

FEDERAL RESERVE BANK *of* NEW YORK

Diversity, Equity, and Inclusion

Leading Inclusively

2023 Annual Report to Congress





CONTENTS

LETTER FROM THE PRESIDENT	3
EXECUTIVE SUMMARY	4
OUR MISSION, VISION, AND VALUES	6
BUILDING A CULTURE OF INCLUSION	7
PEOPLE: Workforce and Workplace Diversity	7
COMMUNITY: Economic Education and Community Development & Outreach	12
RESEARCH: Diversity and Inclusion	14
PROCUREMENT: Business, Supplier, and Counterparty Diversity	15
OUR PATH FORWARD	19
CLOSING REMARKS	21
APPENDICES	22

LETTER FROM THE PRESIDENT



This year, we chose the theme “Leading Inclusively” for our Office of Minority and Women Inclusion report. In the following pages, you’ll read about the many ways in which the New York Fed is focused on cultivating leaders of all kinds and at all levels of our organization. These efforts and initiatives enable our people to carry out our Mission and give them the tools they need to lead successful careers. It’s never solely been about the work that we do—it’s also been about how we do it.

Much of our progress, which has been expressed by our employees in our engagement surveys, is bolstered by other frameworks that we developed over the past few years. Our People Strategy is designed to strengthen our foundation and position us for success by reimagining inclusion, learning and development, fairness, and other core values. Our Touchstone Behaviors provide a shared language for how we work together and encourage a more inclusive and collaborative experience for all our people.

And now, our newly launched Strategic Priorities will help us improve how we work, embrace innovation, and excel at leading through change. Each of these platforms is interconnected with one common goal—to build a stronger, more diverse, more equitable, and more inclusive culture at the New York Fed.

I am tremendously proud of what we’ve accomplished. Looking ahead, we will continue to seek opportunities to further embed inclusive practices into our culture, as well as address challenges that we face. We recognize that this is key to our overall success, and we are committed to making continued progress on our objectives in 2024 and beyond.

A handwritten signature in white ink that reads 'John C. Williams'.

John C. Williams (He/Him/His)
President and CEO
Federal Reserve Bank of New York



EXECUTIVE SUMMARY

At the New York Fed (“the Bank”), we have been purposeful in creating an inclusive culture that leverages the unique contributions, talents, and experiences of our people. By harnessing the power of a multitude of perspectives, we are better positioned to deliver on the Bank’s Mission of shaping a stronger economy for all.

The Bank’s efforts were sharpened in 2020, when it launched its multi-year People Strategy with three interconnected goals: Leading with Impact, Culture of Inclusion, and Careers with

Purpose. Through this strategy, we set out to transform the Bank, enabling our workforce to pursue continuous growth and meaningful work to achieve the Bank’s Mission and Vision. During this time, the world was also transforming, requiring workplaces to navigate rapid changes and continuously pivot to address current realities. Employee expectations evolved, leadership became more complex, and health and wellness took center stage.

SUCCESSSES

Over the past twelve months, we've continued to build upon our Culture of Inclusion:

- **Refining our “People of the Fed” engagement survey:** We've made improvements to help us better understand what drives a positive employee experience at the Bank and give managers and their teams insights to validate or improve how they work.
- **Establishing the Enterprise Leadership Trust:** Made up of senior leadership from across the Bank, the Trust aims to bring together diverse perspectives and collaborate with the Executive Committee on strategies to drive engagement and performance.
- **Launching a new set of Strategic Priorities—Simplify, Innovate, and Lead:** Over the next five years, these principles will guide us toward opportunities to increase efficiency, embrace innovation, and excel at leading through change.
- **Modernizing career development:** We have offered employees greater opportunities to take ownership of their careers at the Bank through our new career navigation and mentorship platform, a refresh of our leadership programs, and online coaching capabilities.

CHALLENGES

In our ongoing journey of growth and development, there are several key areas where we continue to find opportunities for improvement:

- **Maturing the flexible work model:** How we work today is much different than it was four years ago, and finding the right balance continues to be an opportunity. Through collaboration between the Executive Committee and the Enterprise Leadership Trust and their extended teams, we are focused on maximizing this new way of working through intentionality, creating engagement norms, empowering leaders, and focusing on people development.
- **Transitioning from hierarchical career pathing to career ownership:** Our career management framework launched in 2021, consolidated levels, increasing emphasis on career progression through skill/experience building. Moving away from a primarily linear trajectory requires increased ownership for continuous career growth and advancement.
- **Expanding our supplier diversity:** Although the Bank advanced our supplier diversity program, challenges remain, particularly the limited availability of diverse suppliers in high-spend categories such as market data and software publishing, and budget priorities that impact discretionary spending categories such as catering and staff augmentation.



