

2018

Annual Report to Congress

Federal Reserve Bank of Boston

Office of Diversity and Inclusion



This report 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.



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Members of the 116th Congress:

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires the Federal Reserve Bank of Boston's Office of Diversity and Inclusion to submit an annual report to Congress detailing the activities, successes, and challenges of the Office of Minority and Women Inclusion. The enclosed is our report which will be made available to the public on March 29, 2019. The Federal Reserve Bank of Boston (Bank) continues to make measurable progress in increasing diversity and inclusion in the makeup of our board of directors, workforce, and procurement initiatives.

As of December 31, 2018, five of the nine members of the Bank's Board of Directors are diverse by gender and ethnicity. We are committed to making further progress in advancing diversity and inclusion within our organization and within the region served by the First District. The New England Financial Services CEO Roundtable, convened by the Bank since 2013, collaborates on and fosters strategic initiatives to advance diversity in the region's financial services industry among the ranks of senior executives and at the director/board level. Part of our ongoing External Diversity Advisory Council involves our regularly meeting with a group of diverse C-suite executives in order to gain input and critical feedback on the Bank's diversity and inclusion (D&I) strategy.

We recognize that the Bank's diversity and inclusion journey, evaluated on an annual basis, will encounter the inevitable peaks and valleys. We remain diligent and resolved to ensuring that we make ongoing and measurable improvements in advancing diversity and inclusion at the Federal Reserve Bank of Boston. Moreover, the diversity provisions in the Dodd-Frank Act provide ongoing motivation by complementing our existing efforts and by encouraging us to seek out and implement evidenced based best practices in the field.

Sincerely,

A handwritten signature in black ink that reads "Eric Rosengren".

Eric Rosengren, President and CEO

A handwritten signature in black ink that reads "Marques Benton".

Marques Benton, Vice President and OMWI Director

Enclosures

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Executive Summary

In 2018, the Federal Reserve Bank of Boston (the Bank) demonstrated its commitment to diversity and inclusion by remaining focused on implementing effective strategies to advance diversity and inclusion (D&I) in its Board of Directors, workforce, supplier diversity spend, and collaborative leadership industry initiatives. Moreover, the Bank took bold steps last year to elevate the importance of improving organizational diversity and inclusion. These steps included:

- 1) making Diversity and Inclusion one of the top Strategic Business Priorities in the Strategic Plan Refresh;
- 2) launching a new and more robust Senior Officer D&I Incentive and Accountability Initiative that ties D&I objectives directly to incentive contracts, targeting a minimum of 15% of incentive pay;
 - the D&I incentive initiative was extended to include all officers in Q1 2019. We believe that by integrating department-specific D&I incentives into our compensation system in a meaningful way, we elevate Bank-wide D&I objectives to a level consistent with all of our highest business priorities. In so doing, we free department officers to devise solutions to attain D&I objectives, and our hope is that this change will engender even greater progress in the future.
- 3) engaging in an enterprise-wide Culture Enrichment Initiative focused heavily on improving the Bank's speak up tolerance and culture of inclusion;
- 4) supporting the Bank's Management Council by introducing two new D&I professional-development and inclusion workgroups.

As of year-end 2018, five of the Bank's nine directors (56 percent) were diverse by ethnicity or gender. Studies and surveys focused on corporate board diversity suggest that a female and minority composition of 40 percent is considered a good diversity benchmark. Furthermore, in January 2019 the Bank elected a new female director, so that now six of the nine board members (67 percent) are diverse by gender or ethnicity.

We continued to convene our External Diversity Advisory Council (EDAC) and the New England Financial Services CEO Roundtable (CEO Roundtable), and we held several meetings with the Massachusetts Bankers Association's Human Resources Council (HR Council).

The EDAC comprises a diverse group of C-suite executives from several industries who advise and vet the Bank's diversity-and-inclusion strategy. The CEO Roundtable focuses on advancing diversity at the board and senior executive levels, collaborates on strategic outreach initiatives, and shares best practices on effective D&I strategies. On January 14, 2019, the Bank coordinated and hosted the first New England Financial Services CEO Roundtable D&I Conference, which involved more 200 mid- to senior-level women and male CEOs and allies. The conference engaged the attendees in a thoughtful conversation on the challenges to and solutions for improving the diversity of the

industry's leadership representation and its culture of inclusion.

Meetings with the Mass Bankers Association's (MBA) HR Council continued to evolve in 2018. The MBA HR Council has enhanced its efforts to advance diversity and inclusion among its member banks, leveraging a roundtable approach modeled after the Bank's New England Financial Services CEO Roundtable. Additionally, the MBA HR Council now has a D&I topic included in the agendas for its standing meetings, and it is integrating D&I discussions into its key programs, HR conferences, management workshops, and Women in Banking conference.

On August 3, 2018, President Rosengren convened the CEOs of the New England Bankers Association and invited the Office of Diversity and Inclusion to present on the Bank's D&I industry initiatives, including our D&I work with the MBA. The discussion was well received by the CEOs, a few of whom expressed interest in learning more about the Bank's D&I industry initiatives.

Workforce Highlights

While the Bank did make progress recruiting and hiring Hispanic professionals in 2018, our recruitment and hiring of female professionals needs to improve. The Bank is focused on sustaining this year's level of Hispanic hirings for several consecutive years to overcome the persistent gap in Hispanic representation in our workforce. Additionally, we are pleased with the Bank's performance promoting and hiring diverse officers in 2018.

Supplier Diversity Highlights

Last year was another successful year of engaging and doing business with minority-owned and women-owned businesses (M/WBEs). The ODI's signature supplier diversity vendor fair, Engage and Connect, continued to add value by introducing the Bank to new diverse suppliers and resulting in a year-over-year increase in percentage of spend with M/WBEs. The ODI's supplier diversity manager is a recognized expert in the field who has been courted to serve on supplier diversity advisory committees.

Financial Education

In recent years, the Bank's Regional & Community Outreach (R&CO) department has broadened its focus from improving financial literacy to improving the financial stability of low- and moderate-income (LMI) households in New England. In 2018, the R&CO department worked with schools and teachers to advance economic mobility through the high school internship program called Today's Interns, Tomorrow's Professionals (TIP).

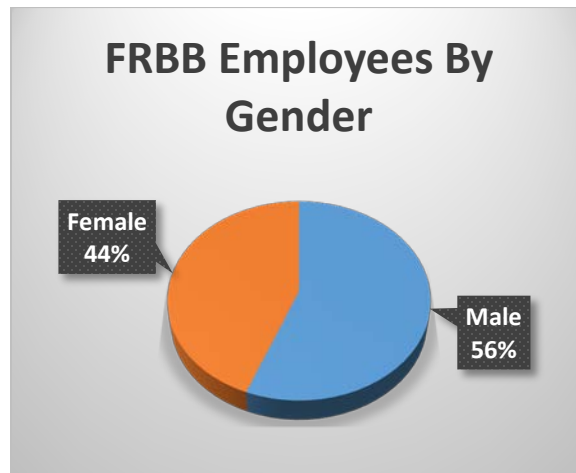
Going Forward

Over the last few years, the Bank has seen exciting and measureable progress in improving diversity and inclusion in our Board of Directors. We know that our Board's success can be substantially attributed to the increased focus on and accountability for such improvement. We remain optimistic and expect to see similar progress in our workforce, supplier spend, and other components of diversity as our leaders embrace and implement the enhanced D&I objectives motivated by our more robust and

focused Senior Officer D&I Incentive and Accountability Initiative.

Minority and Women Employment

The Office of Diversity and Inclusion (ODI) continues to meet with the Bank’s Human Resources (HR) Department to strategize with its talent-acquisition team on recruiting activities. Additionally, in conjunction with business managers and leaders of our Employee Resource Groups (ERGs), we have emphasized the Bank’s commitment to diversity by presenting a united front at recruiting events and when targeting professional-development organizations. The ERGs routinely support the Bank in its recruiting activities—in the formal diversity pipeline programs as well as passive recruiting efforts. We greatly appreciate the hard work of the HR Department and its efforts to ensure that assembling a diverse workforce remains a priority in all aspects of its local and national talent-management activities.

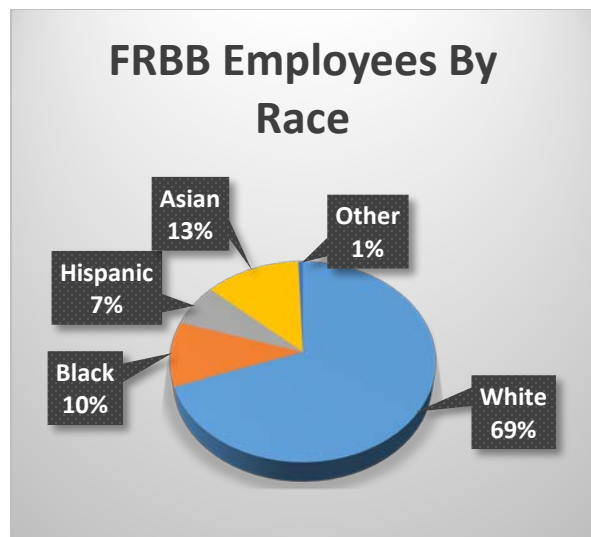


Successes

Metrics

In 2018, the Bank hired a total of 96 new employees. Women accounted for 39 percent of these hires (similar to last year), and 37 percent were minorities (an increase of 3 percent). The cohort of minority hires comprised 14 Hispanics, 13 African-Americans, seven Asians, and one American Indian.

