

# OFFICE OF MINORITY AND WOMEN INCLUSION

## 2023 ANNUAL REPORT TO CONGRESS



FEDERAL RESERVE BANK  
OF MINNEAPOLIS



## REPORT TO THE CONGRESS ON THE OFFICE OF MINORITY AND WOMEN INCLUSION

April 1, 2024

Federal Reserve Bank of Minneapolis



### SUBMITTED BY

Patience Ferguson, Senior Vice President and Director, Office of Minority and Women Inclusion,  
Federal Reserve Bank of Minneapolis

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 MINNEAPOLIS

*Pursuing an economy that works for all of us*

April 1, 2024

Members of Congress:

In accordance with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, please find enclosed the Federal Reserve Bank of Minneapolis (Bank) 2023 annual congressional report on the Office of Minority and Women Inclusion (OMWI).

This is the 13th annual report submitted to Congress. The Bank continues to develop and refine its policies and practices to ensure inclusion of minority groups, women, and minority- and women-owned businesses in all activities, and this report outlines the actions taken by the Bank and the OMWI in 2023.

We have placed our focus on key initiatives in this critical area as we move ahead. Our commitment is to ensure that the Bank is an environment where inclusion is embraced at every level and that all employees are respected and valued.

Sincerely,

Neel Kashkari  
President

Patience Ferguson  
Senior Vice President and Director,  
Office of Minority and Women Inclusion

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**"At the Minneapolis Fed,** we believe that a welcoming and inclusive environment is critical to achieving our mission of pursuing an economy that works for all of us. By incorporating DEI into our strategic direction, we ensure that fairness and trust are central to how we operate. Ultimately, we believe this emphasis optimizes our effectiveness while making us an employer of choice and one that others emulate."

DOMINICK WASHINGTON,  
ASSISTANT VICE PRESIDENT,  
PUBLIC AFFAIRS

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# Executive Summary

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Pursuant to Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (DFA), the Federal Reserve Bank of Minneapolis (Bank) established an Office of Minority and Women Inclusion (OMWI) in January 2011. The OMWI reports annually to Congress on the actions taken by the Bank. This 2023 report provides current status, including achievements and challenges; describes the Bank’s approach and activities related to the OMWI; and presents a plan for next steps.

The Bank continued making progress relative to the requirements of Section 342 of the DFA. Our commitment to diversity, equity, and inclusion positions us to achieve our mission by advancing key strategies inclusively, operating business functions effectively and thoughtfully, and attracting and retaining the talent necessary to accomplish these aims. These qualities strengthen the Federal Reserve System and improve the Bank’s ability to achieve our mission. The Bank’s OMWI is a catalyst to reinforce and strengthen this commitment. Leaders and staff from all functions contribute to the Bank’s commitment to business practices that promote diversity, equity, and inclusion in employment and procurement activities. The OMWI’s work is supported by the Bank’s executive leadership team; the Diversity, Equity, and Inclusion Advocacy Council (DEIAC), which is a cross-functional working group composed of managing officers; employees who plan and implement inclusion activities; and our growing Employee Resource Network (ERN) program, which continued offering staff and leadership support and helped drive the Bank’s strategic objectives.

## MINORITY AND WOMEN EMPLOYMENT

The Bank must create and leverage a talented workforce and inclusive work environment to achieve our mission of pursuing an economy that works for all of us. These factors improve our resiliency, effectiveness, and public engagement. This commitment to advancing a diverse, equitable, and inclusive environment is evident by our progress throughout the organization and across all levels. Over three-fourths of employees report to a senior vice president who identifies as a minority, a woman, or both. The Bank’s employment demographic profile is more diverse than the Minneapolis–St. Paul Metropolitan Statistical Area (MSA).<sup>1</sup> Overall, the Bank’s share of women has decreased in recent years, while the share of minority employees has increased. For example, women held 48 percent of all positions in the Bank in 2023 compared with 50 percent in 2020; staff identifying as minorities held 33 percent of all positions in 2023, but 28 percent in 2020. In contrast, the Bank’s first- and mid-level management roles increased in gender and ethnic/racial diversity during this time. For instance, the share of women holding these positions increased from 45 percent in 2020 to 46 percent in 2023, and the share of minority staff members increased from 21 percent in 2020 to 26 percent in 2023. The rate of women in officer roles increased from 42 percent in 2021 to 49 percent in 2023. The Bank’s hiring efforts also increased our overall diversity, as 44 percent of external hires were women and 43 percent were people that identified as minorities.

In 2023, the Bank continued to focus on many of the same topics as in 2022, including measuring progress against our core metrics, expanding the ERN program, and promoting the Bank’s diversity, equity, and

<sup>1</sup> Here and elsewhere in this report, MSA or Minneapolis–St. Paul refers to the 15-county Minneapolis–St. Paul Metropolitan Statistical Area, an area defined by the U.S. Census Bureau to include a common economic zone composed of the central cities and surrounding suburbs. Demographics reflect those of the total population of this area. Data are as of the 2018–2022 American Community Survey of the U.S. Census Bureau.

inclusion-related efforts. These efforts resulted in significant successes, and included reviving our financial literacy and outreach efforts with youth, which we had paused and reimagined during the COVID-19 pandemic. The Bank also added a 10th ERN, which is the first in the Federal Reserve System to focus on Native American and Indigenous employees and allies.

#### MINORITY- AND WOMEN-OWNED BUSINESS INCLUSION

The Bank had \$63.6 million in total reportable spend in 2023. Of this spend, the Bank purchased 33 percent from minority- and women-owned businesses. Minority-owned firms represented approximately 31 percent of the Bank's overall spend.

