Commitment to DIVERSITY

FEDERAL RESERVE BANK *of* KANSAS CITY

2012 REPORT TO CONGRESS *on the*

OFFICE *of* MINORITY *and* WOMEN INCLUSION

PEOPLE

PRACTICES

PARTNERSHIPS

Contents

4 *Executive Summary*

8 *Overview*

10 *People: Minority and Women Employment*

20 *Practices: Minority- and Women-Owned Business Inclusion*

30 *Partnerships: Outreach and Financial Education*

42 *Appendix*

ON THE COVER: *Bank employees, from left: Paula Jaskinia, Lizbeth Carignan, Rhonda Patterson, Ryan King, Deng Pan, Rod Schmidt, Jennifer Oldvader and Tim Dalinghaus.*

Esther L. George
President and Chief Executive Officer
Federal Reserve Bank of Kansas City

MARCH 29, 2013

As an organization focused on serving the public, the Federal Reserve Bank of Kansas City places a high priority on ensuring the diversity of our region is reflected in our business activities, our workforce and in the community programs and partnerships we have developed through the years.

Our commitment to ensuring the diversity of our people, practices and partnerships is highlighted throughout the Bank's 2012 Annual Report to Congress on the Bank's Office of Minority and Women Inclusion (OMWI). The following pages detail the successes and challenges we experienced throughout the year in meeting the requirements of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

In the second full year since the establishment of the Bank's OMWI, we have experienced a number of successes in our diversity and inclusion initiatives. Continuous improvement remains a vital part of the Bank's operations, and we have found ways to improve upon our long-standing commitment to diversity.

To learn more about the ongoing initiatives and successes of the Bank's OMWI, I encourage you to visit our website at *www.KansasCityFed.org/diversity*. This web page includes links to our OMWI Annual Reports, information on procurement opportunities and hiring, summaries of key programs and more.

Esther L. George
President and Chief Executive Officer
Federal Reserve Bank of Kansas City

Executive Summary

The Bank's Summer @ The Fed program provides paid internships to high-achieving recent high school graduates. These interns lead financial education programs at summer camps across the region.

AS THE FEDERAL RESERVE BANK *of* KANSAS CITY'S OFFICE *of* MINORITY AND WOMEN INCLUSION *completed its second full year, the Bank further strengthened its long-standing commitment to the principles embodied in Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.*

Throughout 2012, the Bank continued to enhance its diversity efforts through new initiatives and identified improvements to a number of successful programs. As an institution dedicated to serving the public, the Kansas City Fed seeks to reflect the changing face of its community and partners across its seven-state District.

In addition, the Bank's Diversity Strategy Steering Committee, consisting of senior-level officers, advises the OMWI director on diversity and inclusion initiatives. The committee is responsible for providing the leadership, guidance and resources needed to ensure diversity efforts are supported across all levels of the organization.

The structure of the Kansas City Fed's OMWI allows for a holistic approach to diversity and inclusion.

OFFICE OF MINORITY *and* WOMEN INCLUSION

The Kansas City Fed's Office of Minority and Women Inclusion (OMWI) is led by Donna Ward, who was appointed as director in 2010. As senior vice president of the Bank's Administrative Services Division, Ward also oversees the Bank's human resources and procurement functions.

Along with these responsibilities, Ward works closely with the Bank's Regional, Public and Community Affairs Division to coordinate OMWI-related public programs and financial education activities. This structure allows for a holistic approach to diversity and inclusion and allows the Bank to effectively identify new opportunities to further promote its strategies.

Donna Ward serves as OMWI director and senior vice president of the Bank's Administrative Services Division. In addition to leading the Bank's diversity strategy, she oversees the human resources and procurement functions.

STANDARDS *and* PROCEDURES

The Kansas City Fed has formal standards and procedures for the following:

- Equal Employment Opportunity and racial, ethnic and gender diversity of the workforce and senior management.
- Participation of minority- and women-owned businesses in the Bank's programs and contracts.
- Fair inclusion in contractors' workforces.
- Conducting technical assistance to minority- and women-owned businesses.

The Bank hosted "Small Biz Day" events in Kansas City, Omaha, Oklahoma City and Denver to provide support and opportunities for minority- and women-owned businesses in particular.

In 2012, the Kansas City Fed had a number of OMWI successes related to its people, practices and partnerships with external groups.

PEOPLE, PRACTICES *and* PARTNERSHIPS

In 2012, the Kansas City Fed had a number of OMWI successes related to its people, practices and partnerships with external groups. Some highlights include the following:

People

- The Bank expanded its campus recruiting efforts to include additional historically black colleges and universities (HBCUs), Hispanic-serving institutions, women's colleges and colleges that serve majority-minority students.
- The Bank expanded its mentoring program, resulting in increased participation of minority and women employees. This included launching a peer mentoring program, called mentorship circles, which included one for minority members of management. The mentorship circles provide an opportunity for employees who share similar development goals to engage in continuous learning and development.

Bank Vice President Josias Aleman, right, was recognized for his mentorship efforts in 2012 by mentee Paulo Dominguez, left, and Senior Vice President Barb Pacheco.

Practices

- The Bank's total spend with minority- and women-owned businesses increased 56.5 percent in 2012, and 26.4 percent of all contracts were awarded to minority- and women-owned firms.

- The Bank hosted "Small Biz Day" events at its offices in Kansas City, Denver, Oklahoma City and Omaha to provide support and development opportunities for minority- and women-owned businesses in particular.

Partnerships

- The Kansas City Fed and other Reserve Banks successfully partnered with the Congressional Black Caucus and the Congressional Hispanic Caucus to deliver financial education programs to minority youth.

- The Bank expanded its successful Student Board of Directors program to all four offices and initiated a "Summer @ the Fed" program to provide additional internship and mentoring opportunities for diverse youth.

These are only a few of the many initiatives the Kansas City Fed's OMWI implemented throughout the year. This report highlights these and other successes and the challenges the Bank faced in its ongoing efforts to strengthen its commitment to diversity throughout the organization.

Overview

Bank employees, from left, Trudie Hall, Erika Ramirez, and Maria Butz, attend one of several outreach events hosted by the Kansas City Fed in 2012.

FOUNDED IN 1914, THE FEDERAL RESERVE BANK OF KANSAS CITY *is one of 12 regional Reserve Banks, which, along with the Board of Governors in Washington, D.C., make up the Federal Reserve System.*

THE TENTH DISTRICT

As the central bank for the United States, the Federal Reserve System is responsible for three mission areas: setting the nation's monetary policy, providing financial services to depository institutions, and supervising and regulating financial institutions. The System's decentralized structure, which includes local boards of directors and advisory councils at each Reserve Bank, ensures that a broad spectrum of views from the public at the regional level is used in national policy deliberations.

The Kansas City Fed employs about 1,350 people at its head office in Kansas City and at Branch offices in Denver, Oklahoma City and Omaha. The Bank is responsible for the Tenth Federal Reserve District, an area that includes Colorado, Kansas, Nebraska, Oklahoma, Wyoming, northern New Mexico and western Missouri.

The economy of the Tenth District represents a wide and diverse range of industries, including agriculture, banking, energy, manufacturing, aerospace, hospitality/tourism and military. About 33 percent of the District's residents live in rural areas, more than the national average of close to 20 percent. Additionally, 27 percent of the District's population is minority compared to about 36 percent of the nation as a whole.

The Bank's 12-member Management Committee, which is comprised of the senior executives responsible for setting policy and strategic direction, includes eight women, representing 66.7 percent of the committee. This is much higher than the 25.7 percent average for equivalent positions at Kansas City-area companies. The Management Committee also is 8.3 percent minority, which is also higher than the 6.1 percent average for equivalent positions at Kansas City-area companies.

The Bank also focuses on diversity among the members of boards of directors. In 2012, women held board leadership positions across the District, including as deputy chair of the Kansas City head office board and chair of the Denver Branch board. Additionally, minorities reflected 12 percent of the board of director positions across the District.