At the managerial level, the Bank’s representation of minorities and women compares well with the region’s financial services industry benchmarks (based on 2016 CBSA figures). Of the Bank’s managers, 15.6 percent are minorities, compared with 13.9 percent for the state’s financial services industry, while 47.6 percent are female, compared with 49.9 percent for the industry.



In 2018, the Bank continued to provide college students with practical, real-world job experience by introducing them to many of its operations through the annual internship program. Departments that participated in the 2018 program were Audit, Cash, Corporate Risk

& Strategy, Financial Planning and Analysis, Financial Support Office, Human Resources, Legal, Network Security Services, Payment Strategies, Real Estate Services Group, Regional Community & Outreach, Research, and Supervision Regulation & Credit. A total of 33 Bank-paid interns and summer co-ops participated in the program, working in 13 of the Bank's 27 departments. Supervision Regulation & Credit employed the most interns, eight; Research employed seven. Our interns major in a wide range of subjects in college, including business, law, and arts. The most common major studied by interns is economics, and their most common grade level is junior year. Thus, the intern program provides a strong pool of potential candidates for full-time positions with the Bank.

The minority participation rate in the intern program for 2018 was 36.4 percent; the female participation rate was 51.5 percent. The intern population therefore was more diverse than the Bank's workforce in terms of minorities (30.5 percent), and it included more women than the Bank's workforce (44 percent).

General Recruitment

Throughout 2018, HR's talent-acquisition team and ODI participated in numerous diversity-focused recruitment activities involving all levels of the Bank, including senior management. Many other departments also were actively involved in diversity-related events and programs. These departments included Audit, Finance/Accounting, Financial Support Office, Information Technology, Law Enforcement, Network Support Services, Research, Regional & Community Outreach, and Supervision Regulation & Credit. The Office of Talent Acquisition (OTA) actively participated in more

than 30 events involving all aspects of diversity at the local and national level.

The Bank made an investment, targeting its diversity-sourcing efforts with the hiring of a diversity-sourcing specialist. The impact of the hiring was immediate, with the Bank's participation in at least a dozen diversity-focused events and an uptick in the social media outreach to diverse audiences.

OTA and ODI continued to strengthen its partnership with the Bank's Employee Resource Groups (ERGs) by presenting a unified front to external groups. The purpose was to showcase the Bank's diverse and inclusive workforce and demonstrate that the Bank is an employer of choice.

In 2018, the Bank's team participated in 13 diversity-related recruitment events and initiatives, an increase of 62.5 percent compared with 2017. These included:

- partnering with the Boston University Law School, the most diverse graduate law program in the Boston area;
- rekindling a relationship with the UMass Boston Career Services team; UMass Boston is the most diverse four-year institution in the Boston area;
- program-managing the Bank's involvement in the El Mundo career event, the largest bilingual career event in New England;
- hosting the ALPFA Latina Summit and managing the Bank's presence for networking/employer-of-choice activities;

- initiating and program-managing attendance at the Service Academy Career Conference (SACC);
- attending the ACSC Cybersecurity Fair;
- attending the Forte Foundation for Fast Track to Finance program; program-managing involvement at the DAV Recruit Military event for the New England region;
- attending the National Association of Black Accountants Boston Career Fair;
- partnering with a local community college (Bunker Hill Community College) for employment and feeder pools;
- attending the Prospanica Conference & Career Expo and the National Black MBA Conference as representatives of the Federal Reserve System;
- supporting the UWIN program, which targets local female college students interested in financial services;
- program-managing the National Association of Black Accountants (NABA) career event.

HR and ODI continue to be a value-added partners with the Regional & Community Outreach (R&CO) department; HR helps with the administration of the Today's Interns, Tomorrow's Professionals (TIPS) program, a feeder program for talented minority high school students in the Boston area. Furthermore, OTA participated in résumé-writing workshops and mock-interview activities aimed at developing job-hunting skills for this diverse and primarily OMWI student audience.

In addition, OTA is continuing its partnership with the veterans ERG with the goal of helping US military veterans successfully rejoin the civilian workforce.

In an effort to increase workforce diversity in the Federal Reserve System (FRS), the Bank continues to leverage the new System-wide posting add-on to the applicant tracking system. The eQuest Advantage Network advertises the Bank's open job requisitions to a potential 8,000-plus websites aimed at more than 15 million minority and women job seekers.

The Bank continues to challenge OTA and ODI to be innovative in their search for talent. This past year, they responded by enhancing their approach to attracting established EEO-category talent, as well as veterans and candidates from the LGBTQ population. For example, output from the recently hired diversity-sourcing specialist resulted in the Bank learning about events in a more timely fashion, leading to better representation at key events.

In addition, HR took part in the FRS's diversity recruiting efforts, headed by the Office of Minority and Women Inclusion Council and the System Staffing Group. It participated directly, or through the System and through database availability, in the Grace Hopper Celebration, National Black MBA Association Conference, and the Prospanica Conference & Career Expo.

In other network-building initiatives, OTA and ODI continued collaborative efforts with Adelanté!, neXus, Veterans, A1-FACT, APEX and LEAD in Women employee resource groups to expand the Bank's sourcing networks. Adelanté! members referred numerous candidates for jobs and provided the Bank with volunteers for outreach opportunities.

Retention

In addition to providing a competitive compensation package and comprehensive employee benefits, the Bank continues to view mentoring as a valuable component for retaining employees. To ensure the Mentoring Program is current with the industry's learning-and-development and employee-engagement trends, and to promote high enrollment and continued viability, the Bank began offering the program every two years, starting in 2017. In 2017, the program underwent significant improvements. In 2019, the Bank's Learning & Development function will relaunch the program with a new design to align with industry trends, employee preferences, and the needs of a multi-generational workforce. The design will shift from one-on-one mentoring partnerships to group mentoring, also known as mentoring circles. A mentoring circle consists of a small group of people, facilitated by one or two mentors, who provide expert information and guidance to a group of mentees, who also provide knowledge and learning to each other.

Challenges

Despite considerable efforts and initiatives designed to improve the Bank's Hispanic and female workforce representation, progress has been slow and ephemeral. While the Bank's Hispanic representation did improve modestly in 2018, significant progress will require several years of sustained success in recruiting, hiring, and retaining talented Hispanic professionals. The Bank's representation of women at the SVP level (a sore spot for many years) improved with the promotion of a female to the SVP level in Q4 2018, but then quickly abated with the retirement of a female SVP in Q1 2019.

Going Forward

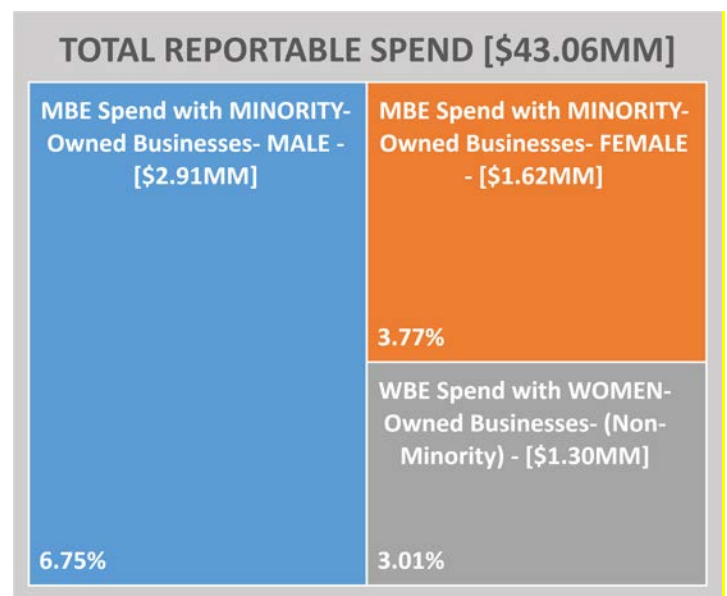
It is important to note that to overcome persistent challenges, the Bank has redoubled its efforts to make progress advancing D&I. We remain confident that our efforts to elevate the importance of D&I in the Bank-wide Strategic Priorities, the renewed and more robust officer D&I accountability and incentive initiative, and the strong outreach (such as our recent New England Financial Services CEO Roundtable D&I Conference) will positively impact our diversity hiring and advancement results in 2019 and beyond.

