



**OFFICE OF MINORITY AND WOMEN INCLUSION**

2022 Annual Report to Congress

This document contains an organization-wide account of the actions of the Federal Reserve Bank of Cleveland's 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.

# OFFICE OF MINORITY AND WOMEN INCLUSION

**2022**

Annual Report to Congress

FEDERAL RESERVE BANK *of* CLEVELAND

Diana Starks, Senior Vice President and OMWI Director

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• Cleveland

• Pittsburgh

• Cincinnati

## LETTER FROM THE OMWI DIRECTOR

The Federal Reserve Bank of Cleveland's (Bank) 2022 Annual Report to Congress provides an overview of the Bank's recent successes, challenges, and next steps in fulfilling the expectations of Section 342 of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010.

The Bank, headquartered in Cleveland, Ohio, has branch offices in Cincinnati, Ohio, and Pittsburgh, Pennsylvania, and serves the Fourth Federal Reserve District, comprising Ohio, western Pennsylvania, eastern Kentucky, and the northern panhandle of West Virginia.

The Bank continues to support employees through delivering robust diversity, equity, and inclusion (DEI) programming; developing and reinvigorating effective community-based partnerships aimed at attracting and retaining diverse talent; enhancing the culture and climate of the Bank through programs and initiatives such as the Bank's new Allyship Program for underrepresented groups; and addressing workforce challenges related to the pandemic, including providing flexible and hybrid work schedules. The pandemic necessitated the Bank's implementing alternate and in some cases more concentrated support systems to ensure the success of its workforce and organizational performance. Seeing the benefits to employees during the past two years, the Bank has retained these support systems to facilitate a more productive and supportive work environment.

A large portion of the Bank's diversity, equity, inclusion, and opportunity work focused on building on initiatives from the previous year, informing the new organizational four-year strategic plan, sustaining and measuring DEI progress on a local level, and influencing the advancement of DEI progress in collaboration with the Federal Reserve System. These initiatives, among other things, provided resources to the community, promoted programming for teachers and students, shared information regarding the culture fostered at the Bank, and detailed outreach to attract and engage with diverse suppliers. The Program on Economic Inclusion (PEI) continued to provide the public with research, data, education, and programming to advance the public's understanding of racial and economic disparities in both the region the Bank serves and across the nation. Furthermore, the PEI provided information about potential solutions to address identified disparities.

The Bank once again earned external recognition from local and national professional organizations, including the Greater Cleveland Partnership's Equity & Inclusion 2022 Best-in-Class, NorthCoast 99, *Diversity MBA* magazine, and the Human Rights Campaign Foundation. These acknowledgments demonstrate to the marketplace and the larger business community the Bank's ongoing commitment to excellence and its inclusive culture.

Leadership continued to build on and sustain efforts toward an increasingly inclusive environment, one that welcomes everyone's input and participation, supports employees' achieving their potential, and retains and enhances public confidence and trust in the Bank and the Federal Reserve System.

Using both empirical data and anecdotes, this report illustrates the Bank's year of excellent performance relative to its commitment to the provisions of the Dodd–Frank Act. The Bank continues to take pride in recent successes as evidenced by local, regional, and national recognition; however, the Bank also acknowledges that further work is needed in racial minority talent retention.

It is my sincere hope that you find the content within this report demonstrates not only the Bank's continued commitment to diversity, equity, inclusion, and opportunity, but also its sustained engagement with the communities the Bank serves throughout the Fourth Federal Reserve District.



Diana C. Starks  
Senior Vice President and OMWI Director

## EXECUTIVE SUMMARY

The Federal Reserve Bank of Cleveland (Bank) remains committed to diversity, equity, inclusion, and opportunity (DEIO). In 2022, the Bank continued to expand the impact of the Program on Economic Inclusion (PEI), which comprises a significant component of the Bank's racial equity framework, and developed and implemented an Allyship Program to support employees and enhance Bank culture.

The Bank's racial equity framework reflects the Bank's most significant undertaking relative to DEIO in order to better meet the challenges confronted by the nation as a whole and the Bank as an institution. Workforce diversity, supplier diversity, research, community development, and community outreach continued to be Bank priorities, as outlined within the framework; further, the framework reflects an effort to align resources for these programs so that the Bank can better serve the Fourth Federal Reserve District (District). The Bank is also looking into ways to improve communication of our research to diverse audiences.

As a further demonstration of the Bank's commitment to diversifying our boards of directors, we have had on our boards several owners of minority- or women-owned business enterprises. In keeping with this approach to board diversification, one of our current female directors is the owner of a minority- and women-owned business enterprise within the Fourth Federal Reserve District.

As 2023 approaches, the Bank will continue to build upon priority research areas related to economic inclusion in the Fourth Federal Reserve District, with a focus on how the implications of education, housing, and other sources of economic opportunity impact racial equality and rural resilience.

The Allyship Program was developed in 2021 by four leaders from different departments to help enhance inclusion at the Bank and create a positive, permanent change to Bank culture. The pilot cohort of 44 staff participants and 15 leaders met virtually and in person from September 2021 to June 2022 to share their experiences and, ultimately, to identify critical barriers, biases, and obstacles they have faced within the Bank that have impeded their success. Program participants provided recommendations to Bank leadership regarding ways to resolve or mitigate these impediments. Business-line leaders who participated in the program are implementing these recommendations by executing on action plans that are designed to eliminate the identified barriers and resolve issues by focusing on training, awareness, and improvements to existing processes.

### KEY HIGHLIGHTS OF 2022 PERFORMANCE

The Bank continued the DEIO team objective for executive leadership. The objective continues to ensure accountability and to measure performance and progress in the areas of talent acquisition, retention, talent development, and supplier diversity.

- **Acquisition:** The percent of racial minority applicants interviewed was 45.5 percent, which is 3.5 percentage points above the 42 percent objective and an increase in actual hires of 4.6 percentage points over that in 2021.
- **Retention:** The racial minority retention rate was 88.4 percent, which is slightly below the 91 percent objective.
- **Development:** The percentage of promotions that were earned by racial minorities was 31.5 percent, which is 5.5 percentage points above the 26 percent objective.
- **Supplier Diversity:** The percentage of dollars of racial minority-owned spend was 11.6 percent of total reportable spend or \$7.97 million, up from 10.5 percent or \$5.78 million in 2021.

The Bank's employee resource network groups (RNGs) sustained their role as key partners in cultivating a more inclusive environment. There are currently 11 RNGs representing a variety of identity and affinity groups ranging from culture and ethnicity to sexual orientation and gender identity, among others. These groups are integral to community building within the Bank, acting as a resource for Bank leaders and Bank priorities such as supplier diversity and providing valuable professional development and leadership opportunities for employees. In 2022, RNG leaders have assisted with ensuring our hybrid staff remain engaged, helping Bank leadership communicate Bank priorities to employees, and deepening relationships with diverse community partners, colleges, and universities.

The Bank continues to demonstrate its commitment to developing employees at all levels and ensuring that racial minority employees can engage and thrive. Various initiatives such as our premier leader curriculum, mentoring and sponsorship programs, cohort-based leadership development experiences, and external development opportunities include a coordinated and deliberate focus on ensuring racial minority participation. Additionally, the team continues to invite each racial minority employee for a one-on-one discussion that helps to increase employee awareness of development opportunities offered by the Bank. During the fourth quarter of 2022, the team held focus groups for racial minority employees to network, share their lived experiences, and identify ways in which the Bank could strengthen their sense of belonging. Their feedback surfaced themes such as a lack of exposure to new or lateral career opportunities, a lack of visibility and support for promotion and development, and limited opportunities for authenticity and honest feedback. Executive leadership will take action to address these themes.