People MINORITY *and* WOMEN EMPLOYMENT

Bank employee Kari Anderson (right) receives the Bank's Diversity Change Agent Award from Bank President Esther George. The award is presented to an employee who makes an extraordinary contribution to diversity and teamwork. Anderson was recognized for leading diversity training activities for the Employee Diversity Council.

AS AN INSTITUTION *with* A PUBLIC SERVICE-ORIENTED MISSION, *the Federal Reserve Bank of Kansas City recognizes that success requires a workforce that represents the diversity of the region it serves. The Bank is an inclusive organization where diversity is respected and viewed as a business strength.*

The Bank's Critical Success Factors includes "Valuing Diversity and Teamwork," and a formal diversity strategy guides the Bank's efforts to recruit, retain and develop a workforce that is reflective of its relevant labor markets.

WORKFORCE DIVERSITY STANDARDS

One of the Federal Reserve Bank of Kansas City's core beliefs is that workforce diversity strengthens the organization and enriches the communities it serves. To support this value and provide a framework for diversity and inclusion, the Bank has a formal diversity strategy to guide its actions and practices as it strives to hire and retain a creative and diverse workforce.

Along with a formal diversity strategy, the Bank has workforce diversity standards and an Equal Employment Opportunity (EEO) policy that are leveraged to ensure diverse workforce representation. It is the responsibility of the Bank's OMWI director to ensure Bank policies and standards promoting workforce diversity and inclusion are developed, maintained and enforced in a way that is consistent with Section 342 of the Dodd-Frank Act and the Bank's business needs.

The workforce diversity standards include seeking a workforce that is representative of the labor pool of qualified candidate for its positions, at all levels, in the markets in which it operates. In addition, the Bank seeks to retain a diverse workforce by offering orientation, coaching and the transfer of institutional knowledge through mentorship, training and other initiatives.

WORKFORCE SUCCESS

The Bank experienced a number of successes in 2012 related to its efforts to recruit, retain and develop a diverse workforce.

Recruitment

As part of its regular practices to attract a diverse workforce, the Bank recruits at minority-serving colleges and universities, connects with diverse student groups at universities across its region, participates in urban career fairs targeting minority job-seekers, advertises openings in diverse media and partners with diverse community organizations.

Bank employee Valerie Wahbeh (left) is recognized for her work as a diversity liaison in the Bank's Connect 10 diversity awareness program by Bank First Vice President Kelly Dubbert.

These efforts have led to successes, including:

- Expanding the pool of qualified minority and women job candidates through advertisements placed in 62 diverse online job boards (see chart, "Employment Advertisements"). In addition, the Bank partners with contract agencies to identify diverse slates of candidates.

2012 *Employment Advertisements*

KEY EXAMPLES

LOCAL NEWSPAPERS

Denver Weekly News
Dos Mundos
OKC Herald
The Kansas City Globe

DIVERSE ONLINE JOB BOARDS

AfricanAmericanTimes.net
BeingLatino.us
DiversityBusiness.com
KoreaDirect.com
National Association of Professional Women

FEDERAL RESERVE SYSTEM ADVERTISEMENTS

Asian Life
Black EOE Journal
Hispanic Network Magazine
IMDiversity
Professional Woman's Magazine

- Continuing to build and develop relationships with minority and women student organizations at 26 colleges and universities, including developing new partnerships with three additional historically black colleges and universities (HBCUs), meeting with faculty and staff, conducting classroom presentations, participating in career fairs and conducting on-campus interviews (see chart, "Diverse Collegiate Recruiting Activities").

- Working with other Reserve Banks and the Federal Reserve Board of Governors on efforts to recruit women and minority candidates through partnerships with national organizations, including the Association of Latino Professionals in Finance, the National Black MBA Association, the National Society of Hispanic MBAs, the National Urban League and the Thurgood Marshall College Fund. The Federal Reserve System was recognized for its national diversity recruiting work by *The Professional Women's Multi Cultural Magazine*, *Black EOE Journal* and *Hispanic Network Magazine* as among the top 10 employers committed to diversity and inclusion among financial institutions.

In all, these efforts resulted in minority and women hiring rates of 16.3 percent and 36.0 percent, respectively, as well as a minority full-time hiring rate through campus recruiting of 10.0 percent (see table, "Hiring Rates).

2012 *Diverse Collegiate Recruiting Activities*

SCHOOL	DESCRIPTION
Clark Atlanta University	Historically Black College and University
Colorado State University – Pueblo	Hispanic-serving Institution
Cottey College	Women's College
Lincoln University	Historically Black College and University
Morehouse College	Historically Black College and University
Spelman College	Historically Black College and University
Stephens College	Women's College
University of New Mexico	Hispanic-serving Institution

Retention

Through successful employee orientation, career coaching programs and the transfer of institutional knowledge through mentorship, training and other initiatives, the Bank seeks to ensure the long-term success of its employees.

Because the Bank predominantly fills management and senior-level positions with internal candidates, the retention of top talent, including minority and women talent, is an important factor in maintaining a strong leadership pipeline. Developing this pipeline relies on two key initiatives, mentorship and training and development.

Mentorship

The Bank's mentorship program is one of its most effective development tools. Establishing formal relationships between new and experienced staff enhances retention while also building skills and knowledge.

In 2012, the Bank expanded its mentorship program by adding four mentorship circles consisting of employees with similar professional goals. These circles were aimed at providing a resource to groups of employees that historically had experienced high separation rates and filling existing mentorship gaps. The circles include minority members of management, new members of management, mid-career professionals and analysts.

Through the circles, participation in the Bank's mentorship program increased by more than 39 percent from the previous year. For minority and women employees, participation rates were also sharply higher in 2012 (see chart, "Mentorship Program Participation" and sidebar).

Hiring Rates (PERCENT)	*Results 2012*
Minority Hiring Rate[1]	16.3
Women Hiring Rate[1]	36.0
Minority Full-Time Hires Through Campus Recruiting	10.0
Minority Internship Hires Through Campus Recruiting and Community Partnerships	28.6

[1]*Percent reflects only official, management, and professional staff.*

MAKING CONNECTIONS THROUGH MENTORSHIP

The Bank's mentorship program experienced strong growth in 2012, and for mentees and mentors alike, the program has significant benefits. Participants gain a different perspective on the Bank's mission while building new relationships.

During his time at the Bank, Tyrone Watson-Ferguson, who works in Check Automation Services, has sought to learn more about the Bank's operations and grow his professional network. Through the mentorship program, he was paired with mentor Jeff Legette, a manager in Banking Supervision and Risk Management (SRM).

"I wanted to learn more about the Bank's culture and see how another area worked," Watson-Ferguson said. "I felt that seeing how all the pieces fit together would give me a better idea of what the Bank is trying to accomplish overall."

Watson-Ferguson and Legette met at least once a month, set goals for what they wanted to accomplish through the program and talked through any issues that came up throughout the year.

"As a mentor, my Number 1 goal was to make sure I was supporting Tyrone's goals and giving him the information he needed," Legette said. "As someone who is responsible for developing a staff in my own area, I hope I added another perspective for him to consider in his career path."

Along with being able to learn from Legette's experience, one of the key benefits of the program for Watson-Ferguson was the opportunity to expand his professional network at the Bank. Legette introduced him to staff in the Bank's Consumer Affairs Department that he might not have met otherwise.

"At Jeff's suggestion, I spent time with some of the employees in Consumer Affairs," Watson-Ferguson said. "I definitely gained a real understanding of the daily activities in SRM. I have also enhanced my perception of the Bank's overall culture by participating in the Mentoring Program consistently."

Mentor Jeff Legette (left) was paired with mentee Tyrone Watson-Ferguson (right) through the Bank's mentorship program. The program saw a significant increase in minority participation in 2012.

