Office of Minority and Women Inclusion
Annual Report to Congress
2011

FEDERAL RESERVE BANK *of* CLEVELAND

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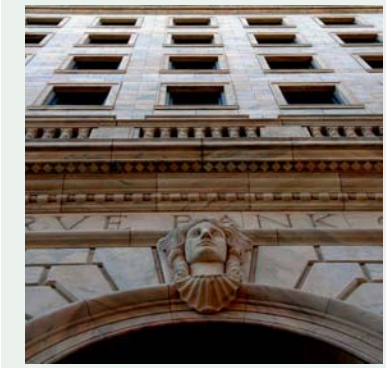
David W. Hollis, Director

This document contains an annual summary of the actions of the Office of Minority and Women Inclusion with regard to the requirements under Section 342 of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010.

FEDERAL RESERVE BANK *of* CLEVELAND



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EXECUTIVE SUMMARY

The Federal Reserve Bank of Cleveland's (FRB Cleveland) diversity and inclusion efforts began well before the enactment of the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd–Frank). The Office of Minority and Women Inclusion (OMWI) was established as one of the provisions of Dodd–Frank and is responsible for all matters relating to diversity in management, employment, and business activities. FRB Cleveland's OMWI office develops, implements, and monitors standards related to workforce diversity and the inclusion and utilization of minority- and women-owned businesses in FRB Cleveland programs and contracts. The Board of Governors is responsible for assessing the diversity policies and practices of regulated entities, so they will not be addressed in this report.

FRB Cleveland's OMWI office — composed of a senior vice president, assistant vice president, compliance manager, and reporting analyst — has established objectives, strategies, and practices to implement the workforce, supplier diversity, and outreach requirements of Dodd–Frank.

Internally, OMWI partners with the Human Resources (HR), Contracts Administration and Purchasing Services (CAPS), and Community Relations (CR) functions to fulfill Dodd–Frank's program and reporting requirements. Externally, OMWI has worked with the National Procurement Office at the Federal Reserve Bank of Richmond, the other 11 Federal Reserve Banks, and the Board of Governors to develop the OMWI framework, standards and procedures, organizational definitions, and practices.

FRB Cleveland recently completed a three-year initiative to provide diversity awareness training focused on leading and managing an inclusive work environment for all employees and is currently planning the next phase of inclusion education for 2012–13.

The employee population of FRB Cleveland reflects the diversity of the communities the Bank serves. As a result of targeted HR efforts, hiring of minorities at the Bank has risen from 18% in 2009 to 23% in 2011.

FRB Cleveland continues to enhance and expand its existing supplier diversity program, which includes outreach initiatives and community engagement. To ensure compliance with the requirements of Dodd–Frank, FRB Cleveland has incorporated contractual provisions in all new and renewal contracts. FRB Cleveland has also initiated a process to review and evaluate contractors' good-faith efforts on diversity and inclusion, as outlined in Dodd–Frank's Section 342.

Economic education and financial literacy programs were also established at FRB Cleveland prior to Dodd–Frank. FRB Cleveland's Learning Center and Money Museum was opened to the public in 2006 and provides equal access to the communities the Bank serves while providing programming for educators and students.

FRB Cleveland attendance at diversity events and conferences remains important to the success of the FRB Cleveland OMWI office. A few of the 2011 events are listed below.

- **The Summit on Leading Diversity in Atlanta:** This summit is considered a premier conference that provides speakers, presentations, and an advanced practitioner session to equip participants with skills, competencies, and tools to build and sustain an inclusive work environment. FRB Cleveland has participated in the advanced practitioner think tank for three consecutive years to discuss the future of diversity and inclusion and to provide forward-thinking leadership.
- **The Diversity Professionals Group:** Quarterly meetings of Northeast Ohio's Commission on Economic Inclusion bring together 100 member organizations to discuss diversity and inclusion topics and best practices.
- **Council of Smaller Enterprises (COSE):** FRB Cleveland participates in a two-day vendor matchmaker event coordinated by COSE focused on supplier diversity.

The FRB Cleveland OMWI office maintains corporate memberships with the Northeast Ohio Minority Supplier Diversity Council (an OMWI officer participates on its certification committee); the National Black MBA Association, Inc.; National Society of Hispanic MBAs; and the Urban Financial Services Coalition. In addition, FRB Cleveland has recently acquired a corporate membership with the Women's Business Enterprise National Council. These alliances help FRB Cleveland increase diversity in its recruitment and hiring pool of candidates, increase the number of minority and women FRB Cleveland employees, expand access to business opportunities for minority- and women-owned businesses, and enhance community involvement and outreach.

To provide greater transparency to its staff and constituents, FRB Cleveland has posted OMWI information on its public and internal websites and has made publicly available its EEO-1 workforce representation data provided annually to the Equal Employment Opportunity Commission. Appendix A is a copy of the 2011 EEO-1 Report. FRB Cleveland also keeps track of its progress through organization-wide diversity surveys, most recently administered in fourth quarter 2010. Appendix B contains a chart comparing those results with ones from a 2006 survey, which shows the progress that FRB Cleveland has achieved by strategic focus area. The areas of strength increased; the areas of opportunities decreased; and three focus areas were close to becoming strengths. As a result of the survey, FRB Cleveland is reviewing and developing talent management strategies to enhance its performance in the opportunity areas.

FRB Cleveland continues to demonstrate commitment to the core principles of Dodd–Frank. This report highlights the specific work that has been done and progress made during the initial establishment year for the FRB Cleveland OMWI office to meet the affirmative steps addressed in the legislation.

David W. Hollis
Senior Vice President

ABOUT THE FEDERAL RESERVE BANK OF CLEVELAND

The Federal Reserve Bank of Cleveland was established in 1914 as a part of the Federal Reserve System, the central bank of the United States. The Federal Reserve System is responsible for formulating and implementing U.S. monetary policy. It also supervises banks and bank holding companies and provides financial services to depository institutions and the federal government.

FRB Cleveland is one of 12 regional Reserve Banks in the United States that, together with the Board of Governors in Washington, DC, comprise the Federal Reserve System. The Federal Reserve Bank of Cleveland, including its branch offices in Cincinnati and Pittsburgh, serves the Fourth Federal Reserve District (the entire state of Ohio, western Pennsylvania, eastern Kentucky, and the northern panhandle of West Virginia).

Geography Covered

FRB CLEVELAND STRATEGY

Students from Shaw High School in East Cleveland met with Chairman Ben Bernanke (center) and FRB Cleveland President Sandra Pianalto (left) in September 2011 to share information about FRB Cleveland's new Fed Mentor Program.

MISSION

FRB Cleveland's mission is to foster the stability, integrity, and efficiency of the nation's monetary, financial, and payments systems to promote optimal economic performance.

VISION

FRB Cleveland's vision is to promote financial stability and prosperity in our neighborhoods, region, and country.

VALUES

Integrity: Act with honesty, fairness, and mutual respect. We adhere to the highest level of ethical principles and are accountable for our decisions and actions.

Inclusion: Appreciate and respect the individual, personal, and organizational attributes that we have in common and those that make us unique. We foster a collaborative environment in which open communication and cross-functional partnerships enable us to achieve success.

Excellence: Perform our duties and responsibilities to the highest standards of quality and effectiveness. We foster an environment of continuous learning and development, and promote best practices to strengthen FRB Cleveland and System performance.

Leadership: Inspire our peers and the financial community through our actions. We are respected for our knowledge and ability to achieve superior outcomes in our business undertakings. We are involved in our community and are committed to our customers and other stakeholders.

Forward Thinking: Are thought leaders developing creative solutions for our customers and other stakeholders. We encourage an environment of innovation in all aspects of our business.

FRB Cleveland Prioritizes Inclusion

For FRB Cleveland, inclusion is both a value that helps drive the Bank's decision-making and a high-priority initiative that is critical to achieving our strategies and vision. Demonstrating *Excellence in Core Responsibilities* underscores everything FRB Cleveland does; objectives under this strategy include implementing the supervisory, OMWI, and governance requirements of Dodd–Frank and promoting a diverse and inclusive work environment.

FRB Cleveland, working with the Board of Governors of the Federal Reserve System and the other Reserve Banks, has made meaningful strides in meeting both objectives. By August 2011, it established the management and staffing of the FRB Cleveland OMWI office and revised FRB Cleveland's strategic plan and 2012 budget to reflect OMWI requirements. The remainder of this report discusses FRB Cleveland's successes, challenges, and next steps for the areas of minority and women employment, minority- and women-owned business inclusion, and financial literacy activities.

