

# Commitment to DIVERSITY & INCLUSION



FEDERAL RESERVE BANK *of* KANSAS CITY

2014 REPORT TO CONGRESS *on the*

OFFICE *of* MINORITY *and* WOMEN INCLUSION



PEOPLE

PRACTICES

PARTNERSHIPS

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**ON THE COVER:** *Federal Reserve Bank of Kansas City employees, from left: Chris Constant, Consumer Affairs; Steve Flowers, Information Technology; Latonya Prather, Financial Management; Pat Schleiger, Exams and Inspections-Omaha; Ingrid Wong, Legal; and Harry Harris, Law Enforcement-Denver.*



*Esther L. George*  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
FEDERAL RESERVE BANK OF KANSAS CITY

## MARCH 31, 2015

For many years, the Federal Reserve Bank of Kansas City has taken steps to ensure the diverse region it serves is represented in its workforce, its procurement and supplier relationships, and in the partnerships it develops with community and educational organizations.

This report highlights the many ways we have made diversity and inclusion a priority throughout the year in the areas of people, practices and partnerships. This report details our efforts in meeting the requirements outlined by Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Through the Bank's OMWI, we seek to strengthen and continuously improve our long-standing traditions of ensuring our activities are inclusive and representative of the range of backgrounds and experiences that make up the Tenth Federal Reserve District. The following pages tell the story of our successes and challenges in meeting this goal during 2014.

This past year, the Federal Reserve System commemorated its centennial, providing an opportunity for reflection on the progress the nation's central bank has made over the years in a number of areas that are vital to ensuring it is carrying out its public mission.

In addition to this report, please visit [www.KansasCityFed.org/diversity](http://www.KansasCityFed.org/diversity) to learn more about our successes, innovative programs and links to past OMWI annual reports. This page also includes information on our supplier and hiring opportunities as well as summaries of our key community initiatives.

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

# *Executive* SUMMARY



*The Bank's Diversity Strategy Steering Committee includes, from left: Senior Vice President Dawn Morhaus, Vice President Krissy Young, Senior Vice President and OMWI Director Donna Ward, Senior Vice President Kevin Moore, OMWI Deputy Director Andrea Hendricks, Senior Vice President and General Counsel Veronica Sellers, Senior Vice President Diane Raley, and Senior Vice President Denise Connor. Not pictured: Vice President Kristi Coy, Vice President Mark Watson and Vice President Stephanie Stratemeier.*

**THE FEDERAL RESERVE BANK OF KANSAS CITY'S OFFICE OF MINORITY AND WOMEN INCLUSION CONTINUED TO LEAD AND STRENGTHEN THE BANK'S LONG-STANDING COMMITMENT** to the principles outlined in Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

The Bank recognizes that achieving its public mission within its large, varied region requires that its people, practices and partnerships reflect the diverse communities it serves and the people it represents.

#### **OFFICE of MINORITY and WOMEN INCLUSION**

The Kansas City Fed's Office of Minority and Women Inclusion (OMWI) is led by Donna Ward, who has served as the office's director since 2010. Ward is the Bank's senior vice president of the Administrative

Services Division, which has responsibility for the Bank's human resources and procurement functions.

In 2014, the Bank appointed Andrea Hendricks as OMWI deputy director. In this role, Hendricks leads the Bank's diversity and inclusion and organizational development strategies as the Bank prepares for workforce growth over the next few years. Hendricks has more than 20 years of experience in diversity and inclusion initiatives, development and community engagement.

In addition, a steering committee composed of senior-level officers, advises these efforts and provides resources to implement the Bank's OMWI and diversity strategies. This structure ensures broad Bank-wide support for diversity and inclusion initiatives.

### STANDARDS *and* PROCEDURES

The Bank has established formal standards and procedures for the following through its OMWI:

- Equal Employment Opportunity (EEO) 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.
- Technical assistance for minority- and women-owned businesses.

### PEOPLE, PRACTICES *and* PARTNERSHIPS

The Bank's focus on diversity and inclusion applies to all business areas. Throughout the year, the Bank experienced numerous successes, including:

#### PEOPLE

- The Bank's hiring rates for diverse job candidates continued to increase in 2014. The total minority hiring rate for the year was 20.5 percent, compared to 20 percent in 2013. The hiring rate for women increased to 40.0 percent in 2014, compared to 36.9 percent a year earlier.
- Minority participation in the Bank's mentorship program has risen from 6 percent in 2010 to 21 percent in 2014. In addition, the participation rate for female

employees has risen from 14.4 percent in 2010 to 25.1 percent in 2014.

#### PRACTICES

- The Bank spent 20.1 percent of its total reportable spend with minority- and women-owned firms, an increase from 16.5 percent a year ago.
- Minority- and women-owned firms were awarded 22.8 percent of all 2014 contracts, and the Bank identified and included diverse suppliers in 78.6 percent of all requests for proposals in 2014.

#### PARTNERSHIPS

- More than 1,500 urban high school students participated in targeted educational and mentoring programs led by the Bank.
- The Bank's innovative financial education programs, including the Student Board of Directors, the Financial Education Summit and Teach Children to Save, continued to establish a standard for success.



*Donna Ward, right, serves as OMWI director and senior vice president of the Bank's Administrative Services Division. In addition to overseeing the Bank's diversity and inclusion strategy, she oversees the human resources and procurement functions. Andrea Hendricks, left, is the Bank's OMWI deputy director and leads the Bank's diversity, inclusion and organizational development strategies.*

# OVERVIEW



*Members of the Bank's Minority Management Mentorship Circle include, from left: Kari Anderson, Customer Contact Center; Margery Sendze, Information Technology; Latonya Prather, Financial Management; Josias Aleman, senior vice president and general auditor; and Andrea Hendricks, deputy OMWI director.*

**FOUNDED IN 1914, THE FEDERAL RESERVE BANK OF KANSAS CITY** is one of 12 Regional Banks, which along with the Board of Governors in Washington D.C., comprise 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 included in national policy deliberations.

The Kansas City Fed employs more than 1,500 people at its head office in Kansas City and 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 approximately 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 senior leadership team, which is comprised of executives responsible for setting policy and strategic direction, includes eight women, representing 66.7 percent of senior leadership. This is much higher than the 25.1 percent average for equivalent positions at Kansas City-area companies. Minorities represent 16.7 percent of the senior leaders, exceeding the 6.1 percent average for equivalent positions at Kansas City-area companies.

The Bank also focuses on diversity among the members of its boards of directors. In 2014, women held board leadership positions across the District, including as chair of the Kansas City head office and chair of the Denver Branch. Additionally, minorities and women represented 37 percent of the board of director positions across the District in 2014.