OUR MISSION, VISION, AND VALUES

Our mission at the New York Fed is to make the U.S. economy stronger and the financial system more stable for all segments of society. We do this by executing monetary policy, delivering financial services, supervising financial institutions, and providing thought leadership on issues that affect the nation and communities we serve, as part of the Federal Reserve System.

Our vision is to be at the forefront of anticipating, adapting, and acting in a fast-changing world to shape a better economy for all.

Our values are the set of principles and behaviors we strive to live by each day as we deliver on our mission to serve the economy, our communities, and one another. They define who we are and how we work together.



BUILDING A CULTURE OF INCLUSION

PEOPLE: Workforce and Workplace Diversity

TALENT ACQUISITION

Our inclusive hiring process supports the Bank's Touchstone Behaviors and People Strategy by taking a deliberate and structured approach to disrupt bias in the talent acquisition process. Our goal is to build a diverse slate of candidates who reflect different backgrounds, perspectives, and life experiences. Through our process,

hiring managers can objectively assess talent while contributing to the Bank's goal of building inclusive teams.

An effective way to increase the inclusivity of the workplace is by expanding the talent pool to embrace a variety of skills and experiences. Embracing a total skills market means including candidates with diverse experiences beyond strict educational or professional criteria. Our job descriptions are developed with inclusivity in mind. They are written to include only necessary job requirements so that we do not unintentionally limit our candidate pool with

criteria that are not relevant for success. This approach encourages a broader scope of candidates to apply and be considered for a role at the Bank, while continuing to ensure that we select the most qualified candidates for each role.

Internal Talent Acquisition Partners collaborate with hiring managers to consider candidates with a broad range of experiences, emphasizing the advantages of diverse perspectives in teams and underscoring the value of transferable and soft skills. In addition to wider candidate pools, the Bank continues to leverage inclusive interview panels, which bring a diverse range of backgrounds and perspectives into the interview process.

- **Early Careers**

Our summer internship programs are critical to creating bench strength for the Bank. Through these programs, we strive to provide interns with valuable work experiences, learning opportunities, and networking events in the early stages of their careers. Each intern participates in a departmental project and receives on-the-job experiences designed to reflect the work they would be performing as a New York Fed employee.

The 2023 intern experience included a gold vault and museum tour, a seminar series on the Markets and Supervision Groups, a community-based volunteer activity, and a senior leader series featuring the Bank's President and First Vice President.

Our 2023 intern class, of whom 61 percent were minorities and 52 percent were women, joined us from forty-four colleges and universities. Thirty-seven percent of the class will be returning in the summer 2024 program as either

junior interns or full-time hires. In addition, 17 percent of this year's interns came from our Diversity Partner Organizations (DPOs). We received over 10,000 applicants for the eighty-six slots in our 2023 internship program.

In addition to our college level interns, we also welcomed a student from the New York City Department of Youth & Community Development's Summer Youth Employment Program (SYEP) for the first time. The SYEP is the nation's largest youth employment program and connects New York City youth between the ages of 14 and 24—including those with disabilities—with career exploration opportunities and work experiences each summer. This student joined us for 20–25 hours per week for four weeks and spent their time working in the Museum and Learning Center.

- **Experienced Professionals**

In 2023, employee retention at the Bank reached a record high, resulting in lower numbers of external hires. The Bank onboarded 246 new employees—down from 366 in 2022 and below the five-year average of 281. Women made up 42 percent of our new hires and minorities 55 percent.

In addition to the new hires from external organizations, the Bank also provided 137 internal transfer opportunities as part of our talent acquisition process. Women represented 45 percent of our internal transfers and minorities 53 percent.

The scope of our candidate outreach is enhanced through DPO partnerships, including those with Ascend, Disability:IN, INROADS, Out Leadership, Recruit Military, Sadie Collective, Seizing Every Opportunity, and Women in Cybersecurity. These

organizations play a crucial role in connecting us with talented candidates who can bring unique perspectives and experiences to the Bank.

TALENT MANAGEMENT

In 2023, we elevated our commitment to the Touchstone Behaviors—our guideposts for how we work together and achieve success—by incorporating them into our talent management, career development, and leadership forums. In the future, we plan to further enhance our tools and processes to reinforce the importance of our Touchstone Behaviors across the full employee lifecycle.

TALENT DEVELOPMENT

Career growth and development play a strong role in our ability to attract and retain a talented

and diverse workforce. We also believe in transparency and equal access to career building tools and resources regardless of one’s role or background. To that end, we took several steps to improve our employees’ ability to own their careers with the expansion of our Pathways program, a holistic approach to career development that spans employee recognition, learning, and career navigation. Our people are now able to explore their unique career aspirations, imagine many possible careers across the Bank, and intentionally build the skills they need to progress their careers.