The Bank's formal mentoring program attracts employees at all levels and provides a structure for employees to expand their internal networks and learn from others. Our executive sponsorship program, which pairs racial minority high-potential employees with senior leaders in the organization, continued with positive reviews. In addition to the current cohort-based development programs—the Connected Leadership Experience and the Intrinsic Inclusion™ Leadership Acceleration Program—the Bank introduced a new cohort program called OnDECK in order to support emerging and new managers. This nine-month program allows for a structured approach to build core leadership capabilities across the organization through a blend of education, exposure, and experience. The program provides nominated participants, including racial minority employees, with the tools and resources to develop, explore, create, and know the fundamentals of management. Finally, the annual talent review discussion with executive leadership continues to include a focus on racial minority talent development and movement within the organization.

Training has the goal of equipping the Bank's workforce with the skills needed to drive organizational results. The training seeks to enhance awareness of diversity and inclusion (D&I), demonstrate cultural competence, integrate D&I into the Bank's mission, use D&I to accomplish organizational goals, increase the onboarding of racial minority talent, and improve engagement and inclusion among all employees. This year, the Bank also worked with Dr. James Knight to encourage staff to progress from an academic view of cultural differences to what he terms "cultural humility," an understanding that the appreciation and valuation of cultural differences requires a lifelong commitment. This training was intended to help equip Bank employees with the skills to build a more trusting workplace environment in which relationships are deepened and authenticity is appreciated.

Since 2020, executive leadership has required all employees to participate in a mitigating bias workshop that stresses the importance of each individual's actions in creating an inclusive culture. In 2022, the Bank encouraged people leaders to participate in a related workshop, *Mitigating Bias in the Hiring Process*, to ensure they have the knowledge, agility, and accountability to facilitate an equitable hiring process.

We had many notable accomplishments throughout the year. The Bank missed its self-defined objective with respect to racial minority retention, though we feel that we established an appropriate objective based on previous years' trends. However, some racial minority employees retired from service and some others left for career opportunities internal or external to the Federal Reserve System, including some who left for fully virtual positions or for entrepreneurial opportunities.

The body of this report provides a detailed description of the aforementioned work and recognition and examples from the Bank's D&I efforts as they relate to talent acquisition and talent management, the Bank's retention initiatives, supplier diversity, financial education, and community development outreach and research.



### **Minority and Women Employment**

Reserve Banks continue to partner with each other on diversity-related recruiting efforts such as advertisements and attending professional conferences. However, the pandemic continued to inhibit the Bank's ability to attend professional conferences and national recruitment fairs in person in 2022, and a few maintained virtual options. Collaborative efforts across the Federal Reserve System (System) in diversity recruiting was maintained on an individual Reserve Bank focus. The team continued to strategically evolve its partnership with hiring managers, other internal stakeholders, and external networks to expand its reach and increase awareness of the Bank's commitment to building a diverse and inclusive culture. The team's integrated strategy continues to yield positive results, which are highlighted throughout this report.

### **Minority- and Women-Owned Business Inclusion**

The Bank remains committed to increasing opportunities for minority- and women-owned business enterprises (M/WBEs) to participate in the provision of goods and services. To carry out this commitment, the Bank partners with other Reserve Banks and the System's National Procurement Office (NPO) to advance supplier diversity efforts. The NPO manages national contracts and the Reserve Banks' national membership with its strategic partner organizations the National Minority Supplier Development Council (NMSDC) and, as of 2020, the National LGBT Chamber of Commerce. Additionally, each Reserve Bank has an opportunity to hold a membership with its regional women's business council. The Bank has a membership with the Women's Business Enterprise Council Ohio River Valley and the Ohio Minority Supplier Development Council. In 2022, the System participated in the NMSDC and the Women's Business Enterprise National Council virtual conferences and business opportunity fairs. Attending local and national events provided Bank employees and their System colleagues opportunities to join representatives from top multinational companies and racially diverse or women business owners or those who work to strengthen the involvement of M/WBEs in the global corporate supply chain. The Bank concluded its inaugural diverse-supplier mentoring program and launched the second cohort; the Bank partnered with the Greater Cleveland Partnership for this second cohort in order to identify minority-owned business enterprises (MBE) to invite to the Bank's program.

### **Financial Education and Outreach**

Providing financial education opportunities in underserved communities is a core part of the Bank's outreach mission. Throughout 2022, the Bank continued to provide elementary and secondary students educational programming on financial literacy and personal finance. Additionally, the Bank collaborated with System colleagues on economic education virtual programs.

### **Regulated Entities**

Information pertaining to regulated entities is included in the Board of Governors of the Federal Reserve System's (Board) *Annual Report to Congress* because the Board is the primary regulator.

## Minority and Women Employment

### Successes

Federal Reserve Bank of Cleveland (Bank) staff in talent acquisition partner with hiring managers by establishing relationships, expanding the Bank’s presence in the community, valuing diversity, and marketing the Bank’s value proposition to build a sustained culture of high performance, engagement, and inclusion.

As the Bank has adapted to a hybrid work environment, the team ensured hiring managers were supported and had the necessary tools to successfully participate in interviewing remotely via video technology. The team used the Bank’s “Diverse Interview Panel” and “Cultural Contribution” guides as part of the hiring manager’s toolkit to further promote inclusive interviewing and hiring.

The team focused on efforts to maximize technological resources in the Bank’s recruitment efforts. The publication of a heavily updated version of the Bank’s external website, [clevelandfed.org](http://clevelandfed.org), refreshed the Bank’s recruitment presence with enhanced recruitment messaging, resources, and information to communicate the Bank’s inclusive culture and broaden the Bank’s appeal to a varied audience.

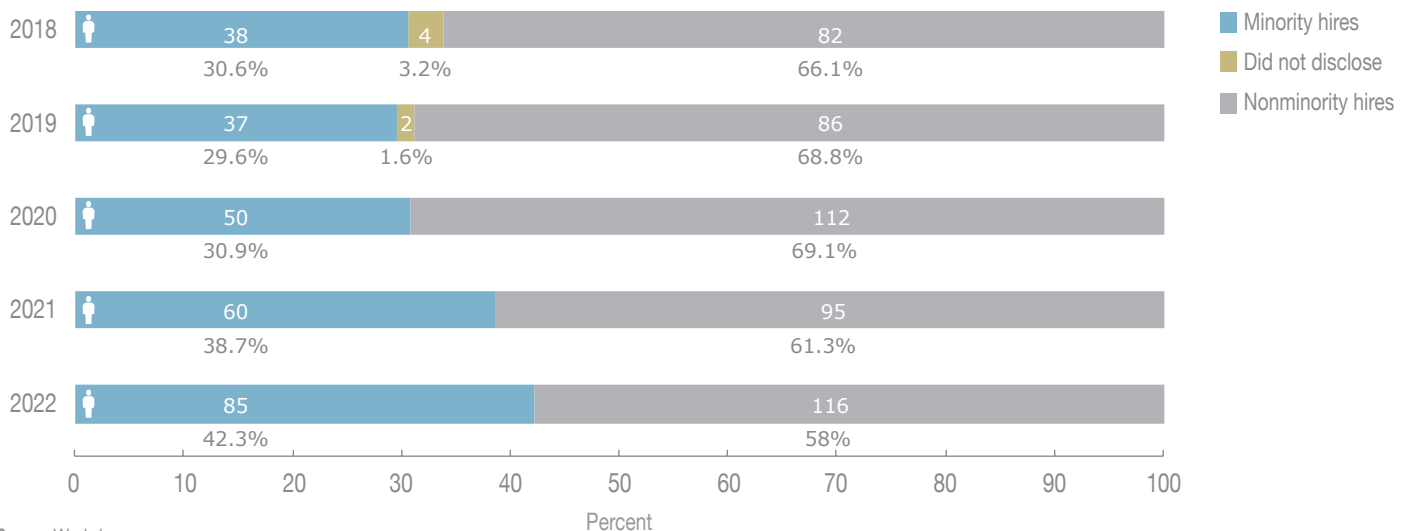
The team engaged in a robust partnership to broaden candidate attraction opportunities, strategically engaging with external organizations, including the Sadie Collective, Prospanica, National Black MBA Association, and campus events at targeted universities, to increase the racial minority candidate flow and to source passive candidates. The Bank hosted a Fed Exploration event and FedUniversity (FedU) event to take advantage of momentum with external organizations. Fed Exploration seeks to attract midcareer professionals, and FedU targets undergraduate and graduate students for the Bank’s internship and research associate programs.