Minority- and Women-Owned Businesses

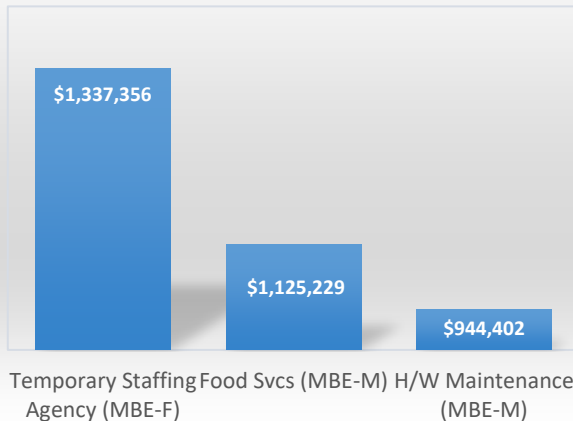
In 2018, the Bank’s total reportable spend was \$43.06 million, a decrease of \$10.32 million from the 2017 reportable spend. Spend with minority- and women-owned businesses totaled \$5.83 million. Although spend with diverse suppliers decreased by \$1.12 million from the previous year, as a share of total spend, it increased 5.21 percent, from 12.87 percent to 13.54 percent (see Appendix C).

The decrease in diverse-suppliers spend is largely due to a reduction in spend with a nationally contracted diverse-staff-augmentation supplier. That spend fell 53.3 percent from 2017, or by \$1.53 million. As Treasury areas continue to consolidate, staff-augmentation needs and spend with the national minority- and women-owned business (M/WBE) supplier will continue to decrease. In addition, IT-related contracts for one of the Bank’s business areas were consolidated at the national level, therefore opportunity and reportable diverse spend with that area’s suppliers shifted accordingly.

The Office of Diversity and Inclusion (ODI) continues to work closely with Procurement to ensure a diverse group of participants for all competitive solicitations. The departments work collaboratively to attend diverse-supplier trade shows in an effort to meet new suppliers and identify opportunities for participation.



Top Minority-Owned Suppliers by Volume

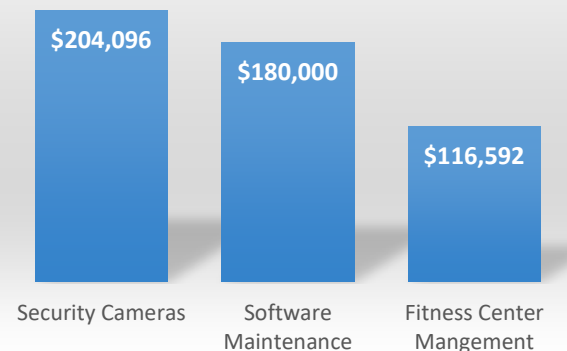


increased to \$578,700 and in 2018. The supplier is seen as a valued partner of the business area, and ODI will continue to look for opportunities for this supplier to grow.

In 2018, an MBE sourced by the Bank’s supplier diversity manager successfully bid on a large RFP and was awarded a three-year contract for \$406,700 to manage the Bank’s fitness center. The supplier also successfully bid on a fitness center equipment RFP for an additional \$55,800.

In 2018, a veteran-owned supplier successfully bid on a \$750,000 contract. The Bank’s supplier diversity manager met this supplier in 2014 at a Small Business Administration event and facilitated a meeting with the Bank’s Real Estate Services group. That meeting led to two \$20,000 contracts in recent years, and the quality of the supplier’s work resulted in an invitation to bid for the \$750,000 contract, which was for water-intrusion repair.

Top Women-Owned Suppliers by Volume



ODI works closely with Procurement on all competitive bids to determine if there are qualified M/WBEs available to participate. We work collaboratively to engage suppliers at internal and external outreach events, and attend pipeline meetings with business-area management. Pipeline meetings, organized by Procurement, are opportunities for our office to identify projects and/or sourcing events in which diverse suppliers can participate.

Successes

A minority-owned business (MBE) that the Bank met in 2016 at the Greater New England Minority Supplier Development Council’s (GNEMSDC) annual conference was the successful bidder on a competitive solicitation for a Dell equipment master agreement. Spend with this supplier totaled \$407,100 in 2017 and



Outreach

ODI continues to participate in various outreach efforts to increase the number of opportunities for diverse suppliers.

In May, ODI partnered with the Center for Women & Enterprise (CWE), the Greater New England Minority Supplier Development Council (GNEMSDC), the State of Massachusetts Office of Supplier Diversity (OSD), and our newest partner, the Massachusetts LGBT Chamber of Commerce, to host our signature event, Engage and Connect, a business opportunity fair.

Engage and Connect drew 350 attendees, including suppliers and corporate partners. Corporate partners participate in this event to engage diverse suppliers in discussions about contracting opportunities. In order to offer suppliers opportunities from a variety of industries, ODI invited companies from finance, health care, construction, education, private industry and pharmaceuticals. ODI works diligently to include new corporate participants on a regular basis to ensure a wider exposure for attendees and varied opportunities.

Each supplier at Engage and Connect had access to 32 large buying organizations. Suppliers were provided with each company's specific sourcing needs in advance so that they could efficiently target the companies whose needs matched their offerings. Feedback from suppliers was very positive so we will continue this practice, using an automated tool in 2019.

Procurement and ODI staff met suppliers at the event and provided them with guidance for doing business with the Bank and information about upcoming opportunities. Below is a list of successes from Engage and Connect:

- A women-owned business (WBE) that attended the event was invited by the Bank to participate in an RFP for commissioning services.
- A local minority-owned business (MBE) signed multi-year contracts with two companies it met at that event to provide motor coach transportation services for their staffs.
- A large financial institution made several connections:
 - It awarded an MBE a contract for penetration testing by its information security group. The MBE was also a finalist to perform an independent assessment of the company's information security function, which was a Board of Directors mandate.
 - It engaged a WBE caterer to provide food services on a weekly basis. The caterer has been well received by the staff.
 - It invited an MBE IT provider to participate in four RFPs.

In June, the Bank's supplier diversity manager was invited by the Greater New England Minority Supplier Development Council (GNEMSDC) to be a member of its Corporate Roundtable Committee. The committee was responsible for planning the corporate workshop at the GNEMSDC's Annual Business Conference & Expo and issued a pre-conference survey to corporate members about council offerings and corporate needs. The committee analyzed the survey responses and discussed them at the conference in September.

In August, the supplier diversity manager was invited to attend the Billion Dollar Roundtable event hosted by CVS and the City of Providence, Rhode Island. The summit is an opportunity for companies that spend more than \$1 billion with diverse suppliers to share best practices and achievements, attend workshops, and network.

In September, ODI hosted the official launch of the Massachusetts LGBT Chamber of Commerce. To mark this important event, Massachusetts Governor Charles Baker and Holyoke Mayor Alex Morse delivered keynote addresses to sponsoring partner CEOs, LGBT suppliers, and local media in attendance. The chamber's mission is "to promote economic growth and viability for LGBT-owned and allied businesses, corporations, and professionals throughout the Commonwealth."

The supplier diversity portion of the launch event provided LGBT suppliers opportunities for one-on-one discussions with supplier diversity and procurement professionals from the GNEMSDC member organizations. The Bank is proud to be considered a strategic partner of the chamber and looks forward to further supporting efforts to expand access and opportunity for LGBT suppliers.

Also in September, ODI and Procurement staff attended GNEMSDC's Business Opportunity Conference and Expo. At the event, the staff members co-hosted a booth and met with MBEs to discuss upcoming contracting opportunities.

In October, ODI and Procurement staff attended the Center for Women & Enterprise Annual Business Leaders Conference and participated in one-on-one sessions with WBEs to discuss upcoming opportunities. The conference offered multiple workshops, roundtables, and sessions on navigating corporate opportunities, success stories, and corporate-WBE networking.

- ODI will purchase branded merchandise from a WBE that its staff met at this event; the office will use the merchandise at trade shows in 2019.

In November, ODI hosted a group of supplier diversity professionals at a corporate roundtable. The purpose of the meeting was to discuss the ROI of diverse council memberships, and how the group can best support the Bank's local certifying council partners, maximize the benefits for all stakeholders, and develop M/WBEs for success. The meeting was held simultaneously at three locations (two in Massachusetts and one in Connecticut) and via webinar to allow as many members as possible to participate.

Roundtable topics included:

- corporate-to-MBE mentorship programs,
- small-MBE development,
- more effectively preparing MBEs for opportunities,
- corporate-to-corporate mentorship programs,
- supplier diversity metrics and successes.

The group will reconvene in 2019 to move forward with its initiatives.

Challenges

We continue to see a reduction in spend with a System NPO M/WBE supplier for staff augmentation. Treasury consolidation efforts are winding down, and spend decreased \$1.53 million, or 53.3 percent, with this supplier from 2017 to 2018.

Responsibility for the large IT-related contracts for one of the Bank's business areas has been moved to National IT. Opportunities and reportable diverse spend with the suppliers for this business area shifted accordingly.

In addition, ODI faces ongoing challenges in two particular areas:

- Construction: Many diverse suppliers continue to face capacity and scale issues.
- Certification: Suppliers are not certified by recognized councils or agencies, and databases/systems do not always reflect accurate information. In addition, many suppliers are self-certified only.