In 2023, we continued the rollout and implementation of a career development platform to support Pathways, providing more transparency into career journeys, internal employment opportunities, and individualized skills-based development plans. The platform provides a data-driven career navigation tool



Touchstone Behaviors

Communicate Authentically



Touchstone Behaviors

Develop Others



Touchstone Behaviors

Collaborate Inclusively



Touchstone Behaviors

Drive Progress



Touchstone Behaviors

Take Ownership

that enables colleagues across all levels to assess their career interests, values, skills, and aspirations, and to explore opportunities. One set of opportunities being offered is “gigs”—a variety of short-term experiences (projects, rotations, development programs) that provide an equitable opportunity for employees across all levels to expand their skill sets and grow within their careers. Our talent development team serves as “gig moderators” to ensure job postings are skills-based growth opportunities, offer descriptive details about the opportunity, and provide transparency on key details so that all opportunities are inclusive and equitable. Our new mentoring tool also supports inclusive career development. Any employee can use the platform to either register as a mentor or generate a list of recommended mentors to work with. This platform fosters an inclusive mindset by encouraging mentorships across groups and roles throughout the Bank. Since the launch of the platform, 156 mentoring relationships have been established, with a dramatic increase in interdepartmental mentoring.

Additionally, we have continued to offer collaborative learning opportunities that enable our employees to take charge of their own career development. One of these programs was “Harnessing the Power of Your Resume,” a workshop designed and delivered in partnership with our Women’s Mentoring and Empowerment Network (WOMEN). In the workshop, Bank recruiters coached employees on best practices for updating their resumes, interviewing, and networking to better prepare them to take advantage of opportunities across the Bank.

- **Leadership Development**

The Bank has been incorporating inclusive leadership content into our development

programs for several years, continuously evaluating and updating our materials to reflect best practices and align with current topics. In 2023, we began a project to redesign our leadership development programs at every level across the Bank. The result is the Emerging Leaders Program, a curriculum designed to instill a mindset of inclusivity as the foundation for leading people at the New York Fed.

We also created a half-day workshop for all new People Leaders to provide a high-level overview of the processes, partners, and resources they will use to effectively lead and manage their teams. This is an interactive learning experience where participants engage in discussions with both subject matter experts and peers regarding the challenges they face in supporting their teams and navigating the many processes that are part of the employment life cycle at the Bank. The workshop focuses on the basics of these processes, enabling all People Leaders to develop the core skills needed to develop and retain a diverse workforce.

As we continue to develop our leaders as coaches and advocates of internal career mobility via our career navigation platform, the Bank engaged leaders in a workshop entitled “Your Connection to Career Ownership,” designed to support career development, coaching conversations, and inclusive leadership.

To ensure that our learning efforts are inclusive, members of our diversity, equity, and inclusion (DE&I) team engaged in the content review process for all learning design and development efforts, embedding inclusivity throughout all learning opportunities.

- **Learning Development**

We continued the rollout of Conscious Inclusion Workshops as the cornerstone of our DE&I curriculum offering ongoing development opportunities for all employees. In addition to the formal learning workshops, the curriculum provides pre-work assessments, informal support content, and a community forum to reinforce learning and build inclusive behaviors. To date, we have had 769 completions of Conscious Inclusion, with 40 percent of managers (250) and 19 percent of individual contributors (519) having participated in the program.

To maximize our hybrid work experience, we expanded our workshop formats to include in-person sessions with conversational team-building activities to help colleagues across departments connect. Additionally, we collaborated with leaders across the Bank to implement a more targeted approach to how we organize and facilitate our Conscious Inclusion Workshops. We conducted workshops for business groups, creating two cohorts of employees in People & Engagement and one cohort in the Research & Statistics Group. In addition, the Conscious Inclusion Workshop is now part of the Law Enforcement Unit's annual training program. Within the Markets Group, we worked with the Central Banking & International Account Services (CBIAS) function to break the workshop into shorter segments, to be delivered over time as organized by the function head. We have also expanded our team of Conscious Inclusion internal facilitators, with five new colleagues volunteering from across the Bank. Our internal facilitator cohort now consists of twenty colleagues who represent a variety of business areas, seniority levels, and backgrounds.

Our three-part workshop on inclusion creates more space for discovery and connection. The goal of the program is to provide participants with strategies and techniques they can utilize every day to engage in courageous conversations, collaborate across differences, and drive meaningful change.

OUR EMPLOYEE EXPERIENCE

- **Getting Better Together**

This year, we generated insight into our employee experience through our listening program, including our two "People of the Fed" surveys. People of the Fed underscores our shared passion for public service and highlights the role that all employees have in making the Bank an incredible place to work. The survey captures what we do best and identifies areas where we could do better, including with respect to diversity, equity, and inclusion. In our summer 2023 survey, we saw our Inclusion Index increase by seven percentage points, reaching 74 percent favorable. While we were happy to see improvement, our scores are right at our survey provider's global benchmark. This leads us to believe we have more room to grow.