Additionally, the team worked collaboratively across departments to develop a targeted, organized marketing plan, including a robust social media effort, that, among other outreach initiatives, enhanced the Bank’s ability to reach and attract racial minority talent.

The team deepened its understanding of business needs and used the continued opportunity for remote work to take advantage of a broader geographic reach. The team expanded its understanding of the shifting composition of the workforce, changing technology, and skills gaps of current and future employees, and the team will consistently engage in proactive passive-candidate conversations to establish a pipeline for future positions.

## Aggregate Talent Acquisition and Internal Movement

*(Excludes interns, hourly, and internally filled job positions)*



Source: Workday

In response to reduced staffing needs resulting from the reprioritization of initiatives, the team launched a talent marketplace that supported an internal candidate pool that was diverse in terms of background, experience, racial minority status, and gender representation. Through collaborative efforts, both throughout the Federal Reserve System (System) and internal to the Bank, the team was able to match this existing employee population of top talent with available opportunities throughout the System based on each individuals' skills, experience, and education.

The team also researched and leveraged competitive market intelligence, such as Gartner and LinkedIn, to deepen the Bank's talent pipeline and continues to increase the Bank's web presence with refreshed recruitment efforts, resources, and information to communicate the Bank's inclusive culture and broaden the Bank's appeal to a varied audience.

The Bank's recruitment efforts continued uninterrupted as the Bank implemented a hybrid work environment and the team continued to educate hiring managers, provide tools and resources, and sharpen the recruitment process. The team continued to participate in both in-person and virtual recruitment opportunities such as career fairs sponsored by Handshake for student recruitment and by the Sadie Collective targeting women in economics.

In 2022, the Bank welcomed 22 summer interns. The internship program was hybrid, with six fully remote interns. The class size of 22 students was three larger than previous year's class of 19 because of business-line demand. The number and percentage of female interns was higher than last year's, as well. In the previous year, there were eight female interns (42 percent), and this year there were 14 (64 percent). The program is open to both undergraduate and graduate college students; however, the majority of the interns were undergraduates, and only two interns were graduate students. Forty-five percent (10) identified as racial minority, a percentage which is consistent with the previous year's.

The team extended two offers to rising seniors conditional on their graduation in December 2022. Additionally, one racial minority intern and three female interns extended their employment throughout their school year on an hourly basis.

## Internship Hiring

Year	Total	Minority	Female
2018	16	5 (31%)	3 (19%)
2019	20	6 (30%)	8 (40%)
2020	19	7 (37%)	9 (47%)
2021	19	9 (47%)	8 (42%)
<b>2022</b>	<b>22</b>	<b>10 (45%)</b>	<b>14 (64%)</b>

Source: Human Resources Information Systems Taleo and Workday

Notes: Women of color are included in both Minority and Female categories. The number of interns each year is based on the Bank's business needs.

## Challenges

In 2022, the Bank continued to compete for top talent who possess niche skills, such as software developers and cybersecurity experts, in a highly competitive and evolving market.

The Bank aspires to effect greater racial minority representation in its workforce and leadership roles to reflect the communities the Bank serves in the Fourth Federal Reserve District. Our objective is to have a more diverse, equitable, and inclusive workforce that will ensure that all employees have opportunities to advance in their careers. This can be accomplished by engaging with external organizations to increase the number of racial minority candidates via sourcing passive candidates, continuing to market the Bank's value proposition to expand its reach and to drive interest among racial minority candidate groups, and attracting new talent by proactively leveraging competitive market intelligence to drive a robust racial minority pipeline.

## **Next Steps**

Bank leadership is seeking additional ways in which to incorporate internal resources, including developing a more intentional and strategic way to partner with the Bank's resource network groups (RNGs) to explore additional avenues to further diversify candidate pools. The team will continue to leverage opportunities to raise awareness of the Bank's brand through networking, particularly through participation in professional conferences.

Additionally, the team will continue to have a talent development objective for 2023. This objective furthers the Bank's diversity and inclusion (D&I) efforts by connecting racial minority employees with opportunities for growth within the Bank. The objective also expands the Bank's ongoing work on talent acquisition and retention across functions.

The team will continue to strategically target internal and external recruiting efforts and serve as strategic, influential partners with scalable solutions to align with business needs. Externally, the team will continue to realize a continually updated presence on the Bank's external website, the Muse, and LinkedIn to establish and track racial minorities for talent pools and hiring in order to deepen the Bank's understanding of business needs and to use available opportunities for broader geographic reach.

## **Talent Conversations**

The team has supported racial minority talent through conversations with employees. Through quarterly workforce planning and reporting, the team has highlighted specific resources, capabilities, and opportunities to further more equitable workforce growth and development. In alignment with succession planning efforts, the team evaluated and continued to focus the scope of materials to integrate data relative to racial minority talent and to influence talent actions.

The team partnered strategically and proactively with leaders to mitigate employee turnover by identifying potential turnover risk through stay interviews, semi-structured, one-on-one conversations between an employee and manager designed to assess and ultimately improve employee engagement and retention. During these conversations, employees were invited to share information about their experiences within the organization. People leaders implemented periodic check-ins with individual team members as a long-term retention strategy.

## Minority- and Women-Owned Business Inclusion

### Successes

The Bank closely partnered with the Greater Cleveland Partnership (GCP) on its CommitCLE program, a Northeast Ohio initiative for which 18 Northeast Ohio organizations have committed to focusing on minority-owned business enterprises (MBEs) in two ways: increasing spend with MBEs and formally mentoring MBEs. The Bank focused on increasing spend with MBEs and grew its MBE spend by \$1.74 million over that in 2021. While the total percentage and number of contracts with MBE suppliers was lower than those in 2021, the Bank increased its total MBE spend with MBE suppliers already under contract with the Bank.

The Bank also increased its year-over-year total reportable spend with women-owned business enterprises (WBEs). In 2022, the Bank's total reportable spend with WBEs was 12.44 percent, up from 10.93 percent in 2021.

In 2022, the Bank had a total reportable spend of \$68,907,870.25. Of this total, \$16,536,221.29, or nearly 24.0 percent, was spent with minority- and women-owned business enterprises (M/WBEs). The Bank had eight request for proposals; of these opportunities, an M/WBE was included in all eight opportunities, or 100 percent. From these opportunities, five contracts, or 62.5 percent, were awarded to either an MBE or a WBE.

The top five categories for contracts awarded in 2022 are consulting services, software, construction services, armored cars, and food services. The top five categories for spend in 2022 were general construction, staff augmentation, housekeeping services, consulting services, and food services.

The Bank continued reporting tier II diverse spend for contracts of more than \$100,000 in order to establish a more comprehensive view of the Bank's diverse spend. For 2022, tier II spend, reported by majority vendors, totaled \$2,194,584.47. Tier II spend, defined as the amount spent on a majority company's subcontracting with an MBE or a WBE, serves as an enhancement to the Bank's existing efforts to increase meaningful opportunities for M/WBEs to promote economic growth in the District. Further, language is included in the Bank's requests for proposals that addresses the integration of tier II suppliers and the responsibility of the tier I supplier in this regard if awarded the contract.