Going Forward

ODI looks forward to hosting the fifth edition of our annual business-opportunity event, Engage and Connect, in 2019.

We will continue advancing the work of the supplier diversity corporate roundtable to improve diverse council membership ROI, and we will look to develop diverse suppliers while better preparing them to do business.

ODI is working with internal Corporate Communications on a branding campaign to publicize a "buy diverse" theme for staff members that will provide information and education to assist and encourage them to buy from diverse suppliers.

ODI also has plans to host a supplier training program in conjunction with the Chicago Fed's Business Smart Week. The event is designed to convene "experts to transfer knowledge and provide small businesses with the tools to better manage their business." Several corporate partners have expressed interest in participating in the training program.

We will continue to host quarterly meetings for the various diverse supplier councils in order to bring together M/WBEs and corporate partners for discussions and updates about opportunities, as well as best-practice sharing and benchmarking.

ODI has plans to host diverse supplier showcases on a quarterly basis, inviting suppliers to the Bank in small groups, so that they can meet with Bank staff and directly discuss purchasing needs with the various business areas. Attending a full vendor fair has proven challenging in the past due to the time commitments it requires of staff. This abbreviated event will afford staff opportunities to have more meaningful one-on-one discussions with diverse suppliers.

A day of focused matchmaking between M/WBEs and Real Estate/IT business area staff will be organized in order to provide suppliers with introductions and opportunities to present their capabilities directly.

ODI will continue working with local councils and agencies as they train and develop suppliers and prepare them to do business.

Financial Literacy Initiatives (Outreach and Education)

In previous reports we have described our transition away from financial literacy efforts. As an institution, the Federal Reserve Bank of Boston decided to move away from interventions that rely on individual behavior change and find more effective ways to strategically leverage our resources, convening power and analytical skills to make a difference in the economic stability and mobility of low- and moderate-income (LMI) residents of New England. Paramount to success are understanding the root causes and structural reasons why many low-income families are left behind; examining, among many factors, the legacy of past policies that intentionally discriminated against specific sectors of the population; and identifying potential improvements in policy and practice that could mitigate the past and position families and communities for success.

Successes

Three Priority Focal Areas

Within Regional & Community Outreach (R&CO), our work is organized into three priority focal areas:

- 1) strengthening the prospects of smaller, post-industrial cities and rural communities;
- 2) increasing household economic security and equity;
- 3) improving employment opportunities, which includes increasing the quality of jobs and the availability of affordable and quality childcare for working parents.

To advance our household economic equity and security focal area, we conduct research that can help us better assess the financial conditions of low-income residents and inform policy. The research also can help us engage a variety of stakeholders to surface diverse perspectives and design initiatives that could gather evidence for policy or program interventions. One such example is our report *The Concentration of Financial Disadvantage: Debt Conditions and Credit Report Data in Massachusetts Cities and Boston Neighborhoods*. The report reveals large disparities in credit scores, debt collection rates, and other measures of financial distress across cities in Massachusetts and among Boston neighborhoods. For example, half of consumers in Springfield, Lawrence, and the Boston neighborhoods of Roxbury and Mattapan have subprime credit scores, compared with just 8 percent in Newton and the Beacon Hill neighborhood. About one in three residents of Roxbury and Mattapan have debt collections on their credit reports, compared with just 5 percent in several higher-income Boston neighborhoods. Since credit report information influences future access to credit, lending terms, and other outcomes, the concentration of financial disadvantage can further exacerbate inequality between residents across cities and neighborhoods. Credit and debt measures contribute a unique and important perspective on the financial conditions of communities that cannot be fully captured by traditional socioeconomic measures such as income and poverty levels. The report was distributed among our networks and presented at an event hosted by the United Way of Massachusetts and

Merrimack Valley to discuss their credit building program.

During 2018, we concluded our facilitation of the Racial Wealth Divide Working Group, which had brought together leaders from a variety of sectors to explore local solutions and strategies to address the divide. This multiyear learning community was launched after we released a report called *The Color of Wealth*, in which we documented wealth disparities across selected racial and ethnic minorities. The process prompted several local organizations to adopt racial equity as a value for their work, and it motivated R&CO to include equity as a key priority, continue internal trainings on the subject and develop a strategy for our engagement work for the next few years.

Today's Interns, Tomorrow's Professionals (TIP) Internship Program

In addition to these three priorities, R&CO administers a Bank-wide youth employment program called TIP—for Today's Interns, Tomorrow's Professionals—which targets high school students from the Boston public schools. As described in previous reports, in partnership with the Boston Private Industry Council, we recruit, place into various departments, and train approximately 20 students every summer. An additional 15 are invited to extend their Bank TIP internships for as long as three years. One of the enrichment components the students participate in is the reality fair, conducted by an external partner, American Consumer Credit Counseling. Reality fairs teach students money-management techniques through an experiential exercise.

The program incorporates a variety of research-based enrichment workshops designed to increase access to college and career opportunities for Boston-area LMI youth.

Participation in 2018 reflects the following OMWI criteria:

K–12 schools: Thirteen schools participated in TIP Job Shadow Day, a career-interest and summer internship recruitment program; 11 of the school, or 85 percent, met the OMWI criteria. Eight schools were represented in the TIP Summer Program; 100 percent of those met the OMWI criteria. Seven schools were also represented in the TIP Year-Round Program; 100 percent of those met the OMWI criteria.

K–12 students: Forty-six students participated in Job Shadow Day. Sixteen new interns and 12 existing interns participated in the TIP Summer Program, and 16 students participated in the TIP Year-Round Program.

Introduced in 2017 and continued in 2018, the program workshops relevant to the OMWI report include the following:

Summer Enrichment Workshops 2018

1. Budgeting Basics and Creating a Personal Budget
Students learn how to create a personal budget
2. Bean Game
Students learn how to make reasonable spending choices on a “bean budget”
3. Reality Fair
Real-life simulation event focused on financial education and promoting fiscally responsible decision-making
4. The ROI of College
Students learn how to make an informed choice about their career by identifying a career goal, the training and education required, whether there will be jobs available, and whether they will make enough money in their career to pay for the education.

Year-Round Enrichment Workshops 2018-2019

1. College Planning
 - College search & SAT prep
 - College search
 - FAFSA preparation
 - Accessing scholarships & college loans
 - Guided path to college completion
2. Financial Education
 - Money management
 - Financing college
 - Tax return preparation assistance

Challenges

The biggest challenge R&CO faces is creating impact that aligns with financial literacy practices yet still addresses the root causes and structural reasons for economic disparities in our lower-income communities. Our TIP program gives us an opportunity to test possible financial literacy-based interventions that reflect research and best practices, such as just-in-time content delivery and peer-centric program design; however, state data-sharing policies prevent us from tracking the impact TIP may have on participants' economic mobility once they leave the program and from assessing a causal relationship between financial literacy interventions and meaningful progress toward economic mobility and inclusion.

Going Forward

Going forward, we will continue to work to align the TIP internship program with the Bank's strategic plan and values, as well as research and best practices, with the goal of maximum impact on the young adults we serve. In 2019, we will add a tax preparation workshop for our older participants. Within our household economic equity and security focal area, we will continue to prioritize research and interventions that aspire to produce impact at the population level and that aim to better understand and address the root causes of the disparate outcomes we observe today. Most of the problems that we are now tackling within R&CO are profoundly complex—generations in the making—and require our staff and institution to find new ways in which we can understand them by bringing our unbiased and non-partisan perspective to the table and engaging in learning and constant experimentation. Resolving income and wealth inequality is one of the biggest challenges our economy is facing. As an institution concerned with the future economic growth and stability of our country, we have aligned and prioritized our resources to humbly contribute to the understanding of this issue and engage in a dialogue about possible solutions.