Diversity Recruiting Activities	*Results 2012*
Total Number of Minority and Women College and University Events Attended	25
Historically Black Colleges and Universities Events Attended	10
Hispanic-Serving Institutions Events Attended	11
Women's Colleges Events Attended	4
Sponsorship or Participation in Urban Career Events	4
Number of Employment Advertisements Placed in Diverse Media - Electronic	4,084
Number of Employment Advertisements Placed in Diverse Media - Print	10
Number of Partnerships with Community Organizations - Minority Employment	9

Mentorship Program Participation (Percent)[1]	*Results 2012*	*Results 2011*
Minority Participation Rate	10.7	5.9
Non-Minority Participation Rate	19.6	8.8
Female Participation Rate	21.7	13.4
Male Participation Rate	15.0	6.3

[1]*Percent reflects total workforce.*

Training and Development

Through the Bank's internal training programs, employees learn more about the value of diversity as a business opportunity and the link between diversity and the Bank's success.

In 2012, the Bank developed and delivered a new diversity training class for non-management staff, ***Creating an Inclusive Workplace***, which focuses on the Bank's Diversity Strategy. The training has three learning objectives: (1) increase awareness of diversity and inclusion as a business opportunity; (2) understand the Bank's Diversity Strategy and level of commitment to being an inclusive organization; and (3) identify practical ways that employees can support a culture of inclusion.

The Bank also sponsors several "Community of Practice" programs that allow employees to discuss and collaborate on common interests and challenges. These groups promote knowledge sharing and development across the Bank. In addition, the Bank has made a significant effort in enhancing its on-boarding programs for new employees to highlight the organization's commitment to diversity, its diversity strategy and the roles and responsibilities of the OMWI.

To further support employee retention, the Bank recently conducted "stay surveys" through a series of focus groups to gain a better understanding about why employees, including minorities and women, choose to stay at the Bank and what drives employee commitment. The information gained from these focus groups is used to assess the Bank's current employee engagement practices and develop new initiatives to support retention objectives.

COMMUNITY PARTNERS

The Bank values its partnerships with community organizations and the role they play in helping the Bank achieve its workforce strategies. These organizations are committed to promoting opportunities for minority professionals (see chart, "2012 Diverse Community Partnerships"), and these relationships provide the Bank with solid business partners who support its diversity initiatives. Successes in 2012 include the following:

2012 *Diverse Community Partnerships*

INROADS, Inc.
National Black MBA Association
National Society of Hispanic MBAs
Urban Financial Services Coalition
Urban League of Greater Kansas City
Hispanic Chamber of Commerce of Greater Kansas City
Asian American Chamber of Commerce of Kansas City
Black Chamber of Commerce of Greater Kansas City
Greater Kansas City Chamber of Commerce

- The Bank participated in networking events and provided instructors and presenters for training events, workshops and conferences sponsored by diverse community partners. The Bank also hosted annual events for the Kansas City chapters of the National Black MBA Association, the National Society of Hispanic MBAs and the Urban Financial Services Coalition. The events provided an opportunity for senior Bank leaders, management and other staff to network with minority professionals and expand labor pool outreach.

- The Bank supports the involvement of its employees as leaders within community partner organizations. For example, a member of the Bank's senior leadership team has served in an advisory position with the INROADS Midwest Region for more than six years. Additionally, staff are actively engaged with the Urban League and National Society of Hispanic MBAs.

- In 2012, the Bank was recognized by a number of partner organizations for its diversity commitment. These included:
  - Platinum Level Partner, Urban Financial Services Coalition
  - Corporate Partner Award, National Society of Hispanic MBAs
  - Presidential Partner, National Black MBA Association
  - Corporate Partner Award, INROADS Inc.

ACCOUNTABILITY *and* COMMUNICATION

The Bank holds itself to a high standard of excellence in all areas, including its diversity initiatives. By communicating this commitment to employees, the Bank seeks to ensure its diversity strategies are supported throughout the organization.

The Bank's Diversity Strategy Steering

Committee consists of senior-level officers who advise the OMWI director and ensure resources, leadership and guidance are available to achieve diversity goals. In addition, the Bank's Employee Diversity Council increases employee awareness of the benefits of diversity as a business strength. The group coordinates educational events that provide ways for employees to learn how they contribute to an inclusive work environment.

Throughout the year, diversity initiatives are highlighted in the Bank's employee newsletters, on its internal and public websites and through training opportunities. The message to each employee is that they are responsible for understanding the link between diversity and the Bank's success and for contributing to an inclusive environment where excellence thrives.

INTERNAL ASSESSMENT *and* REPORTING

A systematic measurement process is in place to help the Bank gauge its progress. Each quarter, senior management reviews and assesses diversity recruiting results, which include workforce representation compared to Kansas City MSA EEOC data, minority and women hiring rates, activities at minority-serving and women's institutions, sponsorships and participation in urban career fairs, employment advertisements placed in diverse media and partnerships with community organizations.

Along with these measurements, management analyzes retention metrics such as separation rates, mentorship program participation by women and minority employees, and employee climate survey results. Management discusses trends, challenges and successes on a regular basis and identifies opportunities for improvement.

The Bank also continually assesses and evaluates employee feedback. In 2012, the Bank conducted a biennial employee perspective survey and ongoing stay and exit surveys. The survey results were analyzed and correlated to identify trends and common themes that drive employee commitment, retention and turnover. The Bank is taking action to address these survey results and further strengthen employee engagement.

In addition, the Bank publishes workforce

The Diversity Steering Strategy Committee includes, from left: Vice President Kevin Craig, Senior Vice President Dawn Morhaus, Senior Vice President Kevin Moore, Senior Vice President Denise Connor, Senior Vice President/General Counsel Veronica Sellers, Senior Vice President/OMWI Director Donna Ward, Vice President Kristi Coy, Senior Vice President Diane Raley, Vice President Mark Watson, and Vice President Josias Aleman.

representation data on its website (see Workforce Representation Data in Appendix) and makes its annual OMWI report to Congress available to the public.

CHALLENGES

The Bank's workforce diversity initiatives face the following challenges:

- Within the region the Bank serves, there is a limited number of colleges and universities that are historically minority- and women-serving or have a majority of minority students. As a result, the Bank has expanded its recruiting efforts beyond its region's boundaries; however, prospective diverse job candidates often choose not to relocate to the Tenth District.

- The region's limited minority labor pool for positions that the Bank seeks results in significant competition for qualified minority labor within the region. According to census data, 27.5 percent of the region's population is minority, compared to 36.3 percent for the nation as a whole.

- The Bank has identified a need to improve the diversity of its applicant pool in specialized positions such as auditors, information technology and bank examiners. In response, the Bank has begun to enhance its recruitment and outreach efforts by targeting recruitment venues with more diverse applicant pools.

LOOKING AHEAD

The Bank has identified the following next steps as it looks to the future:

- Further expand current minority recruitment and retention initiatives.

- Continue to evaluate its relationships with minority-serving colleges and universities to ensure a good match between the schools' talent pool and the jobs offered by the Bank.

