



2014
Annual Report to Congress

Federal Reserve Bank of Boston
Office of Diversity and Inclusion



FEDERAL RESERVE
BANK OF BOSTON™

This document contains the annual summary of the actions of the Office of Diversity and Inclusion at the Federal Reserve Bank of Boston with regard to the requirements under Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Members of the 114th Congress,

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires the Office of Diversity and Inclusion of the Federal Reserve Bank of Boston to submit an annual report to Congress detailing the activities, successes, and challenges of the Office of Minority and Women Inclusion. The enclosed are our reports which will be made available to the public on March 31, 2015. The Federal Reserve Bank of Boston continues to make measureable progress in increasing diversity and inclusion in all levels of our workforce, procurement and financial education initiatives. We are committed to making further progress advancing diversity and inclusion organizationally and in the region. Moreover, the diversity provisions in the Dodd-Frank Act provide ongoing motivation complementing our existing efforts and encouraging us to seek out and implement proven best practices in the diversity field.

Sincerely,



Eric Rosengren, President and CEO



Marques Benton Vice President and OMWI Director



Table of Contents

1	Executive Summary
5	Minority and Women Employment
11	Minority and Women Owned Businesses
14	Financial Literacy Initiatives (Outreach & Education)
19	Appendix A: EEO-1 Report
20	Appendix B: Workforce Composition by Broad Levels, by Geography and at the Bank
21	Appendix C: Organization Chart
22	Appendix D: Community Partnerships & Cultural/ Educational Events
26	Appendix E: 2014 System Level Activities
29	Appendix F: Recognition

Executive Summary

In 2014, the Federal Reserve Bank of Boston (Bank) demonstrated its commitment to diversity and inclusion by introducing new, more inclusive workforce policies, stronger senior management engagement, enhanced accountability processes, and a more robust communication strategy. Working with the Bank's executive committee and Human Resources Department (HR), the Office of Diversity and Inclusion (ODI) integrated new, more inclusive workforce recommendations into standard HR workforce policies and socialized these policies across the organization.

The new policies included posting and obtaining diversified interview slates for open officer, manager, and director-level positions, using executive search firms more robustly when normal sourcing efforts did not produce diverse slates, and employing diverse interview panels in the hiring process for open officer, manager, and director-level positions. New accountability measures introduced in 2014 incorporate a DI component aligned with action plans into officers' incentive plans. More frequent updates of ODI activities at executive committee meetings, one-on-one meetings with senior managers, and increased senior management involvement in ODI programs have strengthened senior management engagement.

The ODI has socialized the new workforce policies throughout the Bank, taking the communications and engagement effort to the next level by revising and reinvigorating the communications plan and by implementing the revised plan through the initiatives calendar, the ODI presentation to the Officers' Dialogue, the focus at the

Officers' Planning Conference, and via ODI communications at a Bank-wide Town Hall meeting.

The entire day-and-a-half Officers' Planning Conference, which focused solely on diversity, truly demonstrated the Bank's commitment to advancing diversity and inclusion. Progress included improved diversity representation in the manager, professional and officer ranks, moving from 20 percent participation of Bank staff (200 plus) in Employee Resource Groups (ERGs) to 30 percent (300 plus staff), and increasing the Bank's supplier diversity spend from 5.69 percent of the Bank's total reportable spend in 2013 to 14.38 percent in 2014. The Bank's participation in two large national contracts with M/WBE vendors accounts for much of the increase in the 2014 diversity spend.

2014 Workforce Highlights

During 2014, the Bank hired 104 new employees. Of these, 26 percent were minorities and 33 percent were female. Minority hires comprised 12 Asians, 11 Hispanics, and four African-Americans.

While the year-over-year female share of new hires increased by 1.1 percent, the Bank's overall female workforce composition decreased by 1 percent. The decrease in the female composition of the workforce was almost entirely realized at the staff level. The share of female managers actually increased by a little more than 3 percent, and the share of female officers decreased slightly by 1 percent (due to a retirement). The Bank's Hispanic workforce, which has been historically underrepresented, increased by 1 percentage point (from 4 percent in 2013 to 5 per-

cent in 2014) and Hispanics represented 11 percent of the Bank's new hires in 2014.

Progress in recruiting, retaining and promoting Hispanic staff is an outgrowth of the Bank's efforts over the past few years to conduct unconscious-bias diversity training, hold Hispanic Talent Acquisition Workshops for hiring managers, launch a Hispanic ERG, conduct strategic sourcing initiatives aimed at hiring Hispanic talent, and leveraging our Hispanic ERG members by inviting them to assist with recruiting and onboarding new talent.

We recently launched a new Women's Leadership ERG, and we are conducting local female college and MBA strategic sourcing events in collaboration with the Forté Foundation to increase the female share of the Bank's workforce. The Forté Foundation is a leading nonprofit focused on building the pipeline of women in business and financial services organizations. Forté developed the first Financial Services "FAST Track" program for entering MBA women in 2008 and developed a successful College Leadership Launch program in 2013.

The challenge of attracting and retaining top female talent is not unique to the Bank. Several members of the Bank's New England Financial Services CEO Roundtable have experienced this same challenge. The Bank and CEO Roundtable member firms are working collaboratively on a College Fast Track to Finance for Women Conference to be held at the Bank on May 1, 2015. The conference will expose 100 female freshmen, sophomores, and juniors to careers in the financial services industry at a critical point in their career decision-making process. As part of the conference, the Bank and the CEO

Roundtable member firms are holding a career fair, promoting internships, entry-level jobs, and related career literature. We believe that our targeted outreach and focused strategic sourcing initiatives are important strategies to help the Bank and the CEO Roundtable member firms address negative perceptions head-on and effectively share the industry's positive value proposition.

2014 Supplier Diversity Highlights

The Bank increased its spend with minority-owned and women-owned businesses (M/WBEs) by 8.69 percentage points, or \$4.72 million in 2014. This significant increase is largely due to participation in two National Procurement Office (NPO) System contracts with minority-owned suppliers for temporary staffing services and computer hardware purchases. Total diverse spend with M/WBEs as a percentage of the total reportable spend increased from 5.69 percent in 2013 to 14.38 percent (or by 153 percent) in 2014. The Office continues to remain focused on offering access to opportunities for diverse suppliers in the construction field. A "Meet the Primes" Opportunity Workshop was hosted by the ODI in 2014 to facilitate introductions between diverse suppliers and large general contractors for subcontracting opportunities. A strong relationship between the ODI and the Bank's Procurement Department ("Procurement"), continues to move the supplier diversity initiative forward. Coordinated attendance and outreach at local and national supplier diversity trade fairs continues to bring new diverse suppliers into the Bank.

2014 Financial Education Highlights

In 2014, the Financial Capabilities Group hosted 1,687 visitors, from 48 educational and financial institutions, who were educated on the Federal

Reserve System and/or on currency and counterfeits detection/ prevention programs. Approximately 20 institutions serve primarily low- and moderate- income (LMI) populations, and at least 22 percent of the visitors met the OMWI criteria. The Financial Capabilities Group also delivered financial literacy programming to 46 schools in the District, including 12 community colleges. Approximately 41 percent of these were related to the OMWI mandate. In summary, 46 educational institutions and 1,464 students participated in the Bank's financial literacy programs in 2014.

OMWI's Fifth Year Anniversary—Progress and Opportunity (2010–2014)

While it is important to review year-over-year progress, July 21, 2015 will be the OMWI legislation's five-year anniversary—making it an appropriate time to take a high-level, five-year look back on key accomplishments and opportunities for improvement.

Progress (2010–2014)

Key accomplishments advancing diversity and inclusion at the manager and director levels at the Bank include: increasing the minority manager share by 40 percent, increasing the female manager share by 8 percent, and increasing the Hispanic director share by more than 100 percent. At the officer level, the minority officer share increased by 11 percent.