# PEOPLE

MINORITY *and* WOMEN EMPLOYMENT



*The Bank recognizes that diversity of thought and experience leads to innovative solutions. Pictured above is employee Randy Augustus of the Kansas City Fed's Application Delivery Services Department.*

## STRATEGIES

**THE FEDERAL RESERVE BANK OF KANSAS CITY RECOGNIZES THAT DIVERSITY OF THOUGHT AND EXPERIENCE LEADS TO INNOVATIVE SOLUTIONS TO MEET ITS CURRENT AND FUTURE CHALLENGES.** This

commitment to diversity, which includes such factors as race, gender, religion, national origin, age, sexual orientation and disability, strengthens the Bank's ability to attract, retain and develop the talented workforce needed to carry out its public role.

During 2014, the Bank strengthened its long-standing commitment to ensure it is recruiting and developing a workforce that is representative of the labor pool of qualified candidates for positions at all levels in the markets where it operates. The Bank continued to assess its practices and outreach initiatives throughout the year to support the success of this strategy.

# RESULTS: *Recruitment*

The Bank expanded its presence and engagement with students at several historically black colleges and universities and Hispanic-serving institutions. Through classroom presentations, participation in career fairs and conducting on-campus interviews, the Bank continued to grow its pipeline of diverse candidates.

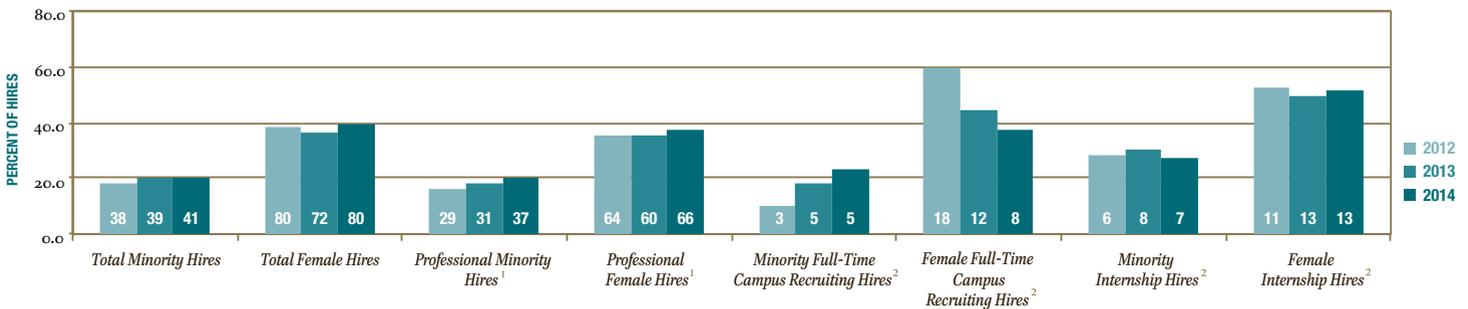
Throughout 2014, the Bank engaged with a number of diverse educational institutions, including:

- Clark Atlanta University
- Colorado State University-Pueblo
- Lincoln University
- Morehouse College
- Spelman College
- University of New Mexico

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*The Bank participated in 26 diverse college and recruiting events in 2014, as well as seven urban career fairs hosted by the Asian American Chamber of Commerce, the Urban League and other community partners.*

## MINORITY *and* FEMALE RECRUITING



<sup>1</sup>Percentage reflects official, management and professional staff.

<sup>2</sup>Data reflects employees who started in the represented year.



*Calvin Robertson of the Bank's Application Delivery Services Department, center, is recognized by Bank President Esther George, right, and First Vice President Kelly Dubbert, left, at the Bank's awards ceremony for employees who earned a graduate degree.*

23.8%

*The hiring rate for minority full-time hires through campus recruiting, including at majority-minority colleges and universities, was 23.8 percent in 2014.*



*The Bank recruits diverse interns, such as Lisa Vongchingtrong, through recruiting events and through programs such as INROADS. These internships provide students with the experience needed to succeed beyond the classroom.*

### STRENGTHENING COMMUNITY PARTNERSHIPS

The Bank continued its focus on strengthening its partnership with community organizations dedicated to supporting the career placement and advancement of minority and women employees. These organizations include the Kansas City chapters of the Urban Financial Services Coalition, INROADS, National Black MBA Association and National Society of Hispanic MBAs.

As part of the Federal Reserve System, the Bank also leverages partnerships with a number of national organizations such as Women in Technology International, Association of Latino Professionals in Finance and Accounting, National Association of Black Accountants, the Society of Hispanic Professional Engineers and the Thurgood Marshall College Fund. The Federal Reserve attended national diversity conferences and worked with these organizations to support diverse hires and create awareness among prospective employees of job opportunities.



*The Bank partners with groups such as the National Black MBA Association to support the career advancement of minority employees. Pictured second from left is Garrett Webster, director of the YMCA Young Achievers Program, with college students at an NBMBAA event hosted at the Bank.*



*The Bank was recognized by the National Society of Hispanic MBAs for its diversity and inclusion programs. Pictured from left are NSHMBA Past President Jimmy Gaona, OMWI Deputy Director Andrea Hendricks, Senior Vice President and OMWI Director Donna Ward and NSHMBA President Laura Alvarez.*

# RESULTS: *Employee Retention and Development*

By fostering an inclusive work environment and offering support and professional development through employee orientation and ongoing coaching, mentoring and training, the Bank fosters a diverse and inclusive workforce. Through dedicated resources, the Bank facilitates successful transitions, promotes high achievement at all levels and retains talented employees, including minority and female employees. Bank initiatives include:

- Mentorship
- Communities of Practice
- Training and development opportunities
- New employee programs
- Leadership development