Appendices

- Appendix A: EEO-1 Report
- Appendix B: Organization Chart: Office of Diversity & Inclusion
- Appendix C: OMWI Core Standard Metrics Report
- Appendix D: Community Partnerships & Cultural Events
- Appendix E: Recognition

APPENDIX A: EEO-1 Report

Federal Reserve Bank of Boston EEO-1 Consolidated Report

Workforce Representation as of 12/31/2018

| EEO-1 by Numbers | Male | | Female | | Non-Hispanic Male | | | | | | Non-Hispanic Female | | | | | | |
|---------------------------|-----------|-----------|-----------|------------|-------------------|-----------|-----------|----------|-----------------|----------|---------------------|-----------|-----------|----------|-----------------|----------|-------------|
| | Hispanic | | Hispanic | | White | Black | Asian | Am Ind | Native Hawaiian | 2+ Races | White | Black | Asian | Am Ind | Native Hawaiian | 2+ Races | Total |
| Executive Senior Managers | | | | | 10 | | 1 | | | | 2 | | 1 | | | | 14 |
| First/ Mid-Level Managers | 3 | 5 | 18 | 242 | 91 | 6 | 3 | | | | 74 | 8 | 7 | | | | 197 |
| Professionals | 15 | 18 | 3 | 2 | 242 | 21 | 23 | | 1 | 1 | 150 | 31 | 61 | 1 | | 1 | 565 |
| Technicians | 3 | 2 | 32 | 8 | 32 | 8 | 5 | 1 | | | 2 | | 1 | | | | 54 |
| Admin. Support | 9 | 9 | 9 | 17 | 17 | 4 | 4 | | | | 23 | 17 | 20 | | 1 | | 104 |
| Craft Workers | | | | 10 | 10 | | 1 | | | | | | | | | | 11 |
| Service Workers | 5 | | | 40 | 40 | 7 | 1 | | | | 8 | 2 | | | | | 63 |
| Total | 35 | 34 | 34 | 442 | 442 | 46 | 38 | 1 | 1 | 1 | 259 | 58 | 90 | 1 | 1 | 1 | 1008 |

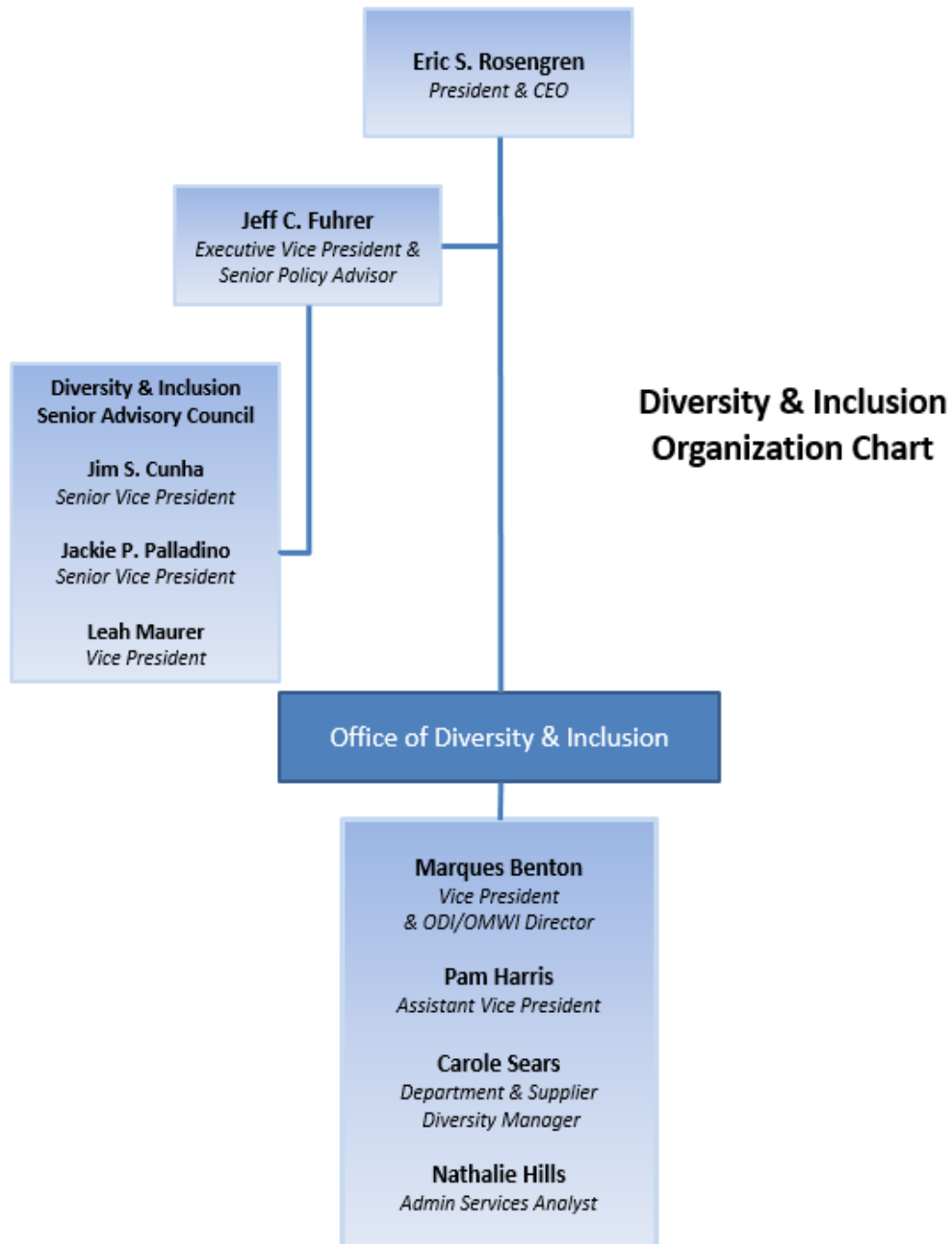
The information in these tables reflects the 1st Districts staff representation by EEO-1 job category. The vertical "Total" column represents total staff for the job category across all races and gender, the horizontal "Total" row represents total staff for the race-gender combination across all categories.

| EEO-1 by Percentages | Male | | Female | | Non-Hispanic Male | | | | | | Non-Hispanic Female | | | | | | |
|---------------------------|-------------|-------------|-------------|--------------|-------------------|-------------|-------------|-------------|-----------------|-------------|---------------------|-------------|-------------|-------------|-----------------|-------------|---------------|
| | Hispanic | | Hispanic | | White | Black | Asian | Am Ind | Native Hawaiian | 2+ Races | White | Black | Asian | Am Ind | Native Hawaiian | 2+ Races | Total |
| Executive Senior Managers | | | | | 71.4% | | 7.1% | | | | 14.3% | | 7.1% | | | | 100.0% |
| First/ Mid-Level Managers | 1.5% | 2.5% | 15.5% | 46.2% | 46.2% | 3.0% | 1.5% | | | | 37.6% | 4.1% | 3.6% | | | | 100.0% |
| Professionals | 2.7% | 3.2% | 3.7% | 42.8% | 42.8% | 3.7% | 4.1% | | 0.2% | 0.2% | 26.5% | 5.5% | 10.8% | 0.2% | | 0.2% | 100.0% |
| Technicians | 5.6% | 3.7% | 3.7% | 59.3% | 59.3% | 14.8% | 9.3% | 1.9% | | | 3.7% | | 1.9% | | | | 100.0% |
| Admin. Support | 8.7% | 8.7% | 8.7% | 16.3% | 16.3% | 3.8% | 3.8% | | | | 22.1% | 16.3% | 19.2% | | 1.0% | | 100.0% |
| Craft Workers | | | | 90.9% | 90.9% | | 9.1% | | | | | | | | | | 100.0% |
| Service Workers | 7.9% | | | 63.5% | 63.5% | 11.1% | 1.6% | | | | 12.7% | 3.2% | | | | | 100.0% |
| Total | 3.5% | 3.4% | 3.4% | 43.8% | 43.8% | 4.6% | 3.8% | 0.1% | 0.1% | 0.1% | 25.7% | 5.8% | 8.9% | 0.1% | 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: Organization Chart: Office of Diversity & Inclusion

Diversity & Inclusion Organization Chart



APPENDIX C: OMWI Standard Metrics Report

- Federal Reserve Bank of Boston

| Category | Description | Measure | 2014 | 2015 | 2016 | 2017 | 2018 | Comments/Notes |
|----------------------------|----------------------------------|---------------|----------|----------|----------|----------|----------|----------------|
| Workforce Diversity | Senior Executives | Total # | 13 | 15 | 15 | 14 | 14 | |
| | | % Minorities | 15.0% | 20.0% | 20.0% | 14.3% | 14.3% | |
| | | % Women | 15.0% | 13.0% | 13.0% | 14.3% | 21.4% | |
| | Mid-Level Managers | Total # | 178 | 182 | 184 | 176 | 197 | |
| | | % Minorities | 17.0% | 16.0% | 15.0% | 13.6% | 16.2% | |
| | | % Women | 46.0% | 46.0% | 47.0% | 47.2% | 47.7% | |
| | Professionals | Total # | 604 | 599 | 633 | 618 | 565 | |
| | | % Minorities | 29.0% | 28.0% | 29.0% | 29.8% | 30.6% | |
| | | % Women | 45.0% | 46.0% | 46.0% | 46.0% | 46.4% | |
| | Total External Hires | Total # | 104 | 131 | 119 | 98 | 96 | |
| | | % Minorities | 26.0% | 34.0% | 34.0% | 36.0% | 36.5% | |
| | | % Women | 33.0% | 44.0% | 31.0% | 39.0% | 38.5% | |
| Total Interns | Total # | 43 | 52 | 53 | 38 | 33 | | |
| | % Minorities | 19.0% | 48.0% | 42.0% | 42.0% | 36.4% | | |
| | % Women | 33.0% | 54.0% | 40.0% | 37.0% | 52.0% | | |
| Overall Bank Turnover Rate | % | 9.9% | 10.5% | 10.5% | 10.2% | 14.6% | | |
| Supplier Diversity | Total Reportable Spend | \$ (millions) | \$ 51.06 | \$ 52.94 | \$ 40.83 | \$ 53.38 | \$ 43.06 | |
| | Total Diverse Spend ¹ | \$ (millions) | \$ 7.34 | \$ 8.01 | \$ 7.05 | \$ 6.87 | \$ 5.83 | |
| | | % | 14.4% | 15.1% | 17.3% | 12.9% | 13.5% | |
| | Minority-owned ² | \$ (millions) | \$ 6.23 | \$ 6.64 | \$ 5.68 | \$ 5.86 | \$ 4.53 | |
| | | % | 12.2% | 12.5% | 13.9% | 11.0% | 10.5% | |
| | Minority-owned (men) | \$ (millions) | \$ 3.44 | \$ 2.53 | \$ 1.87 | \$ 2.29 | \$ 2.91 | |
| | | % | 6.7% | 4.8% | 4.6% | 4.3% | 6.8% | |
| | Minority-owned (women) | \$ (millions) | \$ 2.79 | \$ 4.11 | \$ 3.81 | \$ 3.57 | \$ 1.62 | |
| | | % | 5.5% | 7.8% | 9.3% | 6.7% | 3.8% | |
| | Women-owned ² | \$ (millions) | \$ 3.90 | \$ 5.48 | \$ 5.18 | \$ 4.58 | \$ 2.92 | |
| | | % | 7.6% | 10.4% | 12.7% | 8.6% | 6.8% | |
| | Women-owned (non-minority) | \$ (millions) | \$ 1.11 | \$ 1.37 | \$ 1.37 | \$ 1.01 | \$ 1.30 | |
| % | | 2.2% | 2.6% | 3.4% | 1.9% | 3.0% | | |
| Women-owned (minority) | \$ (millions) | \$ 2.79 | \$ 4.11 | \$ 3.81 | \$ 3.57 | \$ 1.62 | | |
| | % | 5.5% | 7.8% | 9.3% | 6.7% | 3.8% | | |

