



REPORT TO CONGRESS

Office of Minority and Women Inclusion Annual Report 2023



March 2024

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM



The Federal Reserve System is the central bank of the United States. It performs five key functions to promote the effective operation of the U.S. economy and, more generally, the public interest.

The Federal Reserve

- **conducts the nation's monetary policy** to promote maximum employment and stable prices in the U.S. economy;
- **promotes the stability of the financial system** and seeks to minimize and contain systemic risks through active monitoring and engagement in the U.S. and abroad;
- **promotes the safety and soundness of individual financial institutions** and monitors their impact on the financial system as a whole;
- **fosters payment and settlement system safety and efficiency** through services to the banking industry and U.S. government that facilitate U.S.-dollar transactions and payments; and
- **promotes consumer protection and community development** through consumer-focused supervision and examination, research and analysis of emerging consumer issues and trends, community economic development activities, and administration of consumer laws and regulations.

To learn more about us, visit www.federalreserve.gov/aboutthefed.htm.

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Preface

The Board of Governors of the Federal Reserve System (Board) established an Office of Diversity and Inclusion (ODI) in January 2011 and renamed it the Office of Diversity, Equity, and Inclusion (ODEI) in 2022. ODEI, which includes the Office of Minority and Women Inclusion (OMWI), administers and directs the Board's Equal Employment Opportunity (EEO) compliance policies and the diversity, equity, and inclusion (DEI) programs. ODEI works to assess the Board's DEI policies, programs, and performance to determine progress and increase transparency. ODEI's ongoing efforts to foster an informed dialogue on diversity best practices include participation in EEO and DEI conferences and events held by professional organizations, financial industry groups, and the Equal Employment Opportunity Commission (EEOC) to address diversity, equity, and inclusion policies and practices.

OMWI, created under section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), established standards, procedures, and initiatives to foster fair inclusion of minorities, women, and minority-owned and women-owned businesses in all activities of the Board, including in procurement, insurance, and all types of contracts.¹ Additionally, OMWI performs assessments of diversity policies and practices of regulated entities. Sheila Clark is the chief diversity officer (CDO) and director of ODEI and OMWI at the Board.

More information about diversity and inclusion at the Board is available at <https://www.federalreserve.gov/aboutthefed/diversityinclusion.htm>.

¹ See <https://www.gpo.gov/fdsys/pkg/PLAW-111publ203/pdf/PLAW-111publ203.pdf>.

Overview

The Board is committed to fostering an inclusive workplace and diverse workforce, as well as to fostering diversity in our procurement practices and assessing diversity policies and practices of the institutions we regulate. The Board believes that diverse perspectives inspire the best ideas, decisionmaking, and—ultimately—service to the public.

As required by the Dodd-Frank Act, OMWI submits an annual report to Congress outlining actions, successes, and challenges. This is the Board's OMWI report for calendar-year 2023. Each Federal Reserve Bank OMWI also submits a separate report to Congress summarizing its efforts and achievements.

This report highlights the Board's successes and challenges in the following key areas:

- [equal employment](#) of minorities and women, as well as diversity and inclusion at the Board
- [inclusion of minority-owned and women-owned businesses](#) in the Board's acquisition process
- [financial literacy activities](#) aimed at minorities and women
- assessment of the [diversity policies and practices of regulated entities](#)

The appendixes of this report provide the Board's Employer Information EEO-1 Report (EEO-1 Report) for 2023 ([appendix A](#)); the combined Federal Reserve System (System) data for official staff demographics of the Board and Reserve Banks for 2022–23 ([appendix B](#)); the demographics of System boards of directors ([appendix C](#)); the total contract payments by the Board and Reserve Banks to minority- and women-owned businesses for 2022–23 ([appendix D](#)).

Equal Employment and Diversity, Equity, and Inclusion at the Board

The Board is committed to EEO in all aspects of employment and to fostering diversity, equity, and inclusion in the workplace. In support of this commitment, the Board has in place strategic objectives to attract, hire, develop, promote, and retain a highly skilled and diverse workforce.² Both the Board *Strategic Plan 2024–27* and the *Diversity, Equity, and Inclusion Strategic Plan 2022–25* reference EEO and DEI standards. The Board allocates significant resources to ensure the success of EEO and diversity and inclusion initiatives.

Equal Employment Opportunity

Section 342 of the Dodd-Frank Act charged the Board with responsibility for developing internal standards for EEO and the racial, ethnic, and gender diversity in the workforce and senior management of the agency. The Board's EEO Standards and Diversity, Equity, and Inclusion Standards are posted on the Board's website.³

EEO Standards at the Board

The standards for EEO at the Board are aligned with the EEOC's Management Directive 715 (MD-715) and Management Directive 110 (MD-110); the Notification and Federal Employee Anti-discrimination and Retaliation Act (No FEAR Act) of 2002, as amended by the Elijah E. Cummings Federal Employee Antidiscrimination Act of 2020; and the Board's Rules Regarding Equal Opportunity (12 C.F.R. part 268). Each of these is summarized below.

- MD-715 contains policy guidance and standards for establishing and maintaining an effective affirmative program for EEO.⁴
- MD-110 contains procedures that must be followed when processing complaints of discrimination filed by federal employees and by applicants for federal employment alleging employment discrimination.⁵

² See the Board's Strategic Plan 2020–23 at <https://www.federalreserve.gov/publications/files/2020-2023-gpra-strategic-plan.pdf>.

³ EEO Standards: <https://www.federalreserve.gov/aboutthefed/eeostandards.htm>; Diversity and Inclusion Standards: <https://www.federalreserve.gov/aboutthefed/dstandards.htm>.

⁴ See <https://www.eeoc.gov/federal/directives/md715.cfm>.

⁵ See <https://www.eeoc.gov/federal/directives/md110.cfm>.

- The No FEAR Act improves accountability for antidiscrimination and whistleblower protection.⁶ The Office of Personnel Management has implemented rules regarding the reporting and training requirements under the No FEAR Act.
- The Board’s Rules Regarding Equal Opportunity set forth the requirements and procedures relating to the Board’s policies to promote equal opportunity.⁷

The Board’s EEO program is based on the six essential elements of a “Model EEO Agency” identified by the EEOC: (1) leadership commitment, (2) integration of EEO into the agency’s strategic mission, (3) management and program accountability, (4) efficiency, (5) responsiveness and legal compliance, and (6) proactive prevention of discriminatory actions. These essential elements provide the framework to achieve the goal of a discrimination-free work environment, characterized by a culture of inclusion. Consistent with this objective, the Board regularly evaluates its commitment to prevent discrimination. As part of this self-assessment, workforce triggers are identified, and barrier analyses are conducted to identify where barriers may exist to potentially exclude certain groups. Action plans are developed to eliminate the identified barriers.

EEO Program Activities

In 2023, ODEI undertook many activities to promote EEO in the Board workforce, including but not limited to

- implementing a new case management database for the purpose of tracking, monitoring, and evaluating harassment complaints;
- posting the FY 2023 *Affirmative Employment Plan for Persons with Disabilities* on the Board’s website in a section 508-compliant format;
- updating three EEO policies—(1) Personal Assistance Services, (2) Time Off in Connection with Administrative EEO Complaints, and (3) Reasonable Accommodation;
- leveraging technology to improve the efficiency of EEO complaint processing;
- collaborating with the federal-sector EEO community to share and learn best practices and innovative approaches to advancing EEO programs;
- providing EEO-related consultancy and guidance to management officials on fair and equitable decisions and practices regarding performance ratings, promotions, awards, and leadership development programs;
- working with employees in clarifying employment policies and procedures;
- developing and delivering outreach and education initiatives; and

⁶ See <https://www.gpo.gov/fdsys/pkg/PLAW-107publ174/pdf/PLAW-107publ174.pdf>.

⁷ See <https://www.gpo.gov/fdsys/pkg/CFR-2013-title12-vol4/xml/CFR-2013-title12-vol4-part268.xml>.

- offering instructor-led training—“Civil Treatment Workplace for Leaders” and “Civil Treatment Workplace for Employees”—to provide leaders and staff with the tools and resources to appropriately respond to issues and problems they may encounter in the workplace.

Board leadership is committed to ensuring that EEO and DEI principles are integrated into the Board’s mission and practice. Demonstration of this commitment includes, but is not limited to, activities that help maintain an environment free from discrimination, harassment, and retaliation. For example, the Chair issues EEO and diversity statements reaffirming the Board’s commitment to promoting DEI and ensuring equal employment opportunity. The Board is dedicated to developing and maintaining a highly skilled, diverse, and engaged workforce to accomplish its mission. To that end, the EEO office and People, Strategy, and Operations (PSO), formerly Human Resources, continue their collective work on developing strategies for recruitment, promotion, and hiring that promote greater diversity and better outreach to groups that have been identified as being underrepresented in the Board’s workforce. The CDO participates in recurring strategic activities to provide insight and guidance regarding EEO and diversity and inclusion. Chief among these include interactions with the Executive Committee, the Senior Officer Committee, and other high-level meetings.

As part of its proactive prevention efforts, the Board publishes EEO policies covering harassment prevention and reasonable accommodation on its internal website. The Board also publishes information on the EEO complaint process through its EEO Policy Statement that is posted on its internal and public websites. EEO posters are placed in high-traffic areas in Board buildings and workspaces to provide employees with notice of their EEO rights and to highlight the 45-day period for contacting an EEO counselor or ODEI with a complaint. These policies are available on the Board’s internal website and are provided throughout the year to new employees during onboarding.

The CDO and the Board’s chief human capital officer (CHCO) meet throughout the year to discuss topics and issues of mutual interest to the Board. As a result of this collaborative relationship, the CDO and the CHCO have developed strategies to improve the agency’s work environment and advance the Board’s EEO, human capital, and DEI management priorities.

ODEI continues to work collaboratively throughout the Board to ensure that the agency remains in full compliance with all applicable EEO laws and regulations. In partnership with the Employee Relations section of the PSO, ODEI offers training to management and staff throughout the year to promote an inclusive workplace and works collaboratively with Employee Relations to address workplace concerns as they arise.

In addition to providing senior leaders with information and tools to address diversity, equity, and inclusion, ODEI and PSO continue to consult with leading national professional and research organizations, such as the Society for Human Resource Management, the Federal Interagency Diversity Partnership, Mercer Global, Gartner, the Conference Board, the Institute for Corporate Productivity, the NeuroLeadership Institute, and the Chief Diversity Officers Executive Council. Information obtained from these resources enables ODEI to provide input to Board management around leading practices and benchmarking against diversity and inclusion programs and activities.

ODEI administers a variety of programs to address discrimination and harassment, including integrating EEO and DEI into Board operations, managing the Board EEO complaints process, encouraging alternative dispute resolution, conducting an anti-harassment program, overseeing implementation of the Affirmative Action Plan for Persons with Disabilities of section 501 of the Rehabilitation Act of 1973, and providing guidance on reasonable accommodations.

ODEI also provides education and training to Board employees on a variety of DEI and EEO topics, including inclusive leadership, unconscious bias, civil treatment, and harassment, as well as administering the required biennial No FEAR Act training. In addition, the office continues to demonstrate a collaborative partnership across the agency with PSO, Employee Resource Groups (ERGs), and internal stakeholders to ensure the integration of EEO and DEI into the Board's strategic planning, policies, and practices.

In addition, ODEI works closely with various stakeholders to ensure that EEO policies and procedures are current and identify workplace barriers to equal employment.

The EEO program continues to foster positive relationships with Board employees, senior leaders, and managers. This effort includes assisting staff at all levels through coaching on workplace disputes and providing guidance to management officials on EEO workplace initiatives. This engagement helps position the EEO program as a proactive resource for employees, senior leaders, and managers.

The CDO has direct and regular access to the Board's Chair, Board members, and other senior leaders to provide substantive briefings on DEI and EEO matters and about the office's activities and accomplishments. Through these briefing sessions, the CDO ensures that the Chair and Board members remain informed of the development and implementation of potential strategies ODEI uses to address and correct EEO and DEI challenges. During these sessions and throughout the year, the CDO also presents any additional concerns that have been identified.

ODEI prepares EEO and diversity reports on behalf of the Board, including the *Annual EEO Plan and Program Status Report*, the *Annual Federal EEO Statistical Report on Discrimination Complaints*, and

the *Annual No FEAR Act Report to Congress*. ODEI also prepares an EEO-1 Report, which is published at <https://www.federalreserve.gov/aboutthefed/diversityinclusionrpt.htm>. The Board's 2023 EEO-1 Report is included in [appendix A](#) of this report.

Fostering a Diverse, Inclusive, and Equitable Workforce

Board leaders in 2023 continued to demonstrate their commitment to improving DEI at the agency by supporting the development of outreach and recruitment strategies that enhanced the Board's capacity to recruit, attract, develop, advance, and retain a high-performing workforce regardless of race, ethnicity, gender, or disability.

The Board continuously reviews and assesses its strategies and actions regarding recruitment, development, advancement, and retention of its workforce to ensure equity and inclusion. For example, the Board formulates quarterly analytical reports to closely monitor the hiring, promotion, development, and retention of staff. Highlights of the Board's 2022 and 2023 reported total workforce demographics are shown in [table 1](#), which reflects an increase in the minority and female workforce. The Board's total workforce in 2023 was 45 percent minority and 44 percent female. The overall minority workforce increased by a net of 83 employees, while the female workforce had a net increase of 51 employees from the period of 2022 to 2023.

Demographic	2022	2023	Change (number)
Gender			
Male	1,652	1,704	52
Female	1,277	1,328	51
Minority status			
Non-minority	1,640	1,660	20
Minority	1,289	1,372	83
Total employees	2,929	3,032	103
Note: Numbers do not include governors.			

The Board's EEO-1 Management categories are 1.1 Executive, Sr. Level Officers excluding governors (grade FR00); 1.2 Sr. Level Managers (grades FR-28 through FR-31); and 1.3 1st/Mid. Level Managers. Selected data for EEO-1 categories in 2023 are shown in [table 2](#), and the detailed EEO-1 Report is available in [appendix A](#).

The Board has been especially focused on diversifying our leadership in order to strengthen our organizational decisionmaking and to instill employee confidence that paths to advancement are available to all. While progress in some categories has been incremental, we continue to see forward progress in minority representation in the 1st/Mid. Level Managers category.

The percentage of minorities in the Executive, Sr. Level Officers category (excluding Board members) increased from 28 percent in 2022 to 29 percent in 2023. Females in this group remained unchanged from 2022 to 2023 at 39 percent. The percentage of minorities in the Sr. Level Man-

Demographic	EEO-1 categories											
	Exec., Sr. Level ¹		Sr. Level Manager		1st/Mid. Level Manager		Professionals		Admin. Support Workers		Service Workers	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender												
Male	165	61	193	53	56	67	1,127	54	10	18	109	88
Female	107	39	172	47	28	33	958	46	47	82	15	12
Minority status												
Non-minority	193	71	246	67	29	35	1,130	54	9	16	39	31
Minority	79	29	119	33	55	65	955	46	48	84	85	69
Total employees	272	-	365	-	84	-	2,085	-	57	-	124	-
¹ Does not include governors.												

agers category also remained unchanged at 33 percent in 2022 and 2023. Females continue to have strong representation in the Sr. Level Managers category and remained steady at 47 percent in 2022 and 2023. Minority representation in the 1st/Mid. Level Managers category is significant and saw an increase of 5 percentage points compared with 2022, from 60 percent minority representation to 65 percent. Female representation in the 1st/Mid. Level Managers category decreased from 34 percent in 2022 to 33 percent in 2023.