## MENTORSHIP MATTERS

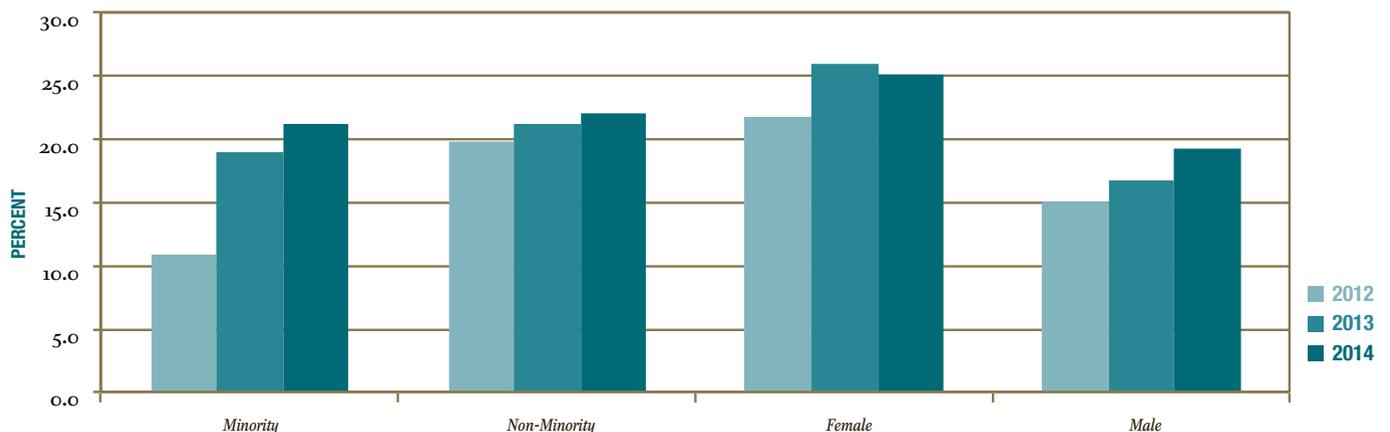


*The Bank's retention and development initiatives include a formal mentorship program. Bank President Esther George, center, is pictured with employees who were honored for excellence in mentorship.*

308

*In 2014, 308 Bank employees, or 21.7 percent of the Bank's total workforce, participated in the Bank's formal mentorship program. This was the highest level of participation ever at the Bank. Of these participants, 21 percent of minority and 25.1 percent of women employees were engaged in a formal mentorship relationship. Of minority managers and supervisors, 83 percent participated in the mentorship program.*

## MENTORSHIP PROGRAM *Participation Rates*





*The Bank's Employee Diversity Council promotes awareness of diversity issues through a number of employee education opportunities.*

### **EMPLOYEE EDUCATION and COMMUNICATION**

Supporting and maintaining an inclusive work environment requires the commitment of each individual employee. At the Bank, employees are expected to understand the role diversity plays in the success of the Bank and contribute to an inclusive environment through a number of formal and informal opportunities.

Throughout 2014, the Bank led a number of programs and events that enabled employees to better understand the importance of fostering diversity and inclusion in the workplace. A key tool the Bank utilizes to provide diversity training is the Employee Diversity Council (EDC). The EDC works to promote an inclusive environment by reinforcing employee awareness of diversity and inclusion through a variety of education opportunities.

Among these efforts is Diversity Awareness Week. During this event, employees participated in a number of special presentations on topics such as the economic impact of diversity; a multicultural showcase featuring poetry, short skits, cultural dress and oration; and a discussion on "Black History Across the River: Exploring the Rich Black History in Kansas City, Kan."

Employees serve as diversity liasons in each of the Bank's business lines. Members of the EDC also gather regularly to review the Bank's diversity and inclusion strategies.

The Bank also makes diversity training for employees available throughout the year on topics including:

- ADA and FMLA: A Closer Look
- Being an Inclusive Leader
- Building Trust
- Generations
- Valuing Differences
- Peacock in the Land of Penguins

### **INTERNAL REPORTING and ASSESSMENT**

The Bank has an established systematic process to measure progress toward achieving its goals related to diversity and inclusion. On a quarterly basis, senior leaders assess the Bank's performance by reviewing diversity recruiting results, including workforce representation compared to Kansas City Metropolitan Statistical Area data, minority and women hiring rates, minority and women college and university activities, participation in urban career fairs, employment advertisements placed in diverse media and partnerships with community organizations.

Retention also is monitored through separation rates, mentorship program participation, and results from employee engagement surveys. Diversity and EEO-related metrics are shared regularly with the Bank's Management Committee. Additionally, semi-annual Diverse Workforce and Spend Reports are prepared at the Bank and Division levels and shared with senior management.

## CHALLENGES

The Bank is committed to its workforce diversity and inclusion strategies and addressing challenges in meeting its goals. Key challenges include:

- The Bank's workforce composition continues to evolve to an increasingly knowledge- and technology-based skill set. The demand for highly specialized and technical positions, particularly for minority and women candidates with experience in these areas, presents a challenge for the Bank's recruitment efforts.
- Within the markets in which the Bank operates, there are a limited number of colleges and universities that are historically minority focused.

## LOOKING AHEAD

As the Bank continues to seek ways to improve in its workforce inclusion efforts, it has identified a number of future goals, including:

- Enhance the mentoring program's strategy to increase engagement and development.
- Develop local, regional and national partnerships with minority professional organizations beyond the Tenth Federal Reserve District to attract professionals to the Bank.
- Expand recruiting efforts to include additional historically black colleges and universities and Hispanic-serving institutions.
- Identify signature networking and recruiting opportunities with minority and women professionals with an emphasis on IT professional organizations.
- Continue to use social media to reach out to the community.



*Members of the Bank's Retail Payments Technology Services Department were recognized for their leadership during the Bank's Connect 10 program in 2014. The program provides employees with opportunities to participate in diversity-related activities throughout the year.*

# PRACTICES

## MINORITY- and WOMEN-OWNED BUSINESS INCLUSION



*Dr. Emmanuel Ngomsi, president of All World Languages and Cultures, meets with members of the Bank's Purchasing Unit, Lauren Cooper and Diana Serrano, to discuss his company's contract with the Bank to provide translation services for Bank websites and publications.*

## STRATEGIES

### **THE FEDERAL RESERVE BANK OF KANSAS CITY'S COMMITMENT TO SUPPLIER DIVERSITY CREATES VALUE BY PROVIDING THE BANK WITH ACCESS TO A WIDER POOL OF QUALIFIED SUPPLIERS.**

This practice also benefits the community by providing small and diverse businesses access to business opportunities. To confirm this commitment, the Bank states in each of its contracts that it is committed to equal opportunity in employment and contracting. The Bank's contracts further require that a contractor entering into a contract with the Bank confirm a similar commitment in its own business practices.

The Bank's supplier diversity strategy encourages the acquisition of goods and services from diverse suppliers, including minority- and women-owned businesses. In carrying out this strategy, the Bank seeks to include at least one minority- and one woman-owned business in competitive acquisitions, when available.