Regarding staff engagement, more than 30 percent of the Bank staff (300 plus staff) now participate in diversity-centric ERGs. ERG members are helping the Bank recruit, on-board, and develop new talent, and they are expanding the ODI's diversity and inclusion cultural/educational programs.

We are also quite pleased that the Bank's spend with minority-owned and women-owned businesses has increased by more than 150 percent since 2011, the first year we were able to officially count the Bank's diverse spend.

Regarding collaborative leadership efforts with industry peers, the New Financial Services CEO Roundtable (focused on advancing diversity and inclusion in senior ranks and on boards) has convened three times, developed a peer group benchmark, endorsed three collective actions, and will be coordinating its first gender-focused industry strategic outreach and pipeline-building conference on May 1, 2015.

Opportunity (2010–2014)

During the first three years of the OMWI mandate rollout (2010–2012), minority and female hiring at the Bank rose slightly for women and remained flat at an elevated level for minorities. However, since 2012, minority hiring has declined by 12 percent, and hiring of women has declined by 31 percent. As noted earlier, the overall female share of the Bank's workforce is down one percentage point (from 45 percent to 44 percent). Regarding promotions, a positive story for women, we are beginning to see less-than-encouraging trends in advancement for minorities, as the share of promotions for minorities is lower than their representation in the Bank's workforce.

Internally, the ODI has made important strides in enhancing staff engagement and communications. As noted previously, both staff engagement and the ODI communication offerings have improved, although we see both as areas of focus for ongoing evaluation and improvement. The ODI will continue to review program and communication evaluations and will periodically

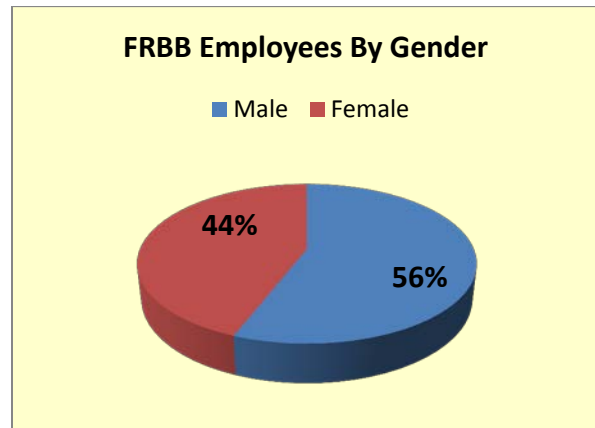
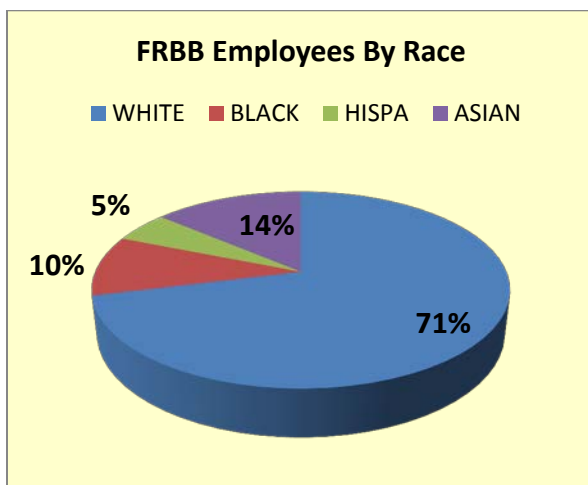
survey staff to obtain feedback to enable us to continually improve our policies, programs, and outreach.

Optimism

Several ongoing initiatives will help the Bank over time to overcome the challenges to our diverse employment and advancement opportunities. These include ongoing bias-focused diversity training, new Women and African American ERGs, local, gender-focused college and MBA strategic sourcing initiatives, new workforce policies, and an increased focus on management engagement and accountability. On balance, we are encouraged by the progress made in advancing the Bank's diversity and inclusion climate and culture over the past five years. Moreover, we remain optimistic about the policies, programs, and outreach employed to help the Bank and the industry address challenges to enhancing diversity and advancement opportunities, and we will strive to continue to make progress in the next five years and beyond.

Minority and Women Employment

In 2014, the Bank: 1) implemented new workforce policies to improve diversity in the candidate slates for open officer, manager, and director level positions, 2) collaborated more robustly with HR and our Employee Resource Groups on outreach to and networking with diverse professional populations, and 3) continued to coordinate strategic sourcing initiatives to help close representation gaps and gain greater access to Hispanic and female professionals. The following results are strongly correlated with the aforementioned strategies, including: a modest uptick and stabilization in female and minority hiring, a 3 percent increase in female managers, a one percentage point increase in the Bank’s Hispanic workforce share, and an 11 percent increase in Hispanic hires. The ODI commends the Bank’s Human Resources Department (HR) for the high quality and quantity of work they contribute to help advance the Bank’s diversity and inclusion objectives.



(See Appendix B for the Bank’s composition by broad levels).

Successes

General Recruitment

In 2014, the recruiting team participated in a number of diversity-focused recruitment activities. In May, recruiters participated in the 8th Annual Latina Summit conducted by the Boston chapter of the Association of Latino Professionals in Finance and Accounting (ALPFA).

In 2014, HR’s Office of Talent Acquisition (OTA) staffing unit built a robust Linked-In employment branding presence to build upon the job slots and recruitment efforts in 2013. We also leveraged the posting abilities within the Taleo system that serves the FRB Boston jobs to more than 24 specialty and diversity recruitment sites. We also leveraged the eBenefits site, a robust website provided by the Veteran’s Administration (VA), to target former military personnel with our postings and gain knowledge on the selection and hiring of veterans.

The FRB Boston was identified as an “employer of choice” and actively participated at the National Association of Asian MBA (NAAMBA) event, where we networked with more than 200 new and experienced MBA prospects. We continued our community-level work by hosting and attending events with the local ALPFA and NSHMBA chapters, reaching an audience of 150+ potential job seekers through these efforts. The OTA also completed a competitive bid process for retained search firms, insuring that future retained searches could maximize diverse candidate slates.

Furthermore, the Bank signed agreements with several diversity-focused/minority owned search firms in 2014 to help with mid and senior-level searches. The FRB Boston also advertised and hired two interns through the Boston Year Up program, which focuses on closing the “Opportunity Gap” by providing “... a one-year, intensive training program that provides low-income young adults, ages 18-24, with a combination of hands-on skill development, college credits, corporate internships, and support.”

The Bank also contributed to the Federal Reserve System Diversity Recruiting efforts headed by the System Staffing Group, in which the Bank directly participated, or through the System and via database availability in the following events and organizations: the National Association of Black Accountants, (from which two candidates were sourced, one of whom was called back for a second interview), the National Association of Latino Professionals in Finance and Accounting, the National Black MBA Association, the National Society of Hispanic MBAs, the National Society of Hispanic Professional Engineers, and the Thurgood Marshall College Fund.

Among other network-building initiatives, Office of Talent Acquisition team members collaborated with the Bank’s ERG’s including Adelantè!, neXus, the Veteran’s Resource Group, and A1 FACT in efforts to expand our sourcing networks. Adelantè! members referred numerous candidates for jobs. The Office of Talent Acquisition also partnered with two large Bank departments on how to identify, catalog, and leverage the diverse networks to which FRB Boston employees belong. This effort is targeted for launch after Q2 in 2015.

In addition to HR’s general recruitment efforts, the Bank also provided intern opportunities for a diverse range of candidates through our college internship program. In 2014 instead of trying to establish a presence on college campuses, the Bank changed its approach by participating in a variety of e-activities, including posting on Internhub.com, a free portal for students, employers and career counselors throughout Massachusetts. The portal offers an interactive internships job board and custom resources, giving students unprecedented access to thousands of employers within Massachusetts and enabling companies to easily search for the area’s best new talent, as well as use the Bank’s own public website, resulting in an increase of eight additional interns over the prior year.