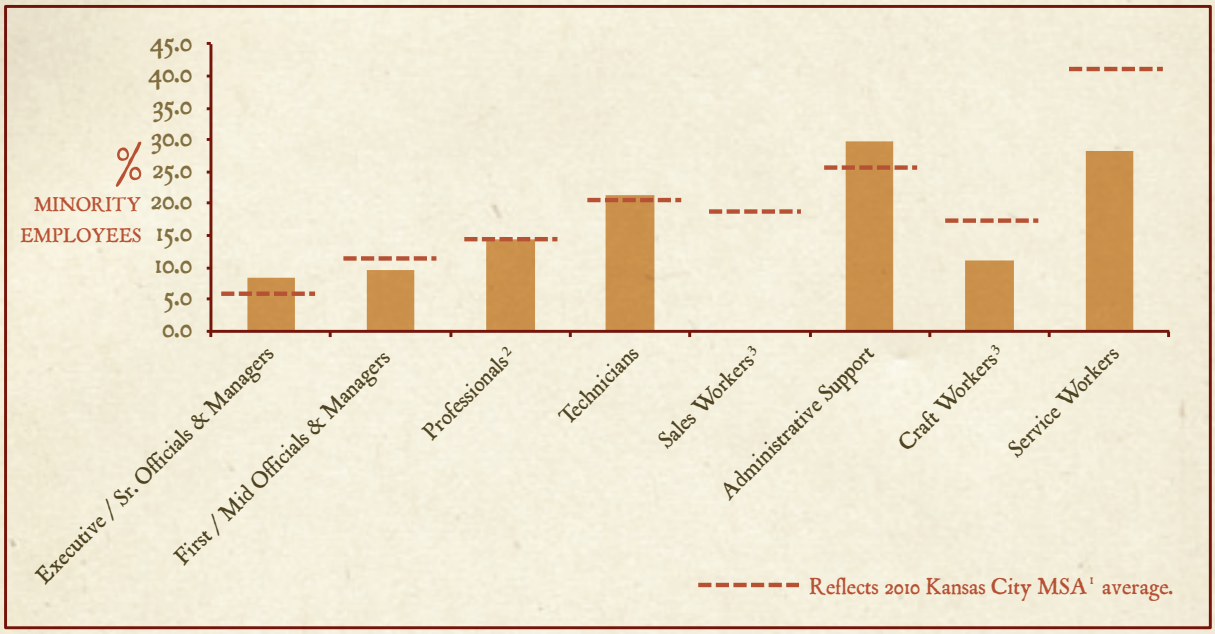
- Pursue initiatives to increase minority participation in the Bank's mentorship program.

- Continue working with community partners to identify networking opportunities to interact with qualified minority and women candidates, and continue to support these partners in developing minority talent.

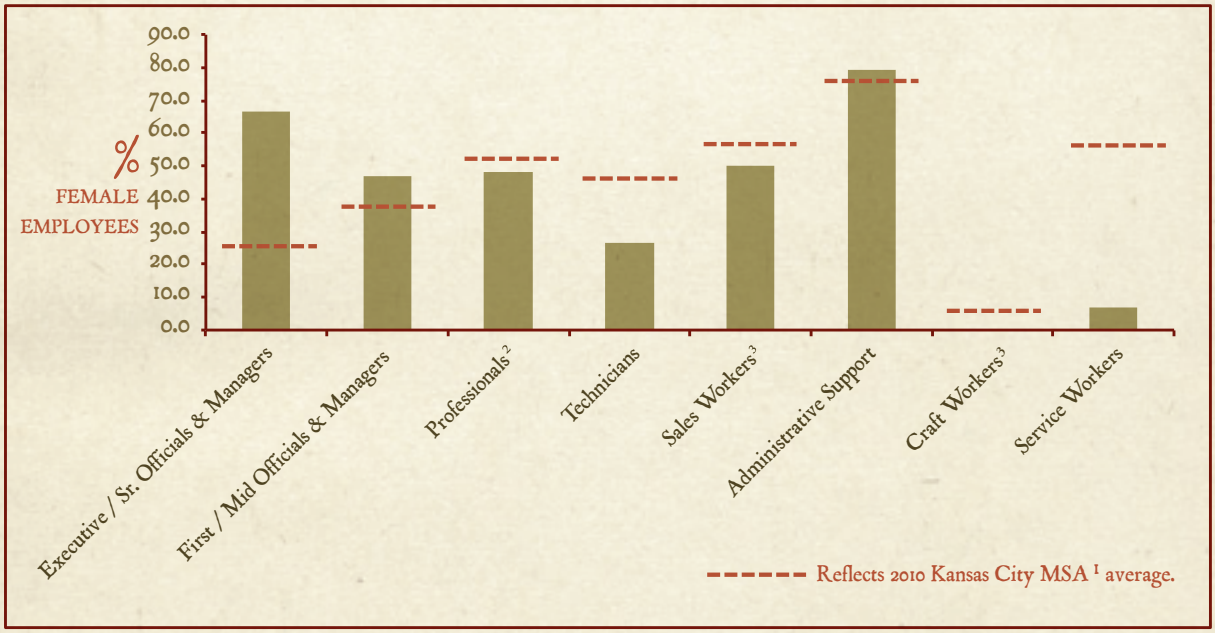
- Continue to partner with employment contract agencies to ensure a diverse slate of candidates for positions that are sourced through these third-party vendors.

- Further promote ongoing and open communication with employees to ensure broad awareness of the value of a diverse workforce and the opportunities available to support these efforts.

2012 MINORITY WORKFORCE REPRESENTATION, KANSAS CITY OFFICE



2012 FEMALE WORKFORCE REPRESENTATION, KANSAS CITY OFFICE



[1]Kansas City Metropolitan Statistical Area (MSA) is based on 2010 federal statistics provided by the EEOC.
[2]Professionals include analysts, economists, examiners, and IT professionals.
[3]Sales workers and craft workers represent a small number of the total workforce.

Note: Numbers may not add due to rounding. Information reflects EEO-1 data as defined by the Equal Employment Opportunity Commission (EEOC). The data is as of August 31, 2012, in order to match our submitted annual EEO-1 report to the EEOC. The report is primarily based on employee self-identification. Per EEOC guidance, if race or ethnic information is not self-reported, observer identification may be used. The Federal Reserve Bank of Kansas City follows a practice of reviewing employee representation against the Kansas City MSA EEO-1 data (broken down by EEO-1 categories). The Bank uses EEO-1 category data because measuring performance against the broader population is not comparable; the broader population data does not take into account the demographics of the labor pool that feed into each job group.

Through its involvement in outreach events, such as the Business Opportunity Fair pictured above, the Bank provides support, technical assistance and information about procurement opportunities for women- and minority-owned businesses.

IN 2012, THE KANSAS CITY FED'S DIVERSE SUPPLIER INCLUSION EFFORTS *resulted in a 56.5 percent increase in the amount spent with minority- and women-owned businesses compared to 2011. In addition, the Bank awarded 26.4 percent of all contracts to minority- and women-owned firms.*

These results highlight the Bank's commitment to diversity throughout its procurement process and reflect the Bank's core belief that supplier diversity strengthens its operations and benefits the community.

As OMWI director and head of the Bank's Administrative Services Division, which oversees the procurement function, Donna Ward has responsibility for developing and implementing the Bank's minority- and women-owned supplier inclusion standards. The Federal Reserve's National Procurement Office (NPO), which is responsible for managing and facilitating some contracts with all 12 Reserve Banks, also provides support.

one minority- and one women-owned business in all requests for proposals that are issued.

The Bank experienced a number of successes throughout the year in its efforts to enhance its supplier outreach efforts and support of diverse suppliers.

SUPPLIER OUTREACH

The Bank attended or hosted 12 outreach events for diverse suppliers throughout 2012. These included events with regional supplier organizations, networking opportunities and conferences aimed at connecting with potential diverse suppliers interested in doing business with the Bank.

Amounts Paid to Contractors	*2012 Amount*	*2012 Percent*	*2011 Amount*	*2011 Percent*
Total Reportable Spend[1]	$45.6 million	100.0	$37.5 million	100.0
Total Diverse Spend	$7.2 million	15.7	$4.6 million	12.2
Women-Owned Business Spend[2]	$5.6 million	12.3	$4.0 million	10.6
Minority-Owned Business Spend[2]	$1.6 million	3.4	$618,000	1.6

[1]Reportable spend includes all vendor payments except those made for/to association memberships, dues and fees; international banks; inter-company/inter-Fed transfers; government payments; legal settlements; payment network fees; rent; and utilities.

[2]Minority women-owned business spend is captured in spend for minority-owned businesses and is not double counted in the women-owned business spend category.

For 2012, the Bank spent a total of $45.6 million with contractors and suppliers. The amount spent with minority- and women-owned firms totaled $7.2 million, or 15.7 percent of reportable spend. These amounts include prime contractors only (see chart, "Amounts Paid to Contractors").