#### FINANCIAL LITERACY

Pursuant to the DFA, the Bank supports financial literacy activities directed toward high school students who identify as minority or female or are from low- and moderate-income households. These programs expose students to careers in the financial services industry while improving the financial literacy of underserved communities. Most of this programming has historically involved in-person interactions. Due to the COVID-19 pandemic, the Bank suspended its financial literacy programs from 2020 to 2022. We revived our financial literacy and youth mentoring activities in 2023.

Overall, the Bank directly reached approximately 40 high school students through presentations and career exposure activities. In addition, the Bank continued its partnership with Cristo Rey Jesuit High School, Twin Cities. This school enrolls students from families with limited economic means, and most identify as minority. Through this partnership, several divisions hosted three Cristo Rey students during the academic year. In addition to developing skills through a variety of projects, students participating in this program grow their network and gain a deeper understanding of the work of our Bank and the Federal Reserve System.

#### REGULATED ENTITIES

The Federal Reserve Board of Governors' annual report to Congress addresses the OMWI provisions for regulated entities.

The report that follows further explains the Bank's implementation of the OMWI responsibilities.

# Overview



## NINTH FEDERAL RESERVE DISTRICT

The purpose of this overview is to provide background on the Ninth Federal Reserve District (District), the demographics of the Minneapolis–St. Paul area, and the Bank’s core and centralized responsibilities as context for discussion of its OMWI activities.

The Bank, including its Branch in Helena, Montana, serves the six states of the District: Minnesota, Montana, North Dakota, South Dakota, 26 counties in northwestern Wisconsin, and the Upper Peninsula of Michigan. The District stretches 1,800 miles from east to west and is home to about 9 million people, including more than 3.6 million in the Minneapolis–St. Paul area.

Although 12 percent of the nation’s land is in the District, only approximately 3 percent of the nation’s population resides here. In the Minneapolis–St. Paul area, where the Bank’s head office is located, 27 percent of the population identify as minority. As shown in Table 1, the population is 73 percent White, non-Hispanic, with most of the minority population identifying as Black or African American, Asian, and Hispanic ethnicities.

## FEDERAL RESERVE BANK OF MINNEAPOLIS

The Bank’s core functions are supervision and

TABLE 1

### 2023 Minneapolis–St. Paul Population by Ethnicity

Ethnicity	Percentages
White, Non-Hispanic	73%
Black or African American	9%
Asian	7%
Hispanic	6%
American Indian or Alaska Native*	2%
Two or More Races	3%
Some Other Race	0%
Native Hawaiian or Other Pacific Islander	0%

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates for 2018–2022, Minneapolis–St. Paul MSA  
 Note: Totals may not equal 100 due to rounding.  
 \*AIAN includes alone or in combination, excluded from Two or More Races.

regulation, operations and internal support, and monetary policy and community affairs. The Supervision, Regulation, and Credit division monitors and examines financial institutions for safety and soundness and consumer compliance, and provides credit to all financial institutions within the Ninth District to support financial and economic stability. Operations represents the products and services contracted by financial institutions, such as Cash



Services. Internal support represents the activities that support all other Bank functions and activities, such as those under Human Resources and Inclusion (HRI), Financial Management/Accounting, and Technology.

As a rotating voting member of the Federal Open Market Committee, the Bank's president serves an important role in establishing the nation's monetary policy. In this role, the president and his economic team closely monitor regional economic conditions and gain valuable insight into the state of the economy from the Bank's board of directors, advisory councils, local business leaders, bankers, farmers and ranchers, community and nonprofit groups, labor leaders, workers, and other community members. In addition to these economic research efforts, the Bank's outreach strategy includes frequent speeches throughout the District and meetings with various constituencies on issues such as housing, economic development, income inequality, and the economy, including the impacts of rising inflation.

The Bank also has responsibility for several Federal Reserve System (System) centralized functions, including Treasury Retail Securities (TRS) and customer call center operations. TRS provides savings bonds and marketable securities services to the public on behalf of the U.S. Treasury Department's Bureau of the Fiscal Service (BFS). These functions include call center operations that assist individuals with replacement and redemption of savings bonds and access to online accounts associated with TRS. These functions also include a working partnership with the BFS to develop the technology necessary to provide enhanced customer support for electronic-based retail securities. Centralized call centers support internal and external customers with access to Federal Reserve services, members of the public with communication channels for concerns and complaints regarding financial institutions, and System employees with help desk support for computer hardware and software applications.

The Bank has a long tradition of applying expertise to a broad range of economic issues through the work of the Research division and the Opportunity & Inclusive

Growth Institute. Both functions help analyze current economic challenges and their policy implications, and share this knowledge with the public.

The work of the Research division includes efforts to diversify the field of economics by supporting aspiring economists from underrepresented groups. The division's annual high school intern program, now in its 10th year, offers high school students in low- to moderate-income schools an opportunity to participate in a research project at the Bank as a part-time employee. The Research Assistant predoctoral program allows recent undergraduates to gain work experience and explore careers in economics before entering graduate school. Division economists also provide mentoring and support to graduate students from the University of Minnesota through the Research Analyst Graduate Program and to visiting scholars, who represent a broad set of institutions and encompass a range of research interests, methodological approaches, career stages, and personal perspectives. In 2023 the division formed a Diversity, Equity, and Inclusion Committee with the mission of initiating and coordinating activities that serve to increase the diversity, equity, and inclusion within the economics profession, the System, and the Research division at the Bank.