In 2014, the Bank provided opportunities for 43 college interns, of whom 19 percent were minorities and 33 percent were females. These opportunities provided practical job experience in a wide variety of areas including Economic and Community Development, Bank Supervision and Regulation, Research, Information Technology, and Law Enforcement.

Gap-Focused Initiatives

The Bank's benchmarking and availability analysis has honed our strategic approach by helping us identify specific areas of opportunity for improvement. Gaps in our female and Hispanic workforce, relative to local and national labor markets, continue to be an area of focused attention. In 2014, the Bank continued to implement initiatives that engaged women and Hispanic/Latino networks and experts in order to address these identified gaps. These initiatives were designed to focus on senior-level women and Hispanics in particular.

As noted above, in May we hosted ALPFA's 8th Annual Latina Summit, "Using the Power of YOU to Transform Latina Leadership" a premier event for Latino professionals, with almost 600 attendees. One of the outcomes of the summit for the participants was to gain exposure to prominent women leaders through interactive workshops and networking opportunities. Also in May, the ODI hosted the Boston Women in Finance (WIF) event, "Networking for Results," in which a panel of business leaders shared expert tips and best practices to drive real results from networking, aimed at helping the attendees land a new role, fill an open position, solve a business problem, enhance their professional skills or grow their business.

In April, we hosted the Boston Women's Spring Cafecitos Networking Breakfast in partnership with ALPFA to bring together more than 60 female ALPFA Boston leaders and up-and-coming Latinas. The program is a collaborative effort among Women of ALPFA, ALPFA Law, and the National Hispanic Bar Association. Jackie Palladino, a Bank SVP, and head of the Strategic Bank Services Group, was the guest speaker.

In June, ODI hosted "Financial Well-Being for Women", an interactive discussion on creating a roadmap for your own finances, held by the Boston chapter of 85 Broads (now, "Ellevate.").

In October, ODI, and the Adelantè! ERG invited Bank staff to celebrate Hispanic Heritage, and the "Latino Influence in Local Government." A panel discussion was convened with three of the Commonwealth's most influential Latino men currently serving the Latino community and local government in the state of Massachusetts. Also in October, ODI hosted NSHMBA's Multicultural Banking and Finance Panel on winning the multicultural market.

In addition, ODI collaborated with HR to facilitate opportunities to promote positions through professional associations. Among other network-building initiatives, OTA staff collaborated with the Bank's internal ERGs, including Adelantè!, neXus, the Veterans Resource Group, and A1-FACT, in an effort to expand HR's sourcing networks and understand diverse sourcing and retention avenues. Adelantè! members referred numerous candidates for jobs and the ODI and OTA collaborated by attending events hosted by NSHMBA and ALPFA. This effort resulted in the introduction of several qualified candidates to the Bank. Additionally, the OTA, in partnership with the Veterans ERG, was able to leverage a robust website hosted by the Veteran's Administration (VA) to target former military personnel with the Bank's postings and to gain valuable knowledge on the selection and hiring of veterans.

We also continue to participate in diversity-oriented recruiting events, and to augment our onboarding program for new employees. The

ODI's participation with ALPFA has resulted in Adelantè! ERG members' gaining the benefit of membership in ALPFA, thereby ensuring that the Bank is kept apprised of issues and opportunities arising in the Latino community.

In August of 2014, the Bank's African-American employee group, neXus was formed, with a mission of actively contributing to the growth and development of self-identifying black employees through a focus on recruitment, retention, engagement, and talent development.

The ODI is currently collaborating with an Asian-American ERG, hoping to launch in 2015. This past year HR/OTA employees attended a leadership conference held by the National Association of Asian-American Professionals, where they networked with over 200 new and experienced MBA prospects.

Management Engagement

The ODI continues to supplement the Bank's recruitment efforts by actively working with and engaging the Bank's management. The ODI continues to meet with department heads to review their workforce data, and to work with them to develop DI action plans with a dual emphasis on assisting them in addressing workforce gaps and identifying any D&I best practices they may be using that could be implemented throughout the Bank to enhance Diversity and Inclusion.

The ODI continues to encourage departments to participate in HR recruiting events and has connected several departments to external resources with expertise in minority and female workforce development.

Furthermore, we engaged senior management by recommending policies designed to enhance

the hiring process. In addition, the Bank tied Diversity and Inclusion goals to senior officers' incentives. Many senior officers took it one step further by tying the D&I goals to their direct reports' incentive plans also.

Employee Resource Groups (ERGs) continue to provide excellent avenues for furthering senior management engagement on diversity and inclusion issues, with senior management serving as sponsors for some of the ERGs and attending and participating in group activities and events.

Metrics

During 2014, the Bank hired 104 new employees. Of these, 26 percent were minorities and 33 percent were female. Minority hires comprised 12 Asians, 11 Hispanics, and four African-Americans.

In 2014, the female share of new hires increased by 1.1 percent from the previous year, and the overall female composition of the workforce at the Bank decreased slightly. With respect to Hispanic representation at the Bank, our workforce share increased to 5 percent. However, Hispanics represented 11 percent of new hires in 2014.

Retention

Retention is an important component of a successful workforce diversity strategy. The Bank's overall retention framework includes competitive total compensation packages, work/life balance, and other employee benefits. The Bank's mentoring program, developed to support recruitment and retention efforts, also shows active participation. In 2014, there were 35 mentoring partnerships. Program applicants represented a cross-section of Bank staff, and mentor partners were paired to leverage diversity, including cross-functional and cross-cultural learn-

ing and development. Participation in 2014 included 37 percent women and 29 percent minorities. Participation by women is down by 39 percent from 2013. However, minority participation in the mentor program improved by 61 percent since last year.

Challenges

While the Bank has made measureable progress in closing its Hispanic workforce gap, by one percentage point from 4 percent in 2013 to 5 percent in 2014, we lost ground with women. There is still more work to be done to further close the Hispanic workforce gap, but we feel confident we are moving in the right direction. However regarding women, the share of women in the Bank's workforce slipped from 45 percent in 2013 to 44 percent in 2014. This unfortunate development suggests that the increased gender-focused recruiting, sourcing and outreach efforts have not, at least to date, had the expected, desired impact. As noted in the executive summary, we have leveraged the Bank's Hispanic ERG (Adelantè!) over the past three years to assist with recruiting, onboarding and developing newly-hired Hispanic talent. The new Women's Leadership ERG was launched in 2014, and we have already begun to leverage that group to help the Bank tackle the persistent female hiring challenge. The ODI is also increasing its outreach and strategic sourcing initiatives and partnerships, including collaborating with our industry peers, to move the needle on what appears to be a broader industry challenge.

While we do plan to make progress with women by leveraging the effective Hispanic ERG model, it is important to note that all diversity hiring and retention challenges are not alike. Through the ODI's partnership with numerous Hispanic professional development organizations (like ALPFA

and NSHMBA) we have learned that at least one primary barrier limiting talented Latinos from working at the Bank has been the lack of direct exposure and access to the Bank's career opportunities. We are learning something very different from the gender-focused professional development organizations. We are learning that an important part of the gender hiring challenge involves negative perceptions held by women about the financial services industry more broadly.

"The industry has already lost some of its gloss in recent years, but if women's perception of gender discrimination in financial services is as bad as they report, then companies will continue to struggle to attract women into the industry," said George McFerran, managing director of eFinancialCareers for Asia Pacific.

Compensation and recruiter bandwidth issues also impede the Bank's ability to improve its diversity hiring. Over the last several years the ODI has heard numerous stories of top notch diverse (mostly minority) talent unwilling to take lower salaries to do comparable jobs at the Bank.