MINORITY AND WOMEN EMPLOYMENT

Participation in national diversity job fairs and the creation of a diversity advertising campaign have accentuated equal employment opportunity and workforce diversity practices.

SUCCESSES

To build on its diversity and inclusion initiative, FRB Cleveland enhanced policies, practices, and standards to broaden the diversity in its workforce. In January 2011, FRB Cleveland revised the job posting policy to ensure equal opportunity for all applicants and to cast a wider net to recruit the most qualified individuals. In addition to this policy change, the Human Resources Department developed guidelines to assist FRB Cleveland in achieving diverse applicant pools of candidates for all open exempt-level positions.

FRB Cleveland has also enhanced its intern program by establishing a formal timeline, structured selection process, and new ways to share interns' experiences. HR filmed interviews with diverse interns depicting their experiences at FRB Cleveland and posted them on its external website, and the Internal Communications staff shared intern profiles and photos with employees through established channels. In 2011, interns volunteered at the Cleveland Foodbank to emphasize FRB Cleveland's commitment to community involvement.

FRB Cleveland attends career recruitment fairs for historically black colleges and universities in our region, including Wilberforce and Central State Universities. Beginning in third quarter 2011, FRB Cleveland's recruitment efforts were expanded to include Howard University, a historically black university. An FRB Cleveland HR representative and an economist attended a Howard University career fair to develop and enhance strategic partnerships and share information on FRB Cleveland's programs and employment. FRB Cleveland continues to expand its presence on college campuses with officer speaking engagements, career readiness workshops, and onsite days at FRB Cleveland.

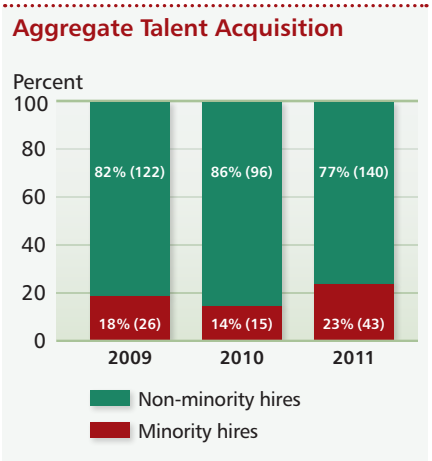
FRB Cleveland has established relationships with local and national organizations to expand FRB Cleveland's pool of diverse candidates for employment. A new initiative with the Urban Financial Services Coalition (UFSC) involved a series of teleconferences to learn about career opportunities at FRB Cleveland before the national UFSC conference. A team of hiring managers attended the UFSC conference and career fair in June 2011. FRB Cleveland also leveraged its partnership with the Hispanic Association of Colleges and Universities by hiring one of its students as part of FRB Cleveland's 2011 summer intern program. The student later accepted a full-time position with FRB Cleveland.

The Reserve Banks and Board of Governors collaborate on several large diversity career fairs to leverage their ability to reach and attract larger diverse candidate pools than would be possible for any one Reserve Bank or the Board on its own. In addition, representatives from the Federal Reserve attended the National Urban League, Association of Latino Professionals in Finance and Accounting, National Black MBA Association (NBMBAA), and the National Society of Hispanic MBAs (NSHMBA). FRB Cleveland representatives attended the national NBMBAA Conference in Atlanta. As part of the follow-up process from the conference, Human Resources contacted approximately 30 individuals, which resulted in two offers and one acceptance.

FRB Cleveland staff members participate in career readiness workshops with NBMBAA and NSHMBA, and they take active roles at the chapters' annual career fairs. Members of HR and OMWI hosted a networking and professional development event with NBMBAA's Northeast Ohio Chapter in the fourth quarter of 2011.

Minority representation for FRB Cleveland summer intern hires has increased from 11% minority and 37% female in 2010 to 19% minority and 43% female in 2011. Another accomplishment is an increase in the hiring of minorities from 18% in 2009 to 23% in 2011.

FRB Cleveland's Human Resources Development (HRD) function provides mandatory diversity awareness training to new employees to promote an inclusive culture that appreciates and capitalizes on the benefits of a diverse workforce. Likewise, FRB Cleveland officers, managers, and supervisors are expected to participate in ongoing diversity awareness offerings. In 2011, FRB Cleveland deployed a new online program, Building Trusting Relationships, to more than 1,000 FRB Cleveland employees.



Further, FRB Cleveland has implemented a new initiative, Strengths Deployment Inventory Assessment, which promotes inclusion by increasing staff members' understanding of others' motivating values that drive their behaviors.

For 12 consecutive years, FRB Cleveland has been named a great place to work by NorthCoast 99. The program was developed by Employers Resource Council, Ohio's leading and largest professional HR organization dedicated to HR practices, programs, and services.

CHALLENGES

Sourcing minority candidates for technical and specialized positions continues to be a significant challenge for FRB Cleveland. To address this issue, FRB Cleveland created a Recruitment Service Guide to promote a discussion and agreement between HR and the hiring manager on the recruitment strategy, which highlights a commitment to diversity. FRB Cleveland has expanded its list of recruitment sources to include specialty professional organizations, contingency and retained search firms, candidate identification sourcing firms, and minority organizations such as NBMBAA, NSHMBA, and UFSC. Other sources include DiversityInc and local universities such as Cleveland State and Case Western Reserve. FRB Cleveland is also strengthening its relationships with Hispanic organizations, such as the Northeast Ohio Hispanic Chamber of Commerce.

One of the more significant changes was made to the job posting policy, which was revised to include an expectation that a diverse candidate slate would be identified for all exempt positions. In addition, positions are now generally posted both internally and externally at the same time, no longer giving internal candidates first consideration. While developing diverse slates of candidates is an objective of FRB Cleveland, there have been challenges due to unavailability in certain labor pools, limited time available for recruiting some positions, and the operational needs of some departments. In addition, as a result of the job posting change, some employees have expressed concerns about career advancement opportunities. While recognizing employee concerns, FRB Cleveland remains committed to having a workforce representative of the communities in which it does business and consistent with the applicable job market. FRB Cleveland is enhancing the talent management process to encourage more strategic discussions around department staffing and recruitment plans.

Through quarterly meetings, regular communications, and strategic collaborative efforts, OMWI and HR continue to work together to identify and address challenges by implementing viable solutions.

NEXT STEPS

During 2007 and 2008, FRB Cleveland demonstrated its commitment to promoting diversity and inclusion by providing diversity education to senior management. This program was expanded to provide diversity and inclusion education to FRB Cleveland officers, managers, and supervisors in 2009 and to all staff in 2010. Plans are currently underway to build on the diversity education and learning in 2012. In addition, results of FRB Cleveland's employee survey will continue to be discussed with focus groups, and progress in the strategic focus areas will be monitored.

Regarding diversity education efforts, FRB Cleveland plans to continue its Dialogue in Diversity training session with a module to certify staff members in facilitating conversations and training personnel on diversity. Other work streams include continuing and expanding applicant and workforce analysis data and reviewing candidate declinations of job offers.

MINORITY- AND WOMEN-OWNED BUSINESS INCLUSION

In May 2011, the Commission on Economic Inclusion presented the Best in Class Award to FRB Cleveland for supplier diversity. Pictured with the award are FRB Cleveland Assistant Vice President Diana Starks and President Sandra Pianalto.

AMOUNTS PAID TO CONTRACTORS BY THE FEDERAL RESERVE BANK OF CLEVELAND

FRB Cleveland launched a supplier diversity program in 2009 when spend with minority- and women-owned businesses was less than 2%. The Bank's total reportable spend for 2010 was $29.89 million, of which total diverse spend was $2.26 million (7.57%). Through increased efforts and attention to program processes and work streams, FRB Cleveland's results are improving.

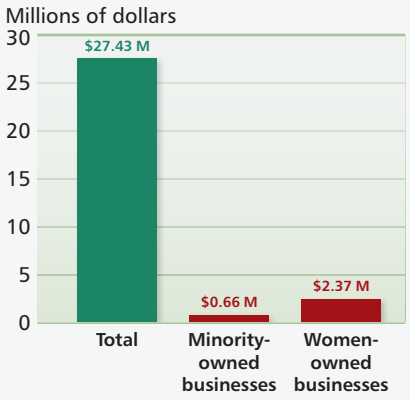
As of December 31, 2011:

1. Year-to-date total reportable spend was *$27,433,027.
2. Total diversity spend was $3,037,756 (11.07%).
3. Spend with women-owned businesses was $2,374,188 (8.65%).
4. Spend with minority-owned businesses was $663,568 (2.42%).