To further engage diverse businesses and provide procurement opportunities, the Bank places a strong emphasis on including at least

Highlights of these outreach efforts include the following:

- The MidAmerica Minority Supplier Development Council (MAMSDC) recognized the Bank with two awards at the council's annual contract recognition ceremony. The mission of the MAMSDC, of which the Bank is a corporate member,

CONNECTING *with* THE COMMUNITY

Starting a business can be daunting for small firms, including minority- and women-owned businesses. The Federal Reserve Bank of Kansas City's Small Biz Day program helps ease some of those challenges.

"The purpose of Small Biz Day is to connect potential and existing small business owners with local resources and organizations that can help them," said Dell Gines, a senior community development adviser who organized the program across the Tenth Federal Reserve District. In 2012, Small Biz Day events were held in Kansas City, Omaha, Oklahoma City and Denver.

Many potential, and even existing, small business owners are not aware of the numerous small business support and resource providers that are available. These organizations provide services such as technical assistance, financing help and networking opportunities.

"People starting out don't know where to get the help they need," said Gines, "and often, if they find one provider, that provider doesn't connect them to the next one."

Small Biz Day brings numerous providers together to help inform potential and existing business owners about how to plan for, finance and market a small business.

The event features a series of sessions offered for start-ups and existing businesses. Service providers are also available at booths to answer questions and provide resources throughout the event.

Small businesses make up the majority of businesses in the United States, making them a key focus area. More than 80 percent of small businesses are considered micro-businesses, meaning they have five or less employees.

"Small businesses play an important role," Gines said. "They can be a path from poverty, or, for someone who lost a job during the recession, starting a small business provides an opportunity to use their skills in a different way. We developed Small Biz Day to help people navigate the process."

Many entrepreneurs and small business owners, including women and minorities, attended the Bank's "Small Biz Day" events in Kansas City, Oklahoma City, Omaha and Denver in 2012.

is to increase business development opportunities for minority-owned firms and to strengthen the community. The awards ceremony highlighted the success of this mission and recognized businesses and minority-owned firms that have entered into a contract of at least $50,000.

more about the Bank's procurement process. Representatives from about 90 companies attended the event to hear presentations on doing business with the Bank and the Federal Reserve System and met one-on-one with various business areas within the Bank to discuss potential opportunities.

Donna Ward, center, senior vice president and OMWI director, receives an award on behalf of the Bank from the Mid-America Minority Supplier Development Council in recognition of entering into a contract of more than $50,000 with a minority-owned business.

- Bank staff participated on the planning committee for the MAMSDC's Business Opportunity Fair and Contract Recognition Ceremony. The Bank met with staff from the council and other local business representatives for several months to develop and support the event, including agenda creation, communications and logistics.

- The Bank hosted a Business Opportunity Fair aimed at small, minority- and women-owned businesses interested in learning

- In addition to its involvement with the MAMSDC, the Bank continued its involvement with the Hispanic Chamber of Commerce of Greater Kansas City, the Asian American Chamber of Commerce of Kansas City, the Black Chamber of Commerce of Greater Kansas City, and the Greater Kansas City Chamber of Commerce. The Bank partners with these organizations to help identify diverse suppliers.

- The Bank joined the Women's Business Development Center (WBDC), a nationally recognized organization that provides women entrepreneurs with comprehensive, full-service business assistance programs to help them improve their capacity as viable suppliers. The Chicago-based WBDC is the Women's Business Enterprise National Council's (WBENC) only regional partner for nine states in the Midwest and administers the WBENC's Gold Standard Certification for women business enterprises, the largest certification program in the country.

- Throughout the year, the Bank fully implemented processes and procedures for making good-faith-effort compliance determinations on 100 percent of the 2011 and 2012 executed contracts with a value greater than $50,000.

- The Denver office was the host for a supplier diversity symposium and networking event sponsored by the Financial Services Roundtable for Supplier Diversity. The event, "Access, Information and Opportunity: Strategic Steps for Growth," provided a forum for financial services organizations to discuss supplier diversity initiatives and best practices from across the country.

- The Reserve Banks collectively work together to identify opportunities to further the System's supplier diversity programs, practices and actions. This includes coordinating national outreach efforts as well as participating in national supplier diversity conferences. In 2012, the Federal Reserve System collaboratively participated in two supplier diversity conferences to reach minority- and women-owned firms. The conferences attended were sponsored by the WBENC and the National Minority Supplier Development Council (NMSDC).

- Suppliers using the Bank's website can access a self-registration tool and provide information about their company and the goods or services they provide. This information is made accessible throughout the Federal Reserve System, and a list of newly registered suppliers is provided to Bank departments on a quarterly basis. The self-registration tool is continually supported and reviewed.

DIVERSE SUPPLIER SUPPORT

To ensure the continued participation of women- and minority-owned businesses in the Bank's procurement processes, the Bank enhanced a number of tools and efforts to support these firms.

- The Bank's supplier diversity brochure was updated, a procurement business card was developed, and signage for booths at exhibit fairs was created. The brochure includes information about the Federal Reserve, the types of goods and services

Diverse businesses learned more about the Bank's procurement opportunities at its Business Opportunity Fair and other outreach events.

the Bank typically purchases, a link to the supplier self-registration tool and contact information for procurement staff. The brochure and business card are distributed at networking and outreach events.

- Businesses with questions about the Bank's procurement process received technical assistance, including help with using the Federal Reserve's e-sourcing application. Bank staff also meet one-on-one with diverse suppliers.

- The Bank also hosted free technical assistance programs in Kansas City, Oklahoma City, Omaha and Denver through its "Small Biz Day" program. The program is targeted toward small, minority- and women-owned firms, and provides an opportunity to collect information and connect firms with organizations that can help small businesses grow.

INTERNAL ASSESSMENT *and* REPORTING

The Bank has several metrics and evaluation processes to measure the effectiveness and progress of its supplier diversity strategies. The metrics include:

- Number and dollar value of contracts awarded to diverse suppliers
- Response rate of diverse suppliers
- Inclusion rate of diverse suppliers in competitive acquisitions
- Number of outreach events attended

The Bank has several mechanisms in place to continually evaluate its procurement practices and identify opportunities to improve the participation of minority- and women-owned businesses. For example, at the end of each quarter, the Bank surveys suppliers who did not respond to a formal Request for Proposal (RFP) in the previous quarter. The survey is intended to help identify if the Bank's RFP process influenced the supplier's decision not to respond.

On a quarterly basis, the Bank produces a Diversity and Inclusion Performance report that outlines the metrics mentioned above. This report is reviewed regularly by the Diversity Strategy Steering Committee, which discusses successes, trends and challenges.

CHALLENGES

The Bank has identified the following challenges in its efforts to increase the participation of minority- and women-owned firms in its procurement process:

Bank staff discussed procurement opportunities with women- and minority-owned businesses at the Bank's Business Opportunity Fair.

Additionally, the Bank is in the process of reviewing its supplier-management processes to create enhancements that will better allow it to track historical information and trends such as suppliers who were invited to participate in competitive bids, as well as information as to whether or not they provided a bid. The Bank also tracks feedback received from suppliers about the competitive bid process. These feedback mechanisms are used to assess the Bank's supplier practices and processes.

- Identification and classification of minority- and women-owned firms continue to be a challenge. There is no single, comprehensive information source for determining vendor classifications. The Federal Reserve System has selected a tool to assist in determining vendor classifications, but the Bank consistently encounters differences between this source and others, which requires further research to determine accurate classifications.

A PROACTIVE COMMITMENT *to* DIVERSE SUPPLIERS

The Bank takes a number of steps to ensure diverse suppliers are included throughout its procurement process. These include attending numerous supplier outreach events, contacting minority-business certification entities such as the MidAmerica Minority Supplier Development Council for recommendations, and providing a streamlined contracting process and prompt payment.