The strategy of passively courting and recruiting diverse talent is one approach to overcoming this challenge; however the combination of increased recruiter requisition loads and tighter timeframes to fill requisition targets – leaves little extra time for passive recruiting.

Going Forward

The ODI holds monthly meetings with HR and ongoing meetings with department managers to discuss the Bank's diversity landscape, progress and opportunities for improvement. We remain optimistic that our collaborative approach to

trouble shooting and resolving persistent diversity workforce issues will enable the Bank to identify solutions, such as the Hispanic/ Latino ERG model, and to make continued progress over time. We are partnering more closely on female college and MBA strategic sourcing initiatives with reputable, gender-focused professional/ leadership development organizations and industry peers to better expose talented women to career opportunities and overcome negative perceptions. We also plan to evaluate the effectiveness of our new workforce policies to ensure that the Bank's hiring process lives up to our values of fair access, equal opportunity and public service that makes a difference in the region, the nation and the world.

Minority and Women Owned Businesses

In 2014, the Bank’s spend with minority-owned and women-owned businesses (M/WBEs) increased by more than 150 percent from 5.69 percent in 2013 to 14.38 percent. This improvement is due to a solid increase in the Bank’s local spend with M/WBEs combined with a large increase in spend with large-scale national M/WBEs. The increase in our diverse local spend with M/WBEs is the direct result of increased technical assistance initiatives, outreach efforts and relationship building with a growing number of M/WBEs over the past several years. FRB Boston and many Reserve Banks in the System also benefited greatly from two large national contracts negotiated by the System’s National Procurement Office managed by FRB Richmond.

Amounts Paid to Suppliers

Total Reportable Spend for 2014
\$51.06 million

Total Spend with Minority- and Women-Owned Businesses
\$7.34 million

Percentage of M/WBE Spend with Minority-Owned Businesses
12.20 percent or \$6.23 million

Percentage of M/WBE Spend with Women-Owned Businesses
2.18 percent or \$1.11 million

Top Minority-Owned Suppliers by Volume

Computer Equipment and Supplies
\$2.41 million

Temporary Staffing Agency
\$2.08 million

Computer Equipment and Software Provider
\$324k

Top Women-Owned Suppliers by Volume

Computer Equipment and Software Provider
\$111k

Economic Development Strategies Consultant
\$107k

Furniture Installation/Moving Services Provider
\$94k

Successes

The Bank’s spend with M/WBEs increased from 2013 by approximately \$4.72 million or 8.69 percentage points. In addition to increasing spend with M/WBEs locally, the Bank benefited from participation in two Federal Reserve System contracts with minority-owned suppliers for temporary staffing services and computer hardware.

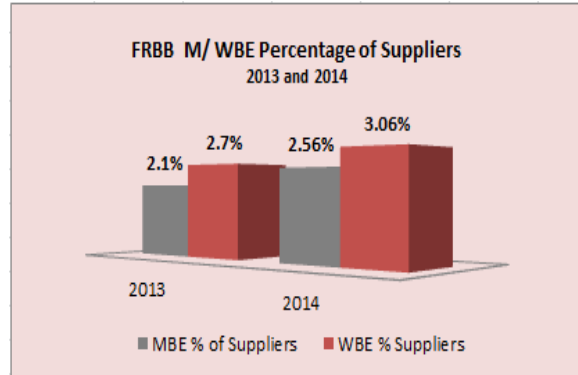
The ODI continues to work with Procurement to ensure that all bids contain a diverse slate and that one or more M/WBEs are on every solicitation.

Diverse Vendor Opportunities:

Percentage of events where an MWBE was invited to participate	85%
Percentage of events where at least one MWBE was responsive	60%
Award Rate	45%

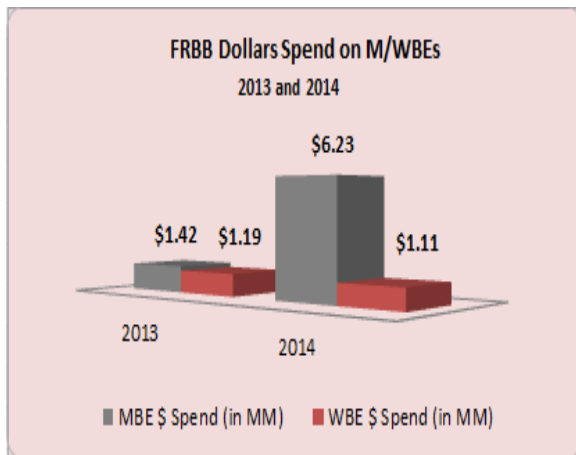
Staff members from the ODI attend Procurement’s quarterly pipeline meetings with all Bank departments in an effort to gain first-hand knowledge of upcoming projects with potential opportunity for M/WBEs.

Moreover, the ODI hosts creative networking initiatives to improve procurement and access for M/WBEs. The Office hosted a successful construction matchmaker event, in which 10 prime general contractors were invited to meet with diverse suppliers to discuss subcontracting opportunities and construction-related material procurement opportunities.

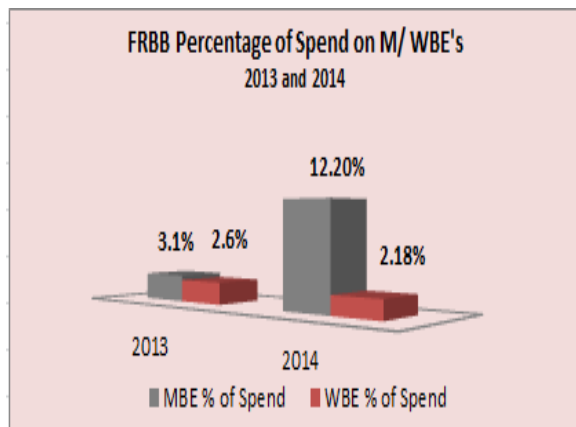


Outreach

In May, during Small Business Month, the ODI hosted Get Konnected, a networking event for urban professionals and entrepreneurs. Over 200 individuals attended the event where Get Konnected and ALPFA organized a panel discussion on increasing diversity on corporate and public sector boards and commissions in Massachusetts.



Staff from the ODI attended the Women’s Business Enterprise National Council’s annual business opportunity conference in June. Working with other Reserve Banks, the ODI staffed the System’s booth to assist suppliers with registering for procurement opportunities and offered technical assistance to explain how to do business with the Fed. Staff engaged in matchmaking with women-owned businesses to discuss opportunities specific to the Boston Reserve Bank. A supplier was provided an opportunity to submit a bid for a janitorial services contract, but was unsuccessful.



In September, ODI and Procurement staff attended the Greater New England Minority Supplier Development Council’s annual business opportunity fair. We secured a booth in order to conduct one-on-ones with perspective suppliers and explain how to do business with the Bank.

Also in September, the ODI hosted a Supplier Diversity Vendor Fair at the Bank. Approximately 150 staff and management with procurement responsibility met with M/WBEs to discuss opportunities and learn about new products and services from qualified suppliers.

In October, ODI staff attended the National Minority Supplier Development Council's business opportunity conference. While NMSDC does not include a matchmaking component, the Reserve System secured a second booth to conduct outreach for the respective Reserve Banks. The matchmaking effort was received well by suppliers and was unique to the NMSDC conference.

In October, the ODI hosted a Construction Matchmaker – "Meet The Primes Opportunity Workshop". Collaborating with the GNEMSDC, CWE, and Massachusetts SDO, the ODI invited M/WBEs in the construction industry to meet with 10 prime contractors as well as other agencies in Massachusetts to discuss subcontracting or construction-related supply opportunities.