Similarly, the Bank's Center for Indian Country Development (CICD) is a research and policy center working to advance the economic self-determination and prosperity of Native nations and Indigenous communities. In 2023, CICD continued its outreach and engagement with Indigenous leaders, Native-led and Native-serving organizations, and academia. This work included a four-part webinar series titled *Cultivating Native Economies in the 21st Century*. This series highlighted federal contracting opportunities for Native entities, lending practices by Native Community Development Financial Institutions, tribal access to improved broadband infrastructure, and innovative strategies for leveraging data to tell more complete stories about Indian Country. This series provided tribal stakeholders with information for strengthening and expanding Indian Country economic prosperity.

Finally, the Community Development and Engagement division applies its deep analytical and engagement expertise to advance the economic well-being of low- to moderate-income people and communities across the District. Community Development and Engagement emphasized various topics during 2023, including the importance of housing affordability, among other issues impacting low- and moderate-income workers.

#### EMPLOYMENT

The Bank employed 1,128 people as of year-end 2023, with most located in Minneapolis and fewer than 100 located at our Helena, Montana, Branch office. The professional and management group comprises 68 percent (48 percent are professionals and 20

percent are management) of all Bank employees. This group includes bank examiners and automation professionals, who together comprise 23 percent of all employees. The remaining employees in the Bank are in the operations and administrative group. This group includes call center staff, who represent about 18 percent of the employee population, which reflects the Bank's niche within the System as a call center provider.

#### PROCUREMENT

The Bank purchases goods and services from external suppliers. In 2023, the Bank's total reportable spend was \$63.6 million, and 33 percent of this spend was with vendors certified as minority- and/or women-owned businesses.



**“Before starting at the Fed,** I was skeptical about how much people mattered here. My perspective shifted when I saw other Native American Indians in my new employee orientation group. Their presence was profound for me—I’d rarely seen others like me in previous roles. Despite being introverted and cautious I was inspired to jump beyond my comfort zone and connect with my Native colleagues. This ultimately led to forming Circle, our Native American Indian ERN. I realized that I was part of the people at the Fed, and the Fed’s mission was supporting me to advance a diverse, equitable, and inclusive work environment for all people.”

—TRICIA EVANS,  
FINANCIAL ANALYST,  
FINANCIAL MANAGEMENT GROUP

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# Minority and Women Employment

The Bank is committed to equal opportunity for minority groups and for women, and strives for an inclusive work environment. All employees are respected and valued. We seek to attract and retain a talented workforce within all levels of the organization. The Bank demonstrates its commitment by reinforcing actions that are consistent with this goal through the practices of equal opportunity for and equal access to employment and advancement.

## CURRENT STATUS

Table 2 presents a demographic summary of the Bank’s workforce in 2023. Consistent with its commitment to openness and transparency, the Bank submitted the Equal Employment Opportunity Report (EEO-1) to the Equal Employment Opportunity Commission and published it on the Bank’s public website.

The Bank had a workforce of 1,128 employees

in 2023. Its share of employees who identified as a minority (33 percent) was greater than the share of people identifying as a minority in the Minneapolis–St. Paul area (27 percent); 48 percent of Bank employees were women.

First- and mid-level managers and professionals are two internal roles that are considered the primary pipeline to executive leadership. The first- and mid-level manager role includes the progression from supervisor to managing officer and is also the role in which staff members build and demonstrate the skills required to be part of the Bank’s leadership group. In the mid-level manager role, the share of minority employees was 26 percent, and the share of women, 46 percent. In the professional role, the share of minority employees was 35 percent, and women, 49 percent.

Table 3 shows percentages of minority and women employees in the leadership pipeline and in

TABLE 2

### 2023 Bank Employment by Ethnicity & Gender

	Black	Asian	Hispanic	American Indian	Two or More Races	Native Hawaiian Pacific Islander	Subtotal Minority	White	Male	Female	Total
Executive/Senior Officials	18%	27%	0%	0%	0%	0%	45%	55%	36%	64%	11
First/Mid-level Officials	7%	9%	4%	2%	3%	0%	26%	74%	54%	46%	215
Professionals	7%	17%	6%	1%	2%	0%	35%	65%	51%	49%	542
<b>Total Management &amp; Professional</b>	<b>7%</b>	<b>15%</b>	<b>6%</b>	<b>2%</b>	<b>2%</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>	<b>51%</b>	<b>49%</b>	<b>768</b>
Administrative Support Workers	15%	8%	5%	0%	4%	0%	32%	68%	40%	60%	219
Technicians	16%	13%	1%	3%	6%	0%	40%	60%	73%	27%	67
Service Workers	6%	6%	11%	3%	6%	3%	33%	67%	92%	8%	36
All Other	8%	11%	5%	3%	3%	3%	32%	68%	71%	29%	38
<b>Total Operations &amp; Administrative</b>	<b>14%</b>	<b>9%</b>	<b>5%</b>	<b>1%</b>	<b>4%</b>	<b>1%</b>	<b>34%</b>	<b>66%</b>	<b>54%</b>	<b>46%</b>	<b>360</b>
<b>Bank</b>	<b>9%</b>	<b>13%</b>	<b>5%</b>	<b>2%</b>	<b>3%</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>	<b>52%</b>	<b>48%</b>	<b>1,128</b>
<b>MSA</b>	<b>9%</b>	<b>7%</b>	<b>6%</b>	<b>2%</b>	<b>3%</b>	<b>0%</b>	<b>27%</b>	<b>73%</b>	<b>50%</b>	<b>50%</b>	

Note: "All Other" includes Craft Workers, Laborers and Helpers, Operatives, and Sales Workers. Percent totals may not equal 100 due to rounding. Full EEO-1 demographic breakdown available in Appendix 3.