Recruitment and Retention

The Board recognizes that a work environment that attracts and retains top talent is essential to fulfilling our mission. The Board's Talent Acquisition team has been an integral part of supporting the DEI strategy to attract, develop, and retain talent of all backgrounds.

The Board has taken important steps to diversify our talent pools, including investing in diverse sourcing, implementing recruiting initiatives, and training hiring managers in inclusive hiring practices. The Board has undertaken a strategy that focuses on increasing meaningful interactions with students and early career talent by holding on-campus and virtual information sessions, attending career fairs, and conducting professional networking, resume, and interview prep, as well as individual mentorship sessions. Board Talent Acquisition professionals and Ambassadors have provided these sessions to students and alumni of historically Black colleges and universities (HBCUs), Hispanic-serving institutions (HSIs), and large research universities with large student body populations of women students in STEM majors. This same strategy has been employed with professional affinity organizations.

The Board's recruiting efforts continue to be focused on two candidate pools: entry-level candidates, including undergraduate and graduate students, and experienced hires. Each candidate

Table 3. Federal Reserve Board hiring statistics, 2023

Demographic	Internal hires		External hires (excluding Interns)		Interns ¹		Total hires	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender								
Male	88	52	167	52	73	55	328	53
Female	82	48	152	48	59	45	293	47
Minority status								
Non-minority	94	55	147	46	59	45	300	48
Minority	76	45	172	54	73	55	321	52
Total	170	-	319	-	132	-	621	-
Note: Includes all open positions filled in 2023. ¹ Interns are temporary employees.								

plays an important role in advancing diversity goals at all levels and providing a strong pipeline of future leaders.

In 2023, the Board filled 621 positions (table 3). Seventy-three percent of the positions, including 132 interns, were filled by new hires. Forty-seven percent of all positions filled were in the Board’s five major job families: attorney, computer professional, economist, financial analyst, and research assistant (RA). Among external non-intern hires, 54 percent were minorities, an increase of 5 percentage points from the previous year, and 48 percent were female, an increase of 7 percentage points from the previous year. Among interns, 55 percent were minorities, down 3 percentage points from the previous year. Female interns decreased 10 percentage points from 55 percent in 2022 to 45 percent in 2023.

The Board takes several steps to ensure that minorities and women are represented in the applicant and candidate pools for hires and promotions. These include using a variety of recruitment sources (box 1) to attract a diverse pool of well-qualified candidates, targeted outreach to colleges and universities that include HSIs and HBCUs, and a program that utilizes current staff as ambassadors at recruiting events and sessions. (For a discussion of efforts to recruit minority and women economists, see the “External Outreach and Recruitment Activities Targeting Minority and Women Economists” section of this report.)

Box 1. Federal Reserve Board Applicant Recruitment Sources, 2023

- Board website (Careers page)
- Career fairs
- College recruiting
- Community outreach
- Employee referral
- Internet job boards (Glassdoor, Indeed, LinkedIn)
- Professional associations
- Search firms
- Social media

The Board also offers internal training and career development options to help foster professional growth opportunities for existing staff.

To complement the use of traditional recruitment sources such as job boards, employee referrals, publications, search firms, and career fairs, the Board continued to make significant use of social media to attract diverse candidates, including

- ongoing contracting with LinkedIn to ensure all Board jobs are posted on that site;
- ongoing automatic dissemination of all Board positions to major aggregators, such as Indeed, Glassdoor, and Google Jobs; and
- ongoing promotion of the Board's open positions on social media.

In addition, the Board targeted career opportunities to several diverse audiences through a variety of means, including the following:

- ongoing contracting with eQuest Diversity Network, a service that disseminates the Board's job postings to a wide range of diversity and inclusion associations, schools, organizations, and job boards, with particular focus on the following communities:
 - minority groups (African American, Hispanic, Asian American, Native American, and others)
 - women
 - Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ+) individuals
 - veterans and wounded veterans
 - people with disabilities
 - seniors
- continued utilization of job boards and LinkedIn groups focused on professional affinity associations
- continued presence with the National Black MBA Association, National Society of Black Engineers, and Prospanica by posting all relevant vacancies on each association job board while also conducting direct sourcing of candidates via each associations' resume database
- an automated job posting feed to the LULAC-supported (League of United Latin American Citizens) hirelatinos.org career site
- continued utilization and development of a diversity sourcing and outreach database that lists professional organizations; student organizations; and local, state, and national affinity groups that Board employees are members of and/or maintain relationships with for the purposes of recruitment
- participation in
 - the National Association of Colleges and Employers *HBCU Summit VIP Roundtable Discussions* with HBCU career services

- the *Hispanic Serving Institutions Career Collaborative Webinar and Career Fair, Connecting with HSI Alumni and Meeting Us Where We Are*
- the *Careers and the Disabled Virtual Career Fair*, which brought industry and government together with people with disabilities in all career disciplines
- the annual *Prospanica Career Conference and Career Fair*, which included onsite interviews
- additional consortium and professional association career fairs including the *Sadie Collective Conference, Atlanta University Center Consortium Career Fair, Graduate Career Consortium Virtual Career Fair, Big 12 Virtual Career Fair, SEC & ACC Virtual Career Fair, and Women in Technology Career Fair*

The Board has continued to recruit directly from many different colleges and universities for both full-time employees and interns. With recruiting events returning to pre-pandemic norms, information sessions, career fair attendance, classroom Q&As, and on-campus interviews were conducted both in person and virtually.

Throughout 2023, the Board participated in 76 individual recruiting events, including 12 multi-school or professional association-related career fairs. The Board also engaged with 42 individual schools through campus events (both on campus and virtual), including 8 HBCUs and 14 HSIs. Seven of the schools, including 2 HBCUs and 3 HSIs, had two or more events hosted.

In addition, the Board continued to host virtual information sessions throughout the year. Using the web-based career services program Handshake and social media, the Talent Acquisition team was able to register students from 856 different colleges and universities in 2023, a significant increase from 395 schools in 2022. The schools engaged for these sessions included 45 HBCUs and 159 HSIs and reached an audience of 10,085 registrants. The Board's outreach efforts around the virtual information sessions have resulted in at least doubling in all areas tracked, including the total number of schools, as well as number of HBCUs, HSIs, and registrants since 2022.

The Board utilized Handshake and Symplicity Recruit to automate the job posting process with colleges and universities.⁸ The Board posted all entry-level and internship vacancy announcements to schools with relevant academic programs and a presence on the platforms. This permitted the Board to extend our job posting reach from 1,013 schools to 2,494 in 2023, located in all regions of the country—significantly improving campus engagement. Through these sourcing mechanisms, we were able to hire our third consecutive majority minority (55 percent) summer intern class. Minority females made up the highest percentage of summer intern hires (30 percent), an increase of 1 percent from last year.

⁸ Handshake is an online recruiting platform for college students and alumni. Symplicity Recruit is a recruiting tool for identifying college students with backgrounds that match the job requirements.

The Board continues to invest annually in strategic sourcing relationships and alliances to build the Board's brand and attract talent. The Board also hired multiple individuals who were originally identified through 45 partnerships with professional affinity associations that the Board engaged in 2023. [Box 2](#) lists a sample of the professional affinity organizations.

Box 2. Professional Organizations Targeted for Recruiting and Outreach by the Board in 2023

- Association of Latino Professionals For America
- American Association of Blacks in Energy
- American Association of People with Disabilities
- American Job Center (formerly DCWorks!)
- American Society of Hispanic Economists
- Asian American Executive Network
- Committee on the Status of Women in the Economics Profession
- Consortium for Citizens with Disabilities
- District of Columbia Office of Youth Programs/Passport to Work Program
- Financial Services Professionals
- Hispanic Association of Colleges and Universities
- Hispanic American Police Command Officers Association
- INROADS
- League of United Latin American Citizens/HireLatinos.org
- National Association of Asian American Professionals
- National Association of Asian MBAs
- National Association of Black Accountants
- National Association for Business Economics
- National Black MBA Association
- National Council on Disability
- National Organization of Black Law Enforcement Executives
- National Society of Black Engineers
- Prospanica—formerly NSHMBA
- Society of Women Engineers
- Veterans Hiring Program, U.S. Department of Veterans Affairs
- Women in Federal Law Enforcement
- Women in Technology DC

In 2023, the Board hired candidates representing 183 different colleges and universities, including 7 HBCUs and 25 HSIs. Of the 183 schools represented, 147 of them had engaged with outreach during the year (an increase of 30), including 6 HBCUs and 24 HSIs. Of the 147 schools, 72 were represented through two or more hires, including 3 HBCUs and 8 HSIs.

The Board's Talent Acquisition team continued leading the Board Ambassador Program in which employees represent the Board while attending professional networking engagements, campus recruiting/alumni events, and community outreach engagements. This program is designed to attract candidates by connecting them with Board employees from diverse backgrounds who represent a variety of job families. Ambassadors attended virtual recruiting events and information sessions and provided cultural insights about their work environment and experience at the Board. Throughout the year, 104 ambassadors representing 13 of the 15 Board divisions participated in 63 recruiting outreach programs. Many ambassadors participated in more than one event.

The Board also continued to offer its internal employee sessions "Effectively Hiring Top Talent without Bias" to increase awareness among hiring managers about unconscious bias in the hiring process and to create a positive, inclusive candidate experience. In 2023, in partnership with ODEI, a new key concept was added to the training to help identify opportunities for managers and panel members to eliminate bias from the before, during, and after interview stages of the overall process (utilizing the foundational strategies taught in the class).

"Conveying Your Best Self" training also continued throughout 2023 with three sessions offered. Talent Acquisition offers the training to help prepare internal employees of varying experience levels for the application and interview process within the Board. This training provides guidance to staff on resume and cover letter writing techniques as well as how to prepare for behavioral- and competency-based interviews. Talent Acquisition also continued offering mock interviews and resume review sessions in follow up.

Training, Mentoring, and Career Development

The Board recognizes that developing its workforce and leadership at all levels is critical to achieving its mission. To help realize this important goal, the Board continues to offer leadership programs for managers and officers to build the skills required to develop current and future Board leaders.

Our programs are designed to build a common understanding of the expectations of Board leaders and foster behaviors that strengthen the overall leadership at the Board. The Board's leadership development programs are critical given the central role that effective leadership plays in the Board's ability to achieve its mission.

- “Manager QuickStart,” an eight-session, cohort-based leadership development program, is designed to help new managers develop critical skills needed to be effective in their role. Four cohorts of the program were offered in 2023 with a total enrollment of 61 managers. Of the total, 25 participants (41 percent) were female and 21 (34 percent) were minorities.
- “Leading at the Board,” a cohort-based, multisession program for Board officers, focuses on three core areas: leading self, leading others, and leading the organization. In lieu of running a full program in 2023, two sessions of “Being an Effective Officer,” an abbreviated workshop derived from the “Leading at the Board” program content, were offered in 2023 with a total enrollment of 31 officers. Of the total, 16 participants (52 percent) were female and 10 (32 percent) were minorities.
- “Living Leadership,” a series of virtual leadership discussions, was launched in 2023. Designed to provide cross-divisional opportunities for sharing best practices in order to help Board leaders leverage and expand their leadership tools and resources, the discussions focused on topics such as leading inclusive, hybrid meetings and effective feedback. Both the abbreviated workshops (“Being an Effective Officer”) and the “Living Leadership” series expanded opportunities for participation in the Board’s leadership programs in 2023. The Board’s leadership programs receive consistently high ratings from participants for supporting their development as leaders.
- The Executive Coaching Program provides a collaborative, individualized learning opportunity for Board leaders to focus on their current and/or next role development in a manner that builds competencies necessary for the Board to achieve its strategic objectives. In 2023, the Board continued the Executive Coaching Program and provided this development opportunity to 151 officers, managers, and senior-level staff. Of the total, 93 participants (62 percent) were female and 50 (33 percent) were minorities.

Additional courses supporting professional and leadership development were provided to employees through the Board’s core curriculum. Virtual courses, such as “Building Trust and Respect in the Workplace” and “EQ: Emotional Intelligence” were also offered to support the Board’s efforts to foster an inclusive workplace. In addition to programs and courses targeted to managers and officers, the Board offers several professional development programs for Board and System staff that help advance diversity and inclusion:

- **Boardwide Mentoring Program.** After a successful pilot in 2022, the Board’s Mentoring Program hosted a second speed mentoring event in 2023, with an emphasis on supporting mentees in their goals related to building collaborative relationships, effective communication, and leadership skills. Through cross-divisional relationships, mentees were matched with three separate mentors to discuss their development goals at a half-day event. This approach enabled mentees to gain multiple perspectives and best practices from different mentors in a short period. Focal topics for speed mentoring included collaboration, building relationships, communication, and leading others; 32 mentors and 29 mentees participated. Among mentors, 23 (71 percent)

were female and 10 (31 percent) were minorities. Among mentees, 19 (65 percent) were female and 14 (48 percent) were minorities.

- **System Leadership Initiative (SLI) programs.** SLI is a suite of leadership development conferences and rotational developmental opportunities that are available to employees across the System. As noted below, there are four tiers of leadership development offered through SLI's programs and one rotational program.
 - **Thrive:** This annual conference exposes selected managers and/or new officers to the challenges and realities of leading in the System and helps them develop the capabilities needed to lead in a dynamic environment. In 2023, 13 Board leaders participated in the Systemwide conferences, which were held as two separate academies in March and June. The cohort continues to meet through midyear 2024. Of the 13 participants, 4 (30 percent) were female and 3 (23 percent) were minority female. Two cohorts are scheduled for 2024.
 - **Trailblazers:** This conference exposes officers to leadership competencies such as influencing decisionmaking. It also helps them develop their skills to more effectively lead within their functions, develop a broader perspective on Reserve Bank District and System strategies that they are asked to support, and build networks with peers and senior leaders.
 - **System Leadership Conference (SLC):** This highly immersive program for high-potential, strong-performing, influential officers features a combination of case studies, academic experts, and dialogue with other System leaders. The program was reinstated in 2022.
 - **Navigate:** Navigate is a fully virtual program created for System leaders to gain exposure to System executives. The program comprises thoughtfully curated content and opportunities for experiential learning that includes connecting with System colleagues. It integrates technology with the latest thinking in learning and leadership so leaders can gain timely, applicable, and inspirational leadership insights.
- **System Leadership Exchange (SLE):** This rotational program, which is open to all System staff, supports job shadowing, critical work assignments, customized knowledge development, and advisory role opportunities. SLE opportunities are unique in nearly every aspect (location, subject matter, time commitment, duration, etc.) and promote workforce and development efforts that help improve the strength and diversity of the System's talent. In 2023, 11 Board employees participated in the SLE. Of the 11 participants, 4 (36 percent) were female and 3 (27 percent) were minorities.
- **LinkedIn Learning:** The Board subscribes to LinkedIn Learning to give employees access to courses and videos taught by industry experts on topics like business, leadership, technology, and personal development. Employees can receive course recommendations based on their stated goals.
- **Rotational Assignments:** The Board also offered several rotational assignments in the System throughout 2023. Rotational assignments provide opportunities for employees to develop knowledge, new skills, and a broader understanding of the operations and programs of the

Board. They involve a temporary assignment in a different work unit performing the duties of a different position for a specified period, typically 6 to 12 months.