As part of the Bank's commitment to increasing opportunities for M/WBEs, the Bank includes a deliberate step in its procurement process for the inclusion of diverse suppliers in opportunities requiring a request for a quote or proposal. To build relationships and deepen the Bank's database of M/WBEs, the Bank invites groups to network with and provide capability presentations to representatives from various areas of the Bank. Additionally, representatives from the Bank routinely participate in local community-based events whose audiences comprise primarily M/WBEs in order to increase networking opportunities. The Bank has developed active relationships with the GCP, a division of the local chamber of commerce that focuses on inclusion of minority businesses in the Cleveland regional economy; the Presidents' Council, a regional network that supports African American and Black entrepreneurs; the Ohio Minority Supplier Development Council; the Women's Business Enterprise Council Ohio River Valley; the National LGBT Chamber of Commerce; and other local, regional, and national organizations that promote diverse business inclusion.

The Bank focused on four main areas in 2022: a supplier diversity mentoring program, robust marketing and communications plan, engagement with the Bank's RNGs, and enhanced reporting.

To drive successful results, the Bank concluded its inaugural cohort of the mentoring program. The first cohort comprised MBEs whose mentoring focus was on access to capital and assistance in responding to procurement opportunities. The mentees were partnered with subject matter experts in the Bank who had the expertise to match their mentoring needs. The Bank collaborated with other Federal Reserve Districts to create a supplier diversity mentoring framework that can be used across the System. The Bank commenced the second cohort of the mentoring program in the latter half of 2022 that is expected to conclude during the third quarter of 2023.

### Total Reportable Spend and Percent of Diverse Spend

Millions of Dollars	2018	2019	2020	2021	2022
Total Reportable Spend	\$36.5M	\$35.0M	\$51.3M	\$55.1M	\$68.9M
\$ Diverse Spend	\$5.5M	\$7.6M	\$10.6M	\$12.2M	\$16.5M
% Diverse Spend	15.1%	21.6%	20.7%	22.2%	24.0%

Source: National Procurement Office Spend Models 2018-2022

Note: Percentages are rounded to the nearest tenth.

The Bank's procurement services and internal communications staff partnered to develop a marketing and communications plan for supplier diversity. The team developed intentional messages to Bank employees to showcase M/WBEs with which the Bank does business. Through these efforts, the Bank shared with employees the Bank's key successes with diverse suppliers and the overall diverse spend percentage.

To continue to cultivate and sustain deeper relationships with M/WBEs, the Bank engaged with RNGs to assist in the sourcing of diverse suppliers. In 2022, a supplier diversity information card was developed by the communications team to share at networking events in order to increase the registration of diverse suppliers at the Bank. The Bank hosts introductory meetings to introduce diverse suppliers to key internal stakeholders in an effort to market suppliers' capabilities. The Bank also participates in vendor outreach events to actively pursue diverse suppliers for inclusion in upcoming procurement opportunities. The Bank's cultivating these relationships has resulted in an increase in diverse suppliers' responses to procurement opportunities. The request for proposals response rate for diverse suppliers in 2022 was 62.5 percent.

The Bank also has made strides in ensuring that internal stakeholders focus on and remain accountable for supplier diversity. In 2022, executive leadership established a diverse spend objective and an inclusion objective to increase focus on and accountability for supplier diversity. The Bank continues to enhance its supplier diversity dashboard that allows executive leadership visibility in diverse spend, diverse contracts, and future contract opportunities for each department of the Bank. The Bank continues to share the dashboard metrics with executive leadership in order to determine opportunities to increase the Bank's supplier diversity impact.

## **Challenges**

While the Bank has made some strides in supplier diversity, the team continues to increase its efforts to identify and engage diverse suppliers for specialized commodities and services. In doing so, the Bank continues to face challenges in identifying diverse suppliers for niche services such as elevator maintenance and specialized software development. The Bank's attendance at supplier diversity conferences and networking events assists in the identification of diverse suppliers in niche markets. Additionally, requiring prime contractors to report on their tier II diverse suppliers identifies suppliers with whom the Bank might do business directly. The Bank is currently working to mitigate challenges with diverse suppliers to ensure they are properly enabled in the Bank's enterprise resource program. The Bank continues to work with suppliers to ensure suppliers are receiving the proper technology support.

The team continues to schedule introductory meetings with suppliers before a solicitation for a bid, meetings during which the team is able to provide an overview of the Bank and the upcoming opportunity and to learn more about suppliers' capabilities. The results have allowed the Bank to improve its inclusion rate overall. The Bank will use the information from this outreach to enhance the procurement process and to maintain the inclusion rate of diverse suppliers in the Bank's 2023 procurement opportunities.

## **Next Steps**

The Bank will continue its efforts to educate suppliers on conducting business with the Bank, building on existing efforts to engage effectively in communication to enhance internal and external stakeholders' awareness of the value of supplier diversity. The Bank will continue to partner with the GCP to communicate procurement opportunities to diverse suppliers via the GCP Inclusion Marketplace online portal in order to increase inclusion with diverse suppliers in the procurement process. Additionally, enhanced internal reporting that establishes a quantitative objective baseline on M/WBE spend will be implemented for executive leadership and will subsequently position the Bank to have a refreshed diverse supplier objective in 2023. The Bank will continue efforts to ensure that effective reporting is in place to monitor the overall participation of M/WBEs in the Bank's purchases of goods and services.

The Bank's procurement services and marketing staff will partner to launch a marketing plan to educate Bank employees and stakeholders about the importance of supplier diversity and how they can make an impact on the Bank's mission to ensure M/WBEs are well-represented within the Bank's supplier pool.

Lastly, the Bank will implement a refreshed 2023–2025 supplier diversity strategic plan by educating suppliers on how to do business with the Bank and by providing suppliers with technical assistance programs. The supplier diversity strategic plan will continue to serve as a roadmap for the Bank's efforts to enhance and increase its pool of diverse suppliers and related sourcing opportunities.

## Financial Education

### Successes

The Bank's financial education efforts collectively serve underrepresented communities in our region, with a particular focus on racial minority and low- and moderate-income (LMI) populations. The Bank's work in these areas enhances regional financial literacy. The Bank's community engagement work continues to extend the Bank's reach both within and beyond the walls of the institution through financial literacy programs and community development research and outreach. This work is accomplished through engagement with a variety of community-based organizations, education institutions, and other nonprofits for the purpose of promoting economic resilience and upward mobility among residents in the region's communities.

The Bank's education and outreach programs support economic self-empowerment, community engagement, and the public's increased understanding of the role of the Federal Reserve while also building relationships with nonprofit, civic, education, and business organizations that serve underrepresented communities. Paramount among the Bank's offerings are visits to the Cleveland Learning Center and Money Museum and the Cincinnati Learning Center and a variety of student programs and resources that encourage critical thinking and lifelong learning about topics such as personal finance, economics, college and career readiness, and science, technology, engineering, and math (STEM) careers. The education and museum outreach team continues to deliver hybrid program and field trip offerings throughout the Fourth District to diverse audiences.

The Bank continued its participation in the Saint Martin de Porres High School Corporate Work Study program and has extended its support of the Cristo Rey Network to support students in the Cincinnati, Ohio, region. The Corporate Work Study program teaches high school students the value of work and soft skills and about career options. Throughout the year-round program, students are placed in a rotational experience at either our main Cleveland office or the Cincinnati Branch, an experience which provides them exposure to various professions at the Federal Reserve Bank of Cleveland. Saint Martin de Porres High School is part of the Cristo Rey Network, which was established in 2004 to provide a college preparatory high school education to students who live at or below the federal poverty line. The Bank joins four other Reserve Banks and more than 130 Cleveland-area businesses and nonprofit organizations that support the program. As part of the Bank's participation in this program, staff also presented to more than 400 Saint Martin de Porres High School students information on careers at the Federal Reserve and on the Bank's internship program.