SUCCESSES

FRB Cleveland has taken specific actions to achieve the requirements of Dodd–Frank by continuing its memberships and adding new ones in various organizations and by implementing changes to its policies and practices. For example, FRB Cleveland is a member of the Commission on Economic Inclusion (Commission), a broad-based coalition of more than 100 Northeast Ohio employers who are committed to making the region's diversity a source of economic strength. FRB Cleveland participates in the Commission's annual employer survey. The survey process involves measuring its member organizations' response to questions in the categories of board diversity, senior management diversity, workforce diversity, and supplier diversity. Each respondent receives an individual scorecard that indicates its placement in one of four quadrants for each survey category. FRB Cleveland's 2010 Individual Scorecard is included in Appendix C.

2011 Reportable Spending



* The $27.43 million of total reportable spend does not include reimbursed medical expenditures made on behalf of employees and retirees. This method for calculating reportable spend is consistent with the other 11 Reserve Banks.

FRB Cleveland's diversity efforts have been recognized by the Commission. In May 2011, the Commission recognized FRB Cleveland as a "Best in Class" for supplier diversity in the nonprofit category. FRB Cleveland was also selected for the Commission 50, an inaugural award given to 50 of its member organizations to recognize progress in building and sustaining diversity and inclusion strategies. To build on this success, FRB Cleveland has revisited its policies and procedures, expanded its vendor outreach, and strengthened its internal partnerships with CAPS, the contracting departments, and OMWI. Further, FRB Cleveland has enhanced its supplier diversity education by participating in various supplier diversity training sessions.

FRB Cleveland has also implemented changes to its procurement policies and procedures. For example, CAPS and OMWI collaborated to incorporate standard supplier diversity language into all contract templates. In February 2011, FRB Cleveland's chief operating officer and OMWI director distributed a message to all employees in support of FRB Cleveland's supplier diversity efforts. As a result, FRB Cleveland's procurement policy has been revised to include a requirement that FRB Cleveland attempt to include at least one diverse vendor in the solicitation process for each procurement solicitation greater than $10,000 ($20,000 for construction).

FRB Cleveland has also implemented procedures to enhance opportunities for women- and minority-owned businesses. CAPS continues to identify diverse businesses through existing systems (e.g., networking, outside organizations, and events with a supplier diversity focus), while researching ways to develop more customized databases. For example, a new software application, the Procurement Strategic Supplier Tool, was developed in-house to track and monitor FRB Cleveland's use of minority- and women-owned businesses. CAPS also increased its assistance to end-user departments by helping to identify diverse vendors for bids and proposals and by collaborating with specific organizations in the Fourth Federal Reserve District. Organizations include those representing healthcare, some local and state offices, the African American Chamber of Commerce–Greater Cincinnati and Northern Kentucky, the Northeast Ohio Hispanic Chamber of Commerce, the Northeast Ohio Minority Supplier Diversity Council, and the Women's Business Enterprise National Council.

FRB Cleveland participates on the Federal Reserve System's Supplier Diversity Workgroup to help ensure some level of consistency across the Federal Reserve System where feasible and to further refine FRB Cleveland's procurement and contracting processes.

FRB Cleveland's procurement, contracting, and diversity professionals attended the following events to strengthen existing relationships and develop new partnerships with organizations focused on supplier diversity:

- Annual meeting of the Northern Ohio Minority Supplier Development Council
- Diversity conference held at the Lubrizol Corporation, in which an OMWI officer presented on FRB Cleveland's supplier diversity accomplishments
- The Ohio Hispanic Business Summit and Opportunity Fair
- Northeast Ohio Economic Inclusion Forum Series for Nonprofit and Private Sector Organizations
- Webinar on women-owned businesses sponsored by Dun & Bradstreet to deepen diverse supplier knowledge
- National Minority Supplier Development Council Annual Conference and Business Fair

Participation in these events resulted in networking and identifying new minority- and women-owned vendors to be solicited for future FRB Cleveland projects, more specifically the inclusion of a woman-owned business in the vendor list for the Learning Center and Money Museum Redesign Request for Proposal. Further, the pool of registered, diverse vendors has been expanded in the areas of landscaping, safety and health consulting, and professional services. Other efforts have included joining the LinkedIn Community for Certified Professionals in Supplier Diversity to enhance FRB Cleveland's ability to network and gain access to best practices from other organizations and the training of procurement staff on the Dun & Bradstreet Supplier Risk Manager Locator tool.

FRB Cleveland plans to host meetings in 2012 with the Northern Ohio Minority Supplier Development Council to provide a platform for the exchange of ideas, best practices, and vendor support.

CHALLENGES

While FRB Cleveland implemented a supplier diversity program in 2009 and received local recognition in 2010, challenges and opportunities still exist in strengthening internal processes and accountabilities to produce greater results. Internally, consistent advance business opportunity planning could be improved to facilitate timely and complete vendor sourcing for a strong and sustainable process. The diverse supplier database is not as broad and robust as desired, and the prequalification and qualification processes need to be strengthened. Report generation and quarterly results sharing are limited and not widely distributed. Externally, a sluggish economic recovery has been a challenge for some businesses. Vendors' limited staff, available work crews, and technology constraints continue to be significant barriers to the ability of some diverse companies to obtain contracts.

To manage the changes brought on by Dodd–Frank, FRB Cleveland is committed to sharing information and developing policies and procedures that can become intrinsic to the work flow, and to review solutions that will offer technical assistance to enhance our vendor pools. Timely planning and proactive scheduling related to procurement and contracting continue to be an opportunity for FRB Cleveland to grow. Periodic meetings between CAPS, user departments, and OMWI have helped bridge gaps in communication and have provided a forum to discuss issues.

NEXT STEPS

To support further integration of supplier diversity into our business processes and to achieve desired outcomes, an OMWI Advisory Council (Council) is being formed to set direction for FRB Cleveland in prioritizing and executing diversity and inclusion strategies. The Council will be a small group led by the OMWI director and composed of individuals from key stakeholder areas. The Council will establish and monitor accountability based on results.

Due to recent staff changes and reorganizations, there is a need for supplier diversity education, the development of a procurement plan, and the implementation of a procurement toolkit to assist functional departments with their purchasing decisions.

Reporting tools are also important for the ongoing monitoring of business opportunities, contracts, and spend analytics.

FINANCIAL LITERACY ACTIVITIES

FRB Cleveland's Employee Team on Communication and Culture brings forward diverse perspectives to help inform the development of Bank policies and practices.

FRB Cleveland continues to incorporate OMWI requirements and reporting into its functional framework. The Community Relations (CR) Department takes the lead with support from other key areas to fulfill this responsibility in the areas of financial literacy and mentoring.

Community Relations Mission: To develop productive relationships with civic, nonprofit, and educational institutions in our District, CR will undertake external initiatives that promote understanding of and inspire confidence in the Federal Reserve, and that foster an active engagement in our communities. CR will encourage stakeholders to regard FRB Cleveland as a source of objective research-informed analysis and perspectives, including information, technical expertise, and employment opportunities, that meets many community needs. A principal means of engagement will be programs that teach people to think critically about their financial decisions and to adopt critical thinking as an essential tool for lifetime learning.

The Learning Center and Money Museum remains a cornerstone of FRB Cleveland's community engagement activities. More than 30 hands-on exhibits are designed to inspire conversation and critical thinking about what gives money value. Programs and presentations are aligned with established state curriculum standards. Admission and all programming for the Learning Center as well as FRB Cleveland's Tour Program are free. Specific outreach to underserved communities has been a priority since the opening of the museum in 2006.

SUCCESSES

In partnership with local urban school districts and a Northeast Ohio youth services program provider, FRB Cleveland launched the Cleveland Fed Mentor Program at Shaw High School in East Cleveland (99% majority African-American student population). In September 2011, seven Shaw High program participants attended a speech delivered by Chairman Ben Bernanke and met with him to share information about their work in the program. Programs are held throughout the academic year and are focused on topics the students helped to identify: financial literacy, critical thinking, college readiness, emerging technologies, and entrepreneurship. Anticipated outcomes include student school retention and engagement, employee engagement in outreach efforts, community leadership, and ongoing opportunities to link students with HR recruitment efforts.