Diversity, Equity, and Inclusion at the Board

The Board has an unwavering commitment to having a diverse workforce, equitable treatment for all employees, and an inclusive work environment. Efforts to create an environment that values and respects diverse voices and fosters collaboration and fairness have included initiatives to identify perceived barriers to progression for those underrepresented at all levels of the organization. Over the past three years, the working world has been altered in ways that provide daily challenges and opportunities. Despite the challenges, the Board has taken advantage of the opportunities to provide a healthy work-life balance, more DEI training, education, and greater job flexibility.

In 2022, equity became paramount to the Board's DEI strategy. In 2023, some key results and actions toward advancing equity in the workplace included the following:

- added "Equitable Treatment" as a diversity standard in the Board's *DEI Strategic Plan 2022–25* and the DEI Scorecard
- introduced micro-learnings focused on equity
- included an equity statement in the Board's EEO Policy Statement to affirm our commitment to creating equal access to employment opportunities that enable employees to reach their full potential in contributing to the Board's mission
- facilitated staff discussions at division town hall meetings on the distinction between equity versus equality
- delivered the Civil Treatment Workplace for Employees training to eradicate all forms of micro-aggressions, harassment, and discrimination
- increased the number of ERGs, which serve as diversity networks, from seven to eight
- delivered several sessions of "Respect: How It Affects Engagement, Performance, and Productivity" workshops for people leaders and employees to cultivate a culture of inclusion

The implementation of the Board's *DEI Strategic Plan 2022–25* in 2023 continues the execution of DEI strategies and actions, the support to divisions with their DEI objectives, and the broadening of DEI priorities based on the Board's mission.

The Board will continue to promote a workplace that is diverse, equitable, and inclusive and to proactively prevent discrimination and harassment. In 2024, the following commitments will be prioritized:

- build on our enterprise- and division-level strategies

- enhance the work of our eight ERGs to support DEI efforts across the organization
- further invest in DEI learning and development
- identify barriers that may exist and establish actions to address challenges and enhance successes

The next section, “[Successes](#),” details the actions and initiatives undertaken in 2023 in six distinct areas of focus, followed by—most importantly—a “[Challenges and Next Steps](#)” section that discusses areas where improvement is needed. The successes should be viewed as the foundation upon which we will continue to build toward sustainable change.

Successes

Diversity in Official Staff and Major Job Family Hires

In 2023, there were 28 appointments to the official staff (excluding Board members), of which 9 (32 percent) were minorities, 14 (50 percent) were women, and 4 of the 14 women (29 percent) were minority women.⁹

The Board’s long-term and short-term outreach and recruitment strategies continue to produce diverse applicant pools that enable us to increase our diversity for major job families ([table 4](#)).

Table 4. Federal Reserve Board hires in major job families, 2023										
Demographic	Attorney		Computer Prof.		Economist		Financial Analyst		Research Assistant	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender										
Male	8	50	51	80	32	68	48	44	33	58
Female	8	50	13	20	15	32	62	56	24	42
Minority status										
Non-minority	7	44	33	52	30	64	70	64	33	58
Minority	9	56	31	48	17	36	40	36	24	42
Total	16	-	64	-	47	-	110	-	57	-
Note: Table includes internal and external hires.										

Economist. The number of women hired into open positions in the economist job family decreased from 18 in 2022 to 15 in 2023, although the hiring rate remained steady at 32 percent.

⁹ Official staff is equivalent to Senior Executive Service.

There was an increase in the number of minorities hired into open positions in the economist job family from 15 in 2022 to 17 in 2023, and the hiring rate also increased from 26 percent in 2022 to 36 percent in 2023.

Attorney. In the attorney job family, there were eight women hired into open positions in both 2022 and 2023. The hiring rate, however, increased for women from 40 percent in 2022 to 50 percent in 2023.

Minorities that filled open positions in the attorney job family increased from five in 2022 to nine in 2023, and the rate of hire increased from 25 percent in 2022 to 56 percent in 2023.

Computer professional. The number of women hired in the computer professional job family decreased from 25 in 2022 to 13 in 2023, a decrease of 12. The hiring rate also decreased by 12 percentage points from 32 percent in 2022 to 20 percent in 2023.

The computer professional job family also had a decrease in minority hires from 42 in 2022 to 31 in 2023, a decrease of 11, and a hiring rate decrease of 7 percentage points.

Financial analyst. The number of women hired in the financial analyst job family increased from 58 in 2022 to 62 in 2023, an increase of 4, and the hiring rate increased 5 percentage points, from 51 percent in 2022 to 56 percent in 2023.

Minority hires in the financial analyst job family decreased by 9, from 49 in 2022 to 40 in 2023, a hiring rate decrease of 7 percentage points.

Research assistant. Minority hires in the RA job family decreased from 37 in 2022 to 24 in 2023, a decrease of 13, and the hiring rate decreased from 46 percent in 2022 to 42 percent in 2023.

The number of women hired in the RA job family decreased from 33 in 2022 to 24 in 2023, a decrease of 9, and the hiring rate increased by 1 percentage point from 41 percent in 2022 to 42 percent in 2023.

Employee Experience and Inclusion

The Board is committed to creating and sustaining a workplace that promotes internal inclusion and engagement by creating a safe place for employees to share their experiences and by helping leaders and other employees deepen their understanding of DEI issues and concerns. To achieve this, we must respect all our employees and value their diverse perspectives and contributions.

Employee Resource Groups

In 2023, the Board welcomed its newest ERG, the Jewish Heritage ERG (JHERG), which provides a space for Jewish colleagues and allies to listen, ask questions, and learn from personal stories and experiences. The group provides education, raises awareness, and celebrates Jewish history, culture, holidays, and traditions.

In addition to the JHERG, the Board has seven other ERGs:

1. Advocacy for the DiVerse Abilities, Needs, and Contributions of Employees ERG (ADVANCE)
2. African American ERG (AAERG)
3. Asian American Pacific Islander ERG (APIERG)
4. Hispanic ERG (HERG)
5. Pride ERG
6. Veterans ERG (VERG)
7. Women's ERG (WERG)

Open to all employees, Board ERGs collectively provide career development and networking opportunities; create spaces for connection, support, and celebration; and drive activities that promote engagement and cultural awareness.

Each ERG has an executive sponsor, who is a senior leader, to elevate its mission and provide support that strengthens the ERG's alignment with the Board's DEI strategic priorities. Through the executive sponsors, the ERGs have a voice at the leadership table to advocate for their perspectives and represent their insights. Each ERG has the autonomy to define its purpose and programming around four key pillars: (1) recruitment and retention, (2) career development, (3) workforce engagement, and (4) equitable policies and practices. Furthermore, they operate under charters to ensure they are creating a strong sense of community and identifying cultural change. In the effort to promote intersectional collaboration among the Board ERGs, the Board operates an ERG Council (council), comprising the ERG chairs and ERG sponsors, to collectively share and advocate best practices in hiring, retention, and development to advance DEI within the organization. The council is led by the ODEI CDO (chair) and the CHCO (co-chair).

Throughout 2023, ERGs created meaningful connections and hosted impactful events—from hosting thought leaders to discuss top-of-mind issues for their communities to honoring significant federal and global heritage celebrations, such as Women's History, Black History, Hispanic Heritage, Asian and Pacific Islander (AAPI) Heritage, and Pride. The ERGs also hosted celebrations such as Juneteenth and Chanukah. Other activities included offering professional development

leadership forums, providing networking opportunities, engaging with senior leadership, and exploring topics of intersectionality and allyship.

Collectively, the ERGs and ODEI organized the fourth annual Unity Month Program, a series of multicultural programs that further reinforce celebration of cultural heritage, backgrounds, and contributions. Unity Month continually provides the space for employees, ERGs, and Board leadership to connect and share critical conversations about DEI issues. The program's 2023 theme focused on allyship. Allies play a critical role in building an inclusive workplace. Allies actively promote and advance inclusion by taking positive steps to ensure that every colleague feels that they belong. The ERGs remain increasingly integral to the employee experience at the Board. Highlighted below are a few initiatives that demonstrate their contribution to the Board's DEI efforts in 2023:

- AAERG hosted fireside chats with Governor Lisa D. Cook and Vice Chair Philip N. Jefferson in celebration of Black History Month.
- ADVANCE ERG focused its efforts on educating employees on accessibility. Partnering with the Board's Division of Information Technology Workforce Development and Science, Technology, Engineering, and Mathematics (STEM) workgroup, the ERG organized a panel discussion on how accessibility benefits all employees.
- APIERG partnered with the System's Asian ERGs to host events such as "Discovering the Asian American Identity in Media," "Insights on Challenges and Different Sub-Cultures in AAPI Communities," "Halo-Halo presents Halau Ha'a Kea o Kinohi," and "System Asian Career Progression Panel 2023."
- Pride ERG hosted discussions of orientation, identity, and expression; safe and helpful practices on affirming behavior; the intersection of mental health and LGBTQ+ identities; basic understanding of pronouns; and discussions on the importance and actions associated with allyship.
- WERG, AAERG, Pride ERG, and VERG, in collaboration with two Board division diversity councils, hosted a panel discussion with Board leadership to clarify work-related topics. The session included a presentation on veteran benefits and a panel discussion covering topics on legal issues (The Hatch Act), safety (travel and flexibility), benefits (coverage and accessibility), and engagement (communication).
- HERG partnered with the System's Latino ERG and colleagues from financial regulatory agencies to host programs on "Bold Leadership in Latino Representation: Supporting the Latino American Workforce, Leadership Principles" and "Latino Art at the Board."
- JHERG hosted a panel discussion on the Holocaust.
- WERG, in collaboration with staff from the 12 Reserve Banks and six other agencies—the Bureau of the Fiscal Service, Department of Education, Federal Deposit Insurance Corporation, National Credit Union Association, National Oceanic and Atmospheric Administration, and NASA—along with the AAERG, PRIDE ERG, and VERG, hosted a series of events, including

“Share Your HER-Story Collection of Stories,” “Women Who Lead: A Conversation with the Four Female Fed Presidents,” and “How to Embed (Gender) Equity in Organizations with Professor Iris Bohnet.”

- VERG led a memorial walk to honor the men and women of the U.S. military who have lost their lives in defense of our nation.

Employee Feedback and Sentiment

Board staff engagement plays a critical role in gaining insight into employees’ thoughts and attitudes toward their work and the overall environment. The Board is increasingly informed by our systems for listening to employee sentiments. To understand employee perspectives, the Board uses employee life-cycle surveys (for example, onboarding and exit surveys); human capital ad hoc surveys to help understand key influencers or drivers of employee experience; and ERGs, which provide meaningful community perspectives.

Each of the Board’s listening initiatives has resulted in broader insight and greater understanding of employee feelings around inclusion and belonging. These insights and employee input have enabled us to create additional opportunities for discussion and helped shape our DEI programs and priorities.

Flexible Work

The Board values in-person interactions and in-office collaboration but recognizes that having flexible workplace policies helps support inclusion and sustainability initiatives, attract and retain talent, and support employee well-being.

The Board explored what the future of work would look like at the agency by listening to employee feedback. Employees expressed that they wanted flexibility in where they worked—whether that be at home, at the office, or some combination of those options (hybrid work).

Currently, the Board operates under a hybrid work schedule. This provides our employees with workplace flexibility and also broadens the Board’s hiring capabilities—expanding opportunities to hire from a wider talent pool. In 2022, the Board announced plans to shift toward a hybrid working environment. This hybrid approach combines in-office time with telework flexibility. In addition, the telework policy was updated to provide additional support and practical baseline guidance to all people leaders to ensure consistent and equitable application of the policy. The Board will continue to learn and iterate on how best to support flexible work going forward.

Inclusive Benefits

Inclusive benefits are a powerful tool for creating a supportive and welcoming environment for all employees, regardless of their background or identity. Our competitive, comprehensive, and inclusive benefits are designed to meet the unique needs of our diverse workforce. The Board continues to assess existing offerings based on external environments and employee feedback.

In addition to its comprehensive benefits, the Board offers a range of programs designed with employees' physical, mental health, and well-being in mind. Well-being is a key component of inclusion, and the Board is committed to ensuring that employees have the tools and resources to address the challenges that impact how they live, work, and relate to others. The Board offers a number of well-being resources, including the Employee Assistance Program (EAP), offered through a vendor, and Headspace, a global leader in mindfulness and well-being.

The Board's EAP provides help in a number of ways, including through counseling sessions and telephone support. They offer guidance and someone to talk to on a range of topics, including dependent care, financial and legal advice services, and healthy living. In 2023, EAP offered a series of webinars to help employees invest in their overall well-being. For each of the following webinars, the Board's EAP counselor provided a presentation and facilitated group discussion.

In 2022, the Board partnered with Headspace to provide employees tools and resources to address their well-being. Employees seeking help can access the Headspace mobile app to mental health care that offers fast and convenient appointments with therapists, counselors, coaches, and instant access to a library of on-demand well-being resources.

Recognizing family caregiving needs is a critical part of an employee's life, the Board also provides resources and benefits that are available for parents with childcare and education concerns through services provided by our third-party vendor.

Self-Identification

Voluntary self-identification (self-ID) across dimensions, such as race, ethnicity, gender, and disability, is an important part of how the Board measures its progress in building a more diverse, inclusive, and equitable organization. It provides a deeper understanding of workforce diversity and better informs an approach to inclusive practices, policies, and offerings.

Accessibility and Disability Inclusion

The Board prioritizes being an inclusive and accessible workplace for employees of all abilities to contribute their unique talents. The Board also works toward advancing progress on disability inclusion, accommodation strategies, and physical and technological accessibility.

- **Disability inclusion.** At the Board, inclusion of people with disabilities is key to achieving our DEI objectives. The disability community is recognized as a valued talent segment, and the Board is dedicated to recruiting individuals who identify as having a disability to work and thrive in an inclusive environment. Key elements of these efforts include external partnerships with disability organizations as well as programming available through our ADVANCE ERG. Based on voluntary self-ID, the percentage of persons with disabilities in the workforce has increased over the past three years from 6.8 percent in 2020, 7.0 percent in 2021, and 7.1 percent in 2022.
- **Accommodation.** The Board provides reasonable accommodation as part of its application and interview process. For example, candidates can have documents read to them using their preferred technology or by using a sign language interpreter for the interview. The Board also ensures that all its employees have the tools they need to realize their full potential and do their best work. Employees are able to request workplace accommodations, adjustments, or adaptations through their employing division.
- **Physical and technological accessibility.** Accessibility is a key component of inclusion. The Board is committed to making its facilities and physical spaces inclusive and free of any physical barriers. Updates to existing facilities have improved accessibility. For example, to make the Board's internal intranet more accessible to those with color vision deficiency, the color contrast between foreground and background colors was increased to make text easier to read.