The Bank collaborated with Northern Kentucky University to conduct Danny Dollar Academy (DDA), a financial literacy program. The program reached a total of 5,500 fourth- and fifth-grade students in Ohio, Mississippi, Alabama, Massachusetts, New Jersey, Indiana, and Kentucky. DDA promotes financial literacy, civic responsibility, smart financial decisionmaking, and entrepreneurship through a curriculum that accompanies the children's book *Danny Dollar Millionaire Extraordinaire: The Lemonade Escapade*. As part of the program, participating schools received a suite of standards-aligned financial literacy and English language arts curricula and access to a series of videos that explain important financial literacy concepts; attended a virtual Q&A session with the book's author, Ty Jackson; and were invited to participate in an in-person author visit. The award-winning standards-aligned curriculum was developed by the Bank, which also hosted two author meet-and-greets, one in Cleveland and one in Cincinnati, with the book's author.

This year, the Bank concluded year one of a System initiative called the Fed Future Professionals Program (Fed Futures). Fed Futures is a professional development program for high school students that is designed to enhance students' interest in the fields of economics and finance. Through a scaffolded approach using a virtual platform, Fed Futures combines curricula and activities created by the System to provide skills development and training that familiarizes students with Federal Reserve economics- and finance-related career options from the beginning of their high school journey and prepares them for a four-year paid internship at a participating Reserve Bank beginning their sophomore year of high school. As part of the internship program, participating students receive mentoring and career development coaching throughout the school year and a paid summer job shadowing experience during each year of participation. Fed Futures will serve as a measurable tool to strategically use System programs and curricula to effectively develop a continually refreshed pool of qualified talent from majority-minority and LMI communities, preparing them for positions in economics or the financial industry. The first cohort is comprised of 11 students from the Fourth District. The successful reception received during its first year has led to a second and third cohort for 2022–2023, developing diverse members of the future workforce to be better prepared for careers available throughout the System.

The Bank facilitated several college and career readiness programs for middle and high school students. In collaboration with the Cleveland Public Library and the Bank's Real Estate Services Group, the Bank's education and museum outreach staff piloted a high school job shadowing program that exposed more than 100 students of color to career paths and internships available at the Bank. The program, which launched in summer 2022, allowed high school students from underserved communities and diverse backgrounds who are preparing to enter the workforce to experience professional opportunities primarily in the engineering and construction fields, with a guided overview led by employees at the Bank. The pilot program explores topics such as networking, professional development, skills building, and embracing of educational journeys. Students learned about hard and soft skills and about budgeting and basic credit essentials needed to begin navigating their adult lives. This program has garnered much attention from the Bank's collaborative partners throughout the Fourth District and will serve as a program blueprint as the Bank interacts with business partners and students in various areas going forward.

The Bank continued to host its annual STEM program, now rebranded YOU Make IT Better, reaching high school students throughout the Fourth District from majority-minority high schools and helping them to explore Bank careers in STEM fields. As part of this virtual offering, Bank staff with career backgrounds in STEM fields from the Information Technology, Information Security, Cash, and Treasury Services Departments guided students through hands-on activities and shared their experiences and expertise. Each activity was led by a Bank mentor or a volunteer from a collaborative institution in the Fourth District. The program's archival section using the Bank's YouTube channel was accompanied by a new job shadowing option, providing students a more in-depth mentoring session with Federal Reserve Bank staff. This addition was well received, offering a virtual networking component to the 187 students participating in the program. The program was conducted during the academic year, with 12 sessions taking place during the period covered in this report.

In 2021, the Bank collaborated with the Council for Economic Education to hold the National Personal Financial Challenge and the National Economics Challenge in a virtual setting, offering high school students the opportunity to build and demonstrate their financial knowledge. During the challenge, the Bank provided interactive professional development and financial literacy activities to participants. The Bank's president, Dr. Loretta J. Mester, continued her service on the board of the council during 2022 and will continue her service in 2023.

The Bank continued its year-long Student Board program, a personal and professional development program designed to help high school juniors and seniors transition successfully from high school to college or to a career. As part of the program, participating students had the opportunity to complete 12 of the 15 requirements for the Ohio Department of Education's OhioMeansJobs-Readiness seal. Throughout the year, students were presented a variety of topics, including career opportunities within the System, college life and student loans, employability skills, personal finance, entrepreneurship, community development, and economics. The Bank participated in the Clermont Chamber of Commerce Work Readiness Initiative, which provides opportunities for high school juniors and seniors to learn about careers at the Bank, and the United Way Unite for Teen Financial Literacy Day.

The Bank also hosted a research summer camp, a week-long, virtual event facilitated by research analysts from the Bank's Research Department and the education and museum outreach team. Seventeen high school students from the Fourth District and beyond had an opportunity to learn how to conduct research and produce their findings using the same methods of a professional economist. This summer's program matched students with economists who shared their educational and career experiences. The program culminated in students' presenting their research findings to their peers and Bank staff. This program continues to be the only one of its kind within the System. Post-program ratings continue to rise; for 2022, students rated their total experience a 4.4 on a 5-point scale, a 0.2 point increase from students' average ratings in 2021.

Bank staff also participated in regional National History Day competitions in Cincinnati and Cleveland, volunteered at the American Heart Association's STEM Goes Red day at Cleveland State University. The Bank hosted the Women in Economics Symposium on November 7, 2022, that aims to encourage high school and undergraduate students to pursue a career in economics by discussing the successful career paths of diverse economics professionals and raising awareness of diversity and inclusion in the profession.



The Bank partnered with multiple additional organizations to carry out its student and educator programming in 2022:

- Collaborated with Northern Kentucky University and the University of Kentucky on the Econ Games, an event which provides undergraduate students the opportunity to solve real-world problems using data analytics and economic research
- Participated in the True2U mentoring program, based in Cleveland, for which employees provided yearlong mentoring to 30 eighth-grade Cleveland Metropolitan School District students with the goal of helping them discover their strengths, explore careers, and make sound decisions for their future success
- Presented during the Columbus Public Schools school year launch, providing educators hands-on professional development and establishing new regional relationships
- Presented as part of Eastern Kentucky University teacher workshop providing hands on resources and activities on personal finance topics to more than 30 educators
- Presented as part of the H. Kenneth Barker Center for Economic Education financial literacy workshop, providing professional development to more than 30 educators
- Provided professional insights to more than 50 student finalists at the Akron Public Schools robotics competition
- Participated, through the University of Cincinnati Alpaugh Family Economics Center, in the Susan Sargen Student Enterprise Program, a nationally recognized program that teaches elementary students about entrepreneurship, critical thinking, and financial literacy through an onsite school store, classroom business, and market day facilitated in collaboration with these additional regional and national organizations:
  - Akron Public Schools
  - Cleveland Metropolitan School District
  - Educational Service Center of Central Ohio
  - Educational Service Center Northeast Ohio
  - H. Kenneth Barker Center for Economic Education
  - Jack and Jill of America, Inc.
  - Kentucky Economic Association
  - National Association of Economic Educators
  - Northern Kentucky University
  - Ohio Council for the Social Studies
  - Barberton City School District
  - Citizens Bank
  - Ohio Department of Education
  - Pennsylvania Association of Family and Consumer Sciences
  - United Way of Greater Cincinnati
  - Upward Bound TRIO Program
  - Urban League of Greater Cleveland

Lastly, the Bank also collaborated with a System group to host an educator webinar as part of the Federal Reserve Education Institute's workshop group supporting educators nationwide.