**TABLE 3**

### 2020–2023 Bank Employment Demographics in Selected Roles & Total Bank

	2020	2021	2022	2023
<b>Executive</b>				
Minority	45%	45%	45%	45%
Women	45%	45%	64%	64%
<b>First-/Mid-level</b>				
Minority	21%	21%	26%	26%
Women	45%	41%	43%	46%
<b>Professionals</b>				
Minority	31%	34%	34%	35%
Women	52%	53%	50%	49%
<b>Total Bank</b>				
Minority	28%	30%	32%	33%
Women	50%	49%	48%	48%

Source: EEO-1 reported data

leadership roles from 2020 through 2023. The Bank’s overall share of minority employees increased from 28 percent to 33 percent during this period. The share of women decreased from 50 percent in 2020 to 48 percent in 2023. Minority employees in executive roles remained at 45 percent during this period, and women in executive roles shifted from 45 percent in 2020 to 64 percent in 2023. In the officer role, comprising executive management and the most senior of mid-level management, minority employee representation was 35 percent in 2022 and 34 percent in 2023. Women representation in the officer role was 46 percent in 2022 and 49 percent in 2023. The share of minority employees in manager roles was 21 percent

in 2020 and 26 percent in 2023. The share of women in first- to mid-level management was 45 percent in 2020 and 46 percent in 2023. The share of minority employees in professional roles was 31 percent in 2020 and 35 percent in 2023; the share of women in professional roles dropped from 52 percent in 2020 to 49 percent in 2023.

Generally, the Bank draws employees within commuting distance of its head and Branch offices and assesses its success in diversity, in part, by comparison with the diversity of the community. For specialized and senior positions, the Bank seeks to attract employees from across the country, and looks to match the representation of minority groups in the United States for this narrower range of positions. Table 4 shows results of external recruiting at the Bank and in the pipeline and leadership roles.

In 2023 the Bank made 206 external hires: 44 percent of these hires were in the professional and mid-level manager roles. Across all roles, 43 percent of the Bank’s external hires identified as a minority and 44 percent were women. In 2022, 45 percent of external hires in all roles identified as a minority and 43 percent were women. Within the professional role in 2023, 46 percent of external hires identified as a minority and 42 percent were women. In 2022, 43 percent of external hires in the professional role identified as a minority and 40 percent were women. In the mid-level manager role, 63 percent of external hires during 2023 identified as a minority and 63 percent were women. In 2022, 43 percent of external hires in the mid-level manager role identified as a

**TABLE 4**

### 2023 Bank External Hires in Professional, Leadership, & All Roles

	Professional				Mid-Level Management				Executive				All Roles			
	Women	Men	Total	Percent of Total	Women	Men	Total	Percent of Total	Women	Men	Total	Percent of Total	Women	Men	Total	Percent of Total
Minority	20	18	38	46%	3	2	5	63%	0	0	0	0%	44	44	88	43%
Non-minority	15	30	45	54%	2	1	3	38%	0	0	0	0%	46	72	118	57%
Total	35	48	83		5	3	8		0	0	0		90	116	206	
<b>Percent of Total</b>	<b>42%</b>	<b>58%</b>			<b>63%</b>	<b>38%</b>			<b>0%</b>	<b>0%</b>			<b>44%</b>	<b>56%</b>		

Note: Totals may not equal 100 due to rounding.

minority and 62 percent were women. The Bank made no external hires in the executive role in 2023.

### SUPPORT OF INCLUSION IN EMPLOYMENT

The Bank's commitment to equal opportunity for employment and advancement includes supporting diversity and developing robust pipelines of talented candidates. This commitment includes promoting an inclusive environment where employees can pursue personal and professional goals, community involvement, networking, and other interests. To help meet this commitment, the Bank continues to create learning and development programming to meet the needs of a diverse workforce.

Our employees have access to a range of relationship and skill-building activities and programs. For instance, our ERN program fosters employee engagement and development through 10 employee groups. These ERNs prepare and implement annual action plans that detail their programming, which may include career development workshops, panel discussions, cultural celebrations, and community-based activities. A milestone this past year was the approval of Circle, an ERN focused on Native American and Indigenous employees and allies, and the only ERN of its kind within the System.

In addition to facilitating employee engagement through ERNs, the Bank offers opportunities for employees interested in leadership development. For example, the mentor program offers employees partnership, coaching, and guidance while supporting succession planning by developing a pipeline of talented staff with the competencies needed for leadership positions. In 2023, the program enrolled 32 mentor-mentee pairs. Women and minority employees made up 81 percent of the program. Of this number, 78 percent were women and 33 percent were minority employees. Since the inception of the mentor program in 2001, the Bank has matched over 510 individuals with mentors.

Tuition reimbursement is a benefit offered to employees across the Bank. In 2023, 36 percent of

program participants identified as minority, and 56 percent identified as female. The knowledge and credentials gained through this benefit help these employees grow their careers and advance in the organization.

The Bank also facilitates opportunities for engaging with external partners to share best practices in inclusion and exchange innovative ideas. Bank staff are members of the Twin Cities Diversity, Equity & Inclusion Roundtable (TCDEIR), a group of diversity and inclusion practitioners from local corporations, educational institutions, government, and nonprofit organizations. We are also active with the Forum on Workplace Inclusion, the largest diversity and inclusion conference in the country. The Forum provides a compelling learning experience fostering business and thought leadership in workplace diversity and inclusion. In 2023, seven department leaders, line staff, and other Federal Reserve staff members from across the System attended the Forum on Workplace Inclusion.

The Bank's college internship programs introduce students to the financial services industry and the Bank while developing pipelines of talented future employees. Table 5 summarizes the participation of women and minority students in our internship programs. In 2023, the Bank provided opportunities for 55 interns, 41 of whom identified as a woman, minority, or both. The Bank extended the summer undergraduate internship experience of 14 interns, thereby helping these students gain additional work experience. The Bank hired as full-time employees three students who were interns during 2023.