The Cleveland Fed Scholars program began in the summer of 2011. Two students from Shaw High School participated in a paid immersion internship program in the CR function designed to familiarize them with the Fed and to encourage high school, job, and college readiness skills. Students spent time with volunteer hosts in the organization and presented their capstone project to FRB Cleveland President Sandra Pianalto.

To encourage community engagement and critical thinking, CR again sponsored its annual writing contest — this year's topic: *Be the Change You Want to See* — which encouraged a record number of high school students (including majority minority schools and an all-girl school) to imagine what they might do to inspire positive change in their local communities.

In April 2011 (financial literacy month), CR coordinated with the *Call & Post*, an Ohio African American weekly newspaper, on a special program insert. A total of 28,000 copies of FRB Cleveland's financial literacy workbook, *Great Minds Think: A Kid's Guide to Money* (Appendix D), were distributed to households across the state. The outreach strategy, coupled with a corresponding initiative targeted at District libraries, increased requests for FRB Cleveland's financial literacy products, programs and partnerships. Since 2007, more than 320,000 copies of the free financial literacy resource have been distributed worldwide to audiences including families, schools, community groups, financial institutions, government agencies, Reserve Banks and the Board of Governors, as well as congressional staff offices.

To promote the involvement of FRB Cleveland's senior leaders in community outreach efforts, FRB Cleveland will continue to build its Leadership Dialogue Series. Geared toward targeted underserved communities including high school, college, and female audiences, the program affords FRB Cleveland leaders the opportunity to share their expertise and areas of interest with diverse audiences. Early activities have included Fed in the Classroom and Fed in the Community videoconference programs. These programs allow Research Department experts and other FRB Cleveland leaders to deliver presentations via videoconference in an effort to expand the geographic diversity of our outreach. The CR function partnered with the Federal Reserve Bank of Kansas City to offer programming and product support as part of financial literacy programs offered during the Congressional Black Caucus and Congressional Hispanic Caucus convention leadership events for youth.

The CR function continuously seeks collaborative opportunities with other Reserve Banks and community partners to maximize outreach efficiencies, promote best practice and resource sharing, and minimize unnecessary duplication of products and services.

CHALLENGES

FRB Cleveland remains engaged and committed to providing access, information, and opportunity to underserved District communities. The legislation's focus is aligned with current Bank strategies. What remains unclear is whether those strategies appropriately address in scale and scope the intent of the legislation. While internal success measures have been established and are regularly reviewed and revised, the legislation does not specifically address the components of a successful program or an optimal level of engagement that considers geographic limitations, particularly where there is no physical office presence. At the System level, Reserve Banks are working to maximize outreach strategies and minimize product duplication through collaboration, communication, and program partnerships.

DISCUSSION OF REGULATED ENTITIES

The Board of Governors is responsible for assessing the diversity policies and practices of regulated entities.

Covered Entities

Standards

Process

Supervisory Observations

CONCLUSIONS AND RECOMMENDATIONS PROVIDED BY DIRECTOR OF THE OFFICE OF MINORITY AND WOMEN INCLUSION

Although the implementation year for FRB Cleveland's OMWI office presented some expected challenges, it also has been one of significant learning and progress. Like many of the other Reserve Banks, FRB Cleveland has long been engaged in programs and practices that support greater inclusion of minorities and women in its workforce and in supplier opportunities (Appendix E). Dodd–Frank provides greater specificity around recruitment, contract/procurement, and financial literacy, which allows FRB Cleveland to leverage successful diversity and inclusion practices to ensure the successful implementation of Section 342.

While FRB Cleveland has achieved much success in implementing the legislative action of Dodd–Frank, there were some lessons learned and improvement opportunities during this implementation phase:

1. Strong and consistent communication and collaboration among OMWI functions in each Reserve Bank and at the Board are essential to continued progress. It was through collective insights and efforts that so much was accomplished across the Federal Reserve System during the first year.
2. The collaboration ultimately creates greater strategic focus on efforts that may most significantly predict and influence progress in all areas.
3. FRB Cleveland has an expanded pool of diverse suppliers, but there remains a gap in identifying quality diverse suppliers that meet the requirements for certain FRB Cleveland acquisitions. The CAPS function will have to be creative in developing these opportunities and in addressing subcontractor opportunities.
4. FRB Cleveland is generally meeting the legislative requirements as they relate to workforce composition but acknowledges there is room for improvement. In addressing improvement opportunities in the coming year, FRB Cleveland will seek to further expand recruiting and retention initiatives. FRB Cleveland will continue to evaluate the minority-serving colleges and universities at which it recruits to ensure that the talent pool at the school is a good match for the types of positions being offered.
5. The identification of schools, specific programs for those schools, and delivery mechanisms for those schools in areas that are beyond our head office and branch location will help ensure our economic education and financial literacy programs are reaching inner-city high schools, girls' high schools, and other majority-minority populations.

Recommendations:

The interpretation of the legislation and expectations of Congress presented challenges this past year. Opportunities to engage in an informal dialogue (including Q&A) with Congressional representatives periodically may better ensure that our efforts are aligned with expectations.

APPENDICES

A. **2011 EEO-1 Report**

B. **Comparison Chart of 2006 - 2010 Diversity and Inclusion Survey Results**

C. **Commission on Economic Inclusion 2010 Employers Individual Scorecard**

D. ***Great Minds Think: A Kid's Guide to Money*** **(Available in English and Spanish)**

E. ***DiversityInc*** **Article**

A. 2011 EEO-1 Report

co= 1231043
u= 1231043

EQUAL EMPLOYMENT OPPORTUNITY
2011 EMPLOYER INFORMATION REPORT
CONSOLIDATED REPORT - TYPE 2

SECTION B - COMPANY IDENTIFICATION

1. FEDERAL RESERVE BANK OF CLEVELAND
1455 EAST SIXTH STREET
CLEVELAND, OH 44114

2.a. FEDERAL RESERVE BANK OF CLEVELAND
1455 EAST SIXTH STREET
CLEVELAND, OH 44114

c. Y

SECTION C - TEST FOR FILING REQUIREMENT

1-Y 2-N 3-Y DUNS NO.:004454450

SECTION E - ESTABLISHMENT INFORMATION

NAICS:

SECTION D - EMPLOYMENT DATA

JOB CATEGORIES	HISPANIC OR LATINO		NOT-HISPANIC OR LATINO												OVERALL TOTALS
			********** MALE **********						********** FEMALE **********						
	MALE	FEMALE	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	
EXECUTIVE/SR OFFICIALS & MGRS	0	0	9	0	0	0	0	0	4	0	0	0	0	0	13
FIRST/MID OFFICIALS & MGRS	1	0	109	5	0	1	0	1	60	10	0	1	0	0	188
PROFESSIONALS	4	2	230	15	1	11	1	0	154	22	0	11	1	2	454
TECHNICIANS	0	0	4	3	0	1	0	0	3	3	0	0	0	0	14
SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADMINISTRATIVE SUPPORT	0	2	53	19	0	2	0	0	143	71	0	2	0	0	292
CRAFT WORKERS	2	0	30	4	0	0	0	0	0	0	0	0	0	0	36
OPERATIVES	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2
LABORERS & HELPERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SERVICE WORKERS	1	0	71	12	1	0	1	0	6	3	0	0	0	0	95
TOTAL	8	4	508	58	2	15	2	1	370	109	0	14	1	2	1094
PREVIOUS REPORT TOTAL	8	5	559	62	1	15	1	2	458	146	0	16	1	2	1276

B. Comparison Chart of 2006 - 2010 Diversity and Inclusion Survey Results

Survey Results by Strategic Focus Area

Strength
Midrange
Opportunity

Diversity Focus Area	2006 Strength/ Midrange/ Opportunity	2006 Favorable/ Neutral / Unfavorable	2010 Strength/ Midrange/ Opportunity	2010 Favorable/ Neutral/ Unfavorable	2006 - 2010 Progress Comparison (Favorable perceptions %)	2006 - 2010 Progress Comparison (Unfavorable perceptions %)
Corporate Communications Reflective of Diversity	M	55/27/19	S	83/12/5	+28	-14
General Perceptions of Diversity	S	73/16/11	S	79/13/8	+6	-3
Inclusive Culture & Values	M	64/20/16	S	72/17/11	+8	-5
Diversity Education & Training	M	55/26/18	M	68/20/13	+13	-5
Employee Involvement	n/a	n/a	M	67/23/10	n/a	n/a
Recruiting Diverse Talent	M	58/27/16	M	66/24/11	+8	-5
Retaining Diverse Talent	*M	55/18/27	M	63/16/21	+8	-6
Diversity Performance Accountability/ Measurement	M	50/34/16	M	61/28/11	+11	-5
Leadership Commitment & Involvement	O	40/36/24	M	57/29/15	+17	-9
Community Diversity	O	42/35/24	M	55/30/16	+13	-8
Career Development for Diverse Talent	O	40/26/33	O	49/23/27	+9	-6
Advancing Diverse Talent	O	30/22/49	O	30/24/47	--	-2

* Note: In 2006, Retaining Diverse Talent was perceived to be a "midrange" area according to its favorable responses [55% favorable] from respondents, although it also had relatively high unfavorable responses [27% unfavorable] compared to other focus areas.