In addition to survey work, we did a deep dive into how our employees think and feel about career potential and their careers at the Bank. This work resulted in qualitative insights, targeted recommendations, and top tips for People Leaders. Our hope is that this work will contribute to an even more inclusive culture.

In the future, we will integrate more surveys into our employee listening program. We aim to gain a better understanding of key moments in the employment cycle, such as onboarding and

exit surveys, and of how changes in our people's experiences relate to important outcomes, particularly their feeling of belonging at the Bank.

- **Employee Resource Networks**

Our Employee Resource Networks (ERNs) continued to play an important role in the Bank's diversity and inclusion efforts. Our ten ERNs hosted more than fifty-five hybrid events, which offered employees a sense of belonging and inclusion in the workplace. In addition to organizing heritage and history month celebrations, ERNs addressed the needs of colleagues through panel discussions, networking events, career development opportunities, and emotional support.

This year, many of the networks focused on holistic health, with an emphasis on mental well-being. During Mental Health Awareness Month in May, several ERNs partnered with the Health and Wellness team to host a Children and Young Adults Mental Health Panel. The panel, moderated by the Bank's Medical Director, featured Dr. Robin DeLuca-Acconi, social-emotional expert and professor at Stony Brook University, and Dr. Lawrence Balter, Professor Emeritus at NYU and developmental psychologist and psychoanalyst. The panel provided guidance to parents on engaging with school resources, navigating the impact of social media, and deciding when to seek various forms of mental health care.

Partnering with our communities has remained an integral part of our ERN programming, which included the following events:

- **A Soldier's Story of Mental Health and Resiliency:** In honor of Veterans Day, the Veterans Resource Network hosted Sgt. David Reid, a retired U.S. Army veteran who sustained severe injuries, including the loss of his leg, while serving in Afghanistan. He shared his experience to inspire hope in those who are working to overcome adversity.
- **Disability Mentoring Day:** Hosted by FedAbility, the Bank's disability resource network, employees volunteered to meet with differently abled students and recent graduates from around the Second District to review resumes, share information about their career paths, and discuss what it's like to work at the Bank.
- **Work-Life Integration Panel:** During National Work and Families Month, the Working Families Network hosted a panel focused on work-life integration with members of our Executive Committee. Panelists shared their personal experiences of managing work and family needs while still achieving career goals.

COMMUNITY: Economic Education and Community Development & Outreach

The Bank has a long history of providing economic education, conducting community economic analysis, and reaching out to communities in the Second District. Our efforts this year included the following:

ECONOMIC EDUCATION FOR HIGH SCHOOL STUDENTS

We have continued to focus on economic education programs for educators and students in low- and moderate-income communities. Our programs aim to enhance economic literacy and increase awareness of the Fed and future careers in economics and public service.

Strategic and sustained outreach to low- and moderate-income schools has increased the number of Title I and majority-minority high school groups that participate.

Our Economic Education team delivered virtual and in-person class visits to nearly 950 students in Title I and low- and moderate-income high schools. More than eighty Title I school educators attended our teacher professional development sessions and Title I and low- and moderate-income high schools accounted for approximately 40 percent of school visits to the New York Fed Museum and Learning Center.

The Bank also launched HE3AT, a place-based education program run in partnership with the New York City Department of Education and Brooklyn South district high schools. HE3AT program sites provide 11th graders from low- and moderate-income households with exposure to workplaces, careers, and opportunities to develop real-world work skills. The student cohorts visit the Bank to learn how to use economic principles to write and present a brief on a policy area of their choosing, discover a variety of Fed careers, and better envision the value of continuing their education. Pre- and post-program assessments indicated that participating students measurably increased their knowledge of central banking, monetary policy, and economics, as well as their

confidence in explaining economics to others and conducting credible research. The New York Fed HE3AT program will continue in 2024.

IN-PERSON AND COMMUNITY CONFERENCES ON EQUITABLE GROWTH AND COMMUNITY INVESTMENTS

We continued onsite community engagement efforts by hosting several in-person forums to highlight issues that affect low- and moderate-income communities. In these forums, local experts highlighted the latest analysis and strategies on a range of topics, including access to capital for small businesses, the importance of relationships following natural disasters and resiliency efforts, and increasing opportunities in communities because of broadband access and digital equity. Another event, “Investing in Workers: Challenges and Solutions for Wealth Building for Low- and Moderate-Income Workers,” was held in partnership with the Ford Foundation, a global foundation with a mission to reduce poverty. The event brought together banking and community development finance entities, community-based organizations, and those working toward equity to explore how companies are seeking to increase household wealth through investments in ownership and employee benefits and strategies for scaling innovative financing in communities.