¹ Total Diverse Spend = Minority-owned (men) + Minority-owned (women) + Women-owned (non-minority).

² Women-minority numbers are included in both Minority-owned and Women-owned Totals.

| | | 2018 |
|---------------------------------|---|-----------------|
| Financial Literacy ¹ | Program Type | |
| | - Teacher centric | |
| | - Student centric | Student Centric |
| | - Hybrid | |
| | Number of Students ² | 70 |
| | Number of Educators ³ | 0 |
| | Number of Students Reached ⁴ | 70 |

¹ Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus. OMWI targeted schools are considered to be inner-city, majority-minority, and all-girls high schools.

² Students who attended in-person programs and enrolled in online programs.

³ Educators who attended in-person programs and enrolled in online professional development programs.

⁴ Students reached through educators using a common multiplier of 75.

APPENDIX D: Community Partnerships & Cultural/ Educational Events

Community Partnerships

- ***Big Sister Association of Greater Boston*** is a one-to-one mentoring program in which girls (Little Sisters) are individually matched with caring and committed volunteers (Big Sisters). Its vision is to create a mentor-rich community where every girl has access to the individual nurturing, guidance and support she needs to become a confident, competent and caring adult. The Big Sister Association is a national model for gender-sensitive mentoring for girls that can be replicated in other mentoring programs.
- ***The City of Boston's Earned Income Tax Credit Campaign (EITC)*** is spearheaded by the Office of Mayor Martin Walsh and works in conjunction with nonprofit, corporate, and community partners. The campaign has provided low- and moderate-income taxpayers with free financial services since 2001. The campaign now also offers a year-round financial coaching program that directly involves volunteers in promoting economic empowerment in Boston communities.
- ***The Cities for Financial Empowerment Coalition (CFE Coalition)*** brings together pioneering municipal governments from across the country that have begun to use their power and positions to advance innovative financial empowerment initiatives. Its 15 member cities, representing almost 22 million people have made tangible, measurable commitments to supporting financial empowerment programming. The CFE Coalition also leverages its members' collective power to advance the financial empowerment agenda on a state and national level, including through advocating for key policy priorities. Founded by New York City Mayor Michael R. Bloomberg and San Francisco Mayor Gavin Newsom, the CFE Coalition is currently chaired by San Francisco and Miami.
- ***Conexión*** is a leadership and mentorship program committed to advancing Latino professionals. It collaborates with organizations and companies that need new leadership talent within their ranks in order to adapt successfully to new economic, social and political realities.
- ***The Center for Women & Enterprise (CWE)*** is a nationally known nonprofit organization dedicated to helping people start and grow their businesses. CWE has worked with more than 37,300 Massachusetts, Rhode Island, New Hampshire and Vermont entrepreneurs since 1995. CWE also operates the Veterans Business Outreach Center of New England (VBOC of NE) which focuses on assisting veterans, active-duty service members and their families with starting and growing their businesses
- ***El Mundo*** is widely recognized as New England's premier Spanish-language publication, with deep-rooted community grassroots relationships coupled with strong corporate partnerships.
- ***Ellevest (Formerly 85 Broads)*** is a global network of 20,000 trailblazing women who are inspired, empowered, and connected. The "founding members" of Ellevest were women who worked for Goldman Sachs at 85 Broad Street, the investment banking firm's former NYC headquarters. Over the past decade, Ellevest expanded its membership to include women who are alumnae and students of the world's leading colleges, universities, and graduate schools. Members are located in 82 countries around the world and work for thousands of for-profit companies and not-for-profit organizations. Regional chapters develop and strengthen their global presence through

exclusive workshops and events featuring industry experts.

- **Forté Foundation** is the leading non-profit focused on building a pipeline of women in business. Forté developed the first MBALaunch for women in 2013 and has grown the program from three to eight cities in two years. It also developed its first College Fast Track to Finance Conference in 2015. Forté also has an extensive network of MBA school representatives and a database of nearly 25,000 pre-MBA women. Forté partners with 48 leading business schools and 33 top companies including Fidelity, Liberty Mutual, Harvard Business School, MIT Sloan, Babson, and Simmons in the Boston area.
- **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 Greater New England Minority Supplier Development Council (GNEMSDC)** advances business opportunities for certified Asian, Black, Hispanic and Native American business enterprises and connects them to corporate members. One of the region's leading corporate membership organizations, GNEMSDC was

incorporated in 1975 to provide increased procurement and business opportunities for Minority business of all sizes.

GNEMSDC is an affiliate of the National Minority Supplier Development Council. It is one of the 24 regional councils represented across the US territories. GNEMSDC serves the six (6) New England States, which are Massachusetts, Connecticut, Rhode Island, New Hampshire, Vermont and Maine

- **The Latina Circle** is an exclusive network that is advancing Latina leaders across industries into positions of power and influence. It's mission is to connect mentor and champion Latina leaders, share best practices, and provide them with a community of professional support.

The Latina Circle's mission is to increase Latina representation across industries. It does this by:

- mentoring, nominating and sponsoring Latinas for executive leadership roles and for boards and commissions;
- increasing the visibility of Latinas as role models to inspire and encourage others;
- partnering with other organizations that support and mentor Latina youth;
- creating opportunities for Latinas to enhance their networks and support systems.

Through its in-person networking events, as well as via substantive programming, the Latina Circle is carrying out these recommendations by connecting, mentoring and championing multicultural women leaders who support the Latina Circle's mission. The Latina Circle hosts quarterly networking breakfasts called Cafecitos where invited professionals can connect with other senior leaders as well as inspire emerging leaders. The Latina Circle also provides leadership programming aimed at sharpening skills and adding a competitive edge to the current generation of leaders, as well as preparing the future generation of leaders to advance into the next phase of their careers.

- **Leadership Women** is a nonprofit headquartered in Dallas, Texas. Its track record is the strongest and longest in the United States. As a social enterprise that is in the business of improving women's lives for the common good, Leadership Women is strategically expanding to offer an ever-increasing array of programs that remain cutting-edge and fiscally sound. Its investors are the women and their organizations that reap the benefits of the programs it offers, as well as those special individuals and businesses that generously support the social good of helping more women be good leaders.
- **Massachusetts LGBT Chamber of Commerce** seeks to promote economic growth and viability for LGBT-owned and allied businesses, corporations, and professionals throughout Massachusetts through advocacy, educational, and collaborative efforts. The chamber offers education and training to facilitate certification of LGBT business enterprises, and works with local and state agencies to promote supplier diversity and enable LGBT businesses to flourish.
- **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 Partnership, Inc.** makes corporations and institutions more competitive in a global economy by:
 - helping them attract, develop, and retain talented multicultural professionals at all levels of leadership;
 - creating a corporate climate that encourages diversity and helps multicultural professionals thrive.

The Partnership formed in 1987; it has evolved from its original focus on the advancement of African Americans in corporate Boston, into an organization that supports multicultural professionals at all levels in an increasingly diverse and global workforce.

- **Travelers** established the **Travelers Institute** as a means of participating in the public policy dialogue on matters of interest to the property casualty insurance sector, as well as the financial industry more broadly. The Travelers Institute draws upon the industry expertise of Travelers' senior management and the technical expertise of its risk professionals, and other experts to provide information, analysis, and recommendations to public policymakers and regulators.
- **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.