Inclusive Language and Communication

The Board optimizes its communication for inclusion by using inclusive language in communications. The aim is to show respect, understanding, and thoughtfulness to the underlying meanings that words can have and the impact they carry. For example, the Board is integrating gender-neutral language when updating our employment policies.

With the transition to hybrid working, it is vital that inclusive behaviors are practiced both in person and online to ensure the Board fosters an environment where employees can express their authentic selves. For example, some employees use their personal pronouns (such as he/him/his, she/her/hers, they/them/their) in their Board email signatures. Sharing pronouns is a personal choice for a Board employee to make. The Board recognizes the use of personal pronouns as acceptance of an employee's self-expression, especially those in the LGBTQ+ community.

Leadership Engagement and Accountability in Diversity, Equity, and Inclusion

Ensuring diversity and inclusion at the Board requires a long-term, holistic approach that focuses on doing the utmost to bring people in, develop them, provide career progression, and retain talent. Doing so requires having an organization that is keenly focused on diversity and inclusion.

Board leaders demonstrated their ongoing commitment through a variety of means in 2023. Examples include the following:

- **Leadership engagement and accountability:** The Board members and the chief operating officer meet annually with the leaders of the ERGs. The meeting enables the ERG leaders to inform the Board about each ERG's annual operating activities. The meeting also includes discussions regarding hiring, retention, development, promotion, and areas of interest to their members.
- **Diversity reviews:** To drive greater accountability for advancing DEI at the Board, each division must complete a Diversity and Inclusion Scorecard. These scorecards focus on leadership engagement, talent acquisition, talent development, and supplier diversity. The CDO meets regularly with division leaders to discuss the division's DEI efforts, progress, and challenges.
- **Listening forums:** Listening to employee sentiment is critical to the Board's commitment to transparency and accountability in creating a diverse and inclusive work environment. Board leadership continues to promote open and honest dialogue to drive greater inclusion. These conversations have provided important forums for learning, confronting difficult issues, and cultivating belonging.
- **Diversity councils:** Diversity-focused councils exist within Board divisions. The councils advise their division leadership on the development and implementation of strategies and solutions to advance DEI and the needs of division employees.
- **Policies:** The Board regularly reviews its people policies to ensure that they align with broader DEI and people strategies, as well as with DEI values and mission. These policies set the tone for Board culture, guiding employee conduct and actions. These policies include non-discrimination and EEO policies. In 2023, policies and guidance on a range of topics were updated, including leave, reasonable accommodations, telework, and academic assistance.
- **Engagement:** Senior leaders actively participated in ERG program activities such as serving as panelists and moderators, including serving as executive sponsors in the development of ERG annual operation plans.

Strategic Communication of Diversity, Equity, and Inclusion

ODEI continues to use multiple communication channels to disseminate information throughout the Board about its diversity and inclusion strategies and initiatives. Examples of actions taken in 2023 include the following:

- To support ongoing communication that is critical to inclusion, ODEI provides articles, books, videos, webinars, and training highlighting diversity and inclusion initiatives to create and maintain a culture of belonging for employees (via *DEI Matters*, a quarterly newsletter).
- To convey diversity and inclusion messages, the Board uses diverse internal communication methods and channels, such as town halls, intranet sites, podcasts, staff meetings, Federal Reserve System webinars, and discussion groups.
- To promote the Board's commitment to culture and diversity and inclusion initiatives, during virtual onboarding, all new employees are given information on the Board's EEO policies and support groups such as the ERGs.
- To emphasize transparency and communication in the Board's DEI efforts, its website features a dedicated DEI section containing DEI information and data, such as the D&I philosophy, EEO-1 data, Economic and Research Assistant Data, and the Affirmative Employment Plan of Persons with Disabilities.

Education and Training to Support Diversity, Equity, and Inclusion

Education is the key driver of progress, inclusion, and equity. DEI training is embedded in the Board's core learning and development opportunities of employees and leaders. The Board continues to invest in training that empowers senior leaders and managers to model the behaviors of inclusive leadership in their day-to-day interactions with their employees, as they have a direct impact on employee experiences.

In 2023, the Board provided DEI learning opportunities through both formal and informal channels. These offerings allowed employees to discuss and share information that affects psychological safety, respect, and a sense of belonging in the workplace and facilitated implementation of the Board's DEI strategy.

The Board continues to explore new learnings to keep employees actively engaged and aware of DEI. In 2023, the Board offered two new courses to its DEI learning curricula—"Civil Treatment Workplace for Employees" and "Respect: How It Affects Engagement, Performance, and Productivity." The Board will leverage results to identify areas of opportunity for continued education and programming to ensure employees at every level treat one another with respect.

Core learnings: Open to employees at all levels of the organization, the core learnings address a range of topics, including building a foundational knowledge of DEI concepts, allyship, unconscious bias, inclusive communication and relationship-building skills with a DEI lens, and DEI best practices in hiring. The following are a few of our core courses that foster a more inclusive environment:

- Introduction to DEI
- Recruiting without Bias

- Allyship
- Inclusion Starts with I and Happens with Us
- Having Difficult Conversations in a Diverse Workplace
- Building Trust and Respect in the Workplace

Self-directed learning: ODEI offers employees and leaders a selection of trainings via the LinkedIn Learning platform.

Leadership development: Board leaders play an important role in promoting diversity and creating an inclusive work environment. Leaders are supported with various offerings that equip them with the critical skills and behaviors to serve as a model to the workforce and set the tone for achieving inclusivity. In 2023, the Board offered targeted virtual and in-person training sessions on the mindset and behaviors required to lead inclusively, the organizational impact of personal bias on a leader's behaviors and decisions, and how to recognize and address micro-aggressions. Courses included the following:

- Respect: How It Affects Engagement, Performance and Productivity
- Civil Treatment Workplace for Leaders
- Leading With Conscious Inclusion for Officers and Managers

Division-sponsored DEI learning: The Board's 15 operating divisions provide ongoing DEI education tailored to the specific needs of their workforce. Some of the training covered important DEI topics, such as unconscious bias, allyship, and inclusive leadership.

External Outreach and Recruitment Activities Targeting Minority and Women Economists

The Board engaged in several significant outreach and recruitment initiatives in 2023 to address DEI in the economics profession.

The Board's economics divisions (Research and Statistics, Monetary Affairs, International Finance, and Financial Stability) continued a cross-divisional collaboration on a variety of diversity and inclusion initiatives to support and encourage increased representation of women and minority groups in the economics profession. These initiatives involve partnerships with other divisions at the Board and the Federal Reserve Banks, and they extend to outside organizations, including the American Economic Association (AEA), the National Economic Association (NEA), the American Society of Hispanic Economists (ASHE), the Sadie Collective, Expanding Diversity in Economics Summer Institute (EDE), National Association of Business Economists (NABE), and Pathways to Research and Doctoral Careers (PREDOC). The economics divisions continue to develop and use

state-of-the-art, evidence-based recruiting processes and to offer training to all staff involved in recruiting activities.

Over the last year, the Board's Economics Outreach Program (Econ Outreach) continued to collaborate and partner with internal and external stakeholders to mentor, counsel, and encourage students to pursue a career in the field of economics and to connect with underrepresented candidates at the undergraduate and graduate levels. In 2023, the Econ Outreach team hosted or participated in 27 engagements with students and academic departments, as well as attended a regional economic conference as an exhibitor.

Early Pipeline Outreach and Recruitment Efforts

Addressing diversity in economics at the undergraduate level continues to be an important endeavor for the economics divisions as it impacts our research assistant candidate pools and is a crucial pipeline for economics PhD programs. To this end, the Board continued its ongoing collaboration with the AEA, increased collaboration with EDE, engaged with PREDOC, and continued to work with Howard University and local high school programs.

In 2023, the Board continued support to the AEA Summer Training Program (AEASP). Board staff provided instruction and mentorship and offered informational and networking events. The AEASP aims to increase diversity in the economics profession by providing rigorous economics training to talented unrepresented undergraduate students who are seriously considering PhD programs in economics. The following are 2023 AEASP engagements:

- Two Board economists served as instructors, Board staff served as research advisors, and several Board research assistants (RAs) and analysts served as teaching assistants for an "Advanced Research Methods" course. This course included 17 students from underrepresented communities in economics.
- The Board offered a virtual workshop for all AEASP students focused on the Board's RA application process.
- In addition, the Board hosted an information session about career opportunities at the Board (beyond RA positions) and in the Federal Reserve System for all AEASP students. The session was followed by a networking fair that included participation from nine Reserve Banks at Howard University. Students were subsequently invited to join additional information sessions held by the Econ Outreach team to help them prepare for applying to Board opportunities.
- At the end of the AEASP, the Board hosted the AEASP participants and instructors, along with a variety of Board staff, for a closing ceremony and reception.

The economics divisions continued to track and engage AEASP participants with the goal of identifying eligible, high-performing students as potential job candidates for RA and intern positions. As

a result of these efforts and engagements, in the fall of 2023, 11 AEASP alumni applied to our RA program, and 4 applied to our economic summer internship program. This yielded 5 AEASP alumni hires into RA positions, with summer intern recruitment still in progress.

The economics divisions also hosted students from EDE, a program focused on a broad range of first- and second-year college students who are exploring career pathways in economics. The program's goal is to diversify the pool of students majoring in economics and provide them opportunities to build the necessary quantitative skills and to learn about career pathways within the field. EDE students met with current RAs to learn more about their work, learned about various research topics from senior economists, and participated in a question-and-answer session with senior leadership.

The Econ Outreach team planned and hosted a one-day conference for third- and fourth-year students from PREDOC to learn more about the opportunities at the Board, network with professionals in the field, and gain real-time experience presenting their summer research to Board staff. During their presentations, students discussed their research and received feedback. PREDOC is a consortium of universities and research institutions who desire to remove barriers of access to research and doctoral careers through information about careers in quantitative social sciences and summer learning opportunities.

The Board continues engagement and partnership with the Sadie Collective, an organization that encourages and supports Black women in pursuing careers in economics and related fields. In 2023, Board staff attended the Sadie Collective's annual conference and staffed the career fair with the assistance of Talent Acquisition.

Board economists continued to teach the Data Analysis and Financial Literacy course offered through a consortium program with Howard University's Department of Economics. The course is open to undergraduate, MA, and PhD students, and students across a variety of universities. In 2023, 14 students completed the course. The goals of the course are to provide opportunities for students to develop and expand the critical skills and knowledge required for postgraduate and professional success in the economics field, to establish mentoring relationships between students and Board economists, and to increase interest in careers in economics. In addition, the course was jointly offered to students at Spelman College in spring 2023 through a collaboration with the Federal Reserve Bank of Atlanta. The course is also available to students at universities in the Consortium of Universities of the Washington Metropolitan Area.

The Board continued to publish the Economic Education newsletter, which was launched in 2022. This electronic newsletter expands communications and awareness of Board and System eco-

nomic education programs and events, including economic outreach events and information on jobs at the Board. As of year-end 2023, 16,185 subscribers had signed up for the newsletter.

In April 2023, the Board hosted the annual “Exploring Careers in Economics” (ECE) virtual event. Collaboration within the System provided viewers the opportunity to learn about career opportunities and discuss diversity in economics and career paths within the field. The video of the event was viewed more than 6,000 times in 2023, and nearly 130 resumes were received via the ECE Careers Pipeline link.

Federal Reserve RAs continued teaching the AP macroeconomics course remotely at Benjamin Banneker High School over the 2022–23 school year, which concluded with 20 students sitting for the AP exam in May 2023. Four RAs served as the primary instructors for two sections of 10 students each, with lessons held in person twice a week at the Benjamin Banneker campus in Washington, D.C. In August 2023, 20 additional students began the course for the 2023–24 school year with a new group of four RAs serving as the primary instructors.

PhD Pipeline Outreach and Recruiting Efforts

In 2023, the Board continued to engage the AEA in ways aimed at increasing diversity and inclusion in the profession and worked to expand our outreach efforts with PhD programs and economist candidates.

Board economists continued to serve on key committees in AEA, such as the Committee on the Status of Minority Groups in the Economics Profession (CSMGEP), and they worked with the Committee on the Status of Women in Economics Profession (CSWEP). Engagements have included Board economists assisting with the fellowship program, serving as mentors in the AEA Mentoring Program, and other mentorship activities at the PhD level. The Board hired seven PhD summer dissertation fellows from the CSMGEP and CSWEP programs. While at the Board, all fellows received mentorship, such as feedback on their research and guidance on how to prepare for the economist job market, and were invited to information sessions on the work of the Federal Reserve and of economists at the Board.

In June 2023, the Board hosted a one-day conference in advance of the AEA’s annual Summer Mentoring Pipeline Conference for participants in its mentoring program. The AEA mentoring program targets PhD students and new PhD economists traditionally underrepresented in the profession and matches them with mentors in the field. Approximately 40 students and professors from the mentoring program participated with an equal number of Board staff. Participants interacted with senior leaders, attended informational panels on life and research as an economist at the Board, and took part in an instructive session from Board staff on developing a research elevator pitch to use on the economist job market and in other professional settings.

The Econ Outreach team also conducted broad outreach to PhD students and worked to expand our PhD outreach efforts on behalf of the Board:

- Hosted the annual seminar “Meet the Fed: Board Economists and the Job Market” in fall 2023 and engaged over 50 participants. The seminar offered multiple outlets for outreach, had a diverse panel of research topics, and utilized breakout rooms to engage with potential candidates. The seminar was widely promoted through professional organizations, including the Association for Economic Research of Indigenous People (AERIP), ASHE, Diversity Initiative for Tenure in Economics (DITE), NEA, and several AEA committees including the Committee on the Status of LGBTQ+ Individuals in the Economics Profession, CSMGEP, CSMGEP Mentoring Program, and CSWEP.
- Implemented a campus visit pilot program to engage with PhD programs and build relationships with a broader range of PhD students. Hosted information sessions for graduate students in economics, public policy, and finance PhD programs; attended economics-specific events; and met individually with PhD students to discuss their research and opportunities at the Board. The strategy also includes expanding the Board’s attendance at national and regional economics conferences to inform broader audiences in the profession about opportunities at the Board across the United States.
- For the fall hiring cycle, engaged in direct outreach to students at 110 departments in the United States with PhD programs in economics, finance, or public policy to broaden the Board’s candidate pools for PhD fellows and economist positions. Emails were sent to 778 PhD students with information on positions at the Board and to reinforce the Board’s interest in candidates working in a broad range of fields of economics. As part of this effort, the Board reached out to a variety of department heads and placement coordinators.
- Efforts to host seminars, visit campuses, and conduct a variety of outreach will continue in 2024. This includes broadly advertising and offering a seminar “Job Market Research and Policy at the Fed” that’s geared toward students earlier in their PhD program.

In collaboration with the Bank of Canada, the Bank of England, the Bank of Spain, and the European Central Bank, the Board began preparations to co-sponsor the fourth annual conference on “Diversity and Inclusion in Economics, Finance, and Central Banking.” The conference focuses primarily on issues encountered by underrepresented groups in economics, finance, and central banks and will feature papers and discussions on the heterogeneous impacts of inflation and monetary policy, financial inclusion, and diversity in the economics profession and central banking. Areas of interest include addressing how the fields of economics, finance, and central banking can better attract and retain members of underrepresented groups and the obstacles to greater diversity and inclusion in these fields, as well as the steps that can be taken to overcome the obstacles. The conference will take place at the Bank of Spain on March 7–8, 2024.