Additionally, to better understand the connection between capital and communities across the Second District and the nation, the Bank hosted a number of forums, including: “Investing in Health: A New Tool to Improve Health Outcomes in Puerto Rico,” “Advancing Equitable Outcomes: A Roadmap for Investors,” “Private Capital Investment in Multifamily

Affordable Housing,” “Investing in Health and Well-Being: Reimagining Opportunity and Accountability,” and “Intermediating Impact: Financial Innovations That Are Creating Opportunity-Rich Neighborhoods.” Notably, the Bank hosted several forums in September 2023 and partnered with the Federal Reserve Banks of Boston and Philadelphia to facilitate a digital equity workshop for the combined districts, covering the states of the Northeast and Mid-Atlantic regions, Puerto Rico, and the U.S. Virgin Islands. This workshop aimed to assist members of state administering agencies in developing implementation strategies under the Digital Equity Act, providing participants with insights into research and data collection to assess state objectives.

Finally, our president and CEO, John Williams, engaged with community leaders throughout the district over the course of the year. He met with local stakeholders from Fairfield County, Connecticut, to learn about economic opportunity and population growth, housing supply and affordability challenges, and strategies for addressing labor challenges. He held subsequent in-person meetings with community and business leaders from the U.S. Virgin Islands.

RESEARCH: Diversity and Inclusion

WORKING TO DIVERSIFY THE RANKS OF ECONOMISTS

Our commitment to promoting diversity and inclusion in economics extends beyond our

institution to the broader economics profession. Toward those ends, we have implemented various initiatives in economic education, community outreach, workplace inclusiveness, recruitment, and career awareness.

PIPELINE DEVELOPMENT AND OUTREACH

- Collaborated with nonprofits, student-led organizations, and Historically Black Colleges and Universities (HBCUs) to engage students in economics.
- Encouraged participation in the High School Fed Challenge, provided free educational resources, and highlighted diverse role models through our Economist Spotlight series.

WEBINAR SERIES AND EDUCATION OUTREACH

- Conducted two webinar series targeting underrepresented college and high school students and educators to raise awareness about career opportunities in economics.

PARTNERSHIPS, COLLABORATIONS, AND MENTORSHIP

- Partnered with external organizations like the American Economic Association (AEA) to promote diversity in economics through programs and initiatives.
- Provided expertise and mentorship to programs aimed at promoting minorities in economics.

VISITING PROFESSOR PROGRAM, INCLUSIVE RESEARCH INITIATIVES, AND LEADERSHIP IN DIVERSITY

- Expanded our visiting professor program to include a more diverse set of scholars,

strengthening connections between researchers and academic economists.

- Actively participated in the Federal Reserve System Economic Inclusion Committee, working on initiatives to address race-related issues.
- Hosted a lunch and learn series fostering discussion on diversity, equity, and inclusion in economics, along with providing platforms for cooperation and allyship.
- Hosted scholars through CUNY's Hunter and African School program to expand representation in economics, with continued seminars on equitable growth.
- Successfully attracted female research analysts (RAs) and facilitated their transition to graduate programs in economics.
- Successfully hired a diverse group of new Ph.D. economists, including four women.

ADVANCING CAREERS AND SUPPORTING DIVERSITY

- Women represent 28 percent of our staff of full-time research economists, holding several leadership positions within our research division.
- We hosted fellows from the American Economic Association/National Science Foundation Summer Economics Fellowship program and female fellows in our summer Ph.D. internship program.

We recognize that continued improvement is essential to ensuring representation and long-term career trajectories for women and minority economists at the Bank and beyond.

PROCUREMENT: Business, Supplier, and Counterparty Diversity

The Bank's supplier diversity program continued to advance our commitment to promoting the inclusion of qualified minority- and women-owned business enterprises (M/WBEs) - including those owned by individuals with disabilities, veterans and service-disabled veterans, and members of the LGBTQ+ community - to achieve organizational goals. By leveraging an advocacy, outreach, and technical assistance framework, we collaborated with teams across the Bank and Federal Reserve System, advocacy organizations, and community stakeholders to strengthen diverse supplier engagement. Key accomplishments include scaling our technical initiatives, strengthening alliances, and a resulting increase in diverse supplier competitive bid awards, all while continuing to ensure that we select the most qualified vendors as business partners.

- **32%** of acquisitions, including master service agreements (MSAs), statements of work (SOWs), renewals, extensions, and those that were competitively bid via RFP, included diverse supplier participation.
- **47%** of acquisitions competitively bid via RFP included diverse supplier participation.
- **24%** of acquisitions, including MSAs, SOWs, renewals, extensions, and those that were competitively bid via RFP, were awarded to diverse suppliers.
- **29.4%** of total competitively bid acquisitions were awarded to diverse suppliers.
- In **75%** of instances where diverse suppliers participated in MSAs, SOWs, renewals,

extensions, and competitively bid acquisitions, they were awarded the business.