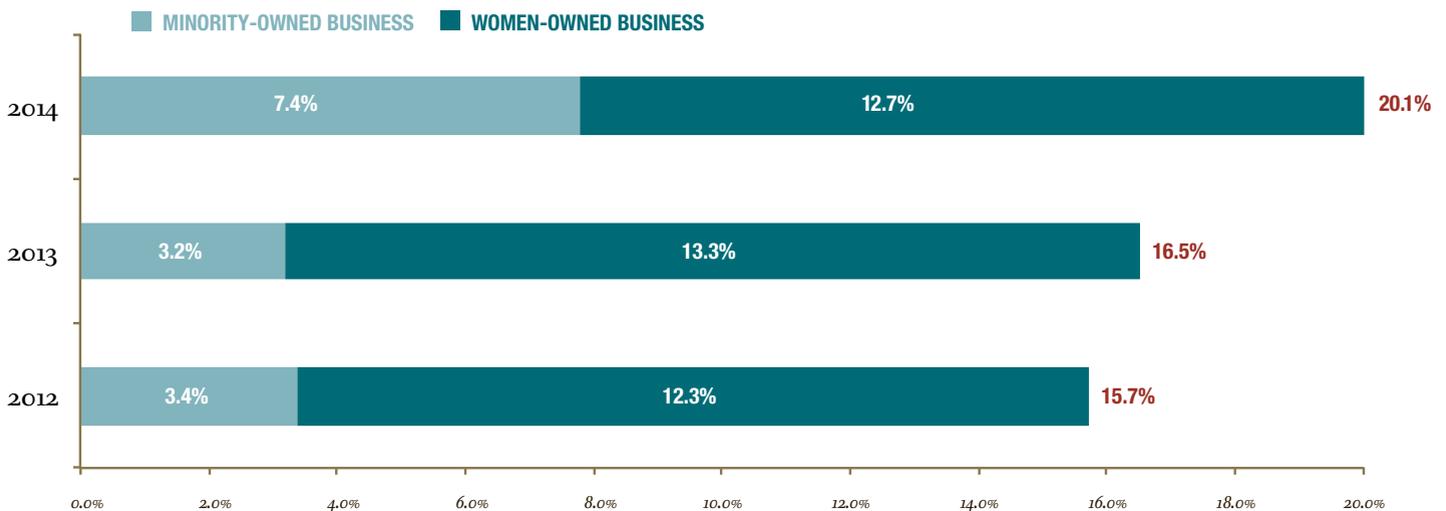
# RESULTS: *Procurement Opportunities*

To identify suppliers for contracting opportunities, Bank staff engages with local, regional and national groups and organizations through outreach activities and events targeted to diverse suppliers. The Bank also educates suppliers about the Bank's business practices and encourages their participation in contracting opportunities. These strategies, along with evaluation and measurement processes, positioned the Bank to make progress in 2014 toward achieving its supplier diversity objectives.

20.1%

*In 2014, the Bank spent 20.1 percent of its total reportable spend with minority- and women-owned businesses, compared to 16.5 percent in 2013 and 15.7 percent in 2012. This growth reflects the significant progress the Bank has made over the past several years by pursuing an inclusive supplier strategy.*

## 2012-2014 PERCENT *of* SPEND *with* DIVERSE SUPPLIERS



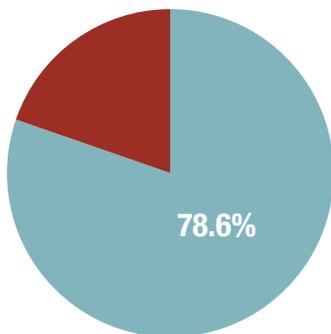
# SPEND *with* CONTRACTORS *and* SUPPLIERS

	2014 AMOUNT	2014 PERCENT	2013 AMOUNT	2013 PERCENT	2012 AMOUNT	2012 PERCENT
Total Reportable Spend <sup>1</sup>	\$42.8 million	100.0	\$42.9 million	100.0	\$45.6 million	100.0
Total Diverse Spend	\$8.6 million	20.1	\$7.1 million	16.5	\$7.2 million	15.7
Women-Owned Businesses <sup>2</sup>	\$5.4 million	12.7	\$5.7 million	13.3	\$5.6 million	12.3
Minority-Owned Businesses <sup>2</sup>	\$3.2 million	7.4	\$1.4 million	3.2	\$1.6 million	3.4

<sup>1</sup> 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; payment network fees; rent; and utilities.

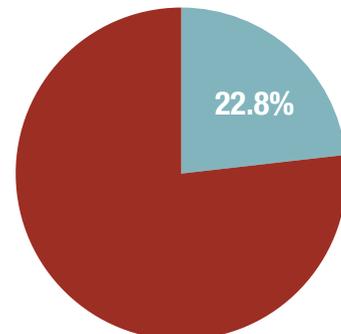
<sup>2</sup> Minority women-owned business spend is captured in spend for minority-owned businesses and is not double-counted in the women-owned business category.

## 2014 DIVERSE SUPPLIER INCLUSION



The Bank identified and included diverse suppliers in 78.6 percent of all requests for proposals in 2014.

## 2014 CONTRACTS AWARDED *to* DIVERSE SUPPLIERS



The Bank awarded 22.8 percent of all contracts to minority- or women-owned businesses in 2014.

61.2%

The Bank received responses from 61.2 percent of minority- and women-owned businesses included in competitive acquisitions. This excludes contracts with outside staffing agencies.

## RESULTS: *Increasing Awareness*

The Bank partners with local, regional and national organizations that support minority- and women-owned business members. These partnerships help the Bank communicate business opportunities and build its network of diverse suppliers. Partner organizations include:

- Asian American Chamber of Commerce of Greater Kansas City
- Greater Kansas City Chamber of Commerce
- Hispanic Chamber of Commerce of Greater Kansas City
- Kansas Black Chamber of Commerce
- Mountain Plains Minority Supplier Development Council (MPMSDC)
- Women's Business Development Center

## OUTREACH *and* COMMUNITY ENGAGEMENT

In 2014, the Bank participated in 14 outreach events and activities that provided staff with opportunities to network and connect with diverse suppliers, learn more about supplier diversity best practices, and support the efforts of community partners. The Bank partnered with the Mountain Plains Minority Supplier Development Council (MPMSDC) to host a webinar with about 40 participants. During the webinar, the Bank shared information about its general business needs and procurement practices, and the MPMSDC discussed its supplier development programs.

Additionally, the Bank hosted a Staffing Agency Day at the Fed where Bank leadership discussed how staffing agencies can participate in contracting opportunities. The Bank's Employee Diversity Council also partnered with the Hispanic Chamber of Commerce to host a Hispanic Business Fair. During this event, Hispanic-owned businesses came to the Bank to display and sell their products and services to Bank employees.

The Bank also collaborates with other Reserve Banks to develop and promote initiatives that strengthen supplier diversity. In 2014, the Bank participated in two national supplier diversity conferences hosted by the Women's Business Enterprise National Council and the National Minority Supplier Development Council.