For Joe Davis, chief executive officer of Custom Engineering, a minority-owned business that provides mechanical and electrical engineering services, the Federal Reserve Bank of Kansas City has been a valued partner.

After attending a Bank-sponsored procurement event and meeting with Bank staff at other supplier outreach events throughout 2012, Davis learned more about possible contracting opportunities with the Bank. And, Davis adds, he was pleasantly surprised when the Bank contacted him directly to talk more about those opportunities.

"I would characterize the Fed's commitment to working with diverse suppliers as proactive," Davis says. "I was surprised at the steps they took. The Federal Reserve Bank of Kansas City made a conscious effort to include a diverse supplier."

The company's involvement with the Bank "improves our resume and could lead to other opportunities," Davis adds. "The opportunity given to Custom Engineering during the tough economic times was very helpful when not many opportunities were available."

- There is a lack of women- or minority-owned firms that provide specific goods or services; identification of additional resources has been difficult, even when the Bank uses a variety of methods to identify diverse suppliers.

LOOKING AHEAD

As the Bank seeks to improve its women- and minority-owned supplier inclusion practices, it will continue to take the following steps:

- Continue to participate in national business opportunity events in 2013.
- Work with area chambers of commerce and local minority supplier development councils to identify diverse suppliers for the Bank's procurement opportunities.
- Seek other opportunities to increase participation of minority- and women-owned businesses in the Bank's procurement activities, including through participation in local exhibit fairs, networking events and community organizations.

COMMUNITY ENGAGEMENT

In 2012, Bank staff networked with diverse suppliers and discussed the Bank's procurement process at several community events, including the following:

MidAmerica Minority Supplier Development Council Spotlight Luncheon, FEB. 14 – Bank staff attended this networking forum designed for corporate buyers to meet and learn about key minority businesses. Several minority firms gave short presentations during the lunch.

Asian American Chamber of Commerce Networking Lunch and Learn, MARCH 28 – Bank staff attended this networking event focused on employment and business opportunities.

Small Biz Day, APRIL 21 – The Kansas City office hosted a half-day event to provide information, resources and networking opportunities to small businesses and minority-owned firms.

MidAmerica Minority Supplier Development Council Contract Recognition Ceremony, MAY 3 – The Bank's OMWI director and staff attended this event, which recognized area companies, including the Bank, that entered into a contract with a minority business for more than $50,000.

MidAmerica Minority Supplier Development Council's Annual Business Opportunity Fair, MAY 17 – Bank staff attended this event to network with local minority-owned firms and discuss business opportunities.

Kansas City Government Contracting & Procurement Forum, AUG. 8 – Bank staff attended this forum that showcased government contracting and procurement opportunities for businesses. The Bank hosted an information booth and provided one-on-one information sessions with potential vendors.

Kansas City Fed Business Opportunity Fair, AUG. 10 – Staff hosted a Business Opportunity Fair in Kansas City that was attended by representatives from approximately 90 companies. The event included presentations on doing business with the Bank and the Federal Reserve System and small business resources available through the Bank. Company representatives were able to meet directly with staff from across the Bank to discuss business opportunities.

Kansas City Chamber of Commerce Meeting, AUG. 20 – Bank staff met with chamber representatives to discuss various diversity initiatives, including the Bank's Supplier Diversity Program.

National Minority Supplier Development Council Annual Conference, OCT. 29 – The National Minority Supplier Development Council held their annual conference in Denver, which was attended by staff from most Reserve Banks, including the Kansas City Fed, and the Board of Governors. The event provided an opportunity for small and minority vendors to connect with companies and discuss business opportunities.

Hispanic Chamber of Commerce Annual Gala, NOV. 15 – The Bank's OMWI director, and other staff attended this event to recognize excellence in the Hispanic business community, as well as corporations who support the community.

MidAmerica Minority Supplier Development Council Corporate Roundtable, NOV. 28 – Bank staff attended this meeting between the council and corporate members to explore ways to improve the council's processes.

MidAmerica Minority Supplier Development Council Holiday Networking Event, DEC. 13 – The Bank's OMWI director and other staff attended this networking event to meet with local minority-owned businesses.

Partnerships OUTREACH *and* FINANCIAL EDUCATION

The Bank's Student Board of Directors completed its first academic year in 2012, offering high school students information about careers and financial issues as they enter college or the workforce.

THROUGH DOZENS *of* FINANCIAL EDUCATION EVENTS AND INITIATIVES ACROSS THE REGION IT SERVES, ***the Federal Reserve Bank of Kansas City in 2012 reached thousands of diverse youth.***

By partnering with urban school districts, community organizations and other groups committed to advancing economic education, the Bank has achieved a number of successes in equipping minority youth, women and others with knowledge that can be used to make sound personal financial decisions.

DIVERSE SCHOOL DISTRICT OUTREACH

In 2012, the Bank strengthened its relationships with diverse urban schools in its District, including providing support and resources in a number of areas.

Professional development and educator support

The Bank has a long tradition of providing professional development opportunities for educators seeking resources for their financial education efforts. While these development programs are open to all educators, the Bank has made a strong effort to target educators from diverse communities and urban schools. All Bank offices hosted "Evening at the Fed" events for local educators to learn more about the Bank's resources. In addition, the Oklahoma City Branch held a "Fiscally Fit Bootcamp" event for educators to enhance their personal financial knowledge before teaching the same concepts to students, and the Denver Branch hosted workshops for educators in Albuquerque, N.M., and elsewhere.

Staff in Kansas City collaborated with the Kansas City, Mo., school district and four community organizations to design two monthly professional development programs for K-12 teachers. These programs focused on aligning the Bank's economic and personal finance resources with the school district's curriculum requirements and grade-specific learning targets.

Continued feedback from educators helps the Bank improve its financial education initiatives. Each Bank office collaborates with an Economic Education Advisory Council that formally meets three times a year to discuss challenges, programming and resources. In addition, the Bank tests new resources with many educators, including those from diverse and urban school districts.

By partnering with urban school districts, community organizations and other groups committed to advancing economic education, the Bank has achieved a number of successes in equipping minority youth, women and others with knowledge that can be used to make sound personal financial decisions.

STUDENT BOARD MAKES A CONNECTION

Throughout the academic year, students from urban school districts in Kansas City, Omaha, Oklahoma City and Denver have the chance to learn more about college and career planning, speak with area professionals and develop their personal finance skills through the Bank's Student Board of Directors program.

Now in its second year, the program is building a successful record of reaching diverse high school students and providing mentorship and other growth opportunities.

Devin McClenton, who participated in the program's first year as a student from the Southwest Early College Campus in Kansas City, Mo., said the experience shaped his plans more than he expected.

"I thought the group broadened my view about the Fed," he said. "I am leaning toward studying business management, so I could come to work here (at the Bank) someday. I like how it's like a family here."

The 24 members of the Bank's inaugural Student Board of Directors completed the academic year-long program on April 11 with a special ceremony and speakers. The evening included a special video commemorating the Student Board members' experience with the Bank and remarks from Bank President Esther George, the chairman of the Bank's Board of Directors, Paul DeBruce, and U.S. Rep. Emanuel Cleaver.

"You are all at the top of your class and you're involved in this program," Rep. Cleaver said at the event. "You are ahead. Now you have to stay ahead."

Bank employees from several departments also participate in the Student Board of Directors program throughout the year and share their professional experiences with the students through group discussions and other interaction.

Members of the Student Board of Directors met with U.S. Rep Emanuel Cleaver II (far left), Bank President Esther George and Bank Chairman Paul DeBruce (center) in 2012.

One result of this collaboration was the development of a new required 10th-grade financial literacy course for the Omaha Public School District. The Bank's staff in Omaha worked closely with school district staff to create the course and continued to support implementation efforts by hosting workshops for educators throughout the year.

School partnerships and support

The Bank has established formal partnerships with two key urban school districts in the Kansas City metro area: the Kansas City, Mo., and the Kansas City, Kan., school districts. These partnerships allow the Bank to serve as a resource for students, teachers and constituents in these districts.