The Board's Economics Divisions Diversity and Inclusion Council shared information and solicited staff feedback on the economics divisions' initiatives to increase diversity and inclusion at the Board and in the economics profession. The following are a few examples of the council's work:

- The Inclusion Working Group of the council continued to provide ongoing support of staff-initiated inclusion projects.
- An Inclusive Meetings Toolkit was successfully updated and made available to all staff. Future updates will be based on feedback/comments regarding hybrid meetings.
- The first cohort of the Economic Divisions' Mentoring Project was matched at the end of 2023. Mentors and mentees will meet at least four times over the first half of 2024.
- As part of a larger initiative to increase equity in recognizing research, the Meet the Economists webpage has been rebranded as Meet the Researchers on the Board's website.

Challenges and Next Steps

The Board will continue to focus on identifying challenges and implementing actions to enhance DEI at the Board.

Increasing Hispanic Representation in the Board Workforce

The percentage of Hispanic representation at the Board remained steady at 6 percent from 2022 to 2023. The Board's hiring rate of Hispanic applicants is comparable with other minority groups; however, the volume of Hispanic applicants is lower than other minority groups, resulting in a lower number of Hispanic hires. The Board continues to increase focus on outreach efforts for Hispanics, and from 2022 to 2023 the number of Hispanic applicants (meeting minimum job requirements) increased 56 percent.

Hispanic representation has been an ongoing challenge that the Board is working actively to address. Although prior efforts, especially in outreach and recruitment, have resulted in minimal progress in increasing the representation of Hispanics, the Board is committed to working to improve upon past progress.

The Board initiated the following activities in 2023 to address key priorities identified in 2022:

- To enhance sourcing strategies and develop innovative outreach programs to personally connect with Hispanic students and professionals beyond the traditional scope, Talent Acquisition staff and Board ambassadors sponsored and participated in the second annual Hispanic Serving Institute Summit hosted by the HSI Career Collaborative (Collaborative). The Collaborative is a consortium of 14 HSIs working together to help employers better understand the needs and interests of students attending these institutions and to better engage on campuses and virtually. Talent Acquisition also participated in the career fair associated with the event. In addition,

Talent Acquisition conducted on-campus information sessions and participated in career fairs at Collaborative member schools.

- The Board strengthened its partnership with Prospanica to post and market all relevant positions, with unlimited access to the membership database to directly recruit candidates for Board vacancies, including participation in the organization's national conference and career fair in November.
- Talent Acquisition established a new, automated job-posting feed to the LULAC-supported hirelatinos.org career site.
- Executive sponsors of the Board's Hispanic ERG, System Latino ERG partners, and ERG leaders across the regulatory agencies hosted the Bold Leadership Series two-part virtual event, sponsored by LatinXperience. The event focused on content around creating opportunities for Latino leadership in the System and growth of Latino representation within the organization.

Availability of Minority and Women Economists

The availability of minority and women PhD economists in the national educational and professional pipeline remains persistently low, which continues to present ongoing recruitment challenges for the Board. These challenges are further intensified as academia, private organizations, and agencies seek to diversify their workforces, resulting in competition for the limited availability of Black, Hispanic, and women PhD economists.

Relative to the U.S. population, Blacks, Hispanics, and women are underrepresented in the Board economist job family in part due to these groups' availability in the economist labor force. The minimum educational requirement for Board economist positions is a doctorate in economics.

According to the National Science Foundation's most recent published data in the *2022 Survey of Earned Doctorates*, of the 1,391 doctorates in economics awarded by U.S. colleges and universities, women accounted for 35.7 percent (497). Among U.S. citizens and permanent residents surveyed for race and ethnicity (515), Black individuals received 4.1 percent (21) of all degrees and Hispanics 6.0 percent (31). There were no Native American recipients.

Despite these challenges, the Board has been able to make some gains to increase the diversity of our economist workforce for women and some minority groups. The number of minority PhD economist hired into open positions increased from 15 in 2022 to 17 in 2023. Of the 17 minority economists hired in 2023, 9 were Asian, 5 were Hispanic, 2 were Black, and 1 was "Two or More Races." While the number of women PhD economist hires decreased from 18 in 2022 to 15 in 2023, the percentage of women hired compared to men did not change. In order for the Board's economist job family to better reflect the people we serve, the Board will continue to reassess its

current recruitment efforts and its hiring and retention strategies and practices for minority PhD economists.

The Board will continue to engage in the following activities to support increasing the pipeline of women and underrepresented minority economists:

- Continue the teaching and mentoring partnership with Howard University's Department of Economics.
- Serve on the AEA's CSMGEP committee and support the CSMGEP and the AEA Committee on Equity, Diversity, and Professional Conduct.
- Under the purview of the AEA's CSMGEP and CSWEP, continue to organize, oversee, and participate in the three programs noted previously that are intended to foster a long-term strategy in the recruitment of minority economists. To identify potential RA candidates and sustain relationships, the Board plans to continue to track and engage AEASP participants with the goal of converting eligible, high-performing interns to RAs.
- Continue to host the seminar "Meet the Fed: Board Economists and the Job Market" to identify and recruit PhD economists for employment opportunities. Promote the event through diversity professional organizations, including AERIP; ASHE; DITE; NEA; and AEA committees, such as the Committee on the Status of LGBTQ+ Individuals in the Economics Profession, CSMGEP, CSMGEP Mentoring Program, and CSWEP.
- Continue expanded outreach to PhD students through organizing and sponsoring the 2024 FRB–AEA Mentoring Program (AEAMP) Conference for current PhD students and early career PhD economists in CSMGEP.

Increasing Minority and Female Representation among Official Staff and Pipeline

The Board is committed to developing and retaining diversity within all levels, and in particular, at the leadership level. Diversity of leadership increases our ability to ensure that decisions reflect a wide array of perspectives. It also leads to greater diversity overall, as talented, diverse candidates see a clearer path to leadership.

The Board has made meaningful progress on growing representation at the officer level, driven by a number of intentional efforts, including investment in talent management and a focus on career development by 1st/Mid-level and Sr. Level managers. While this progress is encouraging, the Board remains committed to continuing to increase representation at all levels and focusing on prioritizing internal development and growth opportunities to do so.

At the officer level, some diversity gains have been made with Asians and Blacks; however, the Board acknowledges that more work needs to be done.

- Overall minority representation in the official staff is showing some progress with an increase of 2 percentage points, from 27 percent (71) in 2021 to 29 percent (79) in 2023.

- Female representation decreased 1 percentage point from 40 percent (104) in 2021 to 39 percent (107) in 2023, while minority female representation among female officers increased 3 percentage points from 35 percent (36) in 2021 to 38 percent (41) in 2023.

The following is a further breakdown of minority representation at the official level:

- Black representation increased 1 percentage point from 11 percent (29) in 2021 to 12 percent (32) in 2023.
- Asian representation also increased 1 percentage point from 10 percent (26) in 2021 to 11 percent (30) in 2023.
- Hispanic representation remained unchanged at 4 percent in 2021 (11) and 2023 (10).

The following is a breakdown of the minority representation in the pipeline to official staff:

- The pipeline to official staff includes senior-level managers, grades FR-28 to FR-31. Overall, minority representation in the pipeline to official staff decreased by 2 percentage points from 35 percent (116) in 2021 to 33 percent (119) in 2023.
- Female representation remained at 47 percent in 2021 (157) and 2023 (172), and minority female representation, among females in the pipeline, decreased 4 percentage points from 42 percent (66) in 2021 to 38 percent (66) in 2023.
- Black representation decreased 1 percentage point from 14 percent (45) in 2021 to 13 percent (46) in 2023.
- Asian representation decreased 1 percentage point from 14 percent (47) in 2021 to 13 percent (47) in 2023.
- Hispanic representation remained unchanged at 5 percent in 2021 (18) and 2023 (19).

The Board is focused on continuing to grow its efforts to attract and retain minority talent by leveraging what has been successful and identifying new strategies along the way.

Key actions of these efforts moving forward will include

- partnering with executive search firms to expand outreach and recruitment sources, which have already resulted in more diverse applicant pools;
- expanding leadership development efforts at the Board, including coaching, mentoring, and job-shadowing;
- continuing the CDO's participation in the official staff recruitment process and leadership development programs; and
- evaluating our retention and inclusion talent processes to help foster career growth.

Inclusion of Minority-Owned and Women-Owned Businesses

The accomplishments of the Supplier Diversity Program within the Procurement section reflect the Board's long-standing commitment to increase and expand relationships with minority- and women-owned businesses (M/WOBs). The Board has multiple policies and processes in place to support section 342 of the Dodd-Frank Act.

As a standard business practice, the Board's Procurement team continued to integrate supplier diversity into upcoming contracting opportunities to engage a broader diverse supplier base. Supplier diversity is a key element of the sourcing strategy that reflects the agency's commitment to economic inclusion. Beyond awarding contracts to diverse businesses, the team's technical assistance and supplier development programs coupled with targeted outreach and alliances with business advocacy and community-based organizations throughout the vendor community have helped M/WOBs to become more sustainable.

In 2023, the Supplier Diversity Program focused on five strategic activities in the following areas:

- **Tier 2/subcontracting performance.** Encouraging prime suppliers to include M/WOBs in major projects, provide accurate reporting, and achieve subcontracting objectives.
- **Internal programs and activities.** Executing supplier diversity strategy, which relies on strong collaboration with division partners, ensuring ongoing inclusion of M/WOBs in bid and contracting opportunities.
- **Supplier development.** Identifying procurement opportunities for, and supporting the development of, M/WOBs to grow the pool of potential vendors and help them be competitive in the Board's acquisition process.
- **Business advocacy partnership and outreach.** Supporting organizations and increasing activities that align with the Board's supplier diversity objectives.
- **Education and training.** Planning and coordinating employee training opportunities to educate internal and external partners about the Board's Supplier Diversity Program and its acquisition process.

The achievements highlighted in this report are the result of the Board's continuous efforts to expand the Supplier Diversity Program and to include M/WOBs in the acquisition process to the maximum extent possible.

Contracts Awarded to M/WOBs

The Supplier Diversity Program's successes for 2023 reflect the Board's continuing commitment to offer opportunities for M/WOBs. As a result, during 2023, the Board significantly increased the contract dollars awarded to these businesses. The value of Board contracts awarded for goods and services totaled \$1,382,442,219.¹⁰ Of this total, \$83,416,093, or 6.03 percent, was awarded to M/WOBs, which included \$62,354,765, or 4.51 percent, to minority-owned businesses and \$21,061,327, or 1.52 percent, to women-owned businesses. The total dollar value of contracts awarded to M/WOBs represents an increase of 27.2 percent of the dollar value awarded in 2022.

Five-Year Performance Trend in Awards to M/WOBs

The Board is committed to providing M/WOBs opportunities to provide cost-effective quality goods and services. The Supplier Diversity Program strives for continuous improvement to increase the pool of eligible M/WOB suppliers competing for eligible contract opportunities. Through valued division partnerships within the agency, the Procurement team established strong, collaborative relationships and effectively worked together to provide successful solutions to educate vendors and include them in the acquisition process. Over the past five years (2019–23), the agency spending with M/WOBs demonstrates the Board's continued commitment to sustaining best-in-class supplier diversity results.

Table 5 shows the amounts and percentages of contract dollars awarded to M/WOBs.

Trends in Contract Dollars Awarded by Demographic Group

In addition to reporting the percentage of contract dollars awarded to M/WOBs, the Board also tracks awards to minority-owned businesses by demographic groups. This percentage is compared to the total contract dollars awarded by the Board. The Board reports contract awards to Asian American, Black or African American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or other Pacific Islander, and other (nonspecific) minority-owned businesses.¹¹

Figure 1 shows the percentage of contract dollars awarded to different demographic groups for 2019–23.

¹⁰ This report describes the contracts awarded by the Board for the period January 1, 2023, through December 31, 2023, and includes contracts for the Board's Office of Inspector General as well as the Board's currency program. The dollar amount shown represents the total obligated amount of the contracts rather than the actual amounts paid to contractors.

¹¹ "Other" represents minority businesses that did not select a demographic group.

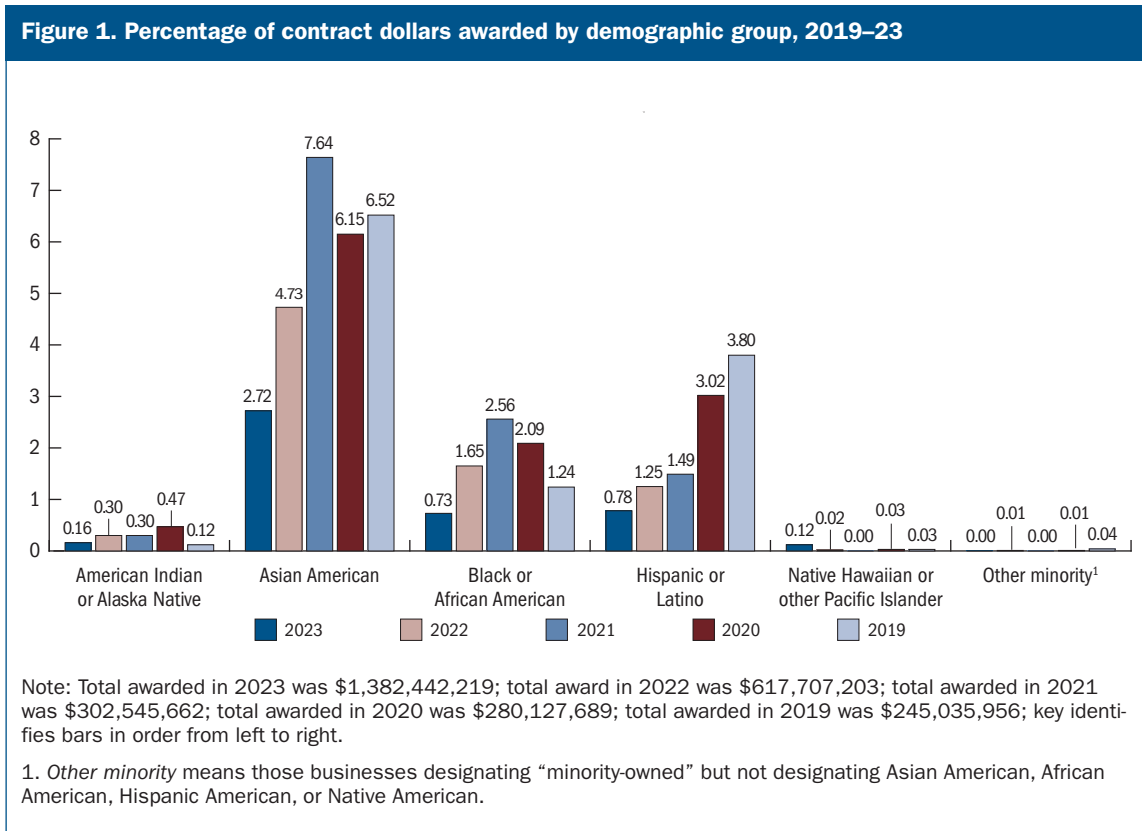
Table 5. Contract awards to minority- or women-owned businesses, 2019–23