IN 2014, THE BANK DEVELOPED AND EXPANDED ON PARTNERSHIPS WITH SEVERAL COMMUNITY ORGANIZATIONS, PARTICIPATING IN THE FOLLOWING PROGRAMS AIMED AT REACHING DIVERSE SUPPLIERS:

- Asian American Chamber of Commerce Networking Lunch and Learn
- Hispanic Chamber of Commerce Annual Recognition
- Hispanic Business Fair for Bank employees hosted by the Bank and the Hispanic Chamber of Commerce
- Institute for Supply Management-Kansas City Meeting on the Economic Outlook and Diversity Impact on Today's Economy
- Kansas City Government Contracting and Procurement Forum Business Fair
- Metropolitan Community College and Mountain Plains Minority Supplier Diversity Council Minority- and Women-Owned Business Expo
- MPMSDC Breakfast Brainstorm
- MPMSDC Executive Leadership Panel
- MPMSDC Networking Events (two events)
- National Minority Supplier Development Council Annual Conference
- Procurement Webinar hosted by the Bank and the MPMSDC
- Staffing Agency Day at the Fed
- Women's Business Enterprise National Council Business Fair

#### INTERNAL REPORTING *and* ASSESSMENT

The Bank has established systematic processes to measure progress towards achieving its supplier diversity strategies. On a quarterly basis, senior management assesses the Bank's performance by reviewing supplier diversity results, including:

- Spend and contracts awarded to diverse suppliers.
- Inclusion and response rates of diverse suppliers in contracting opportunities.
- Cost savings associated with contracts awarded to diverse suppliers.
- Outreach events attended or hosted by the Bank.

The Bank regularly shared information about diverse suppliers, including spend amounts, with senior leaders within each business area to enhance transparency around these performance metrics and to encourage continued focus on supplier diversity. The Bank also shared information about its supplier diversity strategies and results with employees through a senior leader forum to increase Bank-wide awareness about the value of supplier diversity.

#### CHALLENGES

- The Bank continues to make progress on its supplier diversity objectives, but several challenges remain, for example, identifying qualified diverse suppliers for certain goods and services, such as proprietary software.
- Additionally, while the diverse supplier response rate improved from 57.8 percent in 2013 to 61.2 percent in 2014, the Bank continues to be challenged with increasing the responsiveness of diverse suppliers to its requests for proposals. The Bank regularly surveys suppliers who did not respond to a request for proposal to solicit feedback. This feedback indicates that suppliers who do not respond often do not feel they have the resources to provide the goods or services or they cannot provide the goods or services during the time schedule required.
- The Bank's staff will continue to focus on providing technical assistance to help diverse suppliers understand how to engage with the Bank and encourage their participation in contracting opportunities.

## LOOKING AHEAD

The Bank has identified the following opportunities to enhance its supplier diversity and inclusion efforts in 2015:

- Work with business areas to identify needs earlier in the process in order to more proactively seek and engage potential minority- and women-owned businesses for future contracting opportunities.
- Provide more opportunities to connect qualified suppliers with business areas that may have needs for the goods or services they offer.
- Continue to identify improvements to business practices that may improve the ability to source qualified diverse suppliers through new tools and processes.



*Elaine Hamilton-Bruner is president of Vision 5, a diverse business the Bank contracted with in 2014 to assist in the production of animated videos used to explain the Federal Reserve's work.*

*The Bank regularly engages with diverse business groups to increase awareness of business opportunities. At right, Sook Park, executive director of the Asian American Chamber of Commerce of Kansas City, speaks with a visitor at a recent chamber event hosted at the Bank.*



# PARTNERSHIPS OUTREACH and FINANCIAL EDUCATION



*Danadra Jean-Noel, Public Affairs, leads a financial lesson for school children as part of the Bank's Teach Children to Save program. The event reached more than 8,300 students in the Kansas City metro.*

## STRATEGIES

**IN 2014, THE BANK STRENGTHENED ITS LONG-STANDING COMMITMENT TO PROVIDING FINANCIAL EDUCATION AND MENTORSHIP OPPORTUNITIES** to urban high schools and minority students across the seven-state region it serves.

Throughout the year, the Bank partnered with diverse school districts, youth organizations and community groups to reach thousands of students and teachers. The Bank's investment in financial education will lead to stronger communities, stable neighborhoods and better opportunities for young people of diverse backgrounds.

# RESULTS:

*A number of innovative programs, such as the Student Board of Directors, provides high school students from urban school districts with hands-on knowledge about personal financial strategies.*



## FINANCIAL EDUCATION *and* MENTORSHIP

19,038

*The Bank reached 19,038 people in urban and underserved communities in 2014 by hosting and participating in 73 financial education programs across the Tenth District.*

*Dell Gines, Community Affairs, leads a session on black entrepreneurship at the Bank.*



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*The Bank's Kansas City head office, as well as its branch offices in Omaha, Oklahoma City and Denver, participated in 29 financial education events at urban high schools in 2014. These schools included South High School (Denver), JC Harmon High School (Kansas City, Mo.), MLK Early College (Denver), John Marshall High School (Oklahoma City), Northeast High School (Kansas City, Kan.), Sumner Academy (Kansas City, Kan.), Lincoln College Prep (Kansas City, Mo.), Central High School (Omaha) and Volcano Vista High School (Albuquerque, N.M.).*

1,549

*During the year, 1,549 urban high school students participated in targeted educational programs developed and organized by the Bank.*

*Jared Freemon, an intern with Public Affairs, leads a financial education session for young people. Freemon was a member of the Bank's Student Board of Directors and served as coordinator for the Summer @ the Fed program.*



8,300

*Teach Children to Save: In April 2014, 187 Bank volunteers visited 390 classrooms throughout the Kansas City metro area to share financial education lessons to more than 8,300 elementary-age students.*

*Through the Bank's Teach Children to Save program, Bank volunteers reached thousands of students from across the Kansas City metro area.*



## *Innovative Programs*

### **RESOURCE DEVELOPMENT**

The Bank is committed to creating resources for educators to use in diverse classrooms to help them integrate financial and economic concepts into existing curriculum requirements.

#### *Youth Entrepreneurship:*

In 2014, the Bank developed a suite of resources on the topic of youth entrepreneurship to encourage educators to teach about entrepreneurship as a viable career option. Economic education staff, in partnership with Community Development staff, engaged in promoting small business development with low- and moderate-income communities and developed resources that included:

- Videos of diverse entrepreneurs in the Bank's footprint, sharing their challenges and lessons learned for students; teachers are provided with discussion questions to supplement the videos.
- An assessment and lesson plan on entrepreneurial potential and considering entrepreneurship as a career option.
- Links to other Federal Reserve curricula and resources on entrepreneurship.

#### *Federal Reserve Financial Education Day:*

Each Tenth District office sponsored a program with a majority-minority high school or youth program on October 22 for Federal Reserve Financial Education Day. This year's program focused on college and career readiness for diverse high school students, and incorporated financial capability fundamentals along with the concepts of educational attainment.