C. Commission on Economic Inclusion 2010 Employers Individual Scorecard

Annual Employers Survey on Diversity 2010

Individual Scorecard

Based on your organization's 2010 survey responses, your results were plotted for each metric measured on the survey. Scores are based on a combination of quantitative results and affirmative answers on survey items related to that metric.

The following pages present your scores on each of the following measures:

- board diversity
- senior management diversity
- workforce diversity
- hiring diversity
- supplier diversity at the national spend level
- supplier diversity at the regional spend level

To make the information as useful as possible, your responses were compared to your sector group, either for profit or a combination of nonprofit and government organizations. A listing of suggested best practices for each measured diversity and inclusion area is enclosed with the scorecard.

1. For each measure, the number of survey participants which scored in each quadrant is noted.

2. On each measure, Q1 and Q2 are above the average quantitative score in each category.

    - Q1 organizations are the highest quantitative scorers among the overall survey participants.
    - Q2 scorers scored at or above the group average but not in the highest group.
    - Q3 scorers provided data on the metric, but scored below the group average although not in the lowest group
    - Q4 includes lowest scores and those participants who did not provide data on that measure

3. Dots are placed based on quantitative results. The color of the dot is based on the presence of affirmative answers related to that item:

    - Red dot = the organization meets the quantitative requirements for that quadrant, but did not report the presence of the relevant policy or practice
    - Green dot = the organization meets all requirements for that quadrant, including the presence of the relevant policy or practice

2010 Employers Survey on Diversity

Individual Scorecard

Federal Reserve Bank of Cleveland

COMMISSION
on Economic Inclusion

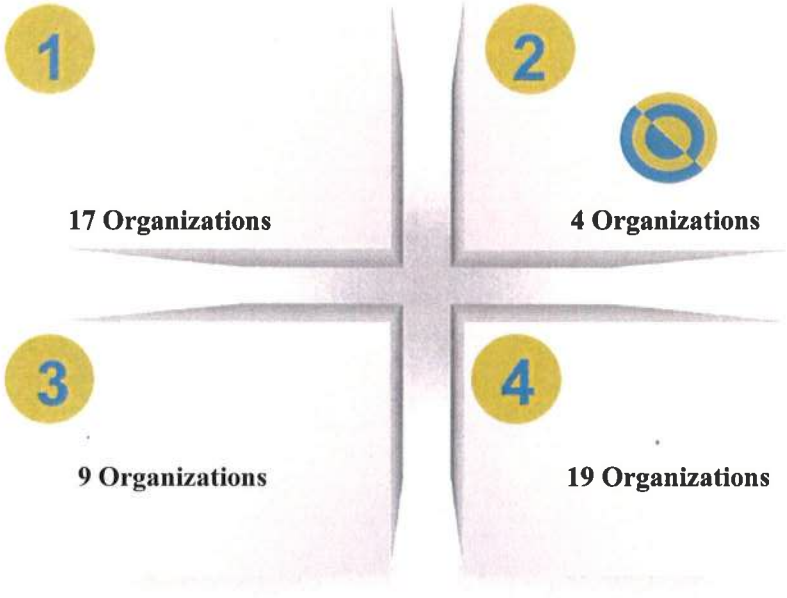
Legend

Your organization is in this quadrant and has accomplished both the quantitative and qualitative requirements

Your organization is in this quadrant and accomplished the quantitative requirements but has not accomplished one or more of the qualitative requirements

COMMISSION on Economic Inclusion

Board of Directors (Minority Representation)



22.0% and above minority

- Has board policy
- Has diversity goals in business or strategic plan

2 16.0% to 21.9% minority

- Has board policy
- Has diversity goals in business or strategic plan

3 10.0% to 15.9% minority

- Has board policy
- Has diversity goals in business or strategic plan

4 Less than 10.0%

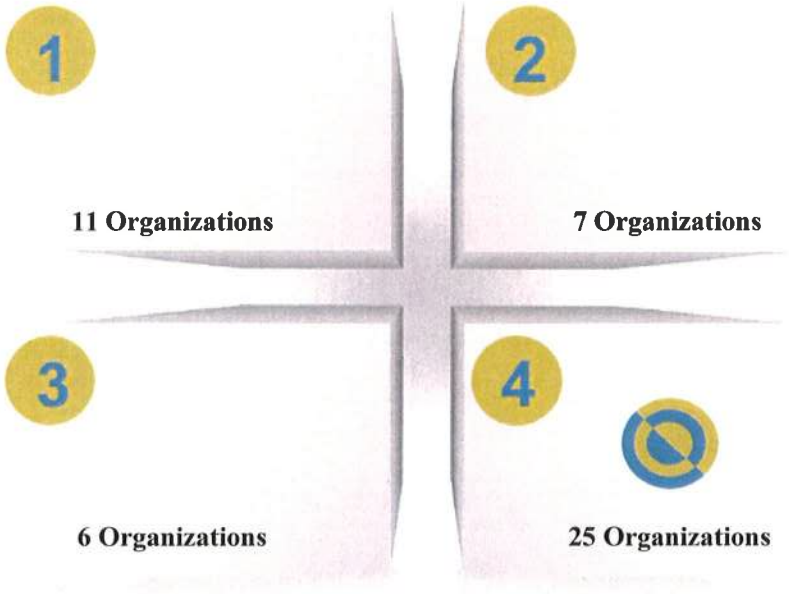
- No data provided.

Survey Results For This Area (Minority Representation)

- **Commission Aggregate Non-Profit:** 15.9%
- **Your Organization:** 18.2%
  - **Written board policy on diversity and inclusion?** Y
  - **Does business plan include diversity management goals?** Y

COMMISSION on Economic Inclusion

Senior Management (Minority Representation)



24.0% and above minority

- Train and develop minorities
- Measures accountability

17.0% to 23.9% minority

- Train and develop minorities
- Measures accountability

9.0% to 16.9% minority

- Train and develop minorities
- Measures accountability

4 Less than 9.0%

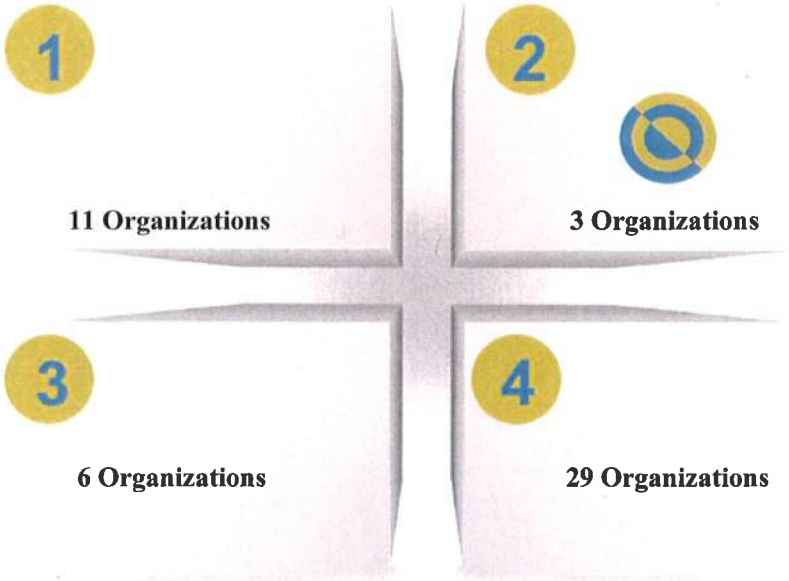
- No data provided

Survey Results For This Area (Minority Representation)