The Bank promoted participation and engagement from staff members and the public using various strategies. For example, hiring managers, HRI staff, and ERN members attended career and job fairs to recruit job seekers for open positions. In 2023, these opportunities included the People of Color Career Fair and multiple engagements with the University of Minnesota-Twin Cities (see Appendix 4 for more information).

2023 Bank Interns				TABLE 5
	Women	Men	Total	Percent of Total
Minority	16	18	34	62%
Non-minority	7	14	21	38%
Total	23	32	55	
<b>Percent of Total</b>	<b>42%</b>	<b>58%</b>		

**CHALLENGES**

The Bank continues to monitor turnover. Overall turnover continued dropping (13 percent in 2023 compared with 19 percent in 2022 and 14 percent in 2021). However, higher turnover persisted within the

Black or African American and Asian demographic groups. In contrast, the share of women in mid-level management continued to rise while the overall percentage of minority employees in mid-level management remained stable. The Bank will continue to devote attention to understanding and responding to the trends that impact staff turnover.

**MOVING FORWARD**

The Bank continues its work in attracting and retaining a talented workforce at all levels of the organization. It will focus greater attention on promoting and measuring inclusion and equity. This process will include engaging with various stakeholders across the Bank.



**"We've recently completed** our largest project since 1997, when our current building was completed. This project was not only led by a woman-owned business enterprise, but its prime subcontractor who performed over 80 percent of the work was also a woman-owned business enterprise. Both companies performed terrifically and completed the project on time, within budget, and without injuries or accidents. We'd be happy to partner with them again in the future!"

—EUGENE "GENE" PELSZYNSKI,  
PROJECT MANAGER,  
FACILITIES MANAGEMENT

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# Minority- and Women-Owned Business Inclusion

The Bank is committed to business practices that promote opportunity and diversity in procurement. The Bank strives to ensure that minority- and women-owned business enterprises (MWBEs) have the maximum practicable opportunity to serve as suppliers. In addition, the Bank assesses the commitment of suppliers and their associated subcontractors to inclusive employment practices.

We purchase goods and services both through the Bank’s local procurement function and through the Federal Reserve System National Procurement Office (NPO). Bank expenditures center on maintaining the Bank’s facilities and acquiring technology-related materials and contract labor services. The Bank’s reportable spend is defined as expenditures for goods and services purchased from contractors. This includes all vendor payments except those made to or for association membership dues and fees, intercompany transfers, government payments, legal settlements, payment network fees, rent, and utilities.

In 2022, the Bank instituted a more comprehensive approach to supplier diversity in response to increased attention to diversity and inclusion. This approach focuses on applying inclusive practices in sourcing, rating, and selecting diverse vendors across multiple purchasing categories and arrangements.

## CURRENT STATUS

The Bank had \$63.6 million in total reportable spend in 2023. It purchased nearly \$21 million (approximately 33 percent) from MWBEs. As shown in Table 6, the bulk of this spend is with firms that are certified as minority-owned businesses.

Table 6 shows the trend in Bank spend and Bank diverse spend over the past three years. Total Bank spend grew significantly in 2023 compared with 2021 and 2022. This increase was due to several large expenditures, including a roofing project that was led by an MWBE. Accordingly, the Bank’s spend with

TABLE 6

### 2021-2023 Bank Reportable Spend & Vendor Count

(Dollars in millions)

	2021		2022		2023	
	Spend	Vendors	Spend	Vendors	Spend	Vendors
<b>Minority-Owned</b>						
Men	\$5.1	12	\$1.2	11	\$1.5	11
Women	\$3.0	9	\$7.5	6	\$18.2	5
<b>Women-Owned</b>						
Non-minority	\$0.7	28	\$0.3	20	\$1.2	39
Minority	\$3.0	9	\$7.5	6	\$18.2	5
<b>Subtotal Diverse</b>	<b>\$8.9</b>	<b>49</b>	<b>\$9.0</b>	<b>37</b>	<b>\$20.9</b>	<b>55</b>
% Total Bank	23%	5%	28%	3%	33%	5%
<b>Total Bank</b>	<b>\$39.3</b>	<b>991</b>	<b>\$32.1</b>	<b>1,253</b>	<b>\$63.6</b>	<b>1,119</b>

Note: Total vendor and spend counts are approximate.

MWBEs increased in 2023 to \$20.9 million, compared with \$8.9 million in 2021 and \$9.0 million in 2022. Appendix 1 provides additional trend information on Bank spend.

Two groups—Native Americans and Black or African Americans—accounted for most of the Bank’s diverse spend in 2023, as shown in Table 7. This spend is associated with technical services and facility improvements. The top 5 commodities for diverse spend were:

1. Building Construction Management (53.5 percent)
2. Outside Agency (34.7 percent)
3. Notebook Computers (2.7 percent)
4. Building Maintenance and Repair Services (1.7 percent)
5. Landscaping Services (1.5 percent)

## SUPPORT OF INCLUSION IN PROCUREMENT

In 2023, the Bank continued to meet OMWI-related procurement expectations that support our

2023 Bank Reportable Spend with Minority-Owned Firms by Race & Ethnicity							TABLE 7
(Dollars in thousands)							
	Asian American	Black or African American	Hispanic American	Native American	Unknown Ethnicity	Total Minority	Total Bank
Reportable Spend	\$1,377	\$7,399	\$2	\$10,862	\$25	\$19,666	\$63,646
Vendor Count	4	6	1	1	2	14	1119

commitment to maximizing inclusion. Our leadership team is committed to ensuring that MWBEs have the maximum practicable opportunity to participate in the contracts the Bank awards. We continue efforts to increase diverse spend across multiple purchasing categories.