In November, ODI staff attended the Greater New England Minority Supplier Development Council's Annual Best Practices in Supplier Diversity Conference. The event contains a networking component as well as various panels discussing best practices in supplier diversity from both the supplier and the organizational perspective. It was at this event in 2013 that the ODI met a new MBE provider of IT software. The supplier was the successful bidder on a large solicitation and has been awarded two contracts,

one of which is significant and will be reflected in the 2015 report.

Challenges

The Bank continues to face two persistent challenges to advancing its diverse spend with M/WBEs: 1) inaccurate diversity classification data bases/systems, and 2) the inability of many M/WBEs to readily gain access to small business loans and related lines of credit. Additionally, the large System NPO computer hardware contract (currently being serviced by a minority-owned business) will not be in place in 2015.

Going Forward

We will continue to work with the agencies that manage diversity classification data bases to support and encourage them to work harder to ensure that their data bases are accurate. We have held Access to Capital Summits with the National Minority Supplier Development Council in the past and a capital summit is being held at the Bank in May 2015. We will also continue to support and encourage System efforts to identify and introduce more large-scale national M/WBEs to the NPO's national contract opportunities.

Financial Literacy Initiatives (Outreach & Education)

The Bank's primary financial literacy initiatives are executed through the Financial Capabilities¹ Group in the Regional and Community Outreach Department (RCO). This group works to strengthen the financial stability of households in New England by strengthening the financial capabilities of the region's low- and moderate-income (LMI) populations. Over the past few years, RCO has worked to refine its strategy and align activities to support the Bank's broader mission of promoting economic growth of LMI communities.

The Financial Capabilities Group works with intermediaries to improve residents' capacity to make well-informed financial decisions. In 2014, the group modified its focus to work with three key stakeholders: schools and teachers (rather than students), nonprofit and higher education practitioners, and employers. The end goal is to improve the capacity of these intermediaries to deliver services and programming that foster financial well-being, and to evaluate the effectiveness of various approaches and help translate research into practice.

Successes

Training for Schools and Teachers

In 2014, the Financial Capabilities Group phased out its Economic Education programming. From January through September 2014, the group educated 1,687 visitors, from 48 educational and financial institutions on the Federal Reserve Bank System and/or on currency and counterfeit detection/ prevention programs. Of these institu-

tions, 20 serve primarily LMI populations and at least 22 percent of these visitors meet the OMWI criteria.

In 2014, the Financial Capabilities Group delivered financial literacy programming to 46 schools in the District, including 12 community colleges. Approximately 41 percent of these were related to the OMWI mandate. In total 1,464, students participated in the Bank's financial literacy programs in 2014.

	Schools (K-12)	Community Colleges	Total Schools	School (K-12) Students	Community College Students	Total Students
Jan	3	0	3	90	0	90
Feb	1	0	1	20	0	20
Mar	4	2	6	184	37	221
Apr	4	3	7	125	70	195
May	14	3	17	385	107	492
Jun	3	0	3	85	0	85
Jul	2	4	6	135	66	201
Aug	3	0	3	160	0	160
Total Year	34	12	46	1184	280	1464

In June 2014, the Financial Capabilities Group, in partnership with Fidelity Investments, hosted the first Massachusetts Jump\$tart Educator Financial Literacy Training Program. Fifty-five participants, representing K-12 and post-secondary education and community non-profits completed the program.

The training is designed to build the financial capabilities of educators and front-line staff to improve their ability to provide financial capabilities instruction. It includes: Managing Credit and Debt, Credit Reports, Behavioral Economics,

¹ Financial capability: the capacity based on knowledge, skills, and access to manage financial resources effectively. [President's Advisory Council on Financial Capability]

Spending and Financial Planning, Saving and Investing, Identity Fraud and Insurance. Thirty-eight of the participants took the Wise Financial Literacy Certification exam offered at the close of the training; they all passed, with an average score of 86 percent.

Capacity-Building for Practitioners of Financial Education

Non-Profit Capacity Building

- **Training Local Practitioners**

In 2014, the Bank partnered with the United Way of Massachusetts Bay and Merrimack Valley to provide training and technical assistance to help their groups grow their financial capabilities programming. Participants received training on personal finance to strengthen their capacity to help their service populations manage their financial lives. A Bank-led session on “Promising Practices in the Field of Financial Capability” drew 33 representatives from Boston area nonprofits.

- **Capacity-Building Webinar Series**

The Financial Capabilities Group conducted a webinar series to increase awareness of financial capabilities programming and promote tools to strengthen existing programming for LMI populations. The webinars, held from late 2013 through mid-2014, focused on using technology and data to strengthen financial capabilities, as well as evaluation and measurement. Approximately 200 people participated in the sessions.

Higher Education Capacity Building

Community College Initiatives

The Bank’s Community College Initiatives include a range of approaches designed to assist community colleges in strengthening the financial capabilities of their students.

- **Convenings and Site Visits**

In June 2014, the Bank held a convening with representatives of all community colleges in New England to recap findings from a 2013 convening and present a new Resource Handbook. Forty-nine attendees representing 18 community colleges participated. The Bank is now conducting site visits to engage the community colleges in dialogues on challenges and opportunities.

- **Resource Handbook**

In December 2014, the Bank released a Resource Handbook on “Strengthening Financial Capabilities of Community College Students.” It features findings from the literature, eight in-depth case studies, a snapshot of New England-based community college efforts, and student experiences and perceptions.

- **College Matched Savings Program**

The Bank co-led an Implementation Working Group to design a two-year pilot of an integrated model combining educational matched savings programming, college affordability supports, and advanced financial coaching, which is being implemented at three Massachusetts-based community colleges. The program will provide services to approximately 230 students per campus per year, and is expected to increase participants’ financial capability skills and their ability to navigate methods for paying for college.

Working Through Employers

The Financial Capabilities Group works with employers to provide opportunities for youth to improve their financial literacy and financial capabilities skills through the Bank’s youth employment programs known as “Fin-Tech.” The “FinTech” programs are being redesigned to better reflect the mission of the Group and to create

a larger impact on the youth participants and the agencies that provide similar programming to LMI populations. In 2014, 32 students participated in the Bank's jobs programs (21 summer program, 12 year-round), all of whom meet the OMWI criteria.

The seven-week Summer Jobs Program included full-time work experiences and over 40 hours of enrichment content, including a series of chats on leadership development with Bank managers, academic remediation, career-readiness skill-building, and college and career-planning. For example, the financial "Reality Fair," a hands-on simulation manned by Bank staff and community partner volunteers, required students to evaluate lifestyle options within various spending categories in an effort to balance a monthly budget.

Challenges

The main challenge for the Bank's Financial Capabilities Group and the industry as a whole is the lack of consensus on what constitutes financial well-being and the limited research that identifies effective processes that can change behavior. There has been some progress, and principles that can guide practitioners' work have emerged, but there is still a long way to go. The Bank is working to contribute to this conversation by identifying and, evaluating financial capability interventions that align with our goals and interests, and by helping to translate research into practice.

Going Forward

The Financial Capabilities Group has been very strategic and forward thinking, and has begun planning future initiatives that support the Bank's OMWI goals.

- **Youth Employment Collaborative:**
Future work in this area includes a proposed city-wide research project on the discernible impact of employment programs for young adults which include educational and counseling components. The Bank will work collaboratively with Boston-based non-profits and city government which collectively employ about 6,000 LMI youth to incorporate financial capability programming into youth employment programs, informed by best practices in the field. If successful, the Bank will work to develop a model that can be replicated in other cities throughout New England. Finally, the Bank's Summer Employment Program will become an incubator for best practices and innovation in the field to help inform and build impact for organizations providing youth employment programming.