In Omaha, the Bank has engaged closely with two inner-city magnet schools, Conestoga Elementary and Marrs Middle schools, which both emphasize economics and math. Staff members from the Omaha Branch provide ongoing support, expertise, involvement and resources on economics and personal finance instruction for educators at the schools. The Bank has also established a similar partnership with Adams Elementary in Wichita, Kan.

Along with these formal relationships, staff members work closely with school districts and community partners to advance financial education in urban areas. In Oklahoma City, a Bank employee serves on the organizational committee for an inner-city high school finance academy that launched in 2012.

In addition, the Oklahoma City Branch hosts student programs to discuss careers, the Federal Reserve and financial education. In Omaha, Bank staff members serve on the committee for the Academy of Finance at four inner-city high schools and the superintendent's council for career education.

The Student Board of Directors program is coordinated with urban school districts across the Bank's region.

In Denver, staff members serve on the Career and Technical Advisory Committee for Littleton Public Schools, mentoring students in a career program and judging entrepreneurship and financial education projects. Denver employees also serve on the Denver Public Schools–South High School Academy of Finance committee and provide speakers, job shadowing and mentoring to students.

Student Outreach

Along with its partnerships with urban and diverse school districts, the Bank participates in a number of direct student outreach initiatives, including the following:

SUMMER @ THE FED

Seven recent high school graduates from schools in the Kansas City, Mo., and Kansas City, Kan., school districts helped share their own financial knowledge and serve as mentors for more than 400 young students during the summer of 2012.

As part of its Summer @ the Fed program, the Bank hired the new graduates as interns to work as camp counselors to implement structured lessons and activities about spending choices, basic banking terms and the importance of saving to 4th- through 6th-graders enrolled at summer programs hosted by the Boys and Girls Clubs of Greater Kansas City, Operation Breakthrough, the Bethel Neighborhood Center and The Upper Room. The Bank's interns were paid a market-rate wage of $11 per hour.

Each of the camp counselors previously served as members on the Bank's Student Board of Directors during the school year, and their work through the summer provided an opportunity to experience a corporate environment and solidified the experience they received through the Student Board.

"I learned more than I expected about the economy through this program," said one camp counselor. "Learning something as a student is different than teaching it to someone else."

An INROADS intern with the Bank's Summer @ The Fed program led financial lessons for young students across the Kansas City metro area in 2012.

- *Student Board of Directors:* The Bank completed its first full year of its Student Board of Directors program and recruited a new group of students who began the program in the fall of 2012. In addition, each Branch office launched its own Student Board of Directors Program in 2012, targeting students from diverse, urban school districts (see sidebar, "Student Board Makes a Connection").

- *Summer @ the Fed:* During the summer of 2012, the Bank hired seven members of its Student Board for paid internships to serve as camp counselors to deliver financial education lessons to more than 400 young students enrolled in area summer programs (see sidebar, "Summer @ the Fed").

High School attended the Summit in Washington, D.C. (see sidebar, "Bank Partners on Financial Education"). Programs similar to the one in Washington were held at the Bank's offices in Kansas City and at Hinkley High School in Denver.

- *Econ Superheroes Save the Day:* The Bank's Omaha Branch partnered with Conestoga Elementary School, an urban magnet school, to offer "Econ Superheroes Save the Day," a program that encouraged students to develop and illustrate a superhero solving a financial problem. The Bank published the best illustrations in a book that was made available online and provided to each student.

During the summer of 2012, the Bank hired seven members of its Student Board to serve as camp counselors to deliver financial education lessons to more than 400 young students enrolled in area summer programs.

- *Financial education video competition:* As part of the Bank's partnership with the Congressional Black Caucus' Financial Education Youth Summit, the Bank held a video competition for high school students that explored a financial theme. Following their successful video submission, a team from Grandview (Mo.)

- *Teach Children to Save:* The Bank's annual "Teach Children to Save Day," in which staff members provide financial and economic lessons to students at urban schools, expanded its reach by 30 percent in 2012. More than 6,300 students in 292 classrooms at 90 schools participated in the program. Of these students, 31 percent were at majority-minority schools.

BANK PARTNERS ON FINANCIAL EDUCATION

"What do you say to people who view youth more as a burden than an asset?" a student from Grandview (Mo.) High School, asks the Grandview mayor, Steve Dennis.

"I think they've probably forgotten how hard it was for them when they were youth," the mayor said.

The short exchange was included in a five-minute video submitted to the Bank's Financial Literacy Video Competition in 2012 by a team of Grandview High School students exploring the topic "How does a community benefit when youth are financially educated?" As winners of the competition, the students traveled to Washington, D.C., where they attended the Congressional Black Caucus' Financial Education Youth Summit on Sept. 21.

The event was held at Trinity Washington University in Washington, D.C. The Bank, in partnership with the Richmond and Cleveland Reserve Banks and the CBC, shared financial education lessons with more than 150 students from the D.C. area and the four students from Grandview. In addition to the financial education lessons, the day included welcome remarks from U.S. Rep. and then-CBC Chair Emanuel Cleaver and a tour of the U.S. Capitol. As a separate initiative, staff from the Bank and the Cleveland and Richmond Reserve Banks led a one-hour financial education session at the Congressional Hispanic Caucus on Sept. 11 for 250 Hispanic high school students from the D.C. area.

"I told the students that they are what W.E.B. DuBois, an African American historian and scholar, called the 'talented tenth' or the 10 percent of the population who must educate the 90 percent in order for change to occur," said Kansas City Fed Vice President and Community Affairs Officer Tammy Edwards. "We encouraged the students who attended the summit to return to their families and friends to teach what they learned."

The Bank reached an additional 310 students through additional events in Kansas City and Aurora, Colo., on Sept. 21. Reserve Banks across the System hosted similar programming, which included video greetings from members of the CBC. In total, 17 programs were held throughout the country in September. The major themes of the educational programming included banking basics, banking products, guidance on financing a college education, budgeting tips and lessons on credit.

Students from Grandview (Mo.) High School, along with their teachers and administrators, met with U.S. Rep. Emanuel Cleaver II in Washington as part of the Bank's partnership with the Congressional Black Caucus in 2012.

Students from urban high schools in the Tenth District attended a Youth Financial Education Summit hosted by the Kansas City Fed on Sept. 21, 2012. More than 300 attended the events in Kansas City and Aurora, Colo.

2012 SELECTED FINANICAL EDUCATION *and* COMMUNITY OUTREACH EVENTS

EVENT	DATE	LOCATION	ATTENDANCE
Colorado Jump$tart Educators Workshop	Jan. 26	Westminster, Colo.	200
Colorado Charter Schools Conference	Feb. 23	Broomfield, Colo.	200
Alternative Cooperative Education Challenge	Feb. 24	Littleton, Colo.	300
Awesome Ambitions Jobs & Finance Conference	March 3	Kansas City, Mo.	150
Community Leader Roundtable	March 15	Denver, Colo.	192
Department of Labor Women's Bureau Conference	March 29	Kansas City, Mo.	100
Money Smart Day	March 31	Kansas City, Mo.	186
Alliance for Economic Inclusion	April 3	Kansas City, Mo.	240
New Mexico Financial Education Summit	April 16	Albuquerque, N.M.	377
MoneyMania!	April 21	Oklahoma City, Okla.	300
Teach Children to Save Day	April 24-25	Omaha and Kansas City metros	6,315
Conestoga Elementary and Marrs Magnet Econ Olympics	May 10	Omaha, Neb.	200
Genesis Promise Academy Economic Education	May 10	Kansas City, Mo.	200
Empowerment Network Conference	May 16	Omaha, Neb.	300

EVENT	DATE	LOCATION	ATTENDANCE
Oklahoma City Public Schools Industry Partner Awards	June 7	Oklahoma City, Okla.	250
Albuquerque Public Schools Conference for Educators	Aug. 1	Albuquerque, N.M.	250
Small Business Development Opportunities	Aug. 23	Albuquerque, N.M.	225
Metropolitan Community College Student Leadership Conference	Aug. 30	Omaha, Neb.	125
Ready to Lead Youth Program, Congressional Hispanic Caucus	Sept. 11	Washington, D.C.	250
Youth Financial Education Summit	Sept. 21	Aurora, Colo., and Kansas City, Mo.	310
Youth Financial Education Summit, Congressional Black Caucus	Sept. 21	Washington, D.C.	166
African American Empowerment Network	Sept. 27	Omaha, Neb.	50
Minority Real Estate Professionals	Oct. 11	Omaha, Neb.	20
Financial Access Forum	Oct. 25	St. Louis, Mo.	165
Financial Education in Oklahoma Conference	Nov. 7	Oklahoma City, Okla.	130
MoneyWise Financial Empowerment Tour	Nov. 17	Omaha, Neb.	100

Senior Community Affairs Adviser Dell Gines, left, meets with a member of Omaha's business community as part of the Bank's financial education outreach efforts.