- **WorkingNation** is a nonprofit campaign founded in 2016 by venture capitalist Art Bilger to expose hard truths about the looming unemployment crisis and bring the country together to create and amplify solutions for a changing economy.
- **Year Up Boston** is 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 program 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.
- **YWCA Boston** is an organization of firsts. It was 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. It was also 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

- ***CWE Corporate Council meeting*** (January)- ODI hosted the Center for Women & Enterprise (CWE) Corporate Council Meeting on January 31, 2018. CWE member corporations met to discuss CWE efforts to grow women-owned businesses as well as two discussion items:
 - Quantifying Your Supplier Diversity Program through Metrics
 - Beyond Metrics, Creating Success as a Supplier Diversity Professional
- ***Your Life in Balance: Fall prevention for you and your elderly parents*** (January)-ODI sponsored a fall prevention workshop for the Eminence Employee Resource Group, in collaboration with the Health & Wellness and Fitness Centers for Bank employees. Falls are the leading cause of fatal and nonfatal injuries among older adults, and affect people of all ages. Employees of all ages attended this workshop and learned how to help prevent these kinds of accidents for themselves and their loved ones.
- ***2018 Lunar New Year Celebration: Year of the Dog*** (February) - ODI in collaboration with the Asian Professionals for Excellence (APEX) ERG sponsored the Lunar New Year Celebration. Bank staff were encouraged to participate in celebrating the Lunar New Year, (Year of the Dog), with displays of costumes, crafts and other items of Asian culture. There were many educational materials, recipes, raffles and cultural treats to sample.
- ***Forté MBA Launch Program*** (February)-ODI hosted the Forte Foundation MBA Launch program for women who are enrolled in an MBA program. Forte launches women into fulfilling, significant careers through access to business education, professional development, and a community of successful women.
 - Key topics included:
 - Personal Branding Session: Creating and Leveraging Your Personal Brand
 - Admissions Panel
 - Hot Topics Roundtable Discussions
 - Tips for Success
- ***Black Economic Council of Massachusetts (BECMA): “Solutions to Address Race and Economic Inequality in the Commonwealth”*** (February)- ODI hosted BECMA’s event, which was organized in response to a series of articles in the *Boston Globe* on the racial and economic climate in Boston. (The Globe ran the series in December 2017.) The event consisted of several interactive presentations from individuals and groups working to solve age-old problems, followed by a robust Q & A session.
- ***Celebrating Black History Month: “Transcending Political and Cultural Barriers with Grace”*** (February)-ODI and the neXus ERG hosted an insightful conversation with the Massachusetts’s first-ever black female mayor, Yvonne Spicer of Framingham. Following Mayor Spicer’s presentation on her personal and professional story, Bank EVP Jeff Fuhrer, moderated a Q & A session.
- ***The Partnership Associates Program: The Efficacy Experience with Dr. Jeff Howard*** (March)-ODI hosted The Partnership’s class of 2018 associates’ two-day forum. The forum consisted of cohort meeting groups, and workshops on the presentation of the Efficacy Experience with Dr. Jeff Howard.

- **National Women’s History Month: “Nevertheless, She Persisted: Our Women, Real Stories”** (March) ODI and the LEAD in Women’s ERG celebrated National Women’s History Month by highlighting extraordinary women from departments across the Bank. The women shared their unique stories and reflected on their contributions within and outside the Bank.

There was a panel discussion that was moderated by AVP Joe Cacciola and included Christina Wang, Jackie Palladino, Shaquilla Blake, Julie George, and Elizabeth Gormley.

- **Women on the Rise: A Conversation on Intersectional Leadership in Boston** (March)- ODI hosted this event in partnership with YW Boston and the City of Boston’s Councilwomen.

The panel comprised Boston City Council members, all women of color, who described their roles, how they got there, and what they are working on as council members. The discussion was followed by a Q&A session.

- **Diversity Dialogue Session I: Wonder Women & Black Panther: “Seeing Ourselves as Superheroes”** (April)-ODI and the Diversity and Inclusion Working Group (DIWG) collaborated to host the dialogue session: Seeing Ourselves as Superheroes.

- Wonder Woman and the Power of Watching a Woman Save the World
- A different kind of superhero”: Why ‘Black Panther’ will mean so much to so many

The discussion focused on representation in film and the importance of seeing all different types of people in key roles, both in the media and in organizations.

- **Leadership America: Leading with a Global Vision: Lead, Learn, Legacy** (April) - ODI hosted an economic briefing for Leadership America, that focused on empowering and

enhancing women leaders. Bank EVP and Senior Policy Advisor Jeff Fuhrer made a presentation titled What We Do and How We Do it. The presentation consisted of community economic development, the Bank’s organizational structure, monetary policy, supervision of financial institutions, payment services and impacted highlights.

Following the presentation Leadership America members participated in an informative question-and-answer session with Fuhrer. The group also requested a copy of his presentation, and stated that it was by far the best presentation it has had.

- **Asian Pacific Heritage Month Speaker Michael Chu: Interpreting Social Impact: How to Better Serve the Base of the Economic Pyramid** (May)- The APEX ERG and ODI, in celebration of Asian Pacific Month, hosted a conversation with speaker Michael Chu, a senior lecturer at Harvard Business School. Chu spoke on how microfinance delivers goods and services to the underserved. Bank EVP Jeff Fuhrer made the welcoming remarks.
- **Supplier Diversity Event: Engage & Connect** (May)- ODI, in partnership with the Center for Women & Enterprise (CWE), Greater New England Minority Supplier Development Council (GNEMSDC), Operational Services Division (OSD) Supplier Diversity Office of Massachusetts, and Massachusetts LGBT Chamber of Commerce hosted the fourth edition of Engage and Connect, the Bank’s annual business opportunity fair.

The Engage and Connect event provided access to supplier diversity and procurement professionals from organizations interested in discussing contracting opportunities with for-profit minority and women-owned businesses.

- **2018 Human Pride Banner celebrates Pride Week at the Boston Fed** (June)- On June 5,

more than 150 Bank employees joined Bank President Eric Rosengren, First Vice President Ken Montgomery, and the A1-FACT ERG on the Boston Fed Plaza for a photo shoot to celebrate Pride Week festivities. The colorful tradition has become a staple of Pride Week at the Bank. A1-FACT members were very thankful to all staff members who demonstrated their pride and support for their LGBT colleagues by being part of the living pride banner.

- **Big Sister Boston Presents Boss Ladies: Women Leading in Unconventional Workspaces** (June)- ODI hosted Big Sister Boston's panel discussion Boss Ladies: Women Leading in Unconventional Workspaces. Big Sister Boston's mission plays a key role in enriching our communities, one mentoring relationship at a time. The discussion focused on exploring the challenges and rewards of being a woman leader in an unconventional field, WBZ TV/ CBS news anchor Lisa Hughes, served as the moderator.
- **A1-FACT ERG Pride Photo Challenge** (June)- ODI supported the A1-FACT ERG's fun and colorful way for the Bank to show its support for the LGBT community, and demonstrate its commitment to diversity and inclusion of all people. A1-FACT ERG and the Bank's Corporate Communications team collected photos of staff holding "pride banners" to create a wall display on the fourth floor during Pride Week. The staff photos were posted on the Pride Wall throughout the month of June.
- **12th Annual ALPFA Latina Summit: Leveraging the Power of Relationships** (June)- ODI hosted ALPFA's 12th annual Latina Summit. ALPFA is proud to create pathways for future leaders within the Latino community.

ALPFA's focus is creating connections and mentoring relationships for Latinas as they pursue their goals across all professional levels. The organization's aim is to provide their

members with a better understanding of the power of building meaningful relationships.

- **Diversity Dialogue Session II: Engaging in an Inclusive Conversation with Pam Harris** (June) -ODI, in collaboration with the Diversity & Inclusion Working Group, organized a Diversity Dialogue conversation with the new ODI assistant vice president, Pam Harris. Harris shared her thoughts and experiences in the D&I field and discussed the evolution of D&I and its application in the workplace. Bank Executive Vice President and Senior Policy Advisor Jeff Fuhrer moderated the discussion, which was followed by a question-and-answer session.
- **A Nossa ERG Speaker: Ana Dutra, CEO the Executives' Club of Chicago** (August)-The A Nossa ERG and ODI invited Bank staff to join them for a conversation with speaker Ana Dutra, CEO of The Executives' Club of Chicago. Dutra shared her story of growing up in a Portuguese-speaking family, and her views on leadership and achieving success as a leader both professionally and personally. She also shared advice for the next generation of Portuguese-speaking leaders. A Q&A session followed the discussion.
- **Diversity Dialogue Session III: Code-Switching-What Is It and Why It Matters?** (August) -ODI and the Diversity and Inclusion Working Group (DIWG) organized a discussion with a small group of Bank staff on code-switching. The group discussed what it means, how it shows up in the workplace, and what insights could be gained from understanding its impact. Pam Harris, AVP of ODI, led the discussion.
- **ERG and Affinity Groups Breakfast Seminar** (September) - ODI, in partnership with the Diversity and Inclusion Working Group (DIWG), hosted a breakfast seminar to highlight the Bank's employee resource groups (ERG) and affinity groups.

