunities in the surrounding communities.

Challenges and Next Steps

The Bank remains committed to enhancing its economic education and outreach to underserved communities and continues to look for opportunities to strengthen its relationships with Title I schools in order to more effectively reach this population of high school students. The successful expansion of Title I high school participation in the Bank's "High School Fed Challenge" program has assisted the New York Fed in identifying and supporting additional Title I high school participants who had no prior experience with the Fed Challenge program.

The New York Fed continues to assess its established economic educational programs to identify ways to enhance the content for its participants. In addition to its economic education programming, the Bank will continue to look for other ways to enhance financial literacy among underserved high school students. In 2016 the New York Fed will continue to identify opportunities to partner with other non-profit organizations, diversity professional organizations, community groups, and schools that share this important mission.

In keeping with the Bank's objective to strengthen the ties between the New York Fed and local communities, the Bank will continue to leverage multiple avenues to engage in dialogue and build strong relationships with a wide range of constituencies. Senior Bank leaders will continue to share their expertise with a broad array of small businesses, non-profit organizations, agencies, and colleges through the "Senior Fed Ambassador Program." The New York Fed will also continue to conduct regional outreach visits with key community constituents in order to share information about U.S. and local economic and financial conditions drawn from economic indicators and analysis, and convene regional leaders and policy makers to identify ways it can help foster economic prosperity throughout the Second District. Importantly, the Bank will continue its listen-and-learn activities that are valuable in helping to inform the New York Fed's analysis of regional economic conditions in the District.



Looking Forward

The Bank has continued to build on the foundation created in 2011, in the implementation year of Section 342 of the Dodd-Frank Act and leveraged this cumulative knowledge to advance its diversity and inclusion goals with respect to workforce diversity, business and supplier diversity and economic education and outreach. Importantly, the New York Fed's senior management team is committed to sustaining and reinforcing the progress that has been made and to leveraging the necessary Bank resources to help move these initiatives forward. As a result of this strong support, an initiative undertaken by the Bank in 2015 to review and prioritize all diversity and inclusion efforts across the New York Fed will continue in 2016. This review will include evaluation of efforts by various business groups to incorporate diversity and inclusion into their strategic objectives.

The *2015 Annual OMWI Report* highlights many of the Bank's existing diversity and inclusion initiatives and outlines plans in place for 2016. The Bank gained valuable information and insight from its "Mortgage Operations Counterparty Pilot Program," which concluded on December 31, 2015. To address the challenges that many small and diverse firms face, the New York Fed will again look for opportunities to partner with other business, government, and community organizations to sponsor technical assistance workshops focused on increasing access to capital and addressing other business-oriented needs. The Bank will also continue to emphasize the diverse slate approach in procurement, ensuring that whenever possible, business areas make a reasonable effort to include minority- or women-owned businesses on all prospective vendor lists. The New York Fed will work to enhance its sourcing and outreach efforts to grow its pool of diverse-owned vendors. The newly adopted strategy that addresses how business and supplier diversity is approached, moving away from a singular point of contact responsible for all aspects of supplier diversity, to a system where every procurement professional is responsible and accountable, will reinforce the importance of identifying and supporting diverse suppliers.

With respect to workforce diversity, the Bank remains committed to enhancing representation of minorities and women at the senior officer level, and to expanding and further developing its pipeline of diverse talent. The New York Fed will continue to reassess its diversity recruitment program on an on-going basis to make refinements where necessary and identify new opportunities for sourcing candidates. The Bank will continue to work to strengthen and fully leverage its partnerships with select diversity professional organizations. Additionally, the New York Fed will continue to support its diversity recruitment social media campaign in 2016.

The Bank will continue to work to enhance its economic education outreach to underserved high school students and promote possible careers in economics and finance. In 2016, the New York Fed will continue to support the new initiative designed to increase Title I high school participation in the Bank's "High School Fed Challenge" program. The Bank will also review expansion of the newly introduced "United by Strengths Summit." In keeping with the Bank's objective to strengthen the ties between the New York Fed and local communities, the New York Fed will continue to leverage multiple avenues to engage in dialogue and build strong relationships with a wide range of Second District constituencies.

The New York Fed appreciates the opportunity to report on its progress in strengthening the Bank's diversity and inclusion program. To effectively fulfill the New York Fed's public service mission, the Bank must continue to ensure that diversity and inclusion are core considerations in its recruitment, procurement practices, outreach, and partnerships with Second District constituencies and community groups. For this reason, the New York Fed views the principles underlying Section 342 of the Dodd-Frank Act as critical to the long-term success of its core mission.