- **Commission Aggregate Non-Profit:** 16.9%
- **Your Organization:** 6.0%
  - **Written policies toward the development of minorities?** Y
  - **Managers held accountable through performance appraisals?** Y

COMMISSION on Economic Inclusion

Supplier-Diversity Spend (Total)



8.0% and above minority

- Formal supplier-diversity program
- Track purchases from minority suppliers

2 5.0% to 7.9% minority

- Formal supplier-diversity program
- Track purchases from minority suppliers

3 3.0% to 4.9% minority

- Formal supplier-diversity program
- Track purchases from minority suppliers

4 Less than 3.0%

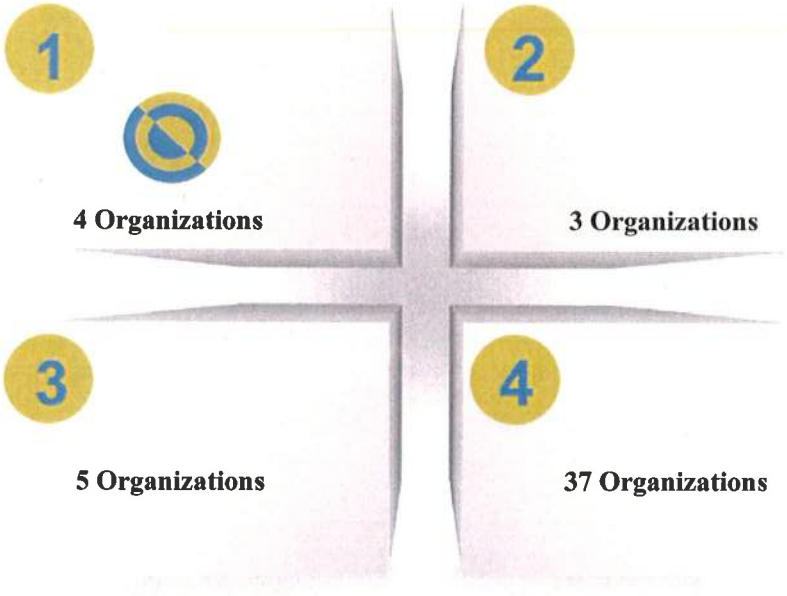
- No data provided

Survey Results For This Area (Minority Representation)

- **Commission Aggregate Non-Profit:** 5.1%
- **Your Organization:** 7.6%
  - **Formal supplier-diversity program?** Y
  - **Track purchases from minority vendors and suppliers?** Y

COMMISSION on Economic Inclusion

Supplier-Diversity Spend (Regional)



1 — 12.0% and above minority

- Formal supplier-diversity program
- Track purchases from minority suppliers

9.0% to 11.9% minority

- Formal supplier-diversity program
- Track purchases from minority suppliers

3 — 3.0% to 8.9% minority

- Formal supplier-diversity program
- Track purchases from minority suppliers

4 — Less than 3.0%

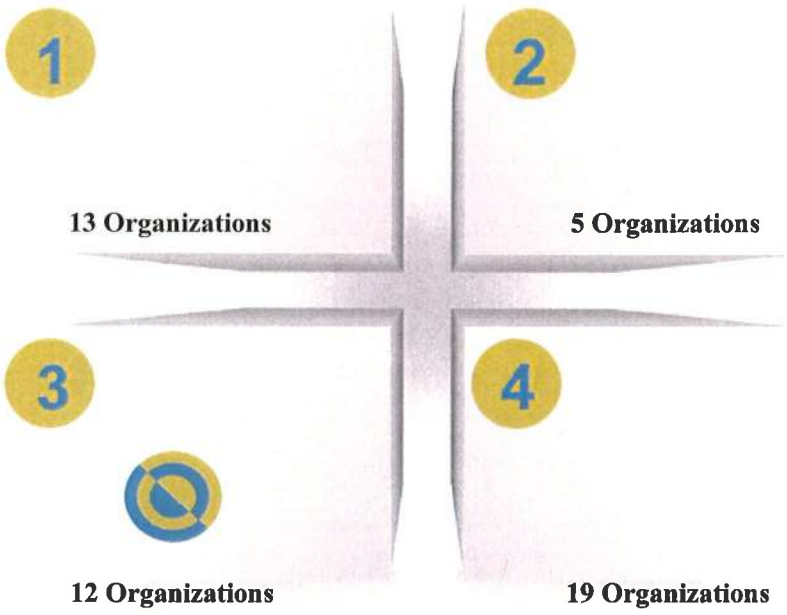
- No data provided

Survey Results For This Area (% of Regional Budget Spent With Minority Suppliers)

- **Commission Aggregate Non-Profit:** 9.2%
- **Your Organization:** 20.2%
  - **Formal supplier-diversity program?** Y
  - **Track purchases from minority vendors and suppliers?** Y

COMMISSION on Economic Inclusion

Work Force(Minority Representation)



28.0% and above minority

- Written statement/policy on diversity
- Managers held accountable through performance appraisals

24.0% to 27.9% minority

- Written statement/policy on diversity
- Managers held accountable through performance appraisals

3 **12.0% to 23.9% minority**

- Written statement/policy on diversity
- Managers held accountable through performance appraisals

4 **Less than 12.0%**

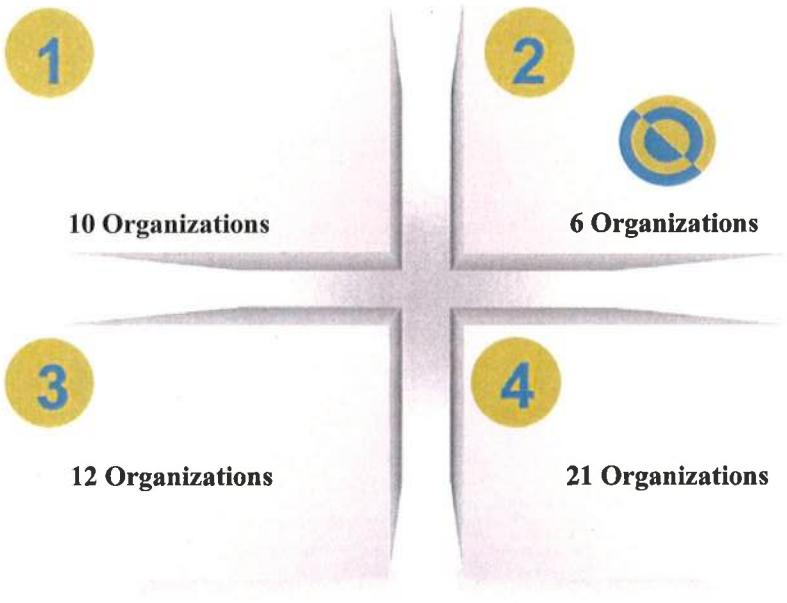
- No data provided

Survey Results For This Area (Minority Representation)

- **Commission Aggregate Non-Profit:** 24.0%
- **Your Organization:** 22.0%
  - **Written statement/policy on diversity?** Y
  - **Managers held accountable through performance appraisals?** Y

COMMISSION
on Economic Inclusion

New Hires (Minority Representation)



30.0% and above minority

- Policy/practice recruitment and selection of minorities.

2 24.0% to 29.9% minority

- Policy/practice recruitment and selection of minorities.

12.0% to 23.9% minority

- Policy/practice recruitment and selection of minorities.

Less than 12.0%

- No data provided

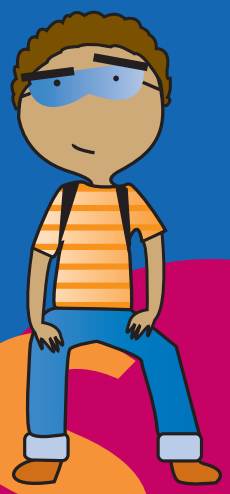
Survey Results For This Area (Minority Representation)

- **Commission Aggregate Non-Profit:** 24.4%
- **Your Organization:** 26.0%
  - **Written policy for recruitment/selection of minorities?** Y

D. *Great Minds Think: A Kid's Guide to Money*
(Available in English and Spanish)

Great Minds Think

A Kid's Guide to Money



FEDERAL RESERVE BANK *of* CLEVELAND

Learning Center and Money Museum

Table of Contents

1. You Decide
2. Learn to Earn
3. Earning Money
4. Spending: What's the Real Cost?
5. I Want It! I Need It!
6. Budget Basics
7. Budget Worksheet
8. Saving: Money in the Bank
9. Picture This!
10. What's the Plan?
11. You're on Your Way!
12. Money Word Search and Glossary

An old rock group called the Rolling Stones once sang, "You can't always get what you want." That's true of lots of things in life, but it's especially true of money.