## Next Steps

The Bank continues to expand its services to diverse audiences and to provide relevant educational programs and resources, ensuring that its programs and resources are aligned and coordinated consistently. A strategic plan to guide the Bank's education work has been developed.

## Community Development Research and Outreach

The Bank's community development work is aligned with the System's community development mission to advance the economic resilience and mobility of LMI people and communities by doing the following:

- Conducting research and analysis, collaborating with stakeholders, and building capacity within LMI communities
- Enhancing the public's understanding of the issues and opportunities associated with economic resilience and mobility
- Informing and influencing other core functions of the System

The economic health of the communities in the Bank's District, from large metropolitan centers to rural areas, is central to our strategy and work. Across these geographies, the Bank has three priority areas: economic and workforce development (access to good jobs), housing (access to quality and affordable housing), and small business (access to credit and capital). Each of these priorities has been reframed to better address the economic effects of the pandemic and racial inequities within and among communities.

Internally, the team remained committed to staff diversity. Externally, the team continued to set a high standard for incorporating views of a diverse population of community stakeholders in our economic research and engagement activities.

### Successes

- **Monitoring Conditions in LMI Communities.** The team continued its outreach to community contacts to help inform the Bank's research and Bank leadership about the lived experiences of LMI individuals, including but not limited to pandemic-related impacts. Topics which emerged included inflation, the threat of eviction, unemployment insurance, childcare impacts on the labor force, and the effects of stimulus funding on racial minority-owned and small businesses, among others.
- **Small Business Credit Survey (SBCS).** In 2022, the Bank entered its second year of leadership of this System initiative. The SBCS collects detailed information about small firms' financing needs, experiences, and outcomes, along with geographic information and demographic characteristics of business owners and is central to understanding how the smallest of firms, particularly those owned by people of color, are accessing credit, what the barriers to accessing credit are, and where there may be significant differences in access across geographies or populations.
- **Reinventing Our Communities Program.** In 2022, the Bank continued its engagement with Erie, Pennsylvania, and Dayton, Ohio, related to workforce capacity building through a lens of racial equity as part of a national System partnership with the Federal Reserve Bank of Philadelphia. The latter represents a broader network of rural workforce development systems interested in more effective, racially equitable workforce practices. Going forward, the team hopes to continue to broaden and deepen the Bank's work in local communities to encourage maximum employment and economic inclusion.

## Data and Research

Through its community-focused research, the Bank sheds light on some of the Fourth District's most pressing issues and provides credible, evidence-based support and solutions that aim to improve economic opportunity for people who live in the region and beyond. Wherever possible, data and trends are examined by race and ethnicity. Notable work in each of our priority areas for this period follows.

- **Small business.** As the System lead on small-business credit, the team collaborated with System colleagues to produce an internal report for Federal Reserve leadership about small-business conditions drawn from the 2021 survey data and to publish a series of public reports. Six publications were released in 2022: 1) a report on employer firms that examined the experiences of small businesses with employees (including women-owned businesses and data by state); 2) a report on firms owned by people of color that explored differences in experiences and funding outcomes by each business owner's race and ethnicity; 3) a report on hiring and worker retention that examined workforce issues during the pandemic; 4) a report on firms with no employees other than the owner(s) (nonemployer firms); 5) a report on the experiences of firms that sought credit from online lenders; and 6) a fact sheet on small businesses impacted by natural disasters.
- **Economic and workforce development.** With a continued focus on job access and upward mobility of workers, the team produced *Does Job Quality Affect Occupational Mobility*. This report examines how job quality affects a worker's occupational mobility over time and investigates if the pandemic has brought changes to the occupational mobility of workers, especially those in the lowest-quality jobs. The team also published two blog posts: "Increasing Broadband Access and Affordability: How the Affordable Connectivity Program Can Bridge the Digital Divide" and "When Benefits Cliffs Turn Raises into Penalties, Local and National Efforts Help Workers and Employers Navigate Options," which focuses on how eligibility thresholds can be barriers for workers as they move toward self-sufficiency. Lastly, the team partnered with United Way of Greater Cleveland on a summit related to social determinants of work.
- **Housing.** The team continued to develop and improve the home mortgage explorer tool that allows users to access mortgage lending by race, income, and loan purpose at various levels of geography to understand trends in mortgage lending over the past decade. The team is working with partners at other Reserve Banks to update the tool and make it more representative of the data at smaller geographies. In November, staff released *Home Mortgage Lending by Race and Income in a Time of Low Interest Rates: Examples from Select Counties in Kentucky, Ohio, and Pennsylvania from 2018 through 2021*, a report that examines home purchases and refinances through the lens of race and borrower income and offers a literature review of research on why households may not refinance despite low interest rates.

## Outreach and Engagement

The Bank convened key stakeholders from across the Fourth District on each of the topics listed above and others. The Bank fostered partnerships with community-based organizations, foundations, and local and state governments and agencies and shared findings and policy implications through publications and webinars, discussions with community leaders and policymakers, and conferences. Events and initiatives follow.

- **Community Reinvestment Act (CRA) Modernization.** The Notice of Proposed Rulemaking (NPR) on the CRA was released in May 2022 and represents an interagency approach to modernize the CRA, originally passed in 1977, and to ensure that LMI people and communities have access to financial services in the current lending environment. In response to the NPR, the Bank held outreach events related to the NPR with local community stakeholders in June and July. Community members represented banks, community development organizations, academia, and others. As part of ongoing engagement related to CRA, the team held a meeting with Community Reinvestment Act officers from 12 financial institutions in September to discuss the City of Cincinnati's financial empowerment programs.
- **Community Advisory Council.** The council comprises a varied set of stakeholders who represent organizations that support the economic interests of LMI and underserved communities throughout the Fourth District. The council is an avenue by which the Bank both shares its research and solicits feedback on local economic conditions and department priorities.
- **Small-Dollar Mortgage Initiative.** In June 2022, the Bank held a FedTalk to discuss the issue of small-dollar mortgages and best practices by several external stakeholders. This was a follow-up of a System effort, led in part by Bank staff, to better understand the demand for and volume of low-dollar mortgages across the country.
- **Worker Voice Project (WVP).** The Bank participated in the WVP, an effort which focuses on the experiences of lower-wage workers, particularly those who have switched careers, and asks about their considerations in seeking employment and their insights and perceptions about noncollege training, education, and workforce programs. It involves several Reserve Banks, and the first phase included a series of focus groups across the United States to gather information about worker experiences. In the second quarter of 2022, the Bank partnered with Cincinnati Works, Towards Employment, United Labor Agency, Per Scholas, the Greater Ohio Workforce Board, and the Area 14 Workforce Development Board to hold the first WVP listening session.
- **Digital Equity Training.** During the fall of 2022, the System, in partnership with the National Digital Inclusion Alliance, hosted a series of nine training events for state-level grant-administering entities to learn how to develop a plan for their states. The Bank held a digital equity workshop in partnership with the Federal Reserve Bank of St. Louis on November 1–2 in Louisville, Kentucky. The purpose of the training was to inform states of how to design a digital equity planning grant. Representatives from Ohio and Kentucky attended. Digital equity planning grants provide an opportunity for lower-income and marginalized communities to access funding resources.

As reflected in the above, the Bank maintained a close partnership with other Reserve Banks to collaborate on research, programming, and communications that are informed by our work locally and lift community issues and voices nationally. At the Bank level, community development staff partnered with other departments to develop and deliver programs such as FedTalk and CRA outreach; helped inform Bank president Dr. Loretta J. Mester's speeches and writing about a range of topics, including workforce development, benefits cliffs, and small-business issues; and contributed to the Bank's efforts to promote economic inclusion. At the System level, the Bank supported the planning and execution of the System's community development seminar series Toward an Inclusive Recovery, participated in work groups and learning communities, and partnered with Fed Communities.