Appendix A *Diane T. Ashley Biographical Information*

Diane T. Ashley, Vice President

Chief Diversity Officer and Director, Office of Minority and Women Inclusion
The Federal Reserve Bank of New York

Diane T. Ashley is Vice President and Chief Diversity Officer of the Federal Reserve Bank of New York, a position she assumed in 2007. As a leading expert in diversity and inclusion with over 20 years of aggregate experience in recruitment and talent development, workforce and supplier diversity, and community relations, Diane's focus has been to create a strategy for impact in advancing diversity and inclusion at all levels of the organization. In 2011, Diane's responsibilities increased when she was appointed Director of the Bank's Office of Minority and Women Inclusion, prescribed in Section 342 of the Dodd-Frank Act. Her role as Chief Diversity Officer was further expanded in 2013 to include oversight of the Bank's volunteerism efforts.

Diane holds a Juris Doctorate degree from Rutgers University School of Law, a Master's degree in Human Resources Education from Boston University, and a Bachelor's degree in French from Yale University, where she spent her junior year at the Sorbonne in Paris, France.

Diane serves as a board member of The Executive Leadership Council Foundation and was a founding member of its Black Women's Leadership Summit. She also serves on the Rutgers Business School Board of Advisors and on the board of New York Theological Seminary (NYTS), where she was chair for ten years. Diane is a member of the Belizean Grove and the Bergen County, NJ, chapter of The Links, Inc. She received the NYTS Urban Angel Award in April 2013, the Norman Vincent Peale Award for Positive Thinking, and was included as one of "Fifty Amazing African-American Women in Business, Politics and Philanthropy" (the *Jane Dough* blog, February 12) in 2013.

Appendix B *Federal Reserve Bank of New York Workforce Information Report - 2015*

			JOB CATEGORIES										
			Executive/Sr. Officials & Mgrs.	First/Mid. Officials & Mgrs.	Professionals	Technicians	Sales Workers	Administrative Support	Craft Workers	Operatives	Laborers & Helpers	Service Workers	TOTAL
HISPANIC OR LATINO	MALE		1	26	100	2	0	7	5	8	0	23	172
	FEMALE		0	27	77	0	1	40	0	9	0	2	156
NOT-HISPANIC OR LATINO	MALE	WHITE	20	357	529	1	0	34	45	8	0	59	1053
		BLACK OR AFRICAN-AMERICAN	3	20	102	0	0	13	7	11	0	30	186
		NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	1	0	0	0	0	0	0	0	1
		ASIAN	1	53	241	1	0	11	3	20	0	8	338
		AMERICAN INDIAN OR ALASKAN NATIVE	0	0	0	0	0	0	0	0	0	2	2
		TWO OR MORE RACES	0	3	8	0	0	0	0	0	0	0	11
	FEMALE	WHITE	12	203	350	0	1	76	0	4	0	11	657
		BLACK OR AFRICAN-AMERICAN	0	36	140	0	0	72	0	19	0	8	275
		NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	0	0	0	0	0	0	0	0	0
		ASIAN	0	65	207	0	0	16	0	9	0	0	297
		AMERICAN INDIAN OR ALASKAN NATIVE	0	0	0	0	0	0	0	0	0	0	0
		TWO OR MORE RACES	0	3	6	0	0	1	0	0	0	0	10
OVERALL TOTALS			37	793	1761	4	2	270	60	88	0	143	3158

Appendix C *Federal Reserve Bank of New York Diversity Recruiting Efforts – 2015*

Diversity Recruiting Events Attended in 2015

- Association of Latino Professionals For America Convention and Career Fair
- The Consortium for Graduate Study in Management Orientation Program and Career Fair
- Howard University New York Fed Information Session for undergraduate students, hosted at the Bank
- National Society of Hispanic MBAs Conference and Career Expo
- National Black MBA Conference and Career Expo
- Reaching Out MBA Conference in San Francisco

Diversity Recruiting Partner Organizations

- Association of Latino Professionals For America
- Consortium for Graduate Study in Management
- INROADS, Inc.
- Committee on the Status of Women in the Economics Profession
- National Business Disability Council
- National Black MBA Association
- National Society for Hispanic MBAs
- Thurgood Marshall College Fund
- Women in Technology International
- Year Up