- **K-12 Targeted Outreach**
The Bank has been collecting data on the K-12 high schools within the First Federal Reserve District, identifying those with at least 50 percent of the student population eligible for free or reduced lunch. Once there is a complete database of target schools, the Bank will work on creating training opportunities for teachers and practitioners that will promote online financial education tools and resources developed by the St. Louis Fed. The Bank will track high school engagement and resource utilization, and modify the online tools and resources as appropriate.

Appendices

- Appendix A: EEO-1 Report
- Appendix B: Workforce Composition by Broad Levels, by Geography and at the Bank
- Appendix C: Organization Chart: Office of Diversity and Inclusion
- Appendix D: Community Partnerships and Cultural Events
- Appendix E: 2014 System Level Activities
- Appendix F: Recognition

APPENDIX A: EEO-1 Report

By Number	Hispanic/ Latino		Non-Hispanic Male				Non-Hispanic Female				Total				
	Male	Female	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaskan Native	2 or More Races	White	Black or African American		Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaskan Native	2 or More Races
Job Categories:															
Executive/ Senior Level Officials & managers	0	0	9	2	0	0	0	0	0	0	0	0	0	0	13
First/ Mid Level Officials & Managers	5	4	83	4	0	4	0	0	0	65	4	9	0	0	178
Professionals	13	13	251	23	1	42	0	1	178	26	0	54	1	1	604
Technicians	2	1	28	11	0	4	0	0	1	2	0	2	0	0	51
Office and Clerical Workers	2	8	25	7	0	3	0	0	41	20	1	25	0	0	132
Craft Workers	0	0	14	0	0	1	0	0	0	0	0	0	0	0	15
Service workers	4	1	33	9	0	0	0	0	7	0	0	0	0	0	54
Total	26	27	443	56	1	54	0	1	294	52	1	90	1	1	1047

The information in these tables reflects the 1st Districts staff representation by EEO-1 job category.

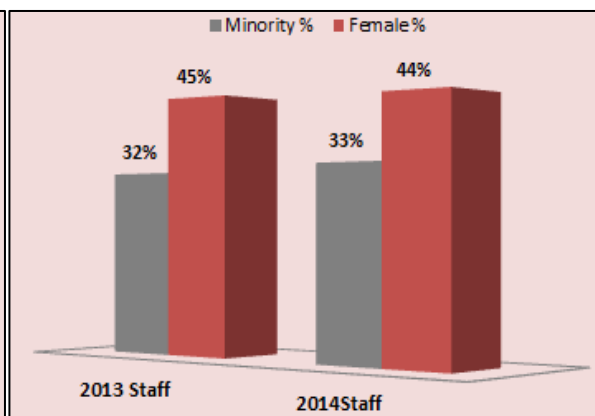
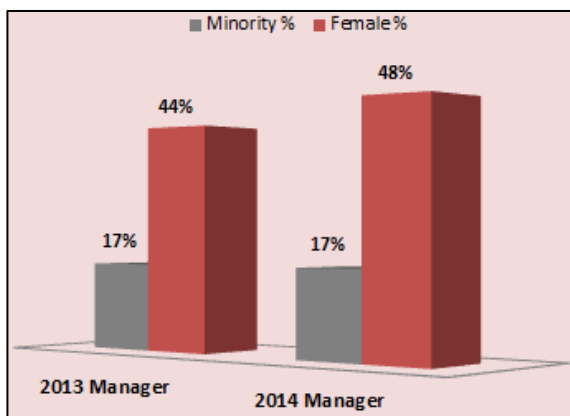
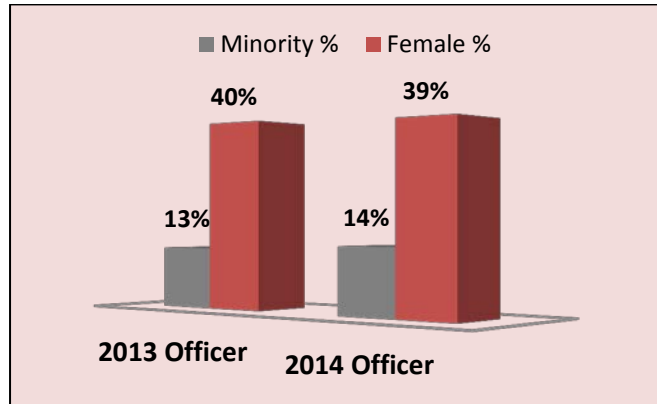
The vertical "Total" column represents total staff for the job category across all races and gender, the horizontal "Total" row represents total staff for the race-gender combination across all categories.

By Percentage	Hispanic/ Latino		Non-Hispanic Male				Non-Hispanic Female				Total				
	Male	Female	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaskan Native	2 or More Races	White	Black or African American		Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaskan Native	2 or More Races
Job Categories:															
Executive/ Senior Level Officials & managers	0.0%	0.0%	69.2%	15.4%	0.0%	0.0%	0.0%	0.0%	15.4%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
First/ Mid Level Officials & Managers	2.8%	2.2%	46.6%	2.2%	0.0%	2.2%	0.0%	0.0%	36.5%	2.2%	0.0%	5.1%	0.0%	0.0%	100.0%
Professionals	2.2%	2.2%	41.6%	3.8%	0.2%	7.0%	0.0%	0.2%	29.5%	4.3%	0.0%	8.9%	0.2%	0.2%	100.0%
Technicians	3.9%	2.0%	54.9%	21.6%	0.0%	7.8%	0.0%	0.0%	2.0%	3.9%	0.0%	3.9%	0.0%	0.0%	100.0%
Office and Clerical Workers	1.5%	6.1%	18.9%	5.3%	0.0%	2.3%	0.0%	0.0%	31.1%	15.2%	0.8%	18.9%	0.0%	0.0%	100.0%
Craft Workers	0.0%	0.0%	93.3%	0.0%	0.0%	6.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Service workers	7.4%	1.9%	61.1%	16.7%	0.0%	0.0%	0.0%	13.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Total	2.5%	2.6%	42.3%	5.3%	0.1%	5.2%	0.0%	0.1%	28.1%	5.0%	0.1%	8.6%	0.1%	0.1%	100.0%

Each cell represents the race-gender's share of the relevant job category (row). The vertical "total" column must always equal 100%. The horizontal "Total" row need not equal 100% because it represents the race-gender's share of the entire bank across all job categories.

APPENDIX B: Workforce Composition by Broad Levels, by Geography and at the Bank

Workforce Composition by Broad levels:



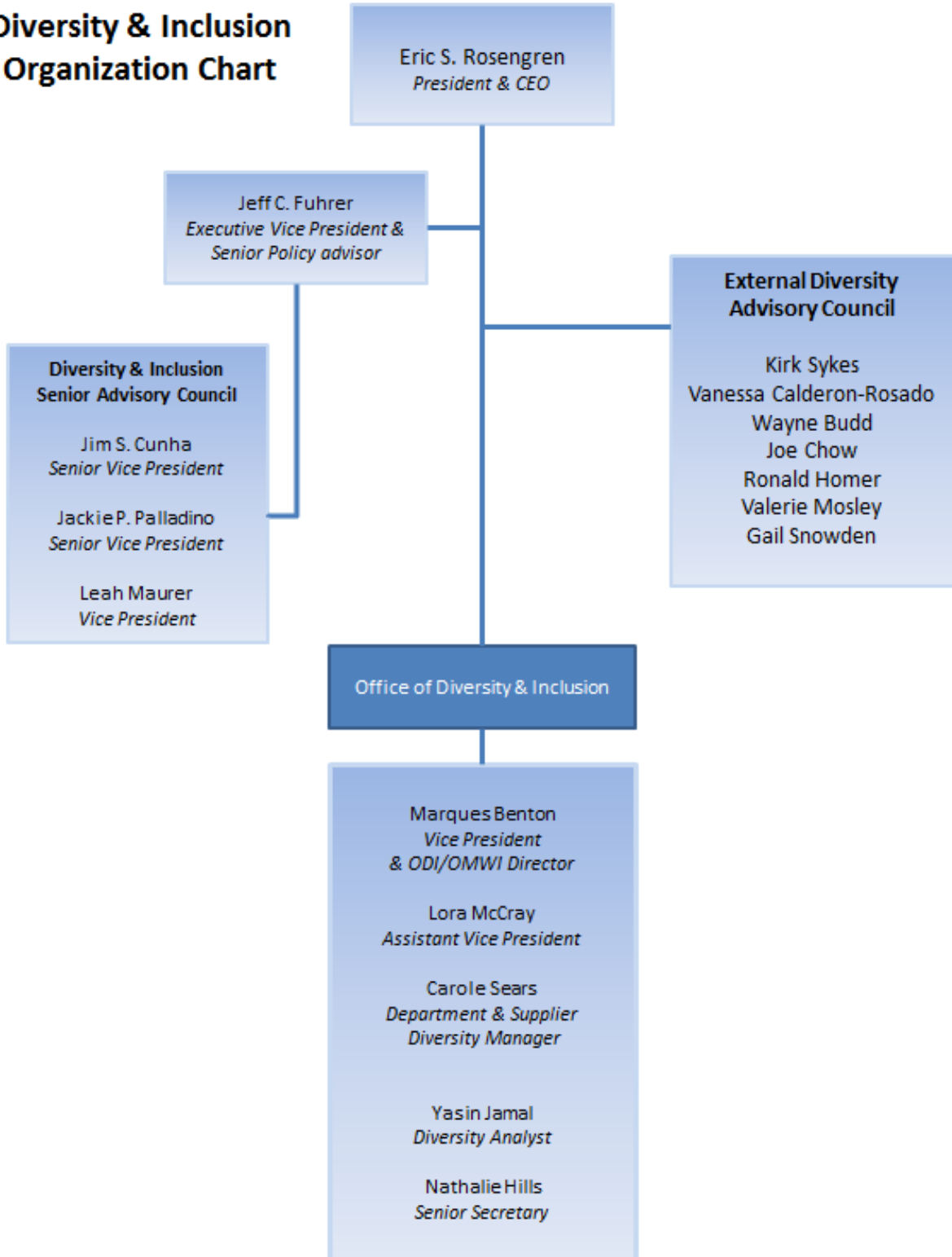
Workforce Composition by Geography and at the Bank:

	Total Employees	Female%	Minority%	Hispanic or Latino%	Black or African-American%	Asian%	Two or more races%
Connecticut	644,341	50	30	11	13	5	1
Maine	188,094	55	5	1	2	1	1
Massachusetts	1,370,819	51	26	9	9	7	1
New Hampshire	222,672	52	10	4	2	3	1
Rhode Island	162,545	55	21	9	7	3	1
Vermont	86,890	52	6	1	2	2	1
New England	2,675,361	51	23	8	8	5	1
National	50,293,594	48	36	14	14	6	1
FRB Boston 2014	1,008	44	29	5	10	14	0

Benchmark Source: EEOC's 2013 Aggregate EEO-1 Data by State and Nation; All industries

APPENDIX C: Organization Chart

**Diversity & Inclusion
Organization Chart**



APPENDIX D: Community Partnerships and Cultural/Educational Events

Community Partnerships

- ***The Association of Latino Professionals in Finance and Accounting (ALPFA)*** is the premier business organization for expanding opportunities for Latino Leadership in the global market. ALPFA creates opportunities, adds value, and builds relationships for its members, the community and its business partners while expanding Latino leadership in the global workforce.
- ***The City of Boston's Earned Income Tax Credit Campaign (EITC)*** is spearheaded by the Office of the Mayor, which has worked in conjunction with nonprofit, corporate, and community partners to provide low- and moderate-income taxpayers with free financial services since 2001. The Coalition now also offers a year-round financial coaching program that directly involves volunteers in promoting economic empowerment in Boston communities.
- ***Conexión*** is a leadership and mentorship program committed to advancing Latino professionals. It partners with organizations and companies that need new leadership talent within their ranks in order to adapt successfully to new economic, social and political realities.
- ***El Mundo*** is widely recognized as New England's premier Spanish language publication, with deep-rooted community grassroots relationships coupled with strong corporate partnerships.
- ***Ellevate (Formerly 85 Broads)*** is a global network of 20,000 women who are inspired, empowered, and connected. Over the past decade, Ellevate expanded its membership to include women who are alumnae and students of the world's leading colleges, universities, and graduate schools, with members in 82 countries. The group's Regional Chapters develop and strengthen their global presence through exclusive workshops and events featuring industry experts.
- ***Gay and Lesbian Advocates and Defenders (GLAD)*** is New England's leading legal rights organization dedicated to ending discrimination based on sexual orientation, HIV status and gender identity and expression.
- ***Get Konnected*** is Boston's first and only urban bi-monthly professional and business networking event, bringing together urban and international professionals, business executives and entrepreneurs of diverse cultures, across industries and sectors to enrich and enhance their professional development, forge new business and social relationships, and expand their personal, business and professional networks.
- ***The Initiative for a Competitive Inner City (ICIC)*** is a nonprofit research and strategy organization and the leading authority on U.S. inner city economies. Founded in 1994 by Harvard Business School Professor Michael Porter, ICIC strengthens inner-city

economies by providing businesses, governments and investors with comprehensive and actionable information about urban market opportunities.

- **The National Black MBA Association, Inc. (NBMBA)** is dedicated to developing partnerships that result in the creation of intellectual and economic wealth in the Black community. In partnership with over 400 of the country's top business organizations, the association has developed relationships with a wide range of industries as well as the public and private sectors.
- **The National Society of Hispanic MBAs (NSHMBA)** is dedicated to building and advancing Hispanic leadership through graduate management education and professional development, and to being the partner of choice for organizations seeking to hire and develop Hispanic talent.
- **The Proteus Fund Diversity Fellowship Program** mission is to identify, recruit and cultivate emerging practitioners of color who represent the next generation of philanthropic leaders and offer them training, support and strong community. The Diversity Fellowship is an innovative model with a successful track record of identifying and cultivating talented professionals of color interested in entering the philanthropic sector.
- **The Urban League** is a nonpartisan civil-rights organization based in New York City that advocates on behalf of African-Americans and against racial discrimination in the United States.
- **Women in Finance Boston (WIF)** is a membership association of women executives, managers and other career Finance professionals whose goal is to highlight thought leadership in Finance across multiple industries and to create a community of women professionals.
- **Year Up Boston** is a one-year, intensive training program that provides low-income young adults, ages 18-24, with a program that emphasizes academic and professional rigor, setting expectations high for quality of work and professional behavior. A strong structure guides students through the steps necessary for achieving success in the classroom and the workplace.
- **YW Boston** is an organization of firsts. They are the first YWCA in the United States, established by leaders in the abolition and suffrage movement to address critical social justice issues of the time. They are the first organization in Boston to tackle professional and economic empowerment for women, and among the first to fight for racial and gender equality.