In this book, you'll learn some things that every clever kid should know about money.

Read on to find out how "Great Minds Think"!

A surprise waits for you at the end if you complete this book.

You Decide

We all have a limited amount of money that we can use to buy the things we need or want. We call this **scarcity**. Sure, it would be nice to have whatever we want whenever we want it, but because our money is scarce, we have to make **choices** about how to earn, spend, and save it.

When you make a choice, you give up one thing—your **cost**—in exchange for another thing that you want or need—your **benefit**. For example, when you go to the movies, you choose whether to see a scary movie or a funny one. If you choose the scary movie, you give up the opportunity to see the funny movie.

As you read on, you'll discover that making choices is all about weighing the costs and benefits of each decision.

Learn to Earn

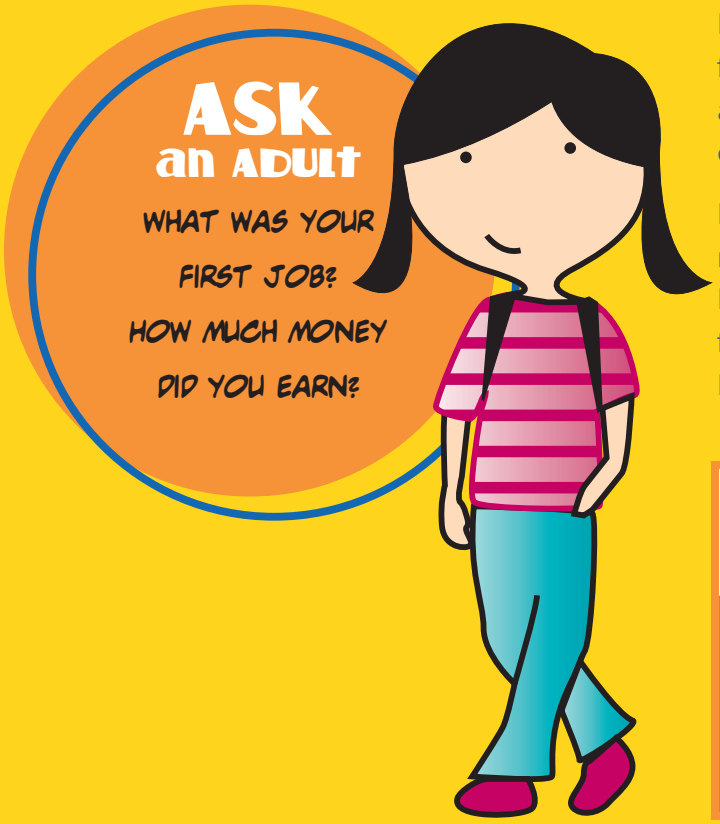
Where does money come from? Hint: It doesn't *really* grow on trees.

Most people get money by **earning** it, and that money is called **income**. When you earn income, you trade your time and effort for dollars—in other words, you work. The money you earn from work allows you to do two important things: spend and save.

You're not too young to earn your own money. In fact, when you learn to earn, you'll gain other important skills that will help you succeed in life: how to use time wisely and how to work with other people, for starters.

To figure out how you could earn income, ask yourself:

- What special skills and talents do I have?
- How do I enjoy spending my time?
- Do my friends, family, or neighbors need help with something?
- Are there things I have at home or could borrow—like a computer, tools, or art supplies—that I could use to earn money?



Here's an example:

Dylan is saving money to buy a birthday present for his grandmother. He loves to be outside, so he asks two neighbors to hire him to do outside chores during summer vacation.

Mr. Jones offers to pay Dylan $10 per week for the next 10 weeks to mow his lawn. Another neighbor, Mrs. Banks, offers him $20 to plant flowers in her front yard for one day. Dylan accepts both offers. How much will he earn this summer?

Lawn mowing:

10 weeks @ $10 per week = _____

Flower planting:

1 day @ $20 per day = _____

Total = _____

Earning Money

Think about jobs you could do to earn money and figure out how much you could earn in one week or one month.

My special skills and talents are:

_____

_____

_____

Here are three ways that I could use my skills and talents to earn money:

1. _____

2. _____

3. _____

How much could I earn by doing these jobs?

	Column A Amount earned by working one week	Column B Amount earned by working one month (Column A x 4)
Earning Idea #1:		
Earning Idea #2:		
Earning Idea #3:		

Spending: What's the Real Cost?

At the beginning of this book, we talked about choices. When you make a choice, you have to give up one thing—an opportunity—to get another thing that you want or need more.

We all make choices every day: what time to get out of bed, what to eat for breakfast, and how much time to spend doing homework are some of the choices you might make.

When you make a choice to spend your time or money on one thing, you give up the opportunity to spend it on another thing. The thing that you give up—your second-best choice—is called your **opportunity cost**. The idea of opportunity cost can help you make choices because you have to think about what you are giving up. Here's an example:

You love two things: soda and gum. A soda costs $1, and a pack of gum costs 50 cents. If you have only $1, you can buy either one soda or two packs of gum. The opportunity cost of buying one soda, then, is two packs of gum—you give up the gum in order to buy the soda. On the flip side, the opportunity cost of buying two packs of gum is one soda.

Can you think of any other examples?

If I spend my time/money on...	I have to give up...

Because of **scarcity**, everyone has a limited amount of money to spend. That's why we have to make choices about how to spend the money we do have. Usually, that means choosing between things that we **need** and things that we **want**.

Some things are necessary to survive, such as shelter, food, and clothes. These are things we absolutely can't do without.

Other things are nice to have, but aren't necessary to live, such as video games, candy, movie tickets, or an MP3 player. We can do without these things, even though we might not want to.

When it comes to making choices about money, there is no one right or wrong answer, because everyone's needs and wants are different.

I want it! I NEED IT!

What are your needs and wants?

Write down five things you need to survive and five things you want, but could do without. Next, rank the importance of each thing, numbering them from "1" (most important) to "5" (least important). Share your list with a grown-up and explain your choices.

Things I Need	Importance To Me (1-5)	Things I Want	Importance To Me (1-5)

BUDGET BASICS

A **budget** is a plan that balances money coming in (income) with money going out (expenses). To make a budget, first add up all of your **income**—for example, money you earn from work, an allowance, or even birthday or holiday gifts. That's the amount of money you have to spend or save. Then, add up all your **expenses**—the money you plan to spend on things you need or want.

There are lots of things you might want to buy, but you know you can't have everything you want. You have to think about the costs and benefits of each expense and decide which are most important to you.

Here's an example: Kayla gets an allowance of $5 per week. She also walks her neighbor's dog every day, earning $15 per week. On top on that, Kayla received a birthday gift of $20. So, Kayla has three different sources of income this week.

Use the **Budget Worksheet** to figure out Kayla's total income for the week.

Kayla must decide how to spend her money. At the end of the week, she'd like to have money left over to save. She comes up with a list of choices:

- Book for school assignment: $8
- Trip to the movies (ticket, popcorn, and soda): $14
- Lunch at school ($2 per day): $10
- Birthday gift for her brother: $10
- Cell phone (one month's service): $30
- Candy and gum: $4
- Downloads to her MP3 player: $15
- Donation to the local food bank: $5

Does Kayla have enough money for all these things? How would you suggest that Kayla spend her money? How much could she save for later?

BUDGET WORKSHEET

Column A **Income**		Column B **Expenses**	
Source(s)	**Amount ($)**	**Item**	**Amount ($)**
	Total:		**Total:**

How much is left over?

(Column A Total minus Column B Total): $ _____

Saving: Money in the Bank

One of the most important things you can do with money is to **save** it—that is, put some money aside now so that you can use it later. By saving a little bit each week, you can put together enough money to buy something special, such as a new bicycle, a trip to an amusement park, or a gift for someone special.

You can save money at home (in a piggy bank, for instance) or at a **bank**. When you deposit money in a bank, it's kept safe in a special account with your name on it. When you want to use the money you've saved, you go to the bank and make a withdrawal.