- In **62.5%** of instances where diverse suppliers participated in a competitive bid, they were awarded the business.
- **17.2%** of reportable spending was with diverse suppliers.

MINORITY BUSINESS ASSOCIATIONS AND PARTNERSHIPS

We strengthened relationships with eleven minority business associations, which remain essential to connecting with diverse suppliers by providing access to search databases, events, and sourcing list requests. Our affiliation with minority business associations has enabled us to stay current on industry standards and assess our supplier diversity program in comparison to other financial institutions. Partner organizations include:

- Disability:IN
- Financial Services Roundtable for Supplier Diversity (FSRSD)
- Long Island African American Chamber of Commerce (LIAACC)
- National Center for American Indian Enterprise Development (NCAIED)
- National LGBT Chamber of Commerce: New York (NGLCCNY)
- National Minority Supplier Development Council (NMSDC)
- National Hispanic Business Group (NHBG)
- National Veteran-Owned Business Association (NaVOBA)
- New York & New Jersey Minority Supplier Development Council (NYNJMSDC)
- United States Pan-Asian American Chamber of Commerce (USPAACC)

- Women’s Business Enterprise Council Metro New York (WBEC Metro NY)

Additionally, Bank representatives served on multiple committees, such as the Financial Services Roundtable for Supplier Diversity’s Benchmarking Committee and Benchmarking Survey Subcommittee and the Disability:IN Supplier Diversity Track Committee. In October, the Bank joined Disability:IN’s Procurement Council, a roundtable centered on inclusive procurement practices for disability-owned and service-disabled-owned business enterprises.

The Bank also participated in nineteen local, regional, and national events, including conferences, matchmaking sessions, and networking receptions hosted primarily by our minority business associations. These activities included partnering with the New York & New Jersey Minority Supplier Development Council to cohost a hybrid event focused on public sector contracting and offering the opportunity for diverse suppliers and local, state, and federal entities to convene in person for the first time in three years. The event successfully facilitated networking among attendees, while providing education about organizations’ procurement methods and best practices for vendors seeking to do business. Through these events and one-on-one meet and greets, the Bank had a total of 375 engagements with diverse suppliers throughout the year.

The successful delivery of the second cohort of our Supplier Diversity Mentoring Program established itself as an iterative and valuable strategy for external outreach and long-term technical assistance. We kicked off the cohort in May 2023, with the primary goal of providing small businesses and diverse suppliers with

tailored technical assistance and support as they pursue business goals. The Bank opened applications to businesses that are based in the Second District and affiliated with the eleven minority business associations we partner with as well as other community organizations we engage as a part of our community development efforts. This second cohort expanded the program, enrolling ten M/WBEs, including two based in Puerto Rico, compared to the four participants in the 2022 pilot cohort. The one-on-one mentorship from volunteers within the New York Fed was supplemented by networking opportunities and group workshops on relevant business topics. These workshops leveraged both the expertise of Bank staff and external partners, including other Federal Reserve Banks and the Board of Governors, local government, and a New York-based community development financial institution. At the conclusion of the six-month cohort in November 2023, all respondents took a closeout survey and reported that the program was beneficial to their business. Some respondents also indicated improved marketing strategies, increased access to capital opportunities, and improved responses to procurements as outcomes of their program experience.

Internally, the Bank continued recurring supplier diversity program check-ins with business groups to review group-specific metrics. Through these forums, we increased supplier diversity program visibility, maximized participation in technical assistance across business groups, and pinpointed potential budget-related impacts on specific spending. Within our Procurement Function, we implemented processes to improve diverse supplier inclusion. Since January 2023, research to identify qualified diverse suppliers must be conducted and formally documented

as part of each competitive acquisition process. In addition, we require subcontracting plans and reports from prime vendors for select construction and construction-related contracts.

The Systemwide Supplier Diversity Working Group, comprised of representatives from the National Procurement Office and other Federal Reserve Banks, functioned as a resource for data, insights, and tactics for improving the Bank's capacity to enhance our supplier diversity program. The Bank both benefited from and contributed to the System's efforts to drive a proactive and sustainable supplier diversity program by participating in various sub-working groups and communities of practice dedicated to improving data integrity and creating supplier development best practices.

Although the Bank advanced our supplier diversity program in 2023, challenges remain, particularly with respect to the limited availability of diverse suppliers in high-spend categories such as market data, software publishing, and services related to our Markets Group's ongoing transformation program. Moreover, changes in 2023 budget priorities that are expected to last through 2024 have reduced opportunities for vendors, including diverse suppliers in certain discretionary spending categories (e.g., catering and staff augmentation). In 2024, we are determined to further promote a culture of inclusion in our procurement practices.