Demographic	2023		2022		2021		2020		2019	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
By business type										
Total awards, all businesses¹	1,382,442,219	100.00	617,707,203	100.00	302,545,662	100.00	280,127,689	100.00	245,035,956	100.00
Minority-owned ^{2, 3}	62,354,765	4.51	49,107,709	7.95	36,309,916	12.00	32,043,997	11.44	28,808,729	11.76
Non-minority women-owned	21,061,327	1.52	16,472,363	2.67	19,244,475	6.36	13,487,323	4.81	16,185,008	6.61
Total minority-owned and women-owned²	83,416,093	6.03	65,580,073	10.62	55,554,391	18.36	45,531,320	16.25	44,993,737	18.36
By demographic group										
American Indian or Alaska Native	2,247,580	0.16	1,856,132	0.30	921,197	0.30	364,074	0.13	283,462	0.12
Asian American	37,580,116	2.72	29,193,631	4.73	23,110,518	7.64	17,234,506	6.15	15,983,889	6.52
Black or African American	10,029,698	0.73	10,174,199	1.65	7,733,973	2.56	5,862,049	2.09	3,037,286	1.24
Hispanic or Latino	10,843,667	0.78	7,701,550	1.25	4,509,311	1.49	8,466,450	3.02	9,314,410	3.80
Native Hawaiian or other Pacific Islander	1,653,703	0.12	146,437	0.02	0	0.00	82,000	0.03	107,420	0.04
Other minority ⁴	0	0.00	35,760	0.01	0	0.00	34,918	0.01	82,262	0.03
<p>Note: Awards are contracts awarded between January 1 and December 31. "Percent" columns reflect the percentage of total contracts awarded for the calendar year. Components may not sum to totals and may not yield percentages shown because of rounding.</p> <p>¹ The substantial increase in total dollars awarded in 2023, reflects contracts to undertake major renovations of Board facilities.</p> <p>² "Minority-owned" includes minority women-owned businesses.</p> <p>³ The term <i>minority</i> means an individual who falls within one or more of the following race and ethnic categories: Hispanic or Latino, African American, Native Hawaiian or other Pacific Islander, Asian, and American Indian or Alaska Native. The term minority-owned business means a business that meets the following criteria: (i) more than 50 percent of the ownership or control is held by one or more minority individuals; and (ii) more than 50 percent of the net profit or loss accrues to one or more minority individuals. The term women-owned business means a business that meets the following criteria: (i) more than 50 percent of the ownership or control is held by one or more women; (ii) more than 50 percent of the net profit or loss accrues to one or more women; and (iii) a significant percentage of senior management positions are held by women.</p> <p>⁴ <i>Other minority</i> means those businesses designating "minority-owned" but not designating Asian American, African American, Hispanic American, or Native American.</p>										

Trend in Awards by Board Summary Account

From data, news, and research to construction services, the Board annually spends millions of dollars procuring goods and services in support of its mission. These contracts create economic ripples that promote business growth and job creation and drive market innovation. Through the Board's Supplier Diversity Program, the practice of contracting with diverse businesses, particularly M/WOBs, capitalizes on the efforts to promote economic development.

To better understand the types of contract awards and to aid in developing acquisition planning strategies, the Board assessed contract awards by summary account codes. [Figures 2 and 3](#) illustrate the distribution of the Board's contract awards by summary accounts. In July 2023, the Board



implemented a new financial system and as a result, this information is depicted in two dashboards.

Over 80 percent of the Board’s contracts were construction services, architecture, design, engineering, and capital. The remaining contracts were awarded to the following accounts: software; contractual and professional services; outside agency help; repairs and maintenance; data, news, and research; telecommunications; furniture and equipment; temporary agency fees; professional services—other; IT consulting; IT software maintenance; currency research and development; general management consulting; and data—structured (figures 2 and 3).

Second-Tier Sourcing Program

Prime Contractors’ Utilization of M/WOB Subcontractors

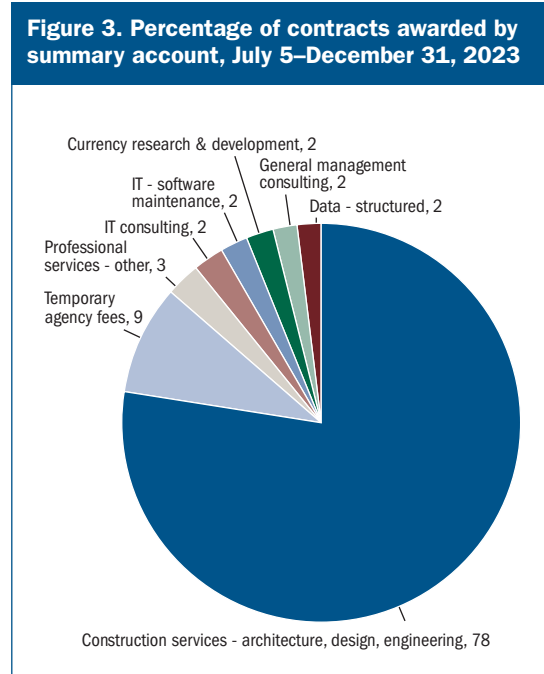
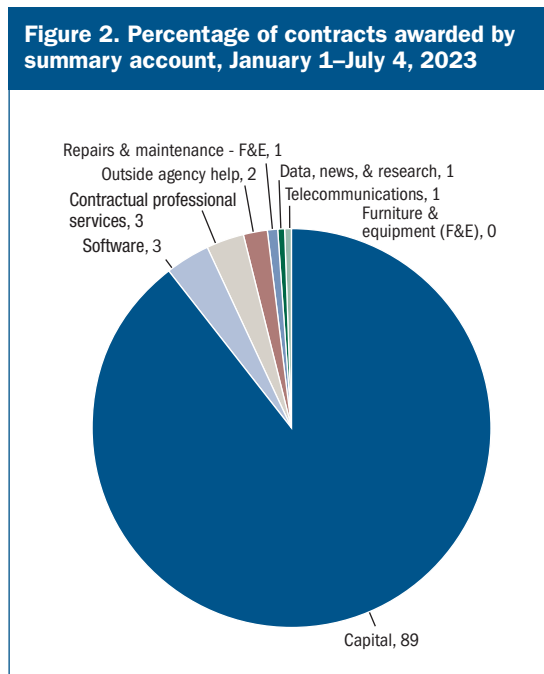
In keeping with the Board’s commitment to support M/WOBs, Procurement continued to encourage tier 1/prime suppliers to do business with diverse businesses through its Second-Tier Sourcing Program. Subcontracting opportunities are key points of entry for M/WOBs to participate in the Board’s acquisition process as well as offer them growth and development opportunities. Therefore, the Board’s prime suppliers are critical in helping it attract M/WOB subcontractors for a

variety of trades and provide another avenue for these suppliers to have access, opportunity, and engagement. The Board’s prime suppliers understand that supplier diversity is a key business strategy to economic inclusion.

In one example, second-tier sourcing was used to ensure that M/WOBs had opportunities to participate in the Board’s Eccles–1951 Building construction project through subcontracting with Balfour Beatty & Gilbane (BBG), a joint venture and the prime construction contractor, along with Fortus, the design firm. Procurement and BBG collaborated to create a supplier diversity strategy and set annual performance goals to provide an accurate report of their diverse subcontracting for the Eccles-1951 Building construction project. The plans included a robust outreach schedule to ensure M/WOBs were informed about the project’s upcoming subcontracting opportunities. Specific subcontracting opportunities for relevant trades are shown in [box 3](#).

Through December 31, 2023, BBG and Fortus made the following cumulative subcontract awards in connection with the Board’s Eccles–1951 Building construction project:

- BBG reported total subcontract awards on this project of \$865,645,571. Of this total, \$48,688,216, or 5.6 percent, was awarded to minority-owned businesses, and \$75,511,999, or 8.7 percent, was awarded to women-owned businesses
- Fortus reported total subcontract awards on this project of \$30,614,563. Of this total, \$1,508,718, or 5.0 percent, was awarded to minority-owned businesses, and \$1,797,543, or 6.0 percent, was awarded to women-owned businesses.



Box 3. Subcontracting Outreach Events hosted by BBG, 2023

During 2023, BBG hosted three targeted vendor outreach events for the following trades to support the Board's upcoming Eccles-1951 Building bid packages:

1. March 7, 2023

masonry, drywall, roofing, spray fireproofing

2. June 8, 2023

wood restoration; plaster restoration; metals restoration; spray applied thermal insulation; joint sealants & firestopping; interior glass; louvers; overhead doors, counter doors, sectional doors; smoke containment curtains; loading dock equipment; waste equipment; skyfold partitions; smoke curtains; entrance floor mats & grilles; appliances; food service equipment, shades, curtains, drapes; fixed audience seating; site concrete; landscaping—interior/exterior; demountable partitions, parking control equipment, wheelchair lifts, asphalt

3. September 7, 2023

wood furnishings, traffic coatings, access doors/floor doors, painting/wallcovering, resilient/carpet/wood flooring, terrazzo, resinous flooring, access floor, tile, signage, toilet compartments & accessories, wall & door protection, fire extinguishers/cabinets, lockers/gun lockers, fireplaces, flagpole, gym equipment, and wire mesh partitions

Contracts awarded to M/WOBs will increase as the project evolves over the next three years. This indirect spend has been beneficial to the Board's overall supplier diversity spend initiatives.

Contract Payments to M/WOBs

Another way to gauge the Board's progress with M/WOBs is by examining annual payments to contractors. This metric can be best measured through "contract payments." Contract payments are the funds the Board pays to contractors for goods and services provided. Performance of a contract might not occur within the same year the contract is awarded; thus, payments made during the year in many instances are for goods or services provided under contracts awarded in a previous year. As a result, a direct correlation between the dollar amounts for contract payments and contract awards in a given year cannot be made.

In 2023, the Board paid a total of \$1,077,319,858 to contractors. Of this total, \$70,362,465, or 6.53 percent, was paid to M/WOBs, including \$52,682,880, or 4.89 percent, to minority-owned businesses and \$17,679,584, or 1.64 percent, to women-owned businesses. Over the past five years, \$70.4 million is the highest amount paid to M/WOBs. In 2023, the dollar value of contract payments to M/WOBs increased by \$20,158,170 compared with 2022, with an increase of \$18,375,437 in payments to minority-owned businesses and an increase of \$1,782,732 in pay-

Table 6. Contract payments to minority- and women-owned businesses, 2019–23

Demographic	2023		2022		2021		2020		2019	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
By business type										
Total payments, all businesses	1,077,319,858	100.00	283,019,441	100.00	332,422,523	100.00	276,175,787	100.00	279,223,444	100.00
Minority-owned ^{1, 2}	52,682,880	4.89	34,307,443	8.00	27,456,561	8.26	25,375,172	9.19	29,486,073	10.56
Non-minority women-owned	17,679,584	1.64	15,896,852	4.00	14,007,337	4.21	13,446,308	4.87	13,522,301	4.84
Total minority-owned and women-owned²	70,362,465	6.53	50,204,295	13.00	41,463,898	12.47	38,821,480	14.06	43,008,374	15.40
By demographic group										
American Indian or Alaska Native	2,013,183	0.19	626,371	0.00	1,239,692	0.37	326,174	0.12	268,810	0.10
Asian American	26,897,930	2.50	20,795,456	5.00	15,838,333	4.76	12,227,666	4.43	14,579,224	5.22
Black or African American	10,357,466	0.96	7,810,176	1.00	5,756,157	1.73	2,084,171	0.75	2,687,428	0.96
Hispanic or Latino	13,304,709	0.01	5,064,906	1.00	4,600,159	1.38	10,543,562	3.82	11,785,198	4.22
Native Hawaiian or other Pacific Islander	103,668	0.01	0	0.00			176,755	0.06	120,620	0.04
Other minority ³	5,924	0.00	10,533	0.00	22,219	0.01	16,844	0.01	44,793	0.02
<p>Note: Contract payments are the actual funds the Board pays out to contractors for goods and services provided. Data are per calendar year. Components may not sum to totals and may not yield percentages shown because of rounding. Totals for 2019–21 differ from last year due to system updates and corrections.</p> <p>¹ “Minority-owned” includes minority women-owned businesses.</p> <p>² The term <i>minority</i> means an individual who falls within one or more of the following race and ethnic categories: Hispanic or Latino, African American, Native Hawaiian or other Pacific Islander, Asian, and American Indian or Alaska Native. The term minority-owned business means a business that meets the following criteria: (i) more than 50 percent of the ownership or control is held by one or more minority individuals; and (ii) more than 50 percent of the net profit or loss accrues to one or more minority individuals. The term women-owned business means a business that meets the following criteria: (i) more than 50 percent of the ownership or control is held by one or more women; (ii) more than 50 percent of the net profit or loss accrues to one or more women; and (iii) a significant percentage of senior management positions are held by women.</p> <p>³ <i>Other minority</i> means those businesses designating “minority-owned” but not designating Asian American, African American, Hispanic American, or Native American.</p>										

ments to non-minority women-owned businesses. Table 6 shows the amounts and percentages of payments to M/WOBs over the past five years.

2023 Supplier Diversity Program Highlights

Contractor Workforce Inclusion: Good Faith Effort Process and Review

In compliance with section 342(c)(3)(A) of the Dodd-Frank Act, the Board developed its Good Faith Effort process. All Board contracts include a clause that requires vendors to confirm their commitment to equal opportunity in employment and contracting and, to the maximum extent possible, consistent with applicable law, the fair inclusion of minorities and women in their workforce. Con-

tractors agree to provide documentation of the “good faith effort” they have made in support of this commitment. Upon request, contractors with eligible contract value greater than \$100,000 are required to submit the Contractors Diversity Profile (Profile). The Profile is a questionnaire that discloses workforce diversity information to help the Board determine a contractor’s good faith effort to include minorities and women to the maximum extent possible within the contractor’s workforce. The Profile ensures transparency, clarity, and consistency in the good faith effort review process.

Internal Programs and Activities

Supplier Diversity Resources and Employee Training

During the year, the Procurement section continued to execute its supplier diversity strategy, which relies on strong collaboration with its internal partners, to ensure the ongoing inclusion of M/WOBs in the Board’s procurement process. Procurement provided thought leadership offering strategies and solutions to ensure more diverse businesses have access to the Board’s marketplace.

In addition, the Board continued to engage, coach, and educate employees about the Supplier Diversity Program via various channels and tools. Besides holding meetings and activities with Procurement staff, contracting officer’s representatives, and other internal partners, the Supplier Diversity Program also hosted multiple trainings throughout the year for staff that emphasized employees’ key role as drivers of supplier diversity planning and results. Within Procurement, new sourcing team members received onboarding training focused on supplier diversity, and existing Procurement staff received refresher training on inclusion of supplier diversity considerations in the acquisition planning process.