Throughout 2023, the Bank continued to use language in its procurement contracts that is consistent with the mission and requirements of the DFA. The provisions set the expectations that each firm (and its subcontractors) interested in doing business with the Bank should provide for the fair inclusion of minority groups and women in its workforce. Toward this end, the Bank continued to distribute a good-faith assertion questionnaire to assess whether vendors are practicing fair inclusion.

The Bank has maintained its community and corporate relationships related to supplier diversity. It continues participating in the local chapter of the Women’s Business Enterprise National Council (WBENC), known as the Women’s Business Development Center (WBDC); the North Central Minority Supplier Development Council (NCMSDC); and the Metropolitan Economic Development Association (MEDA), an organization whose mission is to help minority entrepreneurs succeed. These partnerships are an important source of identifying a more diverse base of bidders, and help educate staff members about the potential of and challenges for MWBEs in pursuing business opportunities with large institutional clients. The Bank is committed to maintaining these activities in 2024.

Table 8 shows the 2023 solicitations coordinated by the Bank’s procurement area and the number of MWBEs included in the process and outcomes. In

5 of the 10 procurements with \$250,000 or more of anticipated spend, the Bank identified and invited one or more MWBEs to provide a bid or quote. In one instance, one or more MWBEs completed the bidding process. One solicitation ultimately resulted in an MWBE firm being awarded a contract. The Bank continued its standard procedure of following up with invited suppliers that chose not to participate in or did not complete the bidding process.

Procurement staff continued to meet with Bank divisions with the highest amount of spend and reviewed processes to ensure openness and inclusivity. These meetings allowed staff to provide a detailed explanation of the requirements set forth in the DFA. The meetings also allowed procurement staff to share best practices from community and corporate partners. These sessions helped to affirm the Bank’s desire to increase the number of minority and women business owners as bidders and vendors. The Bank continues working with other Federal Reserve Banks to identify opportunities to support supplier diversity programs, practices, and actions.

2023 MWBE Participation in Bank Procurement		TABLE 8
Number of solicitations where a contract was awarded		10
Number of solicitations where MWBEs were invited to bid		5
Number of solicitations where MWBEs completed the bidding process		1
Number of solicitations where one or more MWBEs were successful bidders		1
Note: Includes all solicitations for \$250,000 or more of goods and services that are managed by the Federal Reserve Bank of Minneapolis procurement function.		

## CHALLENGES

Identifying diverse suppliers and obtaining competitive bids for certain acquisitions remains challenging. The Bank is finding that relationships with community partners have increasingly helped to mitigate this challenge. We expect a decrease in spend with MWBEs in 2023 due to several large multiyear projects, including the administration of Paycheck Protection Program Liquidity Facility loans, and the completion in 2023 of the Bank's roofing project, which was led by a diverse business.

## MOVING FORWARD

The Bank will continue engaging with divisions and units to better understand and forecast upcoming procurement opportunities. Beyond these internal efforts, the Bank will encourage the National Procurement Office to maximize opportunities for MWBEs to procure with the System as a whole. The Bank will continue to participate in events with community partners and other financial institutions that serve small minority- and women-owned businesses. In 2024, the Bank will continue efforts to include MWBEs across a range of procurement categories. This includes following up with MWBEs to understand why some firms declined invitations to compete for Bank projects.



**“In the Ninth District,** we’re planting seeds for the future by investing in our emerging youth. We believe that even at a young age, everyone has a part to play in building a stable economy. This work connects the dots between what they learn in school and their financial future. And, of course, we’re always happy to answer the tough questions, like ‘When can we see the money?’ and ‘Are you all going to feed us lunch?’

The future looks bright, and the best is yet to come!”

—ARTHUR COFIELD,  
SENIOR PROJECT MANAGER,  
TREASURY SERVICES

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# Financial Literacy

The Bank supports financial literacy and education activities for high school students from inner-city, all female, majority-minority, and/or low- and moderate-income schools in the District, defined as OMWI schools. This work aims to build high school students' interest in personal finance and economic education and to encourage them to pursue careers in the financial services sector.

## CURRENT STATUS

In 2023, the Bank revived its financial literacy and education programming, after suspending these activities due to the COVID-19 pandemic. Our work in financial literacy and education has two focus areas: First, we prioritize programming that helps youth understand the Bank, the System, and our employees' work and career paths; and second, we offer opportunities for practical, hands-on experience through work-study or internships. This year the Bank partnered with a local nonprofit entity to facilitate three enhanced-tour events that directly reached 40 underserved high school students. These enhanced tours emphasized career pathways and opportunities with the Bank and System. The agendas for these events included presentations from an economist discussing their work and its impact on our economy as well as time to network with staff. This programming has been well-received, and the Bank will continue to offer these opportunities.

The Bank continued its partnership with Cristo Rey Jesuit High School, Twin Cities. Many of the school's students come from families with limited economic means, and most identify as a minority. Three divisions hosted Cristo Rey students during the academic year. In addition to providing project work opportunities, the Bank's Latinx ERN mentored these students in a variety of topics, including exploring careers, postsecondary educational options, and navigating office culture.

## CHALLENGES

We continue to navigate our financial literacy efforts in the wake of the COVID-19 pandemic, which caused several partners to cease operations or change focus areas. As a result of this environment, the Bank reinvented its programming and emphasized having a greater impact with fewer events. The Bank will continually assess its financial literacy outreach efforts and their success in reaching intended audiences.