*High school students participating in Financial Education Day worked together to brainstorm ideas for budgeting, career planning and other concepts.*



## MATH X *Economics*

More than 30 students from urban city schools in the Kansas City metro area joined staff from the Bank's Economic Research Department in March to learn more about career options in the fields of mathematics and economics.

During the one-day "Math X Economics" program, the high school juniors and seniors heard from Bank President Esther George, economists and professionals from other area firms who shared their career experiences in fields that depend on an in-depth knowledge of mathematical concepts. The students, who were nominated to participate in the program by their teachers, also learned how economics could be applied to everyday situations.

The students also received individual coaching on effective networking strategies and practical advice on applying for summer jobs and internships. The program received positive feedback from participants, and the Bank plans to host the program again in 2015.



*Students from urban schools in the Kansas City area participated in the Math X Economics program at the Bank in 2014.*

*As part of the Student Board of Directors program, participants from the Kansas City board visited Washington, D.C., and attended the Youth Leadership Summit.*



## STUDENT BOARD *of* DIRECTORS CONTINUES SUCCESS

Since 2012, the Bank has provided targeted mentoring and college and career development to dozens of diverse high school students through its Student Board of Directors program. The program invites students from urban school districts to participate in a year-long program during which they gain hands-on knowledge about personal financial strategies and potential education and career paths.

During the 2013-14 school year, 56 students throughout the Bank's district participated in Student Board programs at each of the Kansas City Fed's four offices. Throughout the year, the students met with Bank staff and other speakers on topics ranging from business etiquette to public speaking. The students also participated in business tours to learn more about the local economy and entrepreneurship.

"As a first generation graduate and future college student, it is really tough to find helpful resources," said one participant, Kenji Walker, a student at African Centered Preparatory Academy in Kansas City. "Being a part of the Student Board of Directors has allowed me to shape my career goals and stay motivated."

Tierra Conyers, a member of the Omaha Branch's Student Board said the program was an enriching experience. "Every meeting offered something exciting, new, different and overall, a thrill," she said. "I'm so thankful for this program because it opened me up to something I knew nothing about."

The program has seen several enhancements for the 2014-15 school year. Starting in the fall of 2014, staff in the Denver Branch worked with the Federal Reserve Bank of Dallas' El Paso Branch to launch a new Student Board of Directors program in Albuquerque, N.M. In addition, students from the Kansas City office's Student Board participated in a Youth Leadership Summit held in the fall in Washington, D.C.

The Student Board "helped me take a few more steps in my journey to adulthood," said Cynthia Odu, a student at Lincoln College Preparatory Academy in Kansas City. "I feel more assured in my position in life, and more confident in myself and my abilities."

## SUMMER @ THE FED

During the summer of 2014, seven college-bound students from the Kansas City, Mo., and Kansas City, Kan., school districts who participated as members of the Bank's Student Board of Directors continued their involvement with the Kansas City Fed as paid interns earning a market-rate wage of \$12 per hour with the Summer @ the Fed program.

Through the program, which marked its third year in 2014, the students learned more about financial literacy and used economic education curriculum to mentor more than 600 young people involved in summer programs at several community organizations in the Kansas City area, such as the Boys and Girls Club of Greater Kansas City, Operation Breakthrough, KidZone and The Upper Room.

In addition to their mentorship role, the interns gained valuable experience working in a corporate environment completing small projects and participating in workshops led by Bank staff on college and career planning, business communication and other topics.

One intern, LaShale English, described the experience as “an eye-opener and life changing.”

“Personal interaction with the young children has been my favorite part of being a Summer Activities Director at the Federal Reserve Bank,” said another intern, Cynthia Odu. “Every time I interact with kids I realize that I could be a great teacher. I enjoy helping people learn and one of my main goals in life is to share my knowledge with others.”

As part of the 2014 program, the student interns met John Hope Bryant, CEO and Founder of Operation Hope. One student, Brianne Hawkins, noted that Bryant's comments were very inspiring and helped her realize that teaching financial concepts to young people “is very significant and I am even more proud of the work we do.”

In addition to visiting with Bryant, students explored concepts related to entrepreneurship during visits to the 1 Million Cups program, operated by the Kauffman Foundation, and the Sprint Accelerator program.

# Summer @ THE FED

*In its third year, Summer @ the Fed provided an opportunity for interns to lead and coordinate financial education activities for more than 600 children.*



## COMMUNITY PARTNERSHIPS

Along with its programs aimed at students at urban and diverse schools, the Kansas City Fed partners with a number of community organizations to provide financial information and resources for underserved communities. A number of these events are listed below.

EVENT	DATE	LOCATION	ATTENDANCE
OPS Academy Junior Internship Prep Day	Feb. 6	Omaha	50
20/20 Leadership High School Student Workshop	Feb. 21	Kansas City	80
Omaha Public Schools reVision Plan	Feb. 24	Omaha	50
Ignition College Connection Personal Finance Presentation	March 8	Omaha	40
OCEE Personal Finance and Economics Challenge Competition	April 1	Oklahoma City	250
Money Smart Kansas City Financial Fun Fest	April 6	Kansas City	350
Denver Public Schools, Alternative Cooperative Extension credit workshop	April 11	Denver	35
Outstanding Economic Student Awards	April 24	Oklahoma City	76
Money Smart Kansas Shreds Contest	April 25	Kansas City	120
Kansas City Black Business Conference	April 26	Kansas City	200
Colorado Department of Education- Governor's event	May 1	Denver	120
Reality U	May 8	Kansas City	100
Mountain Region Black Economic Summit	May 30	Denver	40
Citizen Potawatomi Youth Summit	July 16	Oklahoma City	255
SummerWorks Personal Finance	July 18	Omaha	100
Bull and Bear Investment Camp	Aug. 8	Kansas City	25
New Mexico Tribal UCC Workshop	Aug. 20	Denver	37
Financial Algebra: Stock Market Presentations	Oct. 10	Denver	50
Personal Finance Day/Operation HOPE	Oct. 22	Denver	140

## CHALLENGES

The Bank continues to face challenges related to its financial education efforts, including the following:

- Public school districts will continue to be stretched by budget challenges that limit teachers' ability to attend Bank-led training and seminars. Educators are also expected to face limited time and resources that will affect their ability to participate in professional development opportunities the Bank provides.
- Many classrooms will continue to face challenges regarding the amount of time available for economic and financial education activities. The Bank continues to seek ways to incorporate economic education concepts into existing curricular areas, such as math and reading.
- Increasing focus on standards-based teaching requirements in many school districts is preventing teachers from exploring financial and economic concepts with their students in the classroom.