- *Presentations to diverse students:* Bank staff members regularly deliver financial education presentations to students at urban and diverse schools, and the Bank supports Junior Achievement programs at inner-city schools. Specific programs of note include programs at the Bridges to Work program in Denver, the Denver Public Schools Ninth Grade Academy and Upward Bound presentations and workshops in Kansas City and Denver.

PUBLIC *and* COMMUNITY OUTREACH

As an organization with an important public role, the Bank hosts and delivers many programs aimed at improving financial education and economic development in diverse communities throughout its region.

The Bank participates in several state-level financial literacy coalitions. These coalitions are vital partners in helping to identify areas and populations where there is an opportunity to improve financial education. Through its Money Smart programs, the Bank, along with partner organizations at each office, offers free workshops, seminars and classes to the community on topics such as using credit wisely, funding education and avoiding fraud and scams.

In addition, the Bank hosts several events throughout the year aimed at supporting the financial education needs of diverse communities. Highlights include:

- *New Mexico Financial Education Summit:* This event, held April 16 in Albuquerque, offered 15 free sessions on a wide range of financial topics, including budgeting basics and microlending. More than 370 people attended.

- *Financial Education in Oklahoma Conference:* Nearly 130 people attended this event, focusing on consumer credit and hosted in conjunction with the Jump$tart Coalition.

- *Community Leader Roundtables:* The Bank brought together key stakeholders, including those representing diverse communities, to share information on resources and to explore partnering on new initiatives.

In all, the Bank attended, presented or hosted more than 180 financial education events with diverse audiences in 2012. These events reached more than 18,500 people.

CHALLENGES

The Bank has identified the following challenges related to its financial education efforts:

- School district budgetary challenges limit the Bank's ability to reach educators through traditional venues. Several districts have reported severe restrictions on the time available for educators to participate in professional development.
- Limited classroom time available for financial education lessons also poses a challenge. Integrating existing and new resources into existing curricular areas, such as math and reading, will be key going forward.
- Teachers are often prevented from exploring financial and economic topics in their curriculum due to standards-based teaching requirements.

LOOKING AHEAD

For 2013 and beyond, the Bank plans to focus on the following financial education outreach initiatives:

- Continue to evaluate curricula to include culturally relevant examples and anecdotes to ensure maximum effectiveness.
- Finalize the Bank's "Financial Fables" resource–an online interactive storybook that teaches useful financial skills by using engaging characters.
- Continue to partner with diverse, urban schools and school districts to deliver relevant and effective resources.
- Develop webinars and interactive activities to help make financial and economic concepts more relatable for all audiences.
- Evaluate the Student Board of Directors program and other student programming for inner-city and diverse high schools and implement improvements as appropriate.

As an organization with an important public role, the Bank hosts and delivers many programs aimed at improving financial education and economic development in diverse communities throughout its region.

2012 FEDERAL RESERVE BANK *of* KANSAS CITY WORKFORCE REPRESENTATION DATA

Female Representation

JOB CATEGORIES	WHITE		BLACK *or* AFRICAN AMERICAN		HISPANIC *or* LATINO	
	Number	*Percent*	*Number*	*Percent*	*Number*	*Percent*
Executive / Sr. Officials & Managers	7	87.5	-	-	1	12.5
First / Mid Officials & Managers	93	89.4	5	4.8	3	2.9
Professionals[1]	255	85.6	23	7.7	9	3.0
Technicians	19	67.9	7	25.0	1	3.6
Sales Workers	3	100.0	-	-	-	-
Administrative Support	113	70.2	25	15.5	18	11.2
Craft Workers	-	-	-	-	-	-
Service Workers	7	77.8	1	11.1	-	-
TOTAL	497	81.3%	61	10.0%	32	5.2%

Male Representation

JOB CATEGORIES	WHITE		BLACK *or* AFRICAN AMERICAN		HISPANIC *or* LATINO	
	Number	*Percent*	*Number*	*Percent*	*Number*	*Percent*
Executive / Sr. Officials & Managers	4	100.0	-	-	-	-
First / Mid Officials & Managers	111	92.5	4	3.3	5	4.2
Professionals[1]	285	85.8	9	2.7	13	3.9
Technicians	61	83.6	8	11.0	-	-
Sales Workers	2	100.0	-	-	-	-
Administrative Support	30	71.4	4	9.5	4	9.5
Craft Workers	31	88.6	2	5.7	1	2.9
Service Workers	64	74.4	11	12.8	7	8.1
TOTAL	588	84.7%	38	5.5%	30	4.3%
GRAND TOTAL	1085	83.1%	99	7.6%	62	4.8%

[1]Professionals include analysts, economists, examiners, and IT professionals.

NATIVE HAWAIIAN *or* PACIFIC ISLANDER		ASIAN		AMERICAN INDIAN *or* ALASKAN NATIVE		TWO *or* MORE RACES		OVERALL TOTALS	
Number	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*
–	–	–	–	–	–	–	–	8	100
–	–	3	2.9	–	–	–	–	104	100
1	0.3	8	2.7	–	–	2	0.7	298	100
–	–	1	3.6	–	–	–	–	28	100
–	–	–	–	–	–	–	–	3	100
1	0.6	3	1.9	–	–	1	0.6	161	100
–	–	–	–	–	–	–	–	0	0
–	–	1	11.1	–	–	–	–	9	100
2	0.3%	16	2.6%	0	0.0%	3	0.5%	611	100%

NATIVE HAWAIIAN *or* PACIFIC ISLANDER		ASIAN		AMERICAN INDIAN *or* ALASKAN NATIVE		TWO *or* MORE RACES		OVERALL TOTALS	
Number	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*
–	–	–	–	–	–	–	–	4	100
–	–	–	–	–	–	–	–	120	100
–	–	19	5.7	2	0.6	4	1.2	332	100
–	–	2	2.7	1	1.4	1	1.4	73	100
–	–	–	–	–	–	–	–	2	100
–	–	4	9.5	–	–	–	–	42	100
–	–	1	2.9	–	–	–	–	35	100
1	1.2	3	3.5	–	–	–	–	86	100
1	0.1%	29	4.2%	3	0.4%	5	0.7%	694	100%
3	0.2%	45	3.4%	3	0.2%	8	0.6%	1305	100%

Note: Numbers may not add due to rounding. Information reflects EEO-1 data as defined by the Equal Employment Opportunity Commission (EEOC). The data is as of August 31, 2012, in order to match our submitted annual EEO-1 report to the EEOC. The report is primarily based on employee self-identification. Per EEOC guidance, if race or ethnic information is not self-reported, observer identification may be used. The Federal Reserve Bank of Kansas City follows a practice of reviewing employee representation against the Kansas City MSA EEO-1 data (broken down by EEO-1 categories). The Bank uses EEO-1 category data because measuring performance against the broader population is not comparable; the broader population data does not take into account the demographics of the labor pool that feed into each job group.

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