## Challenges

While using existing resources to meet internal and external stakeholder demands remains a challenge for programming, the Bank is working to use resources most efficiently for greatest impact within its regional programming portfolio. To ensure the Bank continues to best meet audiences' needs, the team will continue to address challenges posed by rapidly changing technology, limited access to technology among some audiences, and the evolving education landscape.

The Bank's community development-focused staff grew in 2022 in response to increased need to understand trends and issues facing LMI communities and particularly people of color. The Bank remains focused on balancing its recent community development staff growth with a steady and clear vision that keeps LMI people at the center.

## Next Steps

Strategic planning for 2023–2026 is underway, with a focus on elevating workers' voices, being aligned with the Bank's economic inclusion strategies, and having more consistent, sophisticated mechanisms for gathering quantitative and qualitative data on how LMI people in the Fourth District are faring.

The Bank also continues to expand its audience reach. A strategic plan to guide the Bank's community outreach and research work has been developed. The plan aims to accelerate efforts and to continue addressing the community's needs given the pandemic. In doing so, the Bank has met with community stakeholders to determine the most effective ways to implement programming, including maintaining virtual programming.

Furthermore, the Bank has developed marketing plans to maximize awareness among stakeholders with whom the Bank would like to engage more meaningfully for community development efforts. The Bank will also place increased emphasis on the PEI to ensure the work adds to the Bank's collective understanding of challenges faced by LMI and racial minority individuals and communities and that it elevates potential solutions.

## Federal Reserve Bank of Cleveland Conclusion and Next Steps

### Minority and Women Employment

In 2022, the Bank made notable strides in workforce diversity. Advancing racial minority representation at all levels of the Bank's employment continuum remains a strategic area of focus, with a particular interest in retaining racial minority employees at the exempt professional level and fostering opportunities for engagement and advancement toward expanded responsibilities and leadership roles. The team will continue to concentrate efforts targeting critical talent segments, including top racial minority talent, and will continue to tie these efforts to establishing relationships, expanding awareness of the Bank's presence, and promoting the Bank's value proposition. The Bank has aligned dedicated resources to high schools, colleges, affinity groups, and other programs, with an emphasis on sourcing racially diverse talent.

With respect to retaining racial minority talent at the exempt professional level, the Bank will place additional attention on ensuring one-on-one and group conversations occur in 2023 in order to quickly address any tensions that exist and to ensure managers have and use the tools and resources available and demonstrate capabilities to manage a diverse workforce.

### Minority- and Women-Owned Business Inclusion

The Bank remains committed to increasing opportunities for M/WBEs to participate in the provision of goods and services to the Bank and its peers in the System. In 2023, the Bank will continue its efforts to expand the network of prospective diverse suppliers and to educate suppliers on how to conduct business with the Bank. The Bank will implement more ambitious community outreach events to strengthen the Bank's supplier diversity program.

Also, in 2023, the Bank will focus on providing two things: effective communication to enhance stakeholder awareness about the value of supplier diversity and reporting to monitor the overall participation of diverse suppliers in the Bank's procurement program. The Strategic Supplier Diversity Plan will continue to serve as a roadmap for enhancing and increasing the pool of diverse suppliers and related sourcing opportunities.

### Financial Education for Underrepresented Communities

The Bank continues to review its outreach efforts internally and externally to ensure coordination and alignment. We work to identify opportunities for which the Bank can expand its services to diverse audiences, provide relevant educational programs and resources, and ensure that the Bank's programs and resources are consistently aligned to community needs.

For financial education in particular, the Bank continues to stay responsive to the change in state graduation requirements and new personal finance and career-readiness education standards. The Bank also continues to expand its audience reach, with a focus on northeastern, central, and southwestern Ohio and Pittsburgh, Pennsylvania. The Bank's commitment to providing effective and efficient mentoring and financial education to students remains strong. As part of this commitment, the Bank regularly evaluates the effectiveness of its programming and makes adjustments as appropriate. The additional resource at the Cincinnati Branch and expanded Pittsburgh and central Ohio outreach have increased the regional impact of this programming and broadened the Bank's audience.

### Outreach in Underrepresented Communities

Community development staff will continue to advance the Bank's diversity, equity, and inclusion goals using a three-pronged approach. The team will continue to monitor and assess economic trends in LMI communities—with particular attention paid to communities of color—identify and elevate policy-relevant issues related to its three priority areas, and undertake key initiatives that leverage the Federal Reserve's distinctive reputation and capabilities. To help ensure these efforts are a success, Bank staff will operate in nimble teams in which research and outreach staff continually collaborate, use research and data to guide decisionmaking, continually apply the Bank's core values and the System's racial equity principles, and focus on delivering meaningful and measurable impact for LMI communities.

## ABBREVIATIONS USED IN THIS REPORT

<b>Bank</b>	Federal Reserve Bank of Cleveland
<b>Board</b>	Board of Governors of the Federal Reserve System
<b>CRA</b>	Community Reinvestment Act
<b>D&amp;I</b>	Diversity and inclusion
<b>DDA</b>	Danny Dollar Academy
<b>DEIO</b>	Diversity, equity, inclusion, and opportunity
<b>Fed Futures</b>	Fed Future Professionals Program
<b>FedU</b>	FedUniversity
<b>Fourth District</b>	Fourth Federal Reserve District (served by the Federal Reserve Bank of Cleveland)
<b>GCP</b>	Greater Cleveland Partnership
<b>LMI</b>	Low- and moderate-income
<b>M/WBEs</b>	Minority- and women-owned business enterprises
<b>MBE</b>	Minority-owned business enterprise
<b>NMSDC</b>	National Minority Supplier Development Council
<b>NPO</b>	National Procurement Office
<b>NPR</b>	Notice of Proposed Rulemaking
<b>OMWI</b>	Office of Minority and Women Inclusion
<b>PEI</b>	Program on Economic Inclusion
<b>RNG</b>	Resource network group
<b>SBCS</b>	Small Business Credit Survey
<b>STEM</b>	Science, technology, engineering, and math
<b>System</b>	Federal Reserve System
<b>WBE</b>	Women-owned business enterprise

## APPENDIX A

### 2022 Federal Reserve Bank of Cleveland Core OMWI Metrics

Workforce Diversity, 2018–2022											
Description	Measure	2018	2019	2020	2021	2022					
	Total	#	12	#	13	#	13	#	11	#	10
Senior executives	Minorities	%	8	%	23	%	23	%	27	%	30
	Women	%	42	%	38	%	38	%	36	%	40
	Total	#	186	#	177	#	196	#	223	#	234
Midlevel managers	Minorities	%	17	%	19	%	20	%	25	%	24
	Women	%	41	%	42	%	44	%	46	%	46
	Total	#	575	#	603	#	665	#	716	#	706
Professionals	Minorities	%	22	%	22	%	23	%	25	%	28
	Women	%	43	%	44	%	44	%	44	%	44
	Total	#	88	#	91	#	127	#	166	#	144
Total external hires	Minorities	%	34	%	33	%	35	%	38	%	46
	Women	%	45	%	41	%	41	%	44	%	43
	Total	#	16	#	20	#	19	#	19	#	22
Total interns	Minorities	%	31	%	30	%	37	%	47	%	45
	Women	%	19	%	40	%	47	%	42	%	64
Overall Bank turnover rate		%	8.4	%	9.7	%	4.3	%	8.6	%	9.9

Note: The data incorporated within this section of the template are based on the total workforce (women and men) as of December 31.

Excludes contract workers, hourly workers, and interns.