Cultural and Educational Events

- *Lunar New Year Celebration: Year of the Horse* – (January)
- *National Women’s History Month Celebration: “The Fascinating Look at Firsts for Women in the Federal Reserve and Beyond”* - (March)
- *ALPFA Boston Women’s Spring Cafecitos Networking Breakfast* – (April)
- *YW Boston: “Stand Against Racism Symposium”* – (April)
- *Federal Reserve Bank of Boston: Diversity Town Hall* – (May)
- *WWI and WWII Tablet Rededication and Memorial Day Observance* – (May)
- *Small Business Month: Get Konnected: “Diversity on Corporate/Public Boards & Commissions”* – (May)
- *Boston Women in Finance (WIF): “Networking For Results”* - (May)
- *ALPFA Boston’s 8th Annual Latina Summit entitled “Using the Power of YOU to Transform Latina Leadership”* – (May)
- *Pride Month Celebration Month* – (June)
- *Diversity Dialogue Session 1: “Where are you from? No, where are you really from?”* – (June)
- *Financial Well Being for Women* – (June)
- *Celebrating the 50th Anniversary of the Signing of the 1964 Civil Rights Act – “Civil Rights Today” w/ Speaker Alan Jenkins* - (July)
- *Proteus Fund Diversity Fellowship* – (July)
- *Diversity Dialogue Session 2: Work/Life Balance: “Can we ALL have it all?”* – (August)
- *Hispanic Heritage Month Celebration: “Latino Influence in Local Government”* – (October)
- *Celebrating National Disability Employment Awareness Month: “From Discounting Disabilities to Accepting Differences” w/ Jessica Mayer*– (October)
- *National Society of Hispanic MBAs (NSHMBA) Multicultural Banking & Financing Panel: “Winning the Multicultural Market”* - (October)
- *Diversity Dialogue, Session 3: The Crossroads of Diversity and Innovation* – (October)
- *Veterans Day Celebration: “The Massachusetts 54th Regiment Re-enactment”* – (November)
- *Celebrating Unity - Nelson Mandela Unity Day* – (December)
- *Diversity Dialogue Session 4: Stereotypes: “Judging a Book by Its Cover”* – (December)

APPENDIX E: 2014 System Level Activities

The Bank was involved in various System-Level coordinated activities and events:

Diversity Recruiting

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

During 2014, the system collectively attended the following six national diversity conferences:

Women In Technology International (WITI), Association of Latino Professionals – Finance and Accounting (ALPFA), National Association of Asian American Professionals (NAAAP), National Black MBA Association (NBMBAA), National Society of Hispanic MBA (NSHMBA), Thurgood Marshall College Fund Leadership and recruitment fair (TGMCF). Working closely with these nationally recognized organizations supports diverse hires and creates awareness among prospective employees for the Federal Reserve System. In order to proactively source talent, the System collected over 400 resumes, sent over 80 resumes to hiring managers, conducted 10 face-to-face interviews, made 2 offers and 2 hires. (Note: TGMCF recruiting information will be provided at a later date.)

At NSHMBA, the System participated in a Professional Development workshop. Stephen Hart,

Assistance Vice President of Human Resources at the Federal Reserve Bank of Philadelphia presented “Leading with Impact & Purpose - A Holistic Approach”. In addition, a total of 8 Fed employees volunteered as career coaches during the NSHMBA conference.

The Federal Reserve System was highlighted in an advertisement that was featured in both the Hispanic Network Magazine and Professional Woman’s Magazine. These magazines were distributed at the 2014 National Society of Hispanic MBA conference as well as the National Black MBA Association conference. Diversity Careers in Engineering and Information Technology will include an editorial featuring Brittany Brown, Emerging Talent Specialist at the Reserve Bank of Richmond. The editorial will focus on diversity careers in engineering and information technology.

The Federal Reserve System was named in the spring issues of Black EOE Journal, Hispanic Network Magazine and Professional Woman’s Magazine as the “Best of the Best Top Financial Companies” including the summer issues where the Federal Reserve System was featured on the “Best of the Best List for Top Diversity Employers”.

Supplier Diversity

The Board of Governors and the Federal Reserve Banks continued to expand their combined national presence by participating at the Women’s Business Enterprise National Council (WBENC) Conference and the National Minority Supplier Development Council (NMSDC) Conference. On June 23-25, 2014, the Federal Reserve System

participated in the WBENC Conference in Philadelphia, Pennsylvania. Twenty-two representatives from the Reserve Banks worked a booth at the conference and gathered information from over 100 vendors. During the fair, the Reserve Banks were able to participate in one-on-one matchmaking meetings with 48 vendors.

As previously mentioned, the Federal Reserve System participated in the 2014 National NMSDC Conference and Business Opportunity Fair. The Conference and Business Opportunity Fair was held November 2-5, 2014 in Orlando, Florida. Twenty-three representatives from the Reserve Banks worked a booth at the conference and gathered information from over 90 vendors. To deepen its national conference participation, the Federal Reserve System organized and facilitated one-on-one matchmaking meetings with 24 vendors.

Exhibiting at these conferences offers the Federal Reserve System the ability to reach a significant portion of our target audience. These conferences attract a high number of diverse vendors who are seeking procurement opportunities. Participation helps promote the Federal Reserve's role as a trusted advisor throughout the financial services industry.

Financial Literacy

The Reserve Banks and the Board of Governors partnered to encourage the participation of young women and minorities in Financial Services Sector careers through financial education initiatives. In October 2014, the Federal Reserve System sponsored a financial education day with the theme of college and career readiness. Additionally, the Federal Reserve System worked to advance the knowledge and application of basic

financial concepts and to encourage high school students, especially young women and minorities, to pursue post-secondary education.

System Leadership Initiative

The System Leadership Initiative (SLI) is a development program for the Federal Reserve System's key talent sponsored by the Reserve Bank Presidents. In 2014, three conferences were offered at the emerging and mid-level leadership tiers. As the leadership conferences reach a broad pipeline of talent across the System, the OMWI directors and SLI continued to collaborate to expand the content and discussion of Diversity and Inclusion in the leadership conferences. The 2014 speakers that specifically addressed diversity and inclusion included: Dr. Scott Page, University of Michigan and Doug Harris, Kaleidoscope Group. Additionally, other external speakers and System senior leaders incorporated discussions and examples on the importance of diversity and inclusion into their presentations. Several OMWI Directors were also Leaders-in-Residence at the conferences, serving as mentors to emerging leaders.

The System's Leadership Exchange Program affords a critical avenue to support career development for professionals across the System. Assignments vary in duration (up to one year) and include job shadows, critical work assignments and targeted development opportunities. In 2014, thirty-seven assignments were sponsored, with participation from every Reserve Bank and the Board of Governors. Minority and female participation continues to be strong although participation declined from 2013. An update was provided to the OMWI Directors in November 2014 to encourage their ongoing support of these development programs and solicit

their assistance in building awareness of the opportunities available throughout the year.

Minority and female participation are tracked to assure that development opportunities are reaching a diverse pool of leaders. The greatest challenge is that participants typically have several years of experience or specialized expertise, so additional time may be needed to recruit and develop the pipeline for participants to attend a System leadership program. Diversity of participants will continue to be an area of emphasis by conveying the importance of broadly evaluating traditional and non-traditional candidates to participate and reporting progress on a regular basis to System Human Resources and OMWI leaders.

	Thrive Conference Manager/New Officer (Emerging Leaders)	Trailblazers Conference Assistant Vice President (Mid-Level Leadership)	Leadership Exchange Program
Female	55% (+ 5%)	47% (+17%)	46% (-4%)
Minority	19% (+6%)	22% (+8%)	22% (-12%)

(%) – Change from 2013

APPENDIX F: Recognition

In November 2014, the Federal Reserve Bank of Boston was awarded a perfect score of 100 percent on the 2015 Corporate Equality Index (CEI), a national benchmarking survey on corporate policies and practices related to LGBT workplace equality, administered by the Human Rights Campaign Foundation. The CEI is issued annually based on companies' responses to the CEI Survey. With this score the Bank is now recognized by the Human Rights Campaign as one of America's "Best Places to Work for LGBT Equality.

The Bank's 100 percent score was a result of two improvements in corporate policy on diversity and inclusion: 1) The recent decision by the Conference of Presidents (COP) to include transgender surgery benefits in System health plans; and 2) the Bank's renewed focus on collaboration, engagement and accountability through new workforce policies, diversity action plans, and diversity and inclusion focused incentives.