When you save money, it helps to have a goal in mind—an idea of how you'd like to spend it. For example, Mark wants to save money to go to an amusement park. He'll need to save $75 to pay for his admission, food, and a souvenir.

If Mark saves $5 each week, how many weeks will it take to save $75? _____

How long will it take if he saves $10 per week? _____

ASK an ADULT

DID YOU EVER SAVE MONEY FOR SOMETHING SPECIAL WHEN YOU WERE A KID?

Picture this!

Think of a goal you'd like to save for. Draw a picture or paste photos cut from magazines to show your savings goal. Hang this picture on the refrigerator, in your room, or next to your piggy bank to remind yourself to save your dollars and cents.

What's the Plan?

Now that you know what you'd like to save money for, figure out how much you'll need to save each week and how long it will take to reach your goal.

The goal I want to save for is: _____

To get there, I must find out:

A. How much do I need to save? $ _____

B. How much do I have now? $ _____

C. How much more do I need? $ _____
(A minus B)

If I save...	I will reach my goal in this many weeks...
$1 per week	
$2 per week	
$5 per week	
$10 per week	

You're on Your Way!

There sure is a lot to learn about money! You've learned how to make choices about earning, spending, and saving it!

What Do You Know?

How much have you learned about earning, spending, and saving money?

Next to each statement, write "T" if the statement is true, or "F" if the statement is false.

Find answers on back of booklet.

_____ **1.** Scarcity means we all have an unlimited amount of money.

_____ **2.** People earn money by trading time and effort for dollars.

_____ **3.** Money you spend is called income.

_____ **4.** A budget is a plan that lets you spend as much money as you want.

_____ **5.** When you save, you put money aside for later use.

_____ **6.** Every choice has both a cost and a benefit.

_____ **7.** When you make a choice, the thing you give up—your second-best choice—is your opportunity cost.

Money Word Search

Find each of the words listed below in the puzzle. Be sure to look up and down, across, diagonally, and backwards.

I	B	A	W	I	S	U	S	D	V	M	E	T	O	B
N	R	A	V	X	E	D	G	U	I	V	I	B	R	X
C	O	C	N	V	S	B	K	N	A	F	U	K	L	E
O	A	G	O	K	N	S	D	S	E	A	A	V	B	Y
M	T	G	G	V	E	S	P	N	E	C	I	O	H	C
E	A	H	E	T	P	K	E	E	U	L	K	E	M	P
S	G	U	I	K	X	B	T	V	N	X	H	A	A	Q
M	D	K	F	N	E	G	E	J	N	D	R	G	C	Q
Q	V	E	R	Z	K	R	G	W	A	N	T	S	O	C
M	V	J	E	O	G	E	D	G	H	C	I	B	S	E
A	P	H	V	N	M	A	U	C	B	O	G	C	T	M
O	U	X	X	W	F	T	B	C	F	J	S	U	S	I
P	N	X	Q	K	D	W	L	Y	Y	R	N	R	A	E

BANK	EXPENSES	NEEDS
BENEFIT	CHOICE	WANTS
EARN	SPEND	INCOME
COST	SAVE	BUDGET
GREAT	MINDS	THINK

IF YOU DON'T REMEMBER A WORD, CHECK THE GLOSSARY TO FIND OUT WHAT IT MEANS.

Find answers on back of booklet.

Glossary

Bank
A place to save money

Benefit
What you gain when you make a choice—the satisfaction of your needs or wants

Budget
A plan that balances money coming in (income) with money going out (expenses)

Choice
An option that you select

Cost
What you give up (such as time or money) when you make a choice

Earn
To receive money in exchange for work

Expenses
Money that you spend (the opposite of income)

Income
Money that you receive in return for your work (the opposite of expenses)

Needs
Things that are necessary to survive

Save
To put money aside for later use, to accumulate money (the opposite of spend)

Spend
To use money to buy things (the opposite of save)

Wants
Things that are nice to have, but aren't necessary to survive

GREAT MINDS THINK

Certificate of Completion

I, _____ ,

used my "Great Mind" to learn about earning, spending, and saving money.

Date: _____

Signature: _____

Begin a conversation about money

visit the Learning Center and Money Museum
at the Federal Reserve Bank of Cleveland.

To plan a visit, call 216.579.3188
or go to www.clevelandfed.org/learning_center.

Additional copies of this book are available online in English and Spanish
at www.clevelandfed.org/learning_center.
To order additional copies, e-mail learningcenter@clev.frb.org or call 216.579.3188.

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Answers from page 11:

1. False 2. True 3. False 4. False 5. True 6. True 7. True

Answers from page 12:

I	B	A	W	I	S	U	S	D	V	M	E	T	O	B
N	R	A	V	X	E	D	G	U	I	V	I	B	R	X
C	O	C	N	V	S	B	K	N	A	F	U	K	L	E
O	A	G	O	K	N	S	D	S	E	A	A	V	B	Y
M	T	G	G	V	E	S	P	N	E	C	I	O	H	C
E	A	H	E	T	P	K	E	E	U	L	K	E	M	P
S	G	U	I	K	X	B	T	V	N	X	H	A	A	Q
M	D	K	F	N	E	G	E	J	N	D	R	G	C	Q
Q	V	E	R	Z	K	R	G	W	A	N	T	S	O	C
M	V	J	E	O	G	E	D	G	H	C	I	B	S	E
A	P	H	V	N	M	A	U	C	B	O	G	C	T	M
O	U	X	X	W	F	T	B	C	F	J	S	U	S	I
P	N	X	Q	K	D	W	L	Y	Y	R	N	R	A	E

FEDERAL RESERVE BANK *of* CLEVELAND
Learning Center and Money Museum
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Cleveland, Ohio 44114
216.579.3188

11.11
25M

E. *DiversityInc* Article

TRACI DUNN
HUNTINGTON BANCSHARES

SANDRA PIANALTO
THE CLEVELAND FED

DIANA STARKS
THE CLEVELAND FED

In addition, Huntington partners with the Minority Business Assistance Center of the Urban League of Greater Cleveland and the Cleveland Small Business Development Center to sponsor Huntington National Bank Days at the Urban League. These events enable minority-owned business enterprises direct access to business bankers to discuss their current and future financial needs. Huntington is currently the fourth-largest SBA lender in the country by number of loans, Dunn says.

"The ultimate goal of this cultural shift is to create a workforce of top talent that is inclusive and reflects the communities we serve," says Keith Sanders, executive vice president and human-resources director at Huntington. "When it all comes together, Huntington becomes an even better place to work and grow professionally."

Shaping Diversity and *Inclusion Strategies*

The Federal Reserve Bank of Cleveland launched its most recent diversity and inclusion initiative in 2006 by conducting an extensive "diversity culture audit" that included interviews with senior executives, focus-group sessions, one-on-one interviews, a review of policies and practices, and a bank-wide survey. A multi-year strategic plan was developed, according to Diana Starks, assistant vice president and diversity officer in the Office of Minority and Women Inclusion (OMWI) at the Cleveland Fed. She says the results of a second survey were recently discussed with senior bank leadership and will help to shape diversity and inclusion strategies for the next three-year period.

The Federal Reserve Bank of Cleveland is one of 12 Reserve banks within the Federal Reserve System. It contributes to the formulation of U.S. monetary policy, monitors economic and financial conditions in the region, and regulates banks within its territory, which includes Ohio, western Pennsylvania, eastern Kentucky, and the northern portion of West Virginia.

Starks says there are three components of the Cleveland Fed's diversity and inclusion journey. "We are aggressively working to have an inclusive environment. We are creating a workplace that is representative of the communities in which we live and do business and is consistent with the applicable job market, and we want to gain a reputation of having a diverse and inclusive environment," she says.

The bank conducts training and education for the entire workforce to raise and enhance awareness and build cultural competence for individuals and teams. Starks says the bank has a robust supplier-diversity program that has facilitated new business relationships with small and minority-owned businesses and has enhanced its community-outreach initiatives.

According to Starks, Sandra Pianalto, the president and chief executive officer of the Cleveland Fed, demonstrates her commitment to a diverse and inclusive workplace through her leadership, working with her executive team to advance the bank's diversity and inclusion strategies, attending and participating in various dialogue sessions with staff, and through her community involvement and engagement.

FEDERAL RESERVE BANK *of* CLEVELAND

Inquiries concerning this report should be directed to OMWI@clev.frb.org.

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