Appendix D *Employee Resource Network Community Engagement - 2015*

Program/ Project Name	External Partner Organization	Resource Network(s)	Type of Outreach	Month of Outreach	Description
High School Mentoring Program	Curtis and James Madison High Schools	AALMA	Educational	Jan - May Sep - Dec	Volunteers mentored students on life lessons, the college application process and career choices
Documentary Showing	Department of Veterans Affairs	Veterans	Community Outreach	March - October	Presented videos, "Crisis Hotline" and "Ground Ops" and answered questions from attendees
Interview Workshop	INROADS	AALMA	Educational	April	Facilitated panel discussion on interview strategies and techniques for INROADS students
Financial Literacy Class	WISE/High School for Economics and Finance	WoMEN	Economic and Financial Education	April - June	Assisted high school freshmen in learning how to manage their finances and understand financial matters such as savings, budgeting, investing and debt
Congressional Hispanic Caucus Institute, Inc.	Ready to Lead (R2L®)	Generations MOSAIC	Other Volunteer Project	May	Program included high school mentoring as well as providing financial literacy presentation to students
FRBNY Toiletry Drive for Homeless LGBT Youth	New Alternatives	OPEN	Clothing or Supply Drive	June	Toiletries collected on FRBNY premises and delivered to New Alternatives
Hope for the Warriors Run/Walk	Hope for the Warriors	Veterans FedAbility	Community Outreach	June	Volunteers from two Resource Networks participated in the Hope for the Warriors Run/Walk to support troops
CUNY College Visit	City University of New York	Veterans	Educational	June	Volunteers presented to students on transitioning to civilian workforce and careers at the New York Fed
Shoe Drive	Soles4Souls	Generations	Supply Drive	July	Volunteers collected over 450 pairs of shoes for donation to Soles4Souls
Business Plan Presentations	Network for Teaching Entrepreneurship (NFTE) BizCamp	WoMEN	Economic and Financial Education/ Business	July	Judges listened to NFTE NY Metro students participating in the Girls Entrepreneurship Project pitch their innovative business ideas, ask questions, and work to have their student business entered into the final competition
Back to School Supply Drive	United Way	APNA	Supply Drive	August	Volunteers collected school supplies for students in coordination with United Way
New Alternatives Kitchen Staff	New Alternatives	OPEN	Other Volunteer Project	August	Volunteers worked in the kitchen to prepare Sunday meals

Appendix D *Employee Resource Network Community Engagement - 2015 (continued)*

Program/ Project Name	External Partner Organization	Resource Network(s)	Type of Outreach	Month of Outreach	Description
Career and Academics/ Information Sharing Seminars	WISE/High School of Economics and Finance	WoMEN	Economic and Financial Education/ Professional Development	September - November	Volunteers taught seminars at WISE/High School of Economics and Finance on personal and professional development strategies
Read Ahead	NYC Department of Education	APNA	Student Mentoring	Ongoing	Bank employees afforded the opportunity to read to kids on a bi-monthly basis during lunch hour
High School Mentoring	NYC Department of Education	APNA	Student Mentoring	October	Volunteers participated in the Bank's high school mentoring initiative
Mock Interview Sessions	INROADS	APNA MOSAIC	Student Mentoring	October	Resource Network members assisted in conducting mock interview sessions and providing feedback
Federal Reserve Financial Education Day	Federal Reserve System/East Side High School	WoMEN AALMA	Financial Awareness/ Business Education	October	Volunteers hosted a one-day program for individuals interested in learning about the skills and education needed to succeed in the banking industry
Disability Mentoring Day	National Business and Disability Council	FedAbility	Professional Development	October	Volunteer mentors partnered for a day with students with disabilities who had an interest in the financial services industry
School Outreach Initiative (SOI)	High School of Economics and Finance	Generations FedAbility WoMEN	Student Mentoring	October	Volunteers taught Financial Literacy class focused on student loans and college preparation
Gay Men's Health Crisis Food Service	Gay Men's Health Crisis	OPEN	Other Volunteer Project	November	Volunteers delivered prepared meals to organization's clients in need
New York City Marathon	Achilles International	FedAbility Generations	Community Involvement	November	Volunteers assisted disabled athletes and their families at the NYC Marathon
Veterans Day Parade	United War Veterans Council	Veterans	Community Outreach	November	Volunteers marched in New York's Veterans Day Parade
God's Love We Deliver	God's Love We Deliver	OPEN	Other Volunteer Project	November	Volunteers served dinner to organization's clients in need
Holiday Drive for the Troops	United for the Troops	Veterans	Community Outreach	December	Shipped over 35 boxes of requested items to troops overseas



Appendix E *Program Agenda: Navigating the Acquisition Process at the Federal Reserve Bank of New York*

Technical Assistance Forum for Minority and Women-Owned Businesses

Please join us for a presentation by the Bank’s Procurement Value Management team on the basics of participating in Bank acquisitions. The program will cover topics such as the competitive bid process, background reviews, overviews of other Bank requirements, and a demonstration of the Bank’s e-sourcing platform.