Supplier Diversity Vendor Showcases

Vendor showcases are strategic hybrid platforms that allow suppliers to present their capabilities to the Board’s internal managers and sourcing teams. Suppliers have 30 minutes to present their capabilities, knowledge, experience, and expertise. These showcases are an excellent supplement to market research efforts.

Reporting Processes, Tools, and Data Reports/Analytics

Procurement utilized several tools and resources to inform stakeholders of their diverse spend progress and continually evaluated ways to enhance the reporting processes.

During 2023, the efforts included

- acquisition planning and forecasting reports,
- dashboards providing historical contract award and spend analysis, and
- quarterly spend data analysis reports for the division partners to monitor supplier diversity progress.

These deliverables allowed the Board to further explore opportunities to increase engagement with M/WOB suppliers in the acquisition process.

The Supplier Diversity Newsletter

The Supplier Diversity Program quarterly newsletter continues to offer relevant updates on the activities of the program, as well as detailed agencywide reports and performance metrics. These reports tracked purchases with M/WOBs at every level within the agency. The newsletter also highlights resources and tools division partners may use to improve their supplier diversity efforts. The most recent edition recognized top performers demonstrating excellence in supplier diversity.

External Engagement and Collaboration

Federal Financial Regulatory Agencies' Supplier Diversity Working Group

The supplier diversity team meets regularly with the federal financial regulatory agencies' Offices of Minority and Women Inclusion Supplier Diversity Working Group (SDWG). SDWG is comprised of supplier diversity practitioners who represent each of the eight financial regulatory agencies covered under section 342 of the Dodd-Frank Act: Consumer Financial Protection Bureau (CFPB); Federal Deposit Insurance Corporation (FDIC); Federal Reserve Board (FRB); Federal Housing Finance Agency (FHFA); National Credit Union Administration (NCUA); Office of the Comptroller of the Currency (OCC); Department of the Treasury (Treasury); and Securities and Exchange Commission (SEC). The group discussed methods, initiatives, and best practices that support the implementation and execution of the business activities and supplier diversity programs required under section 342(c) of the Dodd-Frank Act.

Advocacy Partnerships and Key Outreach Activities

Highlights

A key focus of the Board's supplier diversity sustainability strategy is to help M/WOBs to become "ready now" suppliers to support the Board's mission by fulfilling the contracting needs. The Procurement section engaged with a wide array of organizations that promote the growth and development of M/WOBs. In 2023, the Procurement team partnered in several outreach events, including

matchmaking sessions, seminars, workshops, and annual conferences designed to educate suppliers on how to do business with federal government agencies. Participating in these events helped the Board build strong alliances with the supplier communities while delivering quality goods, services, and cost value to all divisions. These events were primarily hosted by local and national chambers of commerce, advocacy partners, Reserve Banks, and other federal government agencies.

Initiatives to Promote Supplier Diversity

Procurement continues to maintain the Vendor Management System (VMS) to collect business information and capabilities statements from diverse suppliers interested in doing business with the Board through its self-registration web portal. VMS assists the Board's contracting staff and program offices with identifying M/WOB suppliers for market research purposes. This system is also used to invite potential suppliers to Board-hosted events. Furthermore, VMS is a valuable tool for Board prime contractors who need assistance with meeting subcontracting requirements, as it allows information on registered businesses to be disseminated with ease to promote partnerships with diverse suppliers.

Additionally, the Board maintains a "Do Business with the Board" web page for supplier diversity and provides access to contracting professionals by providing email addresses and telephone numbers for contracting inquiries and outreach. The Supplier Diversity Program manager interacts daily with vendors seeking information about doing business with the Board.

Technical Assistance and Capacity Building

Business Smart Week, Business Equity: Inclusion—The Pathway Forward. The Board's Supplier Diversity team partnered with the Federal Reserve Bank of Chicago to host its annual Business Smart Week. The event featured top business diversity leaders and experts who provided diverse and small businesses with the tools to better manage and grow their businesses.

Participants attended sessions offering solutions on how to eliminate barriers for diverse business growth, including professional networking and matchmaking sessions, as well as featured educational sessions on the following topics:

- access to sustainable capital
- contracting opportunities in the financial services industry
- construction and new emerging markets

NextGEN Industry Day. In preparation for NextGEN (the Board’s enterprise resource planning transformation project), data center support, and other upcoming solicitations, Procurement hosted an Industry Day that brought together over 200 participants to

- share information about the acquisitions,
- help suppliers broaden their knowledge of the Board’s procurement process,
- provide successful approaches and key strategies when submitting a Board proposal, and
- engage suppliers with contracting officers and program managers.

Table 7. Social media reach	
Platform	Total reach/views
Twitter	113,918
Facebook	2,988
LinkedIn	11,640
Note: Numbers reflect the social media reach of the Board’s Organization Development & Learning, a section of People, Strategy & Operations.	

Procurement’s division partners mutually benefited from the event, which enabled Procurement to widen its range of market research to source more suppliers to provide the Board with quality goods and services. Table 7 shows the reach of the Industry Day on social media as well as views on the Board’s website.

Southeastern Regional Supplier Diversity Summit. The Board partnered with the Federal Reserve Bank of Richmond to host its Supplier Diversity Summit with the theme “Unlocking Opportunities for Diverse Businesses.” The event allowed diverse businesses to engage and network with executive leaders, procurement specialists, and business-line leaders within the Federal Reserve System.

During an interactive educational session, the Supplier Diversity Program manager explored critical elements of doing business with the Board.

Key highlights included

- information about the Board’s procurement process and differences within the System,
- navigating the Board’s acquisition process and tips on responding to the Board’s Solicitation Offer and Award, and
- looking ahead to the 2024 “Procuring the Future Acquisition Forecast.”

The Board is committed to increasing its spend and engagement with diverse businesses to help support our local and national communities.

Vendor Outreach Events

The Board is fully committed to supporting the growth and development of diverse businesses. The Supplier Diversity Program provides M/WOBs with ongoing access to Board contract opportunities by joining forces with advocacy organizations hosting vendor outreach events. These alliances allow the Board to expand its reach into diverse vendor communities. See [box 4](#) for a complete list of supplier diversity outreach events the Board participated in during 2023. Key vendor outreach activities are highlighted below.

Women’s Business Enterprise National Council (WBENC) Momentum. The Board along with the Federal Reserve Banks participated in WBENC’s annual conference. The council provides the gold standard certification for women-owned businesses and the professional development, tools, and resources to help them succeed. This conference is the largest event of its kind for fueling opportunities for women entrepreneurs. Through its relationship with the WBENC advocacy group, the Supplier Diversity Program has connected with thousands of women business owners and their teams. The conference offered participants educational sessions as well as networking and engagement opportunities.

Key highlights included

- a business expo of certified women-owned businesses,
- productive meet and greets,
- dynamic educational programming,
- inspiring speakers, and
- women-owned business demo stations.

National Minority Supplier Development Council (NMSDC) Minority Business Economic Forum.

Procurement participated in this global thought forum that convened executive leadership from federal governmental, private, and educational entities to formulate innovative actionable methodologies to close the racial wealth gap. NMSDC continues to advocate for minority-owned businesses to have access to the American dream.

U.S. Pan Asian American Chamber of Commerce (USPAACC). USPAACC hosted its annual national conference CelebrASIAN with the theme “BREAKTHROUGH,” reflecting the organization’s focus on breaking down barriers to build new connections; breaking past stigmas to advance the community; and helping minority businesses break through with excellence, innovation, and resilience to provide opportunity, prosperity, and equality for all Americans.

The Supplier Diversity Program manager moderated “Doing Business with the Federal Government Agencies,” the signature event of CelebrASIAN’s Business + Procurement Conference. This educational session presented key information to suppliers about federal contracting. The panel included representatives from eight federal agencies with a combined purchasing power of billions of dollars in the federal marketplace.

The session focused on four key areas:

1. Advancing racial equity and support for underserved communities in the federal marketplace
2. Maximizing participation of small and disadvantaged businesses in the federal marketplace by removing barriers and mitigating risk to ensure these businesses are successful when participating in the acquisition process
3. Introducing new federal agency initiatives that encourage new entrants and re-entrants for small and disadvantaged businesses to the federal marketplace and strengthen the vendor base
4. Promoting a growth strategy for small and disadvantaged businesses that will help them to (1) build resilience and capacity and (2) become a great resource for providing goods and services to federal agencies and accessing capital

Houston Minority Supplier Development Council Annual Business Expo (*Leading Transformation*).

The Federal Reserve Board joined forces with the OCC and the SEC to partner with the Houston Minority Development Supplier Development Council for its annual business expo. The expo offered opportunities for minority business enterprises to foster connections and collaborations, as well as nurture meaningful relationships with many of the nation’s top corporate and government decisionmakers.

The three federal financial regulatory agencies provided a session focused on increasing minority business enterprises’ knowledge of federal purchasing processes and practices. The trio discussed specific trends, practical instructions, how to do business with each agency, and upcoming contracting opportunities.

National 8a Association Regional Small Business Conference (*Contract Opportunities Direct from Agencies*).

Procurement participated in the National 8a Association’s National Small Business Conference. The Supplier Diversity Program manager, along with representatives from the U.S. General Services Administration, U.S. Environmental Protection Agency, and U.S. Department of the Air Force, offered participants detailed information on contracting opportunities. The conference also connected potential vendors during one-on-one matchmaking with tips on navigating the Board’s acquisition process and explored critical elements of doing business with the Federal Reserve System. The participants had an opportunity to engage with the Procurement staff and ask questions.

U.S. Hispanic Chamber of Commerce Annual National Conference (USHCC). The USHCC hosted its national conference, bringing together local Hispanic Chambers of Commerce, Hispanic business leaders, and corporate partners to foster Hispanic economic development for the greater American economy. Participants engaged in policy-driven interactive discussions with U.S. business leaders and other partners and attended informational sessions on strengthening and growing Hispanic-owned businesses, networking, and advocating as a unified voice. This year's theme: "The Future is Now: Elevating Latino Businesses for Tomorrow." The event included a business matchmaking program, dynamic panels and speakers, and an exhibition hall. The Procurement team met one-on-one with vendors to discuss upcoming acquisition opportunities and to learn how to navigate the Board's procurement process.

Box 4. Supplier Diversity Outreach Events Attended by the Board, 2023

- Business Smart Week, Business Equity: Inclusion—The Pathway Forward
- Capital Region Minority Supplier Development Council Leaders & Legends Celebration
- Congressional Black Caucus Foundation Annual Legislative Conference
- Department of Energy Small Business Forum & Expo
- Department of Navy Gold Coast Small Business Procurement Conference
- Houston Minority Development Supplier Development Council Annual Business Expo
- National 8(a) Association Small Business Conference
- National Center for American Indian Enterprise Development (NCAIED) Reservation Economic Summit
- National Gay Lesbian Chamber of Commerce (NGLCC) Conference
- National Minority Supplier Development Council (NMSDC) Conference & Exchange
- National Minority Supplier Development Council Minority Business Economic Forum
- New York & New Jersey Minority Supplier Development Council Public Sector Contracting
- Out Georgia Business Alliance—Power of Connection
- Society of American Military Engineers
- Southeastern Regional Supplier Diversity Summit
- U.S. Hispanic Chamber of Commerce Annual National Conference
- U.S. Pan Asian American Chamber of Commerce
- Women's Business Enterprise National Council (WBENC) Conference

Financial Literacy Activities

Each year, the Board participates in outreach events and programs designed to enhance financial literacy for a wide variety of audiences.

- **Federal Reserve Outreach Program (FedEd):** Since FedEd's inauguration in 2011, RAs at the Board have presented to over 40 different schools in the DC Metro area and around the country as well as participated in events held at the Board. RAs are typically recent college graduates who provide analytical and research support to economists and policy makers at the Board. In 2023, the FedEd continued to teach an AP macroeconomics course at Benjamin Banneker High School in Washington, D.C. Four Board RAs served as instructors for two sections of 10 students.
- **School presentations:** RAs offered presentations in high school classrooms on topics covering economics, financial literacy, and the role of the Federal Reserve. Presentations may be supplemented with a discussion on careers in economics, the educational and professional experiences of RAs at the Fed, and special topics requested by the class or teacher. Typically, individual presentations are delivered by two RAs during normal working hours for a duration of approximately one hour. When in person, they often visit multiple classes during any one visit to a school. RAs also welcome the opportunity to deliver a series of lessons to a class over multiple days, weeks, or a semester if a more detailed syllabus in economics or financial literacy is desired.
- **Congressional Black Caucus Foundation Annual Legislative Conference:** The Board, representing the System, has regularly participated in the Legislative Conference. As part of its participation, financial education information and materials are distributed to conference attendees.
- **STEM x Economics:** Over 10 years, the Board has hosted an annual STEM x Economics program for high school students (juniors and seniors) from the Washington, D.C., area who have an interest and aptitude for mathematics. The goals of the program are to introduce economics and STEM as a degree of study in college, to help students explore economics and other STEM professions that utilize mathematics disciplines, and to increase interest and participation of females and minorities in STEM careers. Attendees participate in interactive sessions that introduce them to the fields of economics, mathematics, and technology. At past events, economists from the Board's economic research divisions and IT professionals have conducted panel discussions on the relationship between mathematics and research, career paths in economics and technology, and relevant coursework for both STEM and economics. RAs also typically share insights into their career choices and what influenced their decisions.

Diversity Policies and Practices of Regulated Entities

For seven years, the Board has requested and collected diversity self-assessments from entities regulated by the Board pursuant to section 342 of the Dodd-Frank Act. On July 10, 2023, the Board sent 1,095 letters to institutions requesting submission of their calendar-year 2022 Diversity and Inclusion Self-Assessments. The Board received 97 submissions in 2022, versus 155 submissions in 2021.

The majority of institutions submitting assessments used the Board's electronic Diversity Self-Assessment Template, available on the Board's website at https://www.federalreserve.gov/aboutthefed/files/omwi_policy_template.pdf, to prepare and submit their assessments.

With regard to the low response rate, some regulated entities continue to express concerns that the confidential and proprietary information they would be sharing could be made public. There was also issue with assessments not being delivered to the appropriate person for completion. We are working to ensure we have updated contact information. We continue to address these concerns through ongoing communications as well as emphasizing the lack of diversity within the financial industry and prioritizing the efforts to make positive intentional and sustainable moves toward equity in diversity at all levels of the organization.

The companies that submitted DEI assessments for calendar year 2022 represented approximately \$26.1 trillion in assets and 761,660 employees. [Table 8](#) shows the number of self-assessment submissions by institution category. [Table 9](#) shows a breakdown of the 2022 submissions by policy standards addressed in the self-assessments.

For the submissions that were received, OMWI reviewed data from the diversity assessments to determine a baseline of that data and to identify diversity and inclusion leading practices.