COUNTERPARTY DIVERSITY

As the New York Fed's trading counterparties, primary dealers play an important role in the

implementation of U.S. monetary policy and the market for U.S. Treasury securities. Although there were no notable additions to the list of primary dealers in 2023, the Bank will continue to explore opportunities to diversify the set of firms it engages with to support the effective implementation of monetary policy.

In October, the Treasury Market Practices Group (TMPG) named its first female chair—Casey Spezzano from NatWest. Sponsored by the New York Fed, the TMPG is a group of market professionals committed to supporting the integrity and efficiency of the Treasury, agency debt, and agency mortgage-backed securities markets. The Foreign Exchange Committee (FXC), also sponsored by the New York Fed, remains one of the most diverse foreign exchange committees in the world with regard to representation of women, in terms of both official and ex officio membership. The FXC is a group of private-market participants engaged in foreign currency trading in the United States that provides guidance and leadership to the global foreign exchange market and actively partners with other local foreign exchange committees and industry associations worldwide.



OUR PATH FORWARD

KEY AREAS OF FOCUS FOR 2024:

PEOPLE

As we embark on the next stage of our People Strategy, we are excited to build upon the foundations laid over the past three years. Major initiatives include:

- **Leading with Impact:** Enhance leadership development programs, offerings, preparedness, and pipeline.
- **Culture of Inclusion:** Foster an inclusive culture by ensuring programs address the needs of a diverse employee population with a focus on prioritizing employee experience in both program design and delivery.
- **Careers with Purpose:** Establish clear career pathways to success that empower people to achieve their full potential at the Bank.

COMMUNITY

We continue to focus on the drivers of, or barriers to, economic mobility.

- **Outreach and Engagement:** Our longstanding community relationships have supported our outreach and engagement efforts to build and cultivate partnerships with the purpose of understanding economic conditions that impact the Second District. This has enabled us to deepen our reach on issues affecting low- and moderate-income communities.
- **Convening and Connecting:** The Bank continues to be a neutral and independent forum for thought leaders with diverse perspectives to share insights and discuss innovative policy proposals.
- **Inclusive Capital:** Looking forward, we will continue to foster collaborative community and financial innovations that can deploy resources to neighborhoods experiencing overlapping challenges.

By strengthening existing relationships and engaging new partners across communities, we strive to provide unique analysis and foster thoughtful dialogue in service of making the U.S. economy stronger and the financial system more stable for all segments of society.

RESEARCH

We remain committed to educating the public about economic inequalities through blog posts, research papers, and metrics such as our Equitable Growth Indicators. Additionally, we are dedicated to diversifying our staff and the economics profession through outreach, opportunities, and support initiatives.

PROCUREMENT

Our 2024 supplier diversity strategy is part of a multi-year plan to boost the inclusion of diverse suppliers and small businesses in the Bank's procurement process while supporting our community's entrepreneurship ecosystem. The plan includes increased outreach and collaboration with minority business and community organizations to connect with diverse suppliers and small businesses; data enhancements and technologies, including integrating supplier diversity into procurement tools and processes; expanded technical assistance through another six-month cohort of the Supplier Diversity Mentoring Program, with an enhanced curriculum; and an emphasis on systemwide collaboration—including exploring regional partnerships in 2024.

CLOSING REMARKS FROM THE DIRECTOR OF THE OFFICE OF MINORITY AND WOMEN INCLUSION



Dear Members of Congress,

Each year, submitting our OMWI report is a moment of pride, as I am truly honored to be part of the New York Fed—and to help advance its mission to make the U.S. economy stronger and the financial system more stable for all segments of society.

Our report reflects the collaborative work of colleagues from across the Bank, whose unique contributions and broad range of perspectives enable us to generate new ideas and more effective solutions. It is through this inclusive approach that we can better deliver on our mission.

Inclusion is a shared value that resonates for all. It is about everyone experiencing a sense of belonging, value, and respect.

Leading inclusively is embedded throughout our Bank's Touchstone Behaviors, a set of expectations to which we hold one another accountable in performing the work of the Bank. No matter our role, function, or location, we are all responsible for creating a culture of inclusion at our Bank and across our district.

Very truly yours,

Theresa Torres (She/Her/Hers)

APPENDIX A:

Federal Reserve Bank of New York Workforce Information Report

as of December 31, 2023

Job Categories	Hispanic or Latino		Non-Hispanic or Latino												Overall Total
	Male	Female	Male						Female						
			White	Black or African American	Native Hawaiian or Other	Asian	American Indian or Alaska Native	Two or more races	White	Black or African American	Native Hawaiian or Other	Asian	American Indian or Alaska Native	Two or more races	
Executive or Senior Level Officials and Managers	1	0	4	1	0	0	0	0	5	0	0	1	0	0	12
First or Mid-Level Officials and Managers	31	25	217	28	0	44	2	4	124	44	0	46	0	2	567
Professionals	119	102	570	105	2	324	0	23	418	144	1	284	0	16	2,108
Administrative Support Workers	1	14	6	9	0	5	0	0	21	34	0	8	0	0	98
Craft Workers	9	0	30	3	0	1	0	0	0	0	0	0	0	0	43
Operatives	11	11	5	8	0	17	0	0	0	9	0	8	0	0	69
Service Workers	15	2	29	8	0	1	0	0	3	4	0	2	0	0	64
Total	187	154	861	162	2	392	2	27	571	235	1	349	0	18	2,961