Members of each group had the opportunity to speak, and many shared personal stories about how their involvement with their ERGs have inspired them or have influenced their roles at the Bank. The speakers emphasized the benefits of ERG participation—employee engagement, professional-development opportunities, and community-outreach efforts—and reinforced diversity and culture as a Bank-wide strategic priority.

- ***Hispanic Heritage Month Celebration of Arts & Culture (September)*** - Adelante! and ODI invited staff to join them for a panel discussion on Arts & Culture. The panelists shared experiences and their successes as Latino professionals. In addition, they discussed how their cultural heritage and background influenced their lives, workplace and community. The event included a beautiful spoken-word performance.
- ***Launch of the New Massachusetts LGBT Chamber of Commerce (September)*** - ODI hosted the official launch of the new Massachusetts LGBT Chamber of Commerce. The event was attended by corporate founding sponsors, LGBT businesses, elected officials, and the local media. Massachusetts Governor Charles Baker was presented with the LGBT Business Inclusion Award. Keynote speaker Alex Morse, the Mayor of Holyoke, MA, spoke about his journey as an LGBT elected official. After the keynote and awards ceremony, LGBT business owners attended a matchmaking session with corporate founding sponsors to discuss business opportunities.
- ***WorkingNation: Building a Better Future for Job Seekers and Employers (October)*** - ODI hosted WorkingNation's town hall. This event offered an in-depth look at the elements of successful partnerships and each partner's role. How do employers engage? How are they using these innovative strategies to create a more diverse talent pool, and attract and re-train talent? For

those seeking jobs, what are the benefits of these practices and are they helpful in finding the right job? For not-for-profits and government partners, how do they help these programs sustain and grow? The town hall panel discussed innovative work-based learning models, best practices in working with partners and bringing these models to scale. The Bank's AVP, of Regional Community Outreach, Sol Carbonell welcomed the audience.

- ***A1-FACT ERG: National Coming Out Day Walking Tour (October)*** - In celebration of National Coming Out Day, the A1-FACT ERG hosted an architectural walking tour in the Back Bay area of Boston on Oct. 15. Supervision, Regulation & Credit AVP, Joe Cacciola, and his husband Tom, President and Treasurer of Silverman Trykowski Associates Inc., led the two hour tour.

National Coming Out day is held annually on October 11 and celebrates coming out as lesbian, gay, bisexual, transgender, queer (LGBTQ) or as an ally. Last year (2018) marked the 30th year of the celebration.

- ***Fall/Winter Clothing Drive: Clean Out Your Closets for a Good Cause! (October)*** - The Professional Administrative Services Affinity (PASA) group sponsored by the LEAD in Women and A Nossa Employee Resources Groups and in collaboration with ODI, hosted a clothing drive to support four local charities: Tailored for Success, Father Bill's & Mainspring, Uncommon Threads and Solutions at Work. Donations of women's and men's business clothing and accessories were accepted. The bank delivered 20 large bins of professional clothing to the charities.
- ***Big Sister Boston: The Network Effect: Women of Color Creating Social Impact (October)*** - ODI hosted the Big Sister Boston's Diversity Board in Conversations among Women. The panel discussion explored the importance of women

of color networks. Participants discussed how women of color are breaking down the barriers and turning social capital into social impact and career opportunities.

- **Diversity Dialogue Session IV: The Platinum Rule – Alternative to the Golden Rule...** (October) - ODI hosted a Diversity Dialogue on October 30 on the topic of Platinum Rule vs. the Golden Rule. Employees learned about their own working style, how the Platinum Rule can “rewire” some of the assumptions people naturally make about others, and what steps they can take to strengthen and leverage diversity.
- **Professional Administrative Services Affinity Group (PASA): Administrative Workshops –** (throughout the year) - The Bank’s Professional Administrative Services Affinity Group (PASA) held administrative workshops for members and anyone else interested in attending. These workshops served as professional- development opportunities. The topics and PowerPoints were from the Administrative Professionals Conference (APC) which members attend annually.

Topics and dates were:

- June 14, Tough Talk for Admins
 - August 21, Partnering with Your Boss: A Tale of 5 Bosses
 - October 17, Next Generation Microsoft: New Features Every Admin Needs to Know
 - December 4, Avoid Workload Avalanche: Smart Ways to Regain Sanity
- **Greater New England Minority Supplier Development Council Roundtable Meeting** (November) - The Bank hosted a group of supplier diversity professionals at a corporate roundtable to discuss the ROI of diverse council memberships and how the group can best

support local council partners and maximize the benefits for all stakeholders.

- **LEAD in Women ERG: Group Mentoring & Networking Event** (November) - LEAD in Women Employee Resource Group in collaboration with neXus, APEX ERGs and ODI hosted a mentoring and networking event at which employees were given an opportunity to be mentored by Bank leadership.

President Eric Rosengren and First Vice President Ken Montgomery were among 20 Bank officers available as mentors during the event. Employees met with six mentors in 15-minute sessions of informal conversations and in groups of eight to ten employees.

- **Forte College Fast Track to Finance Conference** (November) - ODI hosted the Forté Foundation’s one-day conference that provides women who are juniors and seniors in college an opportunity to explore various financial careers.

The keynote speaker was Bank SVP, Aparna Ramesh who shared her personal story in financial services. The Bank also had four managers play a supporting role in coaching participants in various topics.

Participants learned by “doing”. They built leadership skills and did stockpile analysis, portfolio management and networking. The conference ended with a career fair, where representatives from several organizations including the Bank were available to speak with the participants about potential employment opportunities.

- **VERG and Eminence ERG: In Observance of Veterans Day: Translating Military Experience to Civilian Employment at the Federal Reserve.** (November) - In observance of Veterans Day, the Veterans and Eminence ERGs, in partnership with ODI hosted an

intergenerational panel discussion during which Bank employees talked about how competencies and character traits acquired through their military experience translate to performance in their civilian jobs at the Fed. Attendees learned how veterans on the Bank's staff leverage the skills and knowledge they gained through the rigors and responsibilities of uniformed service.

- ***VisionSpring Inclusive Learning Loop Best Practices Corporate Member Meeting*** (November) - ODI hosted VisionSpring Inclusion Learning Loop Roundtable, a learning community that provides members with access to an extensive library of D&I resources, ongoing D&I consulting services, and a collaborative community of other D&I corporate practitioners committed to sharing thought leadership in the interest of achieving common goals.
- ***5th Annual Bank-wide Unity Day*** (December) - ODI, along with a committee of volunteer employees, organized the Bank's fifth-annual Bank-wide Unity Day celebration, a multicultural event consisting of various activities that promote collaboration, innovation, and inclusion.

Unity Day brought employees from every department together for a celebration of Bank culture and community and the heritages of individual staff members. Attendees took salsa-dancing lessons, listened and danced to the music of the Grateful Fed (the Bank's band led by EVP Jeff Fuhrer), and was educated on the history of the Boston Fed through a competition of Fed Pictionary. Other activities included who is your Hero/Shero? Learning the art of Chinese calligraphy with professional calligraphist Mr.

Anmin He, winner of numerous calligraphy awards.

The event ended with the completion of a Bank-created unity puzzle. Before the event, members of each department designed a puzzle piece that represented their department and how it fit into the mission of the Bank. At the conclusion of Unity Day, representatives from each department put the pieces of the puzzle in place to show how the work around the Bank is connected.

- ***EITC Financial Guide and Credit Advising Training*** (December) - ODI hosted a training session for students and members of the financial service industry on how to do one-on-ones with low- and moderate-income residents of the city. Participants learned how to walk such residents through their credit reports and FICO scores and how to speak with them about budgeting and saving money.
- ***Conexión Early Career Program*** (December)-ODI hosted the first cohort of this new program of mentors and mentees. The event featured the Bank's EVP, Jeff Fuhrer and AVP Sol Carbonell who gave an overview of the Boston Fed. The Bank had two FRB staff, who are mentees and participated in this new program.

APPENDIX E: Recognition

The Boston Fed continues to be recognized for its commitment to diversity and inclusion. Each of the last five years, we received a score of 100 percent from the Human Rights Campaign Foundation's (HRC) ratings of the Best Places to Work for LGBT Equality.

The ratings derive from HRC's annual Corporate Equality Index (CEI), a national benchmarking survey and report on corporate policies related to lesbian, gay, bisexual, transgender and queer (LGBTQ) workplace equality.

The HRC's scores are based on evaluations of LGBTQ-related policies and practices in six key areas: non-discrimination policies, inclusive spousal and domestic partner benefits, Transgender-inclusive benefits, internal training and education best practices, outreach and engagement efforts to the broader LGBTQ Community and LGBTQ Corporate Social Responsibility.