Supplier Diversity Spend, 2018–2022						
Description	Measure	2018	2019	2020	2021	2022
Total reportable spend	\$ (mil)	36.49	35.03	51.29	55.12	68.91
Total diverse spend <sup>1</sup>	\$ (mil)	5.51	7.56	10.64	12.25	16.54
	%	15.1	21.6	20.7	22.2	24.0
Minority-owned <sup>2</sup>	\$ (mil)	2.24	3.51	3.72	6.23	7.97
	%	6.1	10.0	7.2	11.3	11.6
Men	\$ (mil)	2.04	3.12	3.14	5.78	7.91
	%	5.6	8.9	6.1	10.5	11.5
Women	\$ (mil)	0.20	0.39	0.58	0.44	0.05
	%	0.6	1.1	1.1	0.8	0.1
Women-owned <sup>3</sup>	\$ (mil)	3.27	4.04	6.92	6.02	8.62
	%	9.0	11.5	13.5	10.9	12.5
Nonminorities	\$ (mil)	3.27	4.04	6.34	6.02	8.57
	%	9.0	11.5	12.4	10.9	12.4
Minorities	\$ (mil)	0.20	0.39	0.58	0.44	0.05
	%	0.6	1.1	1.1	0.8	0.1

Note: Dollars and percent figures by demographics are provided by the Federal Reserve System's National Procurement Office.

<sup>1</sup> Total Diverse Spend = minority-owned (men) + minority-owned (women) + women-owned (nonminority).

<sup>2</sup> Women-minority numbers are included in both minority-owned and women-owned totals.

Financial Literacy <sup>1</sup>	
Program type	2022
Teacher-centric (10), student-centric (35), hybrid (6)	51
Number of OMWI students reached in-person and online <sup>2</sup>	1,114
Number of OMWI educators reached in-person and online <sup>3</sup>	442
Number of OMWI students reached through educators <sup>4</sup>	33,150

<sup>1</sup> Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus.

<sup>2</sup> Students who attended in-person programs and enrolled in online programs.

<sup>3</sup> Educators who attended in-person programs and enrolled in online professional development programs.

<sup>4</sup> Students reached through educators using a common multiplier of 75.



**APPENDIX A**

**Federal Reserve Bank of Cleveland – Bank and Branch Directors as of January 1, 2023<sup>1</sup>**

Director Categories		Current Directors <sup>2</sup>			RACE   ETHNICITY													
		All			Hispanic or Latino		Non-Hispanic or Latino											
					M	F	White	Black or African American	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaska Native	Two or More Races						
All	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F		
<b>Reserve Bank Directors</b>																		
Class A (Total Positions 3)	Total	3	2	1			2	1										
	Percent	100%	67%	33%			67%	33%										
Class B (Total Positions 3)	Total	2		2				1		1								
	Percent	100%		100%				50%		50%								
Class C (Total Positions 3)	Total	3		3		1		1		1								
	Percent	100%		100%		33%		33%		33%								
<b>Branch Directors</b>																		
Branch Directors, Appointed by Reserve Bank (Total Positions 8)	Total	8	6	2	1		2	1	2	1	1							
	Percent	100%	75%	25%	13%		25%	13%	25%	13%	13%							
Branch Directors, Appointed by Board of Governors (Total Positions 6)	Total	6	3	3			1	2	1	1	1							
	Percent	100%	50%	50%			17%	33%	17%	17%	17%							
<b>All Reserve Bank Directors (Total Positions 8)</b>																		
Total	8	2	6		1	2	3		2									
Percent	100% <sup>3</sup>	25%	75%		11%	25%	38%		25%									
<b>All Branch Directors (Total Positions 14)</b>																		
Total	14	9	5	1		3	3	3	2	2								
Percent	100%	64%	36%	7%		21%	21%	21%	14%	14%								
<b>All Reserve Bank and Branch Directors (Total Positions 22)</b>																		
Total	22	11	11	1	1	5	6	3	4	2								
Percent	100%	50%	50%	5%	5%	23%	27%	14%	18%	9%								

**M** Male representation      **F** Female representation

1. Note: Reserve Bank directors are elected or appointed to three-year, staggered terms (see <https://www.federalreserve.gov/aboutthefed/directors/about.htm> for more information). This report includes directors who were appointed or elected in 2022 to terms that began on January 1, 2023, as well as directors who are currently serving in existing terms. Currently, there is one Class B vacancy on the Cleveland Reserve Bank board, and all directors opted to self-identify their gender and race/ethnicity.

2. Directors are given the option to self-identify their race/ethnicity.

**APPENDIX B**

**2022 Federal Reserve Bank of Cleveland Employer Information Report**

Job Categories	Male Representation							Female Representation							Total
	Hispanic	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	Native American	Two or More Races	Hispanic	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	Native American	Two or More Races	
Executive/ Sr. Officials & Mgrs.		5	1						2	2					10
		50.0%	10.0%						20.0%	20.0%					100.0%
First/Mid Officials & Mgrs.	3	105	12		5		1	1	73	22		10		2	234
	1.3%	44.9%	5.1%		2.1%		0.4%	0.4%	31.2%	9.4%		4.3%		0.9%	100%
Professionals	16	303	31	1	33		8	17	207	57		28		5	706
	2.3%	42.9%	4.4%	0.1%	4.7%		1.1%	2.4%	29.3%	8.1%		4.0%		0.7%	100.0%
Technicians		3	1												4
		75.0%	25.0%												100%
Administrative Support		4	2		1			1	11	8		1			28
		14.3%	7.1%		3.6%			3.6%	39.3%	28.6%		3.6%			100.0%
Craft Workers		21													21
		100%													100%
Operatives	2	15	4					1	15	9				1	47
	4.3%	31.9%	8.5%					2.1%	31.9%	19.1%				2.1%	100.0%
Laborers & Helpers		1	4												5
		20.0%	80.0%												100%
Service Workers	3	35	8	1		1			5	2					55
	5.5%	63.6%	14.5%	1.8%		1.8%			9.1%	3.6%					100.0%
Grand Total	24	492	63	2	39	1	9	20	313	100		39		8	1,110
	2.2%	44.3%	5.7%	0.2%	3.5%	0.1%	0.8%	1.8%	28.2%	9.0%		3.5%		0.7%	100%

Dates of Payroll Period: 12/16/2022 through 12/31/2022

Certification Date: The 2022 EEO-1 Component 1 data collection is tentatively scheduled to open mid-July 2023. The tentative deadline to file the 2022 EEO-1 Component 1 Report has not been released.

## APPENDIX C

### Procurement Spend, Five-Year Trend

	Fiscal Year/Calendar Year				
	2018	2019	2020	2021	2022
TOTAL SPEND	\$ 36,488,948	\$ 35,026,891	\$ 51,287,282	\$ 55,119,032	\$ 68,907,870
Minority-owned	\$ 2,241,573 % 6.14	\$ 3,513,908 % 10.03	\$ 3,717,573 % 7.25	\$ 6,225,317 % 11.29	\$ 7,965,366 % 11.56
Women-owned	\$ 3,266,269 % 8.95	\$ 4,044,789 % 11.55	\$ 6,917,469 % 13.49	\$ 6,022,975 % 10.93	\$ 8,570,855 % 12.44
Both minority-owned and women-owned	\$ 5,507,842 % 15.09	\$ 7,558,697 % 21.58	\$ 10,635,042 % 20.74	\$ 12,248,292 % 22.22	\$ 16,536,221 % 23.99

#### Ethnicity Spend Breakdown for MBE — Reported in Thousands

	Asian American	Black or African American	Hispanic or Latino	Native American Indian	Unknown Ethnicity
2022	\$ 4,480,694 % 6.50	\$ 2,677,472 % 3.89	\$ 300,584 % 0.44	\$ 0 % 0.00	\$ 506,616 % 0.74

# FEDERAL RESERVE BANK *of* CLEVELAND

Inquiries concerning this report should be directed to **OMWI@clev.frb.org**.

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