APPENDIX B:

Federal Reserve Bank of New York OMWI Standard Metrics Report

as of December 31, 2023

Workforce Diversity

Category	Description	2019	2020	2021	2022	2023	
Workforce Diversity	Senior Executives	Total #	55	56	66	63	59
		% Minorities	16%	18%	18%	19%	19%
		% Women	42%	36%	41%	44%	44%
	Mid-Level Managers	Total #	728	720	694	512	520
		% Minorities	32%	33%	34%	42%	42%
		% Women	44%	40%	42%	42%	43%
	Professionals	Total #	1,897	1,889	1,796	2,077	2,108
		% Minorities	53%	53%	54%	52%	53%
		% Women	46%	42%	47%	46%	46%
	External Hires	Total #	275	229	207	366	246
		% Minorities	50%	48%	57%	58%	55%
		% Women	41%	41%	49%	41%	42%
	Interns	Total #	71	77	63	61	84
		% Minorities	58%	57%	73%	56%	61%
		% Women	37%	44%	60%	52%	52%
Overall Bank Turnover Rate	%	8.4%	8.5%	11.3%	12.2%	8.0%	

**APPENDIX B (Cont'd):
Supplier Diversity**

Category	Description		2019	2020	2021	2022	2023
Supplier Diversity	Total Reportable Spend	\$ (millions)	\$190.3	\$191.4	\$194.8	\$232.9	\$237.8
	Total Diverse Spend ¹	\$ (millions)	\$43.3	\$36.5	\$35.5	\$44.7	\$40.9
		%	22.7%	19.1%	18.2%	19.2%	17.2%
	Minority-owned ²	\$ (millions)	\$41.1	\$34.5	\$34.2	\$42.7	\$37.9
		%	21.6%	18.0%	17.6%	18.3%	15.9%
	Minority-owned (men)	\$ (millions)	\$13.6	\$9.9	\$10.4	\$14.9	\$12.5
		%	7.1%	5.2%	5.3%	6.4%	5.2%
	Minority-owned (women)	\$ (millions)	\$27.6	\$24.6	\$23.8	\$27.9	\$25.4
		%	14.5%	12.8%	12.2%	12.0%	10.7%
	Women-owned ²	\$ (millions)	\$29.6	\$26.6	\$25.2	\$29.8	\$28.4
		%	15.6%	13.9%	12.9%	12.8%	11.9%
	Women-owned (non-minority)	\$ (millions)	\$2.1	\$2.0	\$1.4	\$2.0	\$3.0
		%	1.1%	1.1%	0.7%	0.8%	1.3%
	Women-owned (minority)	\$ (millions)	\$27.6	\$24.6	\$23.8	\$27.9	\$25.4
%		14.5%	12.8%	12.2%	12.0%	10.7%	

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

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

Financial Literacy

Financial Literacy ³ Programs:	Number of OMWI students reached in-person and online ⁴	Number of OMWI educators reached in-person and online ⁵	Number of OMWI students reached through educators ⁶
<ul style="list-style-type: none"> • Teacher-centric • Student-centric • Hybrid 	2,190	83	6,225

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

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

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

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

APPENDIX C:

Federal Reserve Bank of New York Board of Directors, Demographics

as of January 1, 2024

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
Class C																	
Total	3	2	1	1	0	0	0	0	0	1	1	0	0	0	0	0	0
Percent	100%	67%	33%	33%	0%	0%	0%	0%	0%	33%	33%	0%	0%	0%	0%	0%	0%
Class B																	
Total	3	2	1	0	0	1	1	0	0	1	0	0	0	0	0	0	0
Percent	100%	67%	33%	0%	0%	33%	33%	0%	0%	33%	0%	0%	0%	0%	0%	0%	0%
Class A																	
Total	3	3	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0
Percent	100%	100%	0%	0%	0%	33%	0%	33%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Total, all directors																	
Total	9	7	2	1	0	2	1	1	0	2	1	0	0	0	0	0	0
Percent	100%	78%	22%	11%	0%	22%	11%	11%	0%	22%	11%	0%	0%	0%	0%	0%	0%

Note: Reserve Bank directors are elected or appointed to three-year terms (see <https://www.federalreserve.gov/aboutthefed/directors/about.htm> for more information), which begin on January 1 of each year. So directors whose terms began January 1, 2024, were appointed or elected in 2023.