## MOVING FORWARD

The Bank will carry on its work in attracting students to the financial services industry in the Ninth District. A key priority for the Bank is identifying stable partnerships and effective programming that helps us make a measurable impact in our communities.

## Conclusion

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OMWI continues to serve as a catalyst to reinforce the Bank's long-standing commitment to diversity and inclusion. The Bank will continue to innovate strategies and tactics for including minority groups and women in employment, increasing the participation of minority- and women-owned businesses in procurement, and providing financial education and outreach activities. The Bank's executive leadership will continue to support OMWI and division leaders as they leverage diversity, equity, and inclusion to advance the Bank's mission. The Bank's deep and broad commitment to promoting a more inclusive and diverse work environment will remain a key strategic focus throughout 2024 and beyond.

# Appendix 1

## 2023 OMWI Standard Core Metrics, Federal Reserve Bank of Minneapolis

Category	Description	Measure	2018	2019	2020	2021	2022	2023
Workforce Diversity	Senior Executives	Total #	9	11	11	11	11	11
		% Minorities	44%	45%	45%	45%	45%	45%
		% Women	22%	27%	45%	45%	64%	64%
	Mid-level Managers	Total #	186	187	192	212	217	215
		% Minorities	17%	19%	21%	21%	26%	26%
		% Women	47%	47%	45%	41%	43%	46%
	Professionals	Total #	467	507	527	531	519	542
		% Minorities	26%	28%	31%	34%	34%	35%
		% Women	53%	52%	52%	53%	50%	49%
	Total External Hires	Total #	111	140	112	120	206	206
		% Minorities	40%	39%	49%	48%	45%	43%
		% Women	42%	39%	42%	43%	43%	44%
	Total Interns	Total #	38	39	26	28	46	55
		% Minorities	50%	56%	81%	64%	57%	62%
% Women		55%	44%	35%	43%	43%	42%	
Overall Bank Turnover Rate	%	8.5%	11.2%	7.0%	14.0%	19.0%	13.0%	
Supplier Diversity	Total Reportable Spend	\$ (millions)	\$21.7	\$25.4	\$26.6	\$39.3	\$32.1	\$63.6
	Total Diverse Spend <sup>1</sup>	\$ (millions)	\$2.3	\$4.9	\$6.5	\$8.9	\$9.0	\$20.9
		%	11%	19%	24%	23%	28%	33%
	Minority-Owned <sup>2</sup>	\$ (millions)	\$1.8	\$4.3	\$5.6	\$8.1	\$8.7	\$19.7
		%	8%	17%	21%	21%	27%	31%
	Minority-Owned (Men)	\$ (millions)	\$1.0	\$2.1	\$2.6	\$5.1	\$1.2	\$1.5
		%	5%	8%	10%	13%	4%	2%
	Minority-Owned (Women)	\$ (millions)	\$0.8	\$2.2	\$3.0	\$3.0	\$7.5	\$18.2
		%	4%	9%	11%	8%	23%	29%
	Women-Owned <sup>2</sup>	\$ (millions)	\$1.4	\$2.8	\$3.8	\$3.7	\$7.8	\$19.4
		%	6%	11%	14%	9%	24%	31%
	Women-Owned (Non-minority)	\$ (millions)	\$0.5	\$0.6	\$0.8	\$0.7	\$0.3	\$1.2
		%	2%	2%	3%	2%	1%	2%
	Women-Owned (Minority)	\$ (millions)	\$0.8	\$2.2	\$3.0	\$3.0	\$7.5	\$18.2
%		4%	9%	11%	8%	23%	29%	

<sup>1</sup> Total Diverse Spend = Minority-Owned (Men) + Minority-Owned (Women) + Women-Owned (Non-minority).

<sup>2</sup> Women-Minority numbers are included in both Minority-Owned and Women-Owned totals.

Category	Description	2023
Financial Literacy Programs:	Number of OMWI students reached in-person and online <sup>1</sup>	40
	• Teacher-Centric	0
	• Student-Centric	0
	• Hybrid	0
	Number of OMWI students reached through educators <sup>3</sup>	0

Note: Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus.

<sup>1</sup> Students who attended in-person programs and enrolled in online programs.

<sup>2</sup> Educators who attended in-person programs and enrolled in online professional development programs.

<sup>3</sup> Students reached through educators using a common multiplier of 75.

# Appendix 2

## 2024 Board of Directors Demographic Information, Federal Reserve Bank of Minneapolis

Director Categories	Total Directors			Race/Ethnicity														
				Hispanic or Latino		Non-Hispanic or Latino												
			White			Black or African American		Asian		Native Hawaiian or Other Pacific Islander		American Indian or Alaska Native		Two or More Races				
All	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
<b>Class C</b>																		
By Total	3	3	0	0	0	2	0	1	0	0	0	0	0	0	0	0	0	0
By Percent	100.00	100%	0%	0%	0%	67%	0%	33%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Class B</b>																		
By Total	3	0	3	0	0	0	2	0	0	0	0	0	0	0	1	0	0	0
By Percent	100.00	0%	100%	0%	0%	0%	67%	0%	0%	0%	0%	0%	0%	0%	33%	0%	0%	0%
<b>Class A</b>																		
By Total	3	1	2	0	0	1	2	0	0	0	0	0	0	0	0	0	0	0
By Percent	100.00	33%	67%	0%	0%	33%	67%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Branch Directors, Appointed by Board of Governors<sup>1</sup></b>																		
By Total	2	1	1	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0
By Percent	100.00	50%	50%	0%	0%	50%	50%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Branch Directors, Appointed by Reserve Banks<sup>1</sup></b>																		
By Total	2	1	1	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0
By Percent	100.00	50%	50%	0%	0%	0%	50%	0%	0%	0%	0%	0%	50%	0%	0%	0%	0%	0%
<b>Total, All Directors</b>																		
By Total	13	6	7	0	0	4	6	1	0	0	0	0	0	1	1	0	0	0
By Percent	100.00	43%	54%	0%	0%	31%	46%	8%	0%	0%	0%	0%	0%	8%	8%	0%	0%	0%

Note: Reserve Bank directors are elected or appointed to three-year, staggered terms (see <https://www.federalreserve.gov/aboutthefed/directors/about.htm> for more information). This report includes directors who were appointed or elected in 2023 to terms that began on January 1, 2024, as well as directors who are currently serving in existing terms.