Assessment highlights include the following:

Institution's commitment to diversity and inclusion—Respondents reported the following commitments to DEI:

Table 8. Number of regulated entity self-assessment submissions, by institution category

Category	Number of institutions
Bank holding companies	55
Financial holding companies	38
Intermediate holding companies	2
Savings and loan holding companies	2
State member banks	0
Total	97

Table 9. Policy standards addressed in regulated entities' Diversity and Inclusion Self-Assessments

Standard	Percentage of institutions responding "yes"
Institutional commitment to diversity and inclusion	91
Workforce profile and employment practices	90
Procurement and business practices (supplier diversity)	36
Practice to promote transparency of diversity and inclusion	65
Entities' self-assessment	78

- Organizations signed the Commitment to CEO Action Pledge for Diversity and participated on panels, seminars, and executive sessions to share best practices and challenges addressing DEI.
- Regulated entities' boards and executive councils have publicly pledged to continue support for all groups with a heightened focus on minority employment, supplier diversity, and underserved communities.
- Employees have a specific cultural-related performance objective, which includes a strong focus on DEI. Additionally, all executives have an annual performance objective and review that has a specific focus on DEI trends within the workforce.
- Organizations demonstrate DEI commitments by posting Annual Diversity Statements on EEO Policy.

Workforce profile and employment practices—Respondents' workforce profile and employment practices indicated the following actions/observations:

- implemented practices to promote transparency of organizational diversity and inclusion
- made commitment to tackle inequity
- made commitment to balance media budgets for women
- conducted Pulse Engagement and/or Annual DEI Assessments
- expanded efforts to include equity
- created self-paced educational (diversity and inclusion) and learning platforms that cover topics of inclusion, diversity, equity, and culture experience
- saw an increase in employee inclusion across all identity groups due in part to long-term investments in talent programs and internal efforts of leaders

Supplier Diversity—Supplier diversity was represented in 35 percent of regulated institutions that responded. The following are submission examples of respondents' supplier diversity practices:

- made a substantial financial investment commitment to actions aligned with the Community Reinvestment Act
- established goals to increase supplier diversity spend

- established a dedicated supplier diversity team to host a Supplier Symposium and provide quarterly supplier spotlights in order to connect with diverse suppliers and create access to information and opportunities
- saw an increase in supplier diversity spend by 28.5 percent from previous years
- received awards for diversity spend from organizations such as the Greater Women's Business Council
- operated a scholarship program that provides educational professional training to diverse-owned small businesses.

Management & Board Representation—Of the 97 assessment respondents

- women represented 43.10 percent of total management,
- minorities represented only 27.30 percent of total management,
- women represented only 20.20 percent of boards of directors, and
- minorities represented only 16.70 percent of boards of directors.

Submissions reflect that almost all regulated entities struggled with supplier diversity and inclusivity, which encouraged organizations to

- develop new inclusive practices that focused on updated interviews regarding vendor capacity,
- enhance engagement and inclusion surveys, and
- update their intake portals for suppliers regarding contract services available.

In conclusion, OMWI has identified the following four areas for entities to focus on going forward:

1. Implement more supplier diversity and inclusion initiatives
2. Increase minority and women representation on boards of directors
3. Expand community philanthropy programs
4. Continue metrics in benchmarking to address executive pipeline issues

These focus areas will be addressed at the next Financial Regulatory Agencies' Diversity and Inclusion Summit to be scheduled in 2024, which includes invited regulated entities.

Appendix A: Board of Governors EEO-1 Report

Table A1. Employer Information Report EEO-1
Federal Reserve Board, 2023 employer information report

Occupational categories	Total employees			Race/ethnicity														
				Hispanic or Latino		Non-Hispanic or Latino												
	White	Black or African American	Asian			Native Hawaiian or other Pacific Islander	American Indian or Alaska Native	Two or more races										
All	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1.1 Exec., Sr. Level Officers, FR-00¹																		
By total	272	165	107	7	3	127	66	15	17	12	18	0	0	0	0	4	3	
By percent	100	61	39	3	1	47	24	6	6	4	7	0	0	0	0	1	1	
1.2 Sr. Level Managers, FR-28 through FR-31																		
By total	365	193	172	11	8	140	106	15	31	25	22	0	1	0	0	2	4	
By percent	100	53	47	3	2	38	29	4	8	7	6	0	0	0	0	1	1	
1.3 1st/Mid. Level Managers																		
By total	84	56	28	5	3	23	6	26	14	2	5	0	0	0	0	0	0	
By percent	100	67	33	6	4	27	7	31	17	2	6	0	0	0	0	0	0	
Officials and Managers Total																		
By total	721	414	307	23	14	290	178	56	62	39	45	0	1	0	0	6	7	
By percent	100	57	43	3	2	40	25	8	9	5	6	0	0	0	0	1	1	
2. Professionals																		
By total	2,085	1,127	958	79	56	664	466	116	214	239	194	0	0	0	0	29	28	
By percent	100	54	46	4	3	32	22	6	10	11	9	0	0	0	0	1	1	
3. Technicians																		
By total	3	3	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	
By percent	100	100	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0	
4. Sales Workers																		
By total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
By percent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
5. Admin. Support Workers																		
By total	57	10	47	1	1	2	7	7	38	0	0	0	0	0	0	0	1	
By percent	100	18	82	2	2	4	12	12	67	0	0	0	0	0	0	0	2	
6. Craft Workers																		
By total	35	34	1	2	0	13	1	15	0	4	0	0	0	0	0	0	0	
By percent	100	97	3	6	0	37	3	43	0	11	0	0	0	0	0	0	0	

(continued)

Table A1—continued																	
Occupational categories	Total employees			Race/ethnicity													
				Hispanic or Latino		Non-Hispanic or Latino											
	White		Black or African American			Asian		Native Hawaiian or other Pacific Islander		American Indian or Alaska Native		Two or more races					
	All	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
7. Operatives																	
By total	7	7	0	2	0	0	0	5	0	0	0	0	0	0	0	0	0
By percent	100	100	0	29	0	0	0	71	0	0	0	0	0	0	0	0	0
8. Laborers and Helpers																	
By total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
By percent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9. Service Workers																	
By total	124	109	15	15	3	39	0	51	12	2	0	0	0	0	0	2	0
By percent	100	88	12	12	2	31	0	41	10	2	0	0	0	0	0	2	0
Total workforce																	
By total	3,032	1,704	1,328	122	74	1,008	652	253	326	284	239	0	1	0	0	37	36
By percent	100	56	44	4	2	33	22	8	11	9	8	0	0	0	0	1	1

¹ Does not include governors.

Appendix B: Federal Reserve System Official Staff Demographics

Table B1. Federal Reserve Board and Banks official staff demographics, 2022 and 2023

Demographic	2023						2022					
	Federal Reserve Board ¹		Federal Reserve Banks ²		Federal Reserve System		Federal Reserve Board ¹		Federal Reserve Banks ²		Federal Reserve System	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender												
Male	165	61	1,017	55	1,182	56	160	61	1,042	56	1,202	56
Female	107	39	830	45	937	44	103	39	834	44	937	44
Minority status												
Non-minority	193	71	1,286	70	1,479	70	189	72	1,307	70	1,496	70
Minority	79	29	561	30	640	30	74	28	569	30	643	30
Total officers	272	-	1,847	-	2,119	-	263	-	1,876	-	2,139	-
¹ Excludes governors. ² Includes presidents and first vice presidents.												

Appendix C: Federal Reserve System Boards of Directors Demographics

Table C1. Federal Reserve System boards of directors: Bank and Branch directors as of January 1, 2024

Director categories	Current directors			Race/ethnicity														
				Hispanic or Latino		Non-Hispanic or Latino										Two or more		
	White		Black or African American			Asian		Native Hawaiian or other Pacific Islander		American Indian or Alaska Native								
All	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Board-appointed directors																		
<i>Class C (total positions 36)</i>																		
By total	35	23	12	4	1	11	5	5	5	2	1	0	0	0	0	0	1	0
By percent	97	64	33	11	3	31	14	14	14	6	3	0	0	0	0	0	3	0
<i>Branch Directors, appointed by Board of Governors (total positions 71)</i>																		
By total	68	32	36	4	8	15	20	7	6	4	2	0	0	0	0	0	2	0
By percent	96	45	51	6	11	21	28	10	8	6	3	0	0	0	0	0	3	0
Other directors																		
<i>Class A (total positions 36)</i>																		
By total	35	22	13	1	0	17	11	2	1	2	0	0	0	0	1	0	0	0
By percent	97	61	36	3	0	47	31	6	3	6	0	0	0	0	3	0	0	0
<i>Class B (total positions 36)</i>																		
By total	34	17	17	1	1	9	11	6	4	1	0	0	0	0	1	0	0	0
By percent	94	47	47	3	3	25	31	17	11	3	0	0	0	0	3	0	0	0
<i>Branch Directors, appointed by Reserve Banks (total positions 95)</i>																		
By total	94	61	33	7	2	37	23	10	6	4	0	0	0	3	0	0	0	2
By percent	99	64	35	7	2	39	24	11	6	4	0	0	0	3	0	0	0	2
Totals																		
<i>All head-office directors (total positions 108)</i>																		
By total	104	62	42	6	2	37	27	13	10	5	1	0	0	0	2	1	0	0
By percent	96	57	39	6	2	34	25	12	9	5	1	0	0	0	2	1	0	0
<i>All branch directors (total positions 166)</i>																		
By total	162	93	69	11	10	52	43	17	12	8	2	0	0	3	0	2	2	2
By percent	98	56	42	7	6	31	26	10	7	5	1	0	0	2	0	1	1	1
<i>All System directors (total positions 274)</i>																		
By total	266	155	111	17	12	89	70	30	22	13	3	0	0	3	2	3	2	2
By percent	97	57	41	6	4	32	26	11	8	5	1	0	0	1	1	1	1	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 to terms that began on January 1, 2024, as well as directors who are currently serving in existing terms. Information in this report reflects six vacant director positions. Directors are given the option to self-identify their gender and race/ethnicity.

Appendix D: Contract Payments to Minority- and Women-Owned Businesses by the Federal Reserve System

Table D1. Federal Reserve System payments to minority- and women-owned businesses, 2022 and 2023

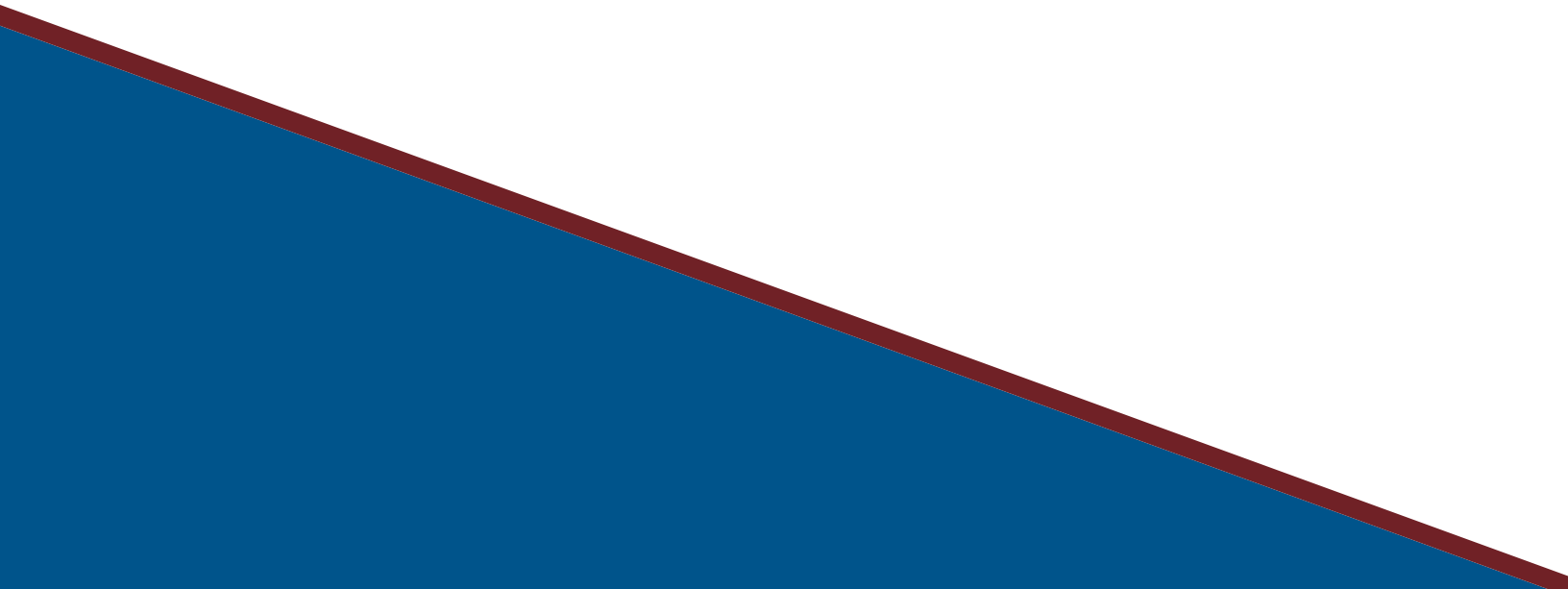
Dollars in millions

Demographic	2023						2022					
	Federal Reserve Board		Federal Reserve Banks		Federal Reserve System		Federal Reserve Board		Federal Reserve Banks		Federal Reserve System	
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
Total reportable spend	1,077.32	100.00	2,315.93	100.00	3,393.25	100.00	283.02	100.00	2,084.70	100.00	2,367.72	100.00
By business type												
Minority-owned ^{1, 2}	52.68	4.89	268.38	11.59	321.06	9.46	34.31	12.12	214.45	10.29	248.76	10.51
Non-minority women-owned	17.68	1.64	77.04	3.33	94.72	2.79	15.90	5.62	79.46	3.81	95.36	4.03
Total minority-owned and women-owned ²	70.36	6.53	345.43	14.92	415.79	12.25	50.20	17.74	293.92	14.10	344.12	14.53
By demographic group												
American Indian or Alaska Native	2.01	0.19	11.43	0.49	13.44	0.40	0.63	0.22	0.33	0.02	0.96	0.04
Asian American	26.90	2.50	118.42	5.11	145.32	4.28	20.80	7.35	73.36	3.52	94.16	3.98
Black or African American	10.36	0.96	117.67	5.08	128.03	3.77	7.81	2.76	127.05	6.09	134.86	5.70
Hispanic or Latino	13.30	1.23	15.87	0.69	29.17	0.86	5.06	1.79	6.52	0.31	11.58	0.49
Native Hawaiian or other Pacific Islander	0.10	0.01	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other minority ³	0.01	0.00	5.00	0.22	5.01	0.15	0.01	0.00	7.21	0.35	7.22	0.30

¹ "Minority-owned" includes minority women-owned businesses.

² The term *minority* means an individual who falls within one or more of the following race and ethnic categories: Hispanic or Latino, African American, Native Hawaiian or other Pacific Islander, Asian, and American Indian or Alaska Native. The term minority-owned business means a business that meets the following criteria: (i) more than 50 percent of the ownership or control is held by one or more minority individuals; and (ii) more than 50 percent of the net profit or loss accrues to one or more minority individuals. The term women-owned business means a business that meets the following criteria: (i) more than 50 percent of the ownership or control is held by one or more women; (ii) more than 50 percent of the net profit or loss accrues to one or more women; and (iii) a significant percentage of senior management positions are held by women.

³ *Other minority* means those businesses designating "minority-owned" but not designating Asian American, African American, Hispanic American, Hawaiian American, or Native American.



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