## LOOKING AHEAD

The Bank plans to expand and improve its economic education efforts in a number of ways in 2015:

- Provide additional opportunities for the Bank's Student Boards of Directors to expand their personal finance knowledge, career and college preparation activities and networking opportunities with peers and Bank mentors.
- Continue to include culturally relevant anecdotes and examples throughout the Bank's educational resources to ensure maximum effectiveness.
- Strengthen and grow partnerships with urban and diverse schools and community organizations that work with underserved populations.
- Develop additional interactive activities and new resources to make financial concepts relatable for all audiences.



*The Bank will continue to strengthen and grow its partnerships with urban and diverse schools through programs such as the Academy of Finance.*

*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	96	88.9	7	6.5	2	1.9
Professionals <sup>1</sup>	278	84.8	22	6.7	10	3.0
Technicians	27	75.0	7	19.4	1	2.8
Sales Workers	2	50.0	1	25.0	1	25.0
Administrative Support	103	69.1	23	15.4	18	12.1
Craft Workers	-	-	-	-	-	-
Service Workers	4	66.7	1	16.7	-	-
<b>TOTAL</b>	<b>517</b>	<b>80.9%</b>	<b>61</b>	<b>9.5%</b>	<b>33</b>	<b>5.2%</b>

*Male Representation*

JOB CATEGORIES	WHITE		BLACK OR AFRICAN AMERICAN		HISPANIC OR LATINO	
	Number	Percent	Number	Percent	Number	Percent
Executive / Sr. Officials & Managers	3	75.0	-	-	1	25.0
First / Mid Officials & Managers	120	91.6	4	3.1	4	3.1
Professionals <sup>1</sup>	356	84.6	22	5.2	13	3.1
Technicians	64	81.0	12	15.2	1	1.3
Sales Workers	2	100.0	-	-	-	-
Administrative Support	29	78.4	2	5.4	2	5.4
Craft Workers	33	91.7	1	2.8	1	2.8
Service Workers	69	72.6	13	13.7	8	8.4
<b>TOTAL</b>	<b>676</b>	<b>84.0%</b>	<b>54</b>	<b>6.7%</b>	<b>30</b>	<b>3.7%</b>
<b>GRAND TOTAL</b>	<b>1,193</b>	<b>82.6%</b>	<b>115</b>	<b>8.0%</b>	<b>63</b>	<b>4.4%</b>

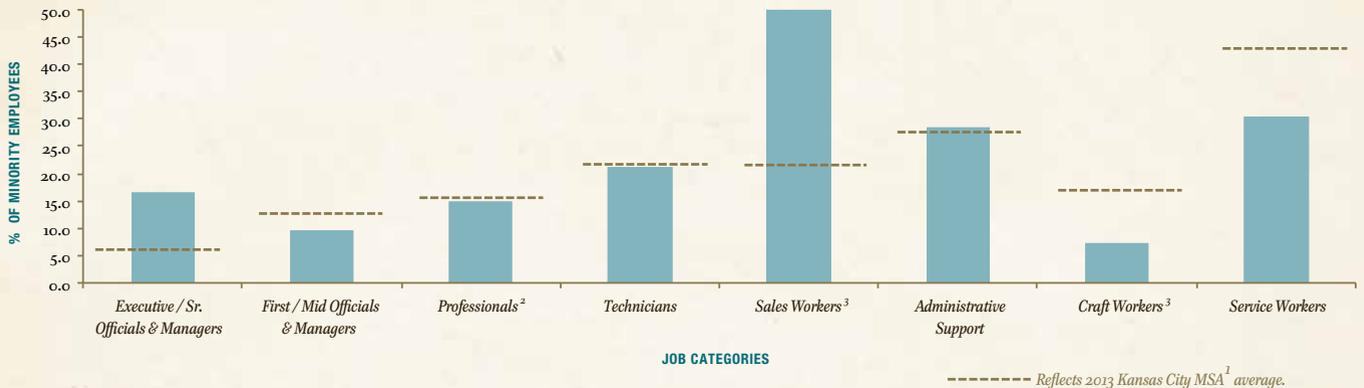
<sup>1</sup>Professionals include analysts, economists, examiners, and IT professionals.

NATIVE HAWAIIAN OR PACIFIC ISLANDER		ASIAN		AMERICAN INDIAN OR ALASKAN NATIVE		TWO OR MORE RACES		OVERALL TOTALS	
<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
-	-	-	-	-	-	-	-	8	100
-	-	3	2.8	-	-	-	-	108	100
1	0.3	14	4.3	-	-	3	0.9	328	100
-	-	1	2.8	-	-	-	-	36	100
-	-	-	-	-	-	-	-	4	100
1	0.7	3	2.0	-	-	1	0.7	149	100
-	-	-	-	-	-	-	-	0	0
-	-	1	16.7	-	-	-	-	6	100
<b>2</b>	<b>0.3%</b>	<b>22</b>	<b>3.4%</b>	<b>0</b>	<b>0.0%</b>	<b>4</b>	<b>0.6%</b>	<b>639</b>	<b>100%</b>

NATIVE HAWAIIAN OR PACIFIC ISLANDER		ASIAN		AMERICAN INDIAN OR ALASKAN NATIVE		TWO OR MORE RACES		OVERALL TOTALS	
<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
-	-	-	-	-	-	-	-	4	100
-	-	1	0.8	1	0.8	1	0.8	131	100
-	-	24	5.7	2	0.5	4	1.0	421	100
-	-	1	1.3	-	-	1	1.3	79	100
-	-	-	-	-	-	-	-	2	100
-	-	4	10.8	-	-	-	-	37	100
-	-	1	2.8	-	-	-	-	36	100
1	1.1	4	4.2	-	-	-	-	95	100
<b>1</b>	<b>0.1%</b>	<b>35</b>	<b>4.3%</b>	<b>3</b>	<b>0.4%</b>	<b>6</b>	<b>0.7%</b>	<b>805</b>	<b>100%</b>
<b>3</b>	<b>0.2%</b>	<b>57</b>	<b>3.9%</b>	<b>3</b>	<b>0.2%</b>	<b>10</b>	<b>0.7%</b>	<b>1,444</b>	<b>100%</b>