<sup>1</sup> The Boston, New York, and Philadelphia Federal Reserve Banks do not have branches.



# Appendix 3

## 2023 Workforce Data Representation, Federal Reserve Bank of Minneapolis

2023 EEO-1 Consolidated Report															
2023 EEO-1 Data 12/31/2023	Hispanic or Latino		Not Hispanic or Latino											Overall Total	
			Male						Female						
Job Categories	Male	Female	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Executives/Sr Managers	0	0	3	0	0	1	0	0	3	2	0	2	0	0	11
First-/Mid-level Managers	6	3	86	9	1	9	3	3	74	6	0	11	1	3	215
Professionals	18	17	184	21	0	42	3	6	168	19	0	52	5	7	542
Technicians	1	0	25	10	0	8	2	3	15	1	0	1	0	1	67
Sales Workers	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Administrative Support	4	7	59	13	0	6	1	4	89	20	0	11	0	5	219
Craft Workers	1	0	11	1	1	0	1	0	2	0	0	0	0	0	17
Operatives	0	1	8	0	0	3	0	0	4	2	0	1	0	1	20
Laborers & Helpers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	4	0	23	1	0	2	1	2	1	1	1	0	0	0	36
<b>Total</b>	<b>34</b>	<b>28</b>	<b>400</b>	<b>55</b>	<b>2</b>	<b>71</b>	<b>11</b>	<b>18</b>	<b>356</b>	<b>51</b>	<b>1</b>	<b>78</b>	<b>6</b>	<b>17</b>	<b>1128</b>

2023 Percentage Representation within EEO-1 Job Categories															
2023 EEO-1 Data 12/31/2023	Hispanic or Latino		Not Hispanic or Latino											Overall Total	
			Male						Female						
Job Categories	Male	Female	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	
Executives/Sr Managers	0.0%	0.0%	27.3%	0.0%	0.0%	9.1%	0.0%	0.0%	27.3%	18.2%	0.0%	18.2%	0.0%	0.0%	11
First-/Mid-level Managers	2.8%	1.4%	40.0%	4.2%	0.5%	4.2%	1.4%	1.4%	34.4%	2.8%	0.0%	5.1%	0.5%	1.4%	215
Professionals	3.3%	3.1%	33.9%	3.9%	0.0%	7.7%	0.6%	1.1%	31.0%	3.5%	0.0%	9.6%	0.9%	1.3%	542
Technicians	1.5%	0.0%	37.3%	14.9%	0.0%	11.9%	3.0%	4.5%	22.4%	1.5%	0.0%	1.5%	0.0%	1.5%	67
Sales Workers	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1
Administrative Support	1.8%	3.2%	26.9%	5.9%	0.0%	2.7%	0.5%	1.8%	40.6%	9.1%	0.0%	5.0%	0.0%	2.3%	219
Craft Workers	5.9%	0.0%	64.7%	5.9%	5.9%	0.0%	5.9%	0.0%	11.8%	0.0%	0.0%	0.0%	0.0%	0.0%	17
Operatives	0.0%	5.0%	40.0%	0.0%	0.0%	15.0%	0.0%	0.0%	20.0%	10.0%	0.0%	5.0%	0.0%	5.0%	20
Laborers & Helpers	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Service Workers	11.1%	0.0%	63.9%	2.8%	0.0%	5.6%	2.8%	5.6%	2.8%	2.8%	2.8%	0.0%	0.0%	0.0%	36
<b>Total</b>	<b>3.0%</b>	<b>2.3%</b>	<b>35.5%</b>	<b>4.9%</b>	<b>0.2%</b>	<b>6.3%</b>	<b>1.0%</b>	<b>1.6%</b>	<b>31.6%</b>	<b>4.5%</b>	<b>0.1%</b>	<b>6.9%</b>	<b>0.5%</b>	<b>1.5%</b>	<b>1128</b>

Note: Totals may not equal 100 due to rounding. Bank EEO-1 report as of December 31, 2023.

## Appendix 4

### 2023 Local & National Career Fair & Conference Participation, Federal Reserve Bank of Minneapolis

Event (Local)	Location	Date
St. Cloud State University	St. Cloud, MN	January 2023
Minneapolis College Job Fair	Minneapolis, MN	February 2023
University of Minnesota, Carlson School of Management, Resume Building Workshop	Minneapolis, MN	February 2023
University of Minnesota, Carlson School of Management, Business Analytics Corporate Event	Minneapolis, MN	February 2023
Hennepin Technical College Career Fair	Minneapolis, MN	April 2023
University of Minnesota, Carlson School of Management, Online Recruitment Panel	Minneapolis, MN	April 2023
University of Minnesota, Carlson School of Management, Data Market Trends Event	Minneapolis, MN	August 2023
University of Minnesota, Carlson School of Management, Business Analytics Corporate Event	Minneapolis, MN	September 2023
People of Color Career Fair	Minneapolis, MN	October 2023

Event (National)	Location	Date
Minorities in Banking Conference	Dallas, TX	September 2023