Date:..... **Tuesday, November 17, 2015**
Time:..... **10:00am - 11:30am**
Location:..... **The Federal Reserve Bank of New York
33 Maiden Lane - 10th Floor**

Continental breakfast served - 9:15am

AGENDA

- **Introductions**
Procurement Value Management (PVM)
Office of Diversity Inclusion (ODI)
- **Federal Reserve System Mission**
- **About the Fed**
District Reserve Bank Structure
- **Bank’s Mission Statement on Supplier Diversity**
Where We Find Suppliers
- **Acquisition Policy**
- **Additional Requirements for Suppliers**
- **Questions and Follow-up**
- **Optional: Perfect Commerce E-commerce Application Demonstration**

Appendix F *Federal Reserve Bank of New York Supplier Diversity Outreach Activities - 2015*

Date	Organization	Activity
January	Financial Services Roundtable for Supplier Diversity	Quarterly Benchmarking Committee Meeting
February	Women Presidents' Educational Organization	Introductory Meeting for New Bank Representatives
February	Institute for Supply Management	Supplier Diversity Committee Meeting
February	New York and New Jersey Minority Supplier Development Council	State of Black Owned Businesses in NY & NJ
February	Financial Services Roundtable for Supplier Diversity	Strategy Planning Meeting
March	Women Presidents' Educational Organization	Annual Awards Breakfast
April	Institute for Supply Management	2015 Supplier Diversity Expo
June	New York and New Jersey Minority Supplier Development Council	Business Opportunity Expo
June	Federal Reserve System Board of Governors	Supplier Outreach Fair
July	New York and New Jersey Minority Supplier Development Council	NMSDC Program Managers Meeting
August	Women Presidents' Educational Organization	NY Corporate Roundtable and Lunch
September	Federal Reserve Bank of Richmond	Federal Reserve System Supplier Diversity and Procurement Fair
October	Women Presidents' Educational Organization	NY Breakthrough Breakfast and Procurement Fair
October	New York and New Jersey Minority Supplier Development Council	Sustainability Symposium and Reception
October	New York and New Jersey Minority Supplier Development Council	Annual Conference and Business Opportunity Fair (San Diego)
November	New York and New Jersey Minority Supplier Development Council	Annual Partnership Awards Gala

Appendix G *Core Measures - 2015*

FEDERAL RESERVE BANK OF NEW YORK				
TOPICS	MEASURES	METRICS	% WOMEN	% MINORITIES
Management Representation	Top 2 EEO-1 Categories - Sr. Execs & Mid-Lvl Mgrs.	830	38	29
Hiring Statistics	Total External Hires	328	42	45
Interns	Total Interns	47	36	45
			%WBE	% MBE
M/WBE Expenditures	Total Spend (in Millions)	\$185.6	3.1%	4.6%
			# of Students Attended	# of Educators Attended
Financial Education	# of Events	122	3,298	129
			# of Students Reached	9,675

Appendix H *Procurement Minority and Women-owned Spend – Four-year Trend*

	FISCAL YEAR/CALENDAR YEAR							
	2015		2014		2013		2012	
	\$	%	\$	%	\$	%	\$	%
Total Reportable Spend¹	185,691,134		180,558,502		195,215,811		196,399,466	
Minority-Owned²	8,642,631	4.6	15,709,612	8.7	5,918,644	3.0	5,308,691	2.7
Women-Owned³	5,712,442	3.1	5,750,363	3.2	2,137,020	1.1	3,753,310	1.9
Total Minority-Owned and Women-Owned⁴	14,355,073	7.7	21,459,975	11.9	8,055,664	4.1	9,062,001	4.6

¹Reportable spend: All amounts paid to third party vendors (i.e., not inter-Fed payments, not government payments, not payments that rent space) for goods, services and software

²Minority-owned: All minority-owned business, including minority female-owned companies

³Women-owned: Caucasian women-owned businesses only

⁴Total minority-owned and women-owned



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