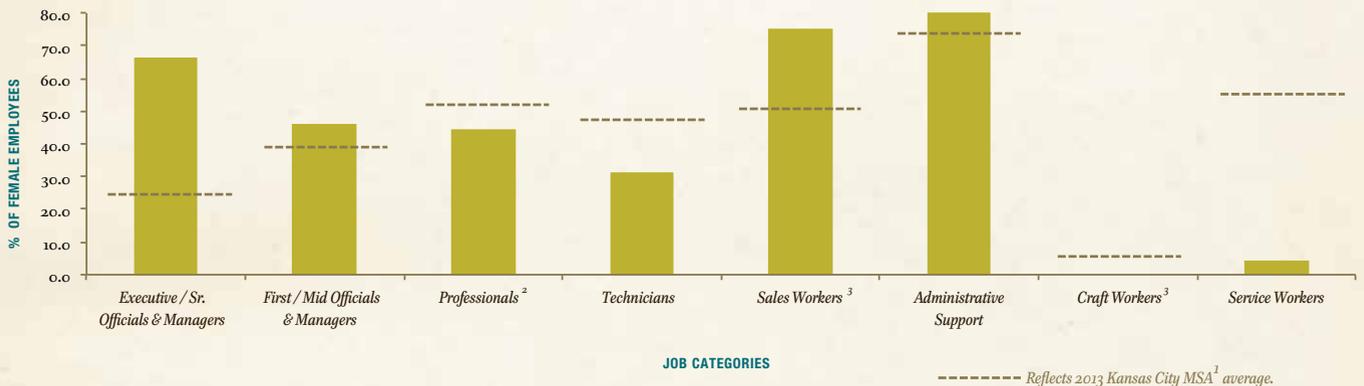
*Note:* Numbers may not add due to rounding. Information reflects EEO-1 data as defined by the Equal Employment Opportunity Commission (EEOC). The data is as of August 31, 2014, in order to match our submitted annual EEO-1 report to the EEOC. The report is primarily based on employee self-identification. 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.

# 2014 MINORITY WORKFORCE REPRESENTATION % *Kansas City Office*



Minorities make up 16.7 percent of the Bank's Senior Management team, more than double the Kansas City MSA average.

# 2014 FEMALE WORKFORCE REPRESENTATION % *Kansas City Office*



Women make up 45.9 percent of the Bank's First/Mid-level Officials and Managers, exceeding the Kansas City MSA.

<sup>1</sup>Kansas City Metropolitan Statistical Area (MSA) is based on 2013 federal statistics provided by the EEOC.

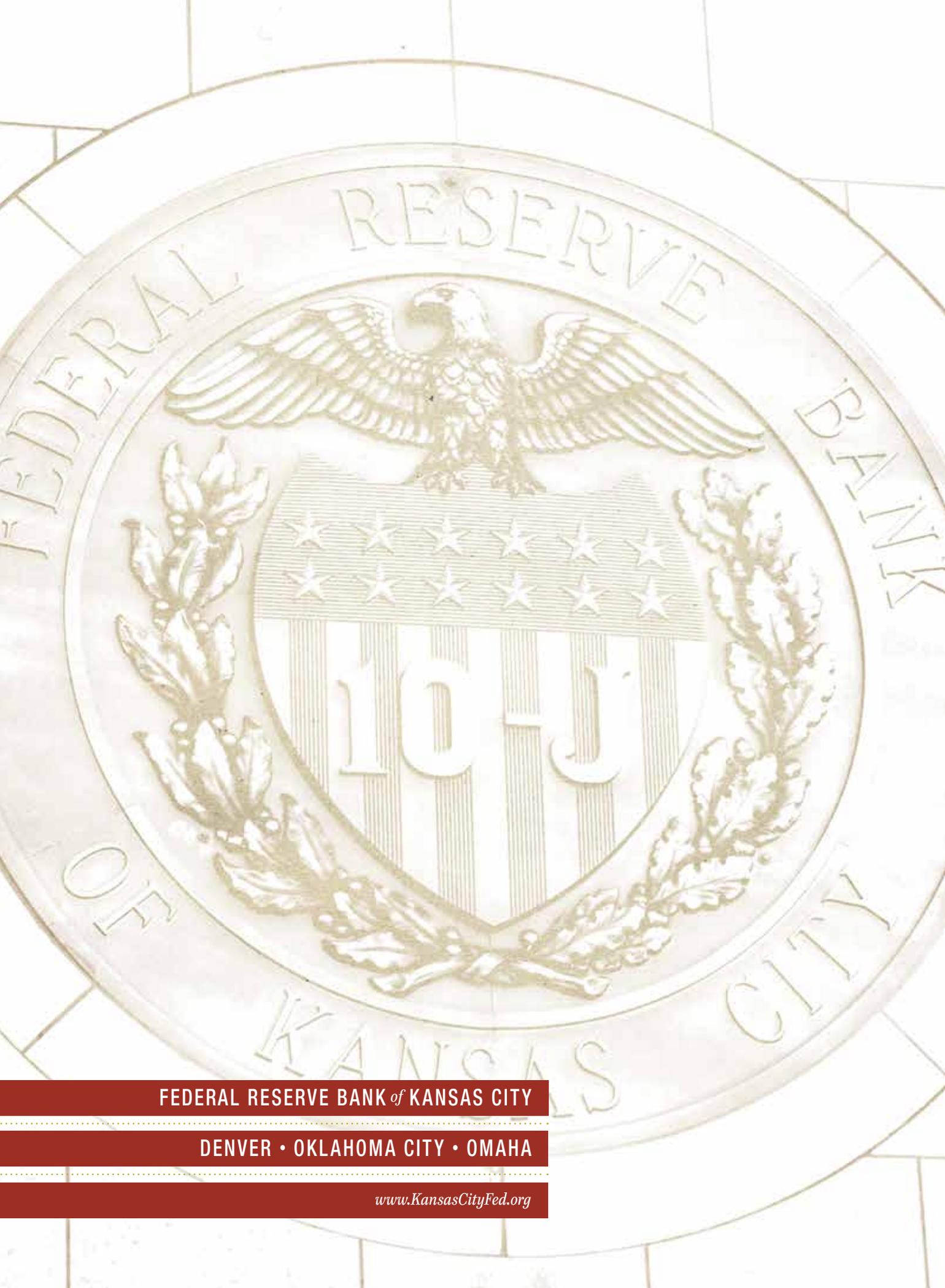
<sup>2</sup>Professionals include analysts, economists, examiners, and IT professionals.

<sup>3</sup>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, 2014, 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 data.

# MINORITY *and* FEMALE RECRUITMENT

DIVERSITY RELATED RECRUITING ACTIVITIES	RESULTS		
	2014	2013	2012
Total Number of Minority and Women College and University Events Attended	26	28	25
<i>Historically Black Colleges and Universities Events Attended</i>	10	9	10
<i>Hispanic-serving Colleges and Universities Events Attended</i>	14	17	11
<i>Women's Colleges Events Attended</i>	2	2	4
Sponsorship or Participation in Urban Career Fairs	7	6	4
Number of Employment Advertisements Placed in Diverse Media - Electronic	4,391	5,039	4,084
Number of Employment Advertisements Placed in Diverse Media - Print	10	10	10
Number of Partnerships with Community Organizations - Minority Employment	10